

**6. RELATED PARTY TRANSACTIONS / CONFLICT OF INTEREST****6.1 Related-Party Transactions****6.1.1 Promotion of Assets**

Save as disclosed below, none of the Directors or substantial shareholders and/or key management of UDS and its subsidiary companies, and persons connected to them has any interest, direct or indirect, in the promotion of or in any assets which have been acquired or proposed to be acquired or assets disposed or proposed to be disposed of by or leased or proposed to be leased to the Company and its subsidiary companies within the two (2) years immediately preceding the date of this Prospectus.

(a) The UDT Acquisition and the SWS Acquisition as disclosed in Section 4.3 of this Prospectus.

The Directors or substantial shareholders of UDS deemed materially interested in the aforesaid transactions are as follows:-

Nature of Interest	Person Interested	Nature of Relationship
UDT Acquisition	Koh Low @ Koh Kim Toon	(i) Director of UDI, UDP, UDW, EGT and DA (ii) Director and substantial shareholder of UDT
	Dato' Tan King Tai @ Tan Khoon Hai	Director and shareholder of UDT
	Ng Sey Wee @ Ang Seh Wee	(i) Director of UDI, UDP, UDW, EGT and DA (ii) Director and substantial shareholder of UDT
	Koh Chon Chai	Director of UDP, UDW and EGT
	Kenanga Arif Sdn Bhd	Substantial shareholder of UDT
SWS Acquisition	Neo Chee Kiat	(i) Director and substantial shareholder of SWS (ii) Director of ORI and SI
	Neo Tiam Hock	(i) Director and substantial shareholder of SWS (ii) Director of ORI and SI
	Dato' Tan King Tai @ Tan Khoon Hai	Director and shareholder of SWS
	Impresif Irama Sdn Bhd	Substantial shareholder of SWS

**6.1.2 Material Interest in Contracts or Arrangements**

None of the Directors and/or the substantial shareholders and/or key management of UDS and its subsidiary companies, and persons connected to them has any material interest, directly and/or indirectly, in any contract or arrangement which is significant in relation to the business of the Group and/or subsisting at the date of this Prospectus.

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**6. RELATED PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)****6.1.3 Other Related Party Transactions**

Save as disclosed below, there are no other related party transactions between the UDS Group and the Directors, substantial shareholders and/or persons connected to them:-

- (a) Neo Tiam Hock owned a sole proprietorship, Kim Seng, which deals with furniture retailing, dealers of furniture raw material, packing material accessories and parts. Kim Seng purchases sofa sets from the UDS Group and also sells some of the raw materials/ office equipment to the UDS Group. For the financial year ended 31 August 2003, the total purchases of Kim Seng from the UDS Group amounted to approximately RM72,000 and the total sales from Kim Seng to the UDS Group amounted to approximately RM72,000.

Neo Tiam Hock resigned as partner of Kim Seng on 30 October 2003 and disposed of all his interests in Kim Seng on the same day.

- (b) Neo Chee Kiat owned a private limited company, S-Classic Spray Sdn Bhd ("S-Classic"), which deals with painting , spraying, coating, varnishing and trading of all kinds of chemicals, paints and lacquers. S-Classic provides the spraying service to the upholstered furniture division of the UDS Group. For the financial year ended 31 August 2003, the transactions amounted to approximately RM209,000.

Neo Chee Kiat resigned as Director of S-Classic on 30 April 2003 and disposed of all his shares in S-Classic on the same day.

- (c) Ng Sey Wee @ Ang Seh Wee's son i.e. Ng Chong Lock owns a furniture manufacturing sole proprietorship, Perabot Chip Hong. The sole proprietorship purchases laminated board and hardware from the UDS Group. For the financial year ended 31 August 2003, the transactions amounted to approximately RM291,000.

- (d) A residential building located at 33, Jalan Dedap 19, Taman Johor Jaya 81100 Johor was rented to UDT by Koh Low @ Koh Kim Toon as company staff hostel. For the financial year ended 31 August 2003, the rental paid amounted to approximately RM14,000.

- (e) Advances were given to UDT by Ng Sey Wee @ Ang Seh Wee. For the financial year ended 31 August 2003, the interest paid on the advances amounted to approximately RM3,000.

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**6. RELATED PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)**

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**6.2 Interest in Similar Business**

Save as disclosed in Section 6.1.3 (c), none of the Directors and/or substantial shareholders and/or key management of the Company and its subsidiary companies, and persons connected to them has any interest, direct or indirect, in any business carrying on a similar trade as the Company and its subsidiary companies.

**6.3 Declaration by the Advisers**

MIMB hereby confirms that there are no existing or potential conflicts of interest in its capacity as the Adviser in relation to the Public Issue. MIMB is also acting as the Managing Underwriter and Placement Agent in relation to the Public Issue.

Messrs Ti-Hazalan & Co has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the Solicitors to the UDS Group in relation to the Public Issue.

