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If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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AME ELITE CONSORTIUM BERHAD
(Registration No. 201801030789 (1292815-W))
(Incorporated in Malaysia under the Companies Act, 2016)

CIRCULAR TO SHAREHOLDERS IN RELATION TO

- I. PROPOSED DISPOSALS OF 31 INDUSTRIAL PROPERTIES AND 3 INDUSTRIAL-RELATED PROPERTIES BY 5 SUBSIDIARIES OF AME ELITE CONSORTIUM BERHAD (“AME”) INTO AME REAL ESTATE INVESTMENT TRUST (“AME REIT”) FOR A TOTAL CONSIDERATION OF RM557.0 MILLION TO BE SATISFIED VIA THE PROPOSED ISSUANCE OF 520.0 MILLION UNDIVIDED INTEREST IN AME REIT (“UNITS”) AND CASH CONSIDERATION OF RM37.0 MILLION**
- II. PROPOSED OFFERING OF A TOTAL OF 254.8 MILLION UNITS (“OFFER UNITS”) BY AME’S SUBSIDIARIES, COMPRISING:**
- A. PROPOSED RETAIL OFFERING OF UP TO APPROXIMATELY 174.8 MILLION OFFER UNITS AT A RETAIL PRICE TO BE DETERMINED LATER, CONSISTING OF THE FOLLOWING:**
- (i) UP TO APPROXIMATELY 156.6 MILLION RESTRICTED OFFER FOR SALE (“ROFS”) UNITS TO THE ENTITLED AME SHAREHOLDERS (AS DEFINED HEREIN) ON THE BASIS OF 1 ROFS UNIT FOR EVERY 5 ORDINARY SHARES HELD IN AME ON THE ENTITLEMENT DATE;**
 - (ii) UP TO 7.8 MILLION OFFER UNITS TO THE ELIGIBLE DIRECTORS AND EMPLOYEES OF AME AND ITS SUBSIDIARIES; AND**
 - (iii) 10.4 MILLION OFFER UNITS FOR APPLICATION BY THE MALAYSIAN PUBLIC, OF WHICH 5.2 MILLION OFFER UNITS ARE RESERVED FOR THE BUMIPUTERA PUBLIC; AND**
- B. PROPOSED INSTITUTIONAL OFFERING OF APPROXIMATELY 80.0 MILLION OFFER UNITS TO MALAYSIAN INSTITUTIONAL INVESTORS AND SELECTED INVESTORS, INCLUDING BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY, AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING,**
- SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS**
- III. PROPOSED ADMISSION OF AME REIT TO THE OFFICIAL LIST OF BURSA SECURITIES AND THE LISTING OF AND QUOTATION FOR 520.0 MILLION UNITS ON THE MAIN MARKET OF BURSA SECURITIES**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING (“EGM”)

Principal Adviser



Hong Leong Investment Bank Berhad
(Registration No. 197001000928 (10209-W))

(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

The Extraordinary General Meeting of AME (“**Company**”) will be conducted on a fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting (“**RPEV**”) facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Wednesday, 11 May 2022 at 10.00 am or at any adjournment thereof. For further information, please refer to the Notice of EGM and Administrative Guide on EGM in order to register, participate, speak and vote remotely via the RPEV.

The Notice of the EGM and the Form of Proxy can be downloaded at the Company’s website at <https://www.ame-elite.com> or Bursa Securities’ website at <https://www.bursamalaysia.com>.

A member entitled to participate, speak and vote at the EGM is entitled to appoint a proxy or proxies to participate, speak and vote on his/her behalf. In such event, please complete and return the Form of Proxy in accordance with the instructions therein as soon as possible and shall be deposited at the office of the Company’s Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time set for holding the EGM. The lodging of the Form of Proxy will not preclude you from participating, speaking and voting remotely at the EGM should you subsequently wish to do so. Alternatively, members may deposit the Form of Proxy by electronic means with the Company’s Share Registrar through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> or email to bsr.helpdesk@boardroomlimited.com not less than 48 hours before the EGM. For further information on the electronic submission of the Form of Proxy and participation at the EGM, kindly refer to the Administrative Guide which is enclosed together with this Circular.

Last date and time for registration for remote participation and voting at the virtual EGM and for lodgement of the Form of Proxy : Monday, 9 May 2022 at 10.00 am

Date and time of EGM : Wednesday, 11 May 2022 at 10.00 am or at any adjournment thereof.