Messrs John Lim & Associates has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the Auditors and Reporting Accountants respectively in relation to the Public Issue.

Colliers, Jordan Lee & Jaafar (M'cca) Sdn Bhd has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the Valuers in relation to the Public Issue.

Infocredit D&B has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the Independent Market Consultant in relation to the Public Issue.

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## 7.0 OTHER INFORMATION ON THE UDS GROUP

### 7.1 Approvals and Conditions

The Public Issue was approved by the FIC on 28 April 2003, MITI on 23 July 2003, 2 October 2003 and 19 January 2004 and the SC on 30 September 2003, 8 January 2004 and 13 February 2004 respectively.

The conditions imposed by the relevant authorities and the status of compliance are set out below:-

Authority/ Date of Approval	Conditions Imposed	Status of Compliance
FIC/ 28.04.03	(i) To have at least 30% Bumiputera equity at the point of listing.  (ii) To inform the FIC upon completion of the implementation of the Proposed Public Listing.	To be complied.  To be complied.
MITI/ 23.07.03	(i) Allocation of 4,866,407 (1,600,000 + 3,266,407) ordinary shares of RM1.00 each to be determined by MITI under special shares whereby the allocation will be determined later after the SC's approval on the proposed listing has been obtained.  (ii) To obtain the approval from FIC.  (iii) To obtain the approval from SC.	Not applicable. Refer to the conditions imposed by the MITI vide its letter dated 2 October 2003.  Complied. FIC approval was obtained on 28 April 2003.  Complied. SC approval was obtained on 30 September 2003.
MITI/ 2.10.03	(i) not more than 30.0% of the total recognised Bumiputera shareholding is allowed to be sold within a period of three (3) months after UDS has been listed with the remaining 70.0% of the total recognised Bumiputera shareholding to be sold in stages subject to the prior approval being obtained from the MITI.  (ii) The allocation of 1,600,000 ordinary shares of RM1.00 each to Bumiputera investors is subject to the MITI's approval after the SC's approval has been obtained.	Noted.  Refer to letter from MITI dated 19 January 2004 for the increased in number of shares allocated to the Bumiputera investors as a result of the Share Split.
MITI/ 19.01.04	(i) MITI has approved the allocation of 1,600,000 ordinary shares of RM0.50 each to Lembaga Tabung Angkatan Tentera and 1,600,000 ordinary shares of RM0.50 each to Koperasi Polis DiRaja (M) Berhad.	Complied.

## 7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)

Authority/ Date of Approval	Conditions Imposed	Status of Compliance
SC/ 30.09.03	<p>(i) In relation to the proposed public issue, UDS must ensure that at least 3,000,000 new ordinary shares of RM1.00 each in UDS are allocated to the investing public under the balloting process ("balloting")</p> <p>(ii) Moratorium on disposal shall be imposed on the 18,000,000 ordinary shares of RM1.00 each of UDS representing 45% of the enlarged issued and paid-up share capital of UDS, which are held by the substantial shareholders of UDS, as set out in paragraph 6.24 of the SC Guidelines. In relation to this, they are not allowed to sell, transfer or assign the rights attached to their shares within one (1) year from the date of admission of UDS on the MSEB.</p> <p>(iii) UDS is required to comply with the following conditions in relation to trade debtors:-</p> <p>(a) make full provision for all trade debtors which are problematic/have disputes on amount involved, against which legal actions have been initiated/taken or which have exceeded the period of six (6) months. The Directors of UDS is required to submit a written confirmation to the SC stating that this condition has been complied with prior to the issuance of the listing prospectus of UDS; and</p> <p>(b) submit a written confirmation by the Directors of UDS to the SC stating that the trade debtors which have exceeded the credit period are recoverable or that full provision has been made in the financial statements and the financial forecast/projection</p> <p>(iv) The UDS Group is required to formulate and implement a management succession plan and the said plan is required to be finalised before the issuance of the prospectus</p>	<p>To be complied.</p> <p>Complied. The SC had on 8 January 2004 approved sub-division of each of the UDS ordinary shares of RM1.00 each to RM0.50 each and therefore moratorium is imposed on 36,000,000 ordinary shares of RM0.50 each, representing 45% of the enlarged issued and paid-up share capital of UDS. Please refer to Section 7.2 of this Prospectus for further details.</p> <p>Complied. The Directors of UDS furnished the said confirmation to the SC on 16 December 2003.</p> <p>Complied. The Directors of UDS furnished the said confirmation to the SC on 16 December 2003.</p> <p>Complied. Refer to Section 5.15 of this Prospectus.</p>

## 7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)

Authority/ Date of Approval	Conditions Imposed	Status of Compliance									
	<p>(v) UDS is required to make full disclosure in the prospectus in relation to the following items:</p> <p>(a) Risk management plan and practice to mitigate the main risks associated with the operations of the UDS Group's business, including risks relating to fire, power crisis and other emergency risks and risks relating to the supply of raw materials and foreign exchange, which could disrupt the operations of the UDS Group; and</p> <p>(b) Details on the management succession plan of the UDS Group as per paragraph 4(iv) above</p> <p>(vi) In relation to the properties of SWS and its subsidiary companies [as stated in the Attachment to the SC's approval letter dated 30 September 2003], UDS is required to submit a written undertaking to the SC stating that SWS will endeavour to obtain/implement the following:-</p>	<p>Complied. Refer to Section 3.0 of this Prospectus.</p> <p>Complied. Refer to Section 5.15 of this Prospectus.</p>									
	<table border="1"> <thead> <tr> <th>Particulars of Property</th> <th>Registered owner/ Beneficial owner</th> <th>Condition to be complied with</th> </tr> </thead> <tbody> <tr> <td>Lot 3832, Mukim of Parit Bakar, District of Muar, Johor</td> <td>Neo Tiam Hock/SWS</td> <td>To obtain approval for the buildings which have not been approved by the local authorities, within one (1) year from the date of SC's approval letter.</td> </tr> <tr> <td>PTD 4085 Mukim of Seri Menanti, District of Muar, Johor</td> <td>Starlight Industry Sdn Bhd (wholly owned subsidiary company of SWS)</td> <td>To obtain approval for the loft floor in the factory building, used as showroom, sewing and store area, which has not been approved by relevant authorities, within one (1) year from the date of SC's approval letter.</td> </tr> </tbody> </table>	Particulars of Property	Registered owner/ Beneficial owner	Condition to be complied with	Lot 3832, Mukim of Parit Bakar, District of Muar, Johor	Neo Tiam Hock/SWS	To obtain approval for the buildings which have not been approved by the local authorities, within one (1) year from the date of SC's approval letter.	PTD 4085 Mukim of Seri Menanti, District of Muar, Johor	Starlight Industry Sdn Bhd (wholly owned subsidiary company of SWS)	To obtain approval for the loft floor in the factory building, used as showroom, sewing and store area, which has not been approved by relevant authorities, within one (1) year from the date of SC's approval letter.	<p>The property has been disposed of on 27 August 2003.</p> <p>SWS had on 24 September 2003 submitted an undertaking letter to the SC to relocate the showroom, sewing and store areas at the loft floor in the existing factory building to the new factory building ("relocation") and thereafter demolish the said loft floor.</p> <p>The relocation is expected to be completed after the construction of the showroom is completed and the approvals from the relevant authorities are obtained. Thereafter, the loft floor will be demolished.</p> <p>As at 6 February 2004 (being the latest practicable date prior to this printing of this Prospectus), the construction of the showroom and the approvals from the relevant authorities are still pending.</p>
Particulars of Property	Registered owner/ Beneficial owner	Condition to be complied with									
Lot 3832, Mukim of Parit Bakar, District of Muar, Johor	Neo Tiam Hock/SWS	To obtain approval for the buildings which have not been approved by the local authorities, within one (1) year from the date of SC's approval letter.									
PTD 4085 Mukim of Seri Menanti, District of Muar, Johor	Starlight Industry Sdn Bhd (wholly owned subsidiary company of SWS)	To obtain approval for the loft floor in the factory building, used as showroom, sewing and store area, which has not been approved by relevant authorities, within one (1) year from the date of SC's approval letter.									