DEFINITIONS

Unless the context requires otherwise, the following definitions will apply throughout this Circular:

Active Gold	:	Active Gold Services Sdn Bhd, a 99.9% owned subsidiary of AME
AME or Company	:	AME Elite Consortium Berhad, being the sponsor of AME REIT
AME Development	:	AME Development Sdn Bhd, a wholly owned subsidiary of AME
AME Group	:	AME, its subsidiaries and a jointly-controlled entity, collectively
AME REIT	:	AME Real Estate Investment Trust, a REIT to be established in Malaysia and constituted under the Deed
Asset Valuation Guidelines	:	Asset Valuation Guidelines issued by the SC
BIMBSEC or Proposed Shariah Adviser	:	BIMB Securities Sdn Bhd, being the proposed Shariah Adviser for AME REIT
Board	:	Board of directors of AME
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CCC	:	Certificate of Completion and Compliance
Circular	:	This circular to Shareholders dated 26 April 2022 in relation to the Proposals
Completion Date	:	The date on which the acquisition of the Subject Properties are completed or deemed to be completed in accordance with the terms set out in the SPA
Consideration Units	:	Units to be issued by AME REIT to the Vendors as part satisfaction of the Total Consideration for the Proposed Disposals
COVID-19	:	Coronavirus disease 2019
CMSA	:	Capital Markets and Services Act 2007
CMSL	:	Capital Markets Services Licenses
Deed	:	A deed of trust to be entered into between the Proposed Manager and the Proposed Trustee, constituting AME REIT
District 6	:	District 6, SiLC, an industrial real estate located in SiLC, Iskandar Puteri, Johor
District 6 SiLC Subject Properties	:	3 Industrial Properties located in District 6, Southern Industrial Logistics Clusters Industrial Park, Iskandar Puteri, Johor
EGM	:	Extraordinary general meeting of AME
EGM Notice	:	Notice of EGM
Eligible Directors and Employees	:	Eligible directors and employees of AME and its subsidiaries under the Proposed Restricted Pink Form Offering

DEFINITIONS (Cont'd)

Entitled AME Shareholders	:	Shareholders of AME whose names appear in the Record of Depositors of AME at the close of business on the Entitlement Date
Entitlement Date	:	The date as at the close of business (to be determined and announced later by the Board), on which the Entitled AME Shareholders' names appear on the Record of Depositors of AME as at 5.00p.m., in order to be entitled to the Proposed ROFS
EPS	:	Earnings per share
Excess Offer Units	:	Any Offer Units not taken up by the Eligible Directors and Employees under the Proposed Restricted Pink Form Offering
Excess ROFS Units	:	Any ROFS Units not taken up by the Entitled AME Shareholders under the Proposed ROFS
FYE(s)	:	Financial year(s) ended/ending, as the case may be
Final Retail Price	:	Final price per Offer Unit payable by investors pursuant to the Proposed Retail Offering equivalent to the Retail Price or the Institutional Price, whichever is lower, to be determined on the Price Determination Date
HLIB or Principal Adviser	:	Hong Leong Investment Bank Berhad, being the principal adviser for the Proposed REIT Establishment and Proposals
Indahpura Subject Properties	:	Collectively, 11 Industrial Properties located in i-Park @ Indahpura and 2 Industrial-Related Properties located adjacent to i-Park @ Indahpura
Independent Property Valuer or CBRE WTW	:	CBRE WTW Valuation & Advisory Sdn Bhd (formerly known as C H Williams Talhar & Wong Sdn Bhd)
Industrial Properties	:	Freehold properties used for industrial purposes and include any office on the same property, the use of which is incidental to such industrial activity, all of which are located in or adjacent to i-Park @ SAC, i-Park @ Indahpura, i-Park @ SiLC and District 6 SiLC
Industrial-Related Properties or Dormitories	:	Industrial-related real estates which are used as workers' dormitories located adjacent to i-Park @ Indahpura and i-Park @ SAC
Institutional Price	:	Price per Offer Unit payable by the investors pursuant to the Proposed Institutional Offering which will be determined by way of bookbuilding
Ipark Development	:	Ipark Development Sdn Bhd, a 79.9% owned subsidiary of AME
i-Park @ Indahpura	:	A managed industrial park development project undertaken by AME Development for Phase 1 and 2, and by Axis AME IP Sdn Bhd, a jointly-controlled entity of AME, for Phase 3, located in Bandar Indahpura, Kulai, Johor
i-Park @ SAC	:	A managed industrial park developed by Ipark Development, located in Senai Airport City, Johor

DEFINITIONS (Cont'd)

i-Park @ SiLC	:	A managed industrial park developed by AME Development, located in Southern Industrial Logistics Clusters Industrial Park, Iskandar Puteri, Johor
I REIT Managers or Proposed Manager	:	I REIT Managers Sdn Bhd