## 7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)

Authority/ Date of Approval	Conditions Imposed	Status of Compliance
	<p>PTD 4084, Mukim of Seri Menanti, District of Muar, Johor</p> <p>Hung Hing Plantation Sdn Bhd (HHP)/ Oriena Industry Sdn Bhd (ORI, a wholly owned subsidiary company of SWS)</p> <p>To complete the transfer and the registration in the ownership documents under ORI within six (6) months from the date of SC's approval letter.</p> <p>UDS is required to update SC on a monthly basis from the date of the SC's approval letter, on the status of the said application/transfer of properties</p> <p>(vii) UDS should ensure that any future related-party transactions must be transacted on a fair basis and based on terms which are not unfavourable to the companies in the UDS Group</p> <p>(viii) Dato' Tan King Tai @ Tan Khoon Hai ("Dato' Tan") who will be appointed as Executive Director of UDS and who currently holds the position of Executive Director in Pensonic Holdings Berhad (a listed company on the MSEL) ("Pensonic") is only allowed to hold the position of Executive Director in one listed company;</p> <p>(ix) In relation to the involvement of Neo Tiam Hock in Kim Seng (a sole proprietorship involved in the sale of furniture), Neo Tiam Hock is required to dispose of his shareholdings/involvement in Kim Seng before the UDS Group is listed on the MSEL; and</p> <p>(x) UDS is required to fully comply with the other requirements pertaining to the company's listing as set out in the SC Guidelines.</p>	<p>Complied. The transfer was completed on 31 October 2003.</p> <p>Complied for the month of October, November and December 2003 and January 2004 and to be further complied.</p> <p>To be complied.</p> <p>SC has revised this condition via its letter dated 8 January 2004.</p> <p>Complied. Neo Tiam Hock had on 30 October 2003 resigned as partner of Kim Seng and disposed of all his interests in Kim Seng.</p> <p>To be complied.</p>
08.01.04	<p>(i) In connection with the appeal on the condition imposed on Dato' Tan's position as an Executive Director of UDS, in view of his contribution to the proposed public listing of UDS, Dato' Tan is required to give full concentration in the UDS Group and to be a full time Executive Director of UDS for a period of at least two (2) years. Dato' Tan is not allowed to hold the position of an Executive Director in any other entity for the said period, except for his private limited companies, amongst others, Tan Commercial Management Services Sdn Bhd.</p>	<p>MIMB had on behalf of Dato' Tan submitted letters dated 5 February 2004 and 6 February 2004 to the SC seeking approval for Dato' Tan to comply with this condition at a later date, i.e. from 30 September 2004 onwards ("Extension"). The SC has approved the said Extension via its letter dated 13 February 2004.</p>
13.02.04	<p>(i) Dato' Tan has to resign from his current position in Pensonic within 2 weeks from the issuance of the audited financial statements of Pensonic for the financial year ending 31 May 2004 or by 30 September 2004, whichever is earlier. The two years' period for Dato' Tan to concentrate in the UDS Group as a full time Executive Director will commence from the date of his resignation in Pensonic.</p>	<p>To be complied.</p>

**7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)**

In addition to the aforesaid approval terms and conditions imposed by the SC, the SC had vide its letter dated 8 January 2004 approved the Company's proposal to change the par value of the ordinary shares of RM1.00 each in UDS to RM0.50 each, by way of sub-division of each of its ordinary shares of RM1.00 each into two (2) ordinary shares of RM0.50 each.

**7.2 Moratorium on Disposal of Shares**

In approving the listing of UDS on the Second Board of the MSEB, the SC via its letter dated 30 September 2003, has imposed a moratorium on the disposal of shares on the following promoters/shareholders of UDS:-

Promoters/Shareholders	Shareholding ← After the Public Issue →		No. of UDS Shares under ← Moratorium →	
	No of Shares	%	No of Shares	%
Koh Low @ Koh Kim Toon	17,056,508 #	21.32	14,598,000	18.25
Ng Ah Leet @ Ah Heet	3,114,894	3.89	2,676,000	3.34
Ng Sey Wee @ Ang Seh Wee	2,566,340 #	3.21	2,152,000	2.69
Pi Siu Chan @ Pee Koon Fooi	2,045,228	2.56	1,756,000	2.20
Tsai Ming Fang	1,670,938	2.09	1,436,000	1.79
Tan Ah Ba @ Tan Choon Heng	1,112,844	1.39	956,000	1.20
Koh Chon Chai	1,096,048 #	1.37	890,000	1.11
Koh Choon Seng	1,023,282	1.28	878,000	1.10
Koh Soo @ Koh Kim Chiu	1,023,282	1.28	878,000	1.10
Koo Kek	802,050	1.00	690,000	0.86
Koh Ah Kee	696,112	0.87	598,000	0.75
Koh Ken	696,112	0.87	598,000	0.75
Tee Chap	695,110	0.87	598,000	0.75
Neo Tiam Hock	4,024,598 #	5.03	3,406,000	4.26
Neo Chee Kiat	2,325,474 #	2.91	1,946,000	2.43
Neo Chee How	1,132,770	1.43	972,000	1.21
Neo Chee Hsian	1,132,770	1.42	972,000	1.21
	42,214,360	52.79	36,000,000	45.00

Note:-

# Inclusive of their respective entitlements of 60,000 shares each pursuant to the allocation of shares to eligible Directors and employees of the UDS Group and assuming they subscribe in full for their allocations.

Under the terms of the moratorium, the shareholders of UDS will not be allowed to sell, transfer or assign their respective shareholdings in UDS amounting to a total of 36,000,000 shares, representing 45.00% of the enlarged issued and paid-up share capital of UDS, within one (1) year from the date of admission of UDS to the Official List of the Second Board of the MSEB. Thereafter, these promoters/substantial shareholders are not subjected to any moratorium requirement.

The restriction, which is fully acknowledged by the aforesaid shareholders is specifically endorsed on the notices of allotment representing the respective shareholdings of the shareholders which are under moratorium as follows:-

*"The shares comprised herein are not capable of being sold, transferred or assigned for a period as determined by the Securities Commission ("Moratorium Period"). The shares comprised herein will not constitute good delivery pursuant to the Rules of the Exchange during the Moratorium Period. No share certificate or certificates will be issued to replace this certificate during the Moratorium Period unless the same shall be endorsed with this restriction".*

By their letters dated 30 January 2004, all the abovementioned shareholders have given their undertakings to the SC to comply with the abovementioned moratorium.



**7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)****7.3 Summary of Landed Properties**

As at 31 August 2003, details of the landed properties of the UDS Group are as follows:-

Registered Owner / Location	Description/ Existing Use/ Restriction of Interest (if any)	Land/ Built-up Area	Approximate Age of Building (year)	Tenure/ Encumbrances (if any)	Date of Certificate of Fitness	Audited Net Book Value ("NBV")@ 31.08.2003 (RM'000)	(B) Market Value (RM'000)	(B) & (A) Revaluation Surplus (Deficit) Based on NBV @ 31.08.2003 (RM'000)	Date of Valuation
<b>Freehold Land and Buildings</b>									
<b>UDT</b> 28, Jalan Nilam 1/3, Subang Hi-Tech Industrial Park, 40000 Shah Alam (P.T.14874 H.S. (M) 7979 and P.T. 14875 H.S. (M) 7980, Mukim of Damansara, District of Petaling), Selangor	1 1/2 storey shophouse/ rented/ None	372 sq.m./ 487.74 sq.m.	8	Freehold/ Charged to Malayan Banking Berhad	14.10.1995	833	Not Applicable ("N/A")	N/A	N/A
18, Jalan Seroja 39, Taman Johor Jaya 81100 (P1D 64004 H.S. (D) 101470, Mukim of Plentong), District of Johor Bahru, Johor	Double storey terrace workshop UDT If the land is transferred to a Bumiputra, it cannot be sold, transferred or charged to a non-Bumiputra later without prior approval from the relevant authorities.	990.90 sq.m./ 309.19 sq.m.	10	Freehold/ Charged to Malayan Banking Berhad	04.10.1992	1,339	N/A	N/A	N/A
<b>SWS</b> Nos. 48-10 and 48-11, (Lot PTD Nos 7722 & 7723, H.S.(M) 3867 & 3868), Jalan Khalidi, Mukim of Bandar, District of Muar, Johor	2 units of double storey semi-detached houses/ Residential uses/ None	744.07 sq.m./ 450.78 sq.m.	2	Freehold/ Charged to Bumiputera-Commerce Bank Berhad	31.12.2002	704	740	36	8.01.2003
No. 116 Lorong Hang Jebat, Melaka (Lot No. 28 Grant No. 5007, Kawasan Bandar XIV, Melaka Tengah)	2 1/2 storey shophouse/vacant/ None	237.55 sq.m/ 657.28 sq.m	20	Freehold/ None	N/A	375	N/A	N/A	N/A
<b>SI</b> No. 10, (PTD No. 4085 H.S. (D) 22978), Kawasan Perindustrian Parit Jambul, Parit Jawa, Mukim of Sri Menanti, District of Muar, 84150 Johor	Industrial land/ SWS - sofas manufacturing factory/ The land cannot be transferred unless the factory building has been constructed as according to the plan as approved by the relevant authorities.	16,839.80 sq.m/ 5,053.92 sq.m	2	Charged to OCB Bank (Malaysia) Berhad	17.01.2002	3,758	4,095	337	8.01.2003
<b>Sub-total</b>						<b>7,009</b>			

## 7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)

Registered Owner / Location	Description/ Existing Use/ Restriction of Interest (if any)	Land/ Built-up Area	Approximate Age of Building (year)	Tenure/ Encumbrances (if any)	Date of Certificate of Fitness	Audited Net Book Value ("NBV") @ 31.08.2003 (RM'000)	(B) Market Value (RM'000)	(B) & (A) Revaluation Surplus (Deficit) Based on NBV @ 31.08.2003 (RM'000)	Date of Valuation
<b>SI</b>	Extension - new factory building/ None	6,878.55 sq. m	< 1	Freehold/ None	N/A	2,222	N/A	N/A	N/A
<b>Freehold Land</b> <b>UDJ</b> Lot 4304 GM 1291, Mukim of Pt Bakar District of Muar, Johor (located along the 3rd milestone of Jalan Temenggong Ahmad, the interior trunk road linking Muar to Parit Jawa and Batu Pahat)	Agriculture land/ Vacant (Investment property)/ None	0.2479 ha. (0.61 acres)	N/A	Freehold/ None	N/A	411	N/A	N/A	N/A
Lot 149 (CT 16396), Lot 151 (CT 16398) and Lot 152 (CT 16399), Mukim of Parit Jawa District of Muar, Johor * (located about 2.3 kilometres off the northern side of the Muar/Bukit Bakri-Yong Peng main road, at about 9 kilometres east of Pekan Bukit Bakri and approximately 20 kilometres south-east of Muar town centre)	Agriculture land/ Vacant/ None	11,314 ha. (27.96 acres)	N/A	Freehold/ Charged to Alliance Bank Malaysia Berhad	N/A	1,697	N/A	N/A	N/A
<b>SWS</b> Lot No. 1420 GM 848, Mukim of Sungai Raya, District of Muar, Johor (located along the north-western side of Jalan Raja, Bukit Pasir, Muar, Johor)	Agriculture land/ Homestead use / None	0.5741 ha (1.42 acres)/ 205.14 sq.m	N/A	Freehold/ Charged to Hong Leong Bank Berhad	N/A	300	320	20	8.01.2003
<b>ORI</b> Lot PTD 4084 H.S.(D) 22977, Kawasan Perindustrian Parit Jamil Phase I (1), Parit Jawa, Mukim of Sri Menanti, District of Muar, Johor * (located in Phase II (2) of the Kawasan Perindustrian Parit Jamil, Muar, Johor)	Industrial land/ Vacant/ The land cannot be transferred unless the factory building has been constructed as according to the plan as approved by the relevant authorities.	1.6840 ha (4.1612 acres)	N/A	Freehold/ None	N/A	1,359 (I)	1,360	1	8.01.2003
<b>Sub-total</b>						<b>5,989</b>			

## 7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)

Registered Owner / Location	Description/ Existing Use/ Restriction of Interest (if any)	Land/ Built-up Area	Approximate Age of Building (year)	Tenure/ Encumbrances (if any)	Date of Certificate of Fitness	Audited Net Book Value ("NBV") @ 31.08.2003 (RM'000)	(B) Market Value (RM'000)	(B) & (A) Revaluation Surplus (Deficit) Based on NBV @ 31.08.2003 (RM'000)	Date of Valuation
<b>DA</b> Lot 878 CT 1896, Mukim of Tebrau, District of Johor Bahru, Johor * (located in the town of Tampoi, 20 km away from Johor Bahru city)	Industrial land/ Vacant/ None	0.8736 ha (2.1587 acres)	N/A	Freehold/ Charged to OCBC Bank (Malaysia) Berhad	N/A	2,080	N/A	N/A	N/A
<b>UDI</b> Lot 1789 GM 1142, Mukim of Sungai Raya District of Muar, Johor (located with common frontage onto the south side of the metalled single carriageway of Jalan Kampong Raja, about 4 kilometres northwest of the smallish local centre of Bukit Pasir town, and at a point 450 metres east of the well-developed yet established Bukit Pasir Industrial Estate)	Industrial land/ Vacant/ None	1.94 ha (4.7938 acres)	N/A	Freehold/ Charged to Malaysian Banking Berhad	N/A	1,580	N/A	N/A	N/A
Lot 1794 GM 348, Mukim of Sungai Raya District of Muar, Johor (located with common frontage onto the south side of the metalled single carriageway of Jalan Kampong Raja, about 4 kilometres northwest of the smallish local centre of Bukit Pasir town, and at a point 450 metres east of the well-developed yet established Bukit Pasir Industrial Estate)	Industrial land/ Vacant/ None	1.0117 ha (2.5000 acres)	N/A	Freehold/ Charged to Malaysian Banking Berhad	N/A	527	N/A	N/A	N/A
Lot 2312 GM 1935, Mukim of Sungai Raya District of Muar, Johor (located with common frontage onto the south side of the metalled single carriageway of Jalan Kampong Raja, about 4 kilometres northwest of the smallish local centre of Bukit Pasir town, and at a point 450 metres east of the well-developed yet established Bukit Pasir Industrial Estate)	Industrial land/ Vacant/ None	1.4164 ha (3.5000 acres)	N/A	Freehold/ Charged to Malaysian Banking Berhad	N/A	1,053	N/A	N/A	N/A
<b>Sub-total</b>						<b>5,240</b>			

## 7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)

Registered Owner / Location	Description/ Existing Use/ Restriction of Interest (if any)	Land/ Built-up Area	Approximate Age of Building (year)	Tenure/ Encumbrances (if any)	Date of Certificate of Fitness	Audited Net Book Value ("NBV") @ 31.08.2003 (RM'000)	(B) Market Value (RM'000)	(B) & (A) Revaluation Surplus (Deficit) Based on NBV @ 31.08.2003 (RM'000)	Date of Valuation
<b>Leasehold Land and Buildings</b> UDI (the land is registered in the name of UDT) (ii) PID 6001, Batu 8, Jalan Perindustrian 5, Kawasan Bukit Bakri, Muar (Lot 8791 PN 9614 (formerly known as Lot No. 8791 H.S. (D) 21087), Mukim of Jalan Bakri, District of Muar), Johor	Leasehold land/ Office, store and factory/ The land cannot be sold, transferred or charged without prior approval from relevant authorities.	10,056 sq. m/ 4,389.58 sq. m.	7	Leasehold 99 years (expiring on 29.12.2094)/ Charged to OCBC Bank (Malaysia) Berhad	16.11.1998	3,160	N/A	N/A	N/A
<b>UDP</b> Lot 171, Jalan Tiga, Kompleks Perabot Olak Lempit, 42700 Banting, Selangor Lot PID 4081 H.S.(M) 5751, Mukim of 'Ijung Dua Belas, Olak Lempik, District of Kuala Langat, Selangor	Leasehold land/ Office, store ad factory/ The land cannot be sold, transferred or charged without prior approval from relevant authorities.	4,047 sq. m/	5	Leasehold (expiring on 26.09.2087/ Charged to Public Bank Berhad	07.01.1999	1,406	N/A	N/A	N/A
<b>UDW</b> (the land is registered in the name of UDT) Lot 8784, Batu 8, Jalan Perindustrian 5, Kawasan Perindustrian Bukit Bakri, Muar (Lot 8784 PN9607 (formerly known as PID 5994 H.S. (D) 21080), Mukim of Jalan Bakri, District of Muar), Johor	Leasehold land/ Factory/ The land cannot be sold, transferred or charged without prior approval from relevant authorities.	5502 sq.m./ 3,231 sq.m.	<1	Leasehold 99 Years (expiring on 29.12.2094)/ Charged to Public Bank Berhad	19.01.2004	2,568	N/A	N/A	N/A
<b>UDP</b> (the land is registered in the name of EGT)* Lot 8800, Jalan Perindustrian 5, Kawasan Perusahaan Bukit Bakri, Batu 8, 84200 (PN 9624 H.S.(D) 21098 , Mukim of Jalan Bakri) District of Muar, Johor	Office/ factory/ The land cannot be sold, transferred or charged without prior approval from relevant authorities.	8,217 sq.m./ 5,128 sq.m.	<1	Leasehold (expiring on 29.12.2094)/ Charged to OCBC Bank (Malaysia) Berhad	22.10.2003	2,760	N/A	N/A	N/A
<b>Sub-total</b>						<b>9,894</b>			

## 7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)

Registered Owner / Location	Description/ Existing Use/ Restriction of Interest (if any)	Land/ Built-up Area	Approximate Age of Building (year)	Tenure	Date of Certificate of Fitness	Audited Net Book Value ("NBV") @ 31.08.2003 (RM'000)	(B) Market Value (RM'000)	(B) & (A) Revaluation Surplus (Deficit) Based on NBV @ 31.08.2003 (RM'000)	Date of Valuation
<b>Leasehold land</b>									
<b>UDI</b> P.T. 178 H.S. (D) 3905 and P.T. 250 H.S.(D) 3977 and P.T. 251 H.S. (D) 3978, Mukim of Pegoh, District of Alor Gajah, Melaka # (located within A' Famosa Golf Resort, which lies on the southern side of the Tampin/Pulau Sebang to Simpang Ampat road, at approximately 7 kilometres south-west and 3 kilometres north-east of Pekan Tampin and Simpang Ampat Village centre respectively and about 34 kilometres north/north-east of the Melaka town centre)	Residential land/ Vacant (Investment Property)/ The land cannot be transferred or charged without prior approval from relevant authorities except from the developer to the first purchaser.	2,986 sq. m.	N/A	Leasehold 99 years (expiring on 18.12.2094)/ Charged to Malayan Banking Berhad	N/A	579	N/A	N/A	N/A
<b>Condominium/Apartment</b>									
<b>UDI</b> B1/A/18 - 1 & B1/A/21-9, A' Famosa Condominium Lot 1386, A' Famosa Golf Resort Pegoh, Alor Gajah, Melaka ^ (located within Taman Vinca, A' Famosa Golf Resort, which lies on the southern side of the Tampin/Pulau Sebang to Simpang Ampat road, at approximately 7 kilometres south-west and 3 kilometres north-east of Pekan Tampin and Simpang Ampat Village centre respectively and about 34 kilometres north/north-east of the Melaka town centre)	2 units of Condominium/ Vacant (Investment property)/ None	263.287 sq.m.	N/A	Leasehold (expiring on 20.12.2094)/ None	Completed but pending issuance	317	N/A	N/A	N/A
Ruby 07-07 7 <sup>th</sup> Floor, Sg Abong Condominium District of Muar, Johor ^ (Lot 4129 Geran 55495, Bandar Maharani, Muar)	Condominium/ Vacant (Investment property)/ None	113.156 sq.m.	4	Freehold/ None	29.12.1999	210	N/A	N/A	N/A
<b>Sub-total</b>						<b>1,106</b>			
<b>Grand total</b>						<b>29,238</b>			

**7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)**

Notes:-

- \* *The title of the property is pending registration of the transfer to the respective company's name and the value of the property is taken up in the respective subsidiary companies' financial statements.*
- # *The individual title has not been issued yet.*
- ^ *The strata title has not been issued yet.*
- (i) *The fair value of freehold land of ORI assumed by SWS in the acquisition of ORI is RM1,359,464 and this piece of freehold land is stated at cost in the financial statements of ORI at RM569,086 at the time of acquisition of ORI.*
- (ii) *Rent is payable from UDI to UDT for occupying the land of UDT and rental payable from UDT to UDI for occupying the building owned by UDI.*

SWS had on 8 January 2003 revalued its property identified as Lot 3832, EMR 3452, District of Muar, Johor on 10 June 1997 as revaluation surplus of RM246,100 was then taken up in the financial statements in 1997.

However, the values of the properties used in the proforma UDS Group are based on the net book values as at 31 August 2003 which do not incorporate the additional revaluation surplus of RM394,000 as disclosed below in the financial statements of the respective subsidiary companies of UDS for the financial year ended 31 August 2003.

Description of the properties	(A) Audited Net Book Value ("NBV")@ 31.08.2003 (RM'000)	(B) Market Value (RM'000)	(B) - (A) Revaluation Surplus Based on NBV @ 31.08.2003 (RM'000)
<b>SWS</b> Nos. 48-10 and 48-11, (Lot PTD Nos 7722 & 7723, H.S.(M) 3867 & 3868), Jalan Khalidi, Mukim of Bandar, District of Muar, Johor	704	740	36
<b>SI</b> No. 10, (PTD No. 4085, H.S.(D) 22978), Kawasan Perindustrian Parit Jamil, Parit Jawa, Mukim of Sri Menanti, District of Muar, 84150 Johor	3,758	4,095	337
<b>SWS</b> Lot No. 1420, GM 848, Mukim of Sungai Raya, District of Muar, Johor (located along the north-western side of Jalan Raja, Bukit Pasir, Muar, Johor)	300	320	20
<b>ORI</b> Lot PTD 4084 H.S.(D) 22977, Kawasan Perindustrian Parit Jamil Phase I (1), Parit Jawa, Mukim of Sri Menanti, District of Muar, Johor * (located in Phase II (2) of the Kawasan Perindustrian Parit Jamil, Muar, Johor)	1,359	1,360	1
<b>Total</b>	<b>6,121</b>	<b>6,515</b>	<b>394</b>

Note:

- \* *The title of the property is pending registration of the transfer to the respective company's name and the value of the property is taken up in the respective subsidiary companies' financial statements.*

The valuation of the abovementioned properties of SWS, ORI and SI are included in this Prospectus for information purposes only. The above valuations do not require the approval of the SC.

**7.0 OTHER INFORMATION ON THE UDS GROUP (Cont'd)**

In addition to the landed properties disclosed above, SWS also owns two factory buildings located at two pieces of land rented from third parties identified as (i) Lot 3969, Jalan Kebun Sayur Bakri, 84000 Muar Johor; (ii) Lot 4006, Jalan Lim Chee Tiong, Kampung Aik Hwa Choon, Bukit Bakri, 84000 Muar, Johor. The total NBV of the said factory buildings of approximately RM30,000 was taken up in the financial statements of SWS as at 31 August 2003.

**7.4 Acquisition of Landed Properties During The Past Two (2) Years**

Saved as disclosed below, there were no transactions relating to the acquisition of new landed properties by the Group during the two (2) years preceding the date of this Prospectus.

Registered Owner	Description of the properties	Date of agreement	Purchase Price RM
UDT	Lot 8784 PN 9607 (formerly known as PTD 5994 H.S.(D) 21080) Mukim of Bakri, District of Muar, Johor	24 June 2002	669,163
	Lot 1789 GM 1142, Mukim of Sungai Raya District of Muar, Johor	9 August 2002	1,500,000
	Lot 1794 GM 348, Mukim of Sungai Raya District of Muar, Johor	9 August 2002	500,000
	Lot 2312 EMR 1935, Mukim of Sungai Raya District of Muar, Johor	9 August 2002	1,000,000
UDP	PTD 4081 H.S. (M) 5751, Mukim of Tanjung Duabelas, District of Kuala Langat, Selangor	7 May 2002	1,350,000
SWS	Lot 127, Lok Kawi Kinarut Industrial Estate Phase 1, District of Penampang, Kota Kinabalu, Sabah * (a)	12 June 2002	660,000
	Lot No.28 Grant No. 5007, Kawasan Bandar XIV, Melaka Tengah together with a 2½ storey shophouse identified as No. 116, Lorong Hang Jebat, Melaka *	26 August 2003	375,000

Notes:-

- \* The titles of the properties are pending registration of the transfer to the respective company (owner)'s name.
- (a) SWS paid a deposit of RM60,000 and the progress payment of RM367,912 for the purchase of this property and the balance of RM232,080 was disclosed as capital commitments in the audited financial statements of SWS for the financial year ended 31 August 2003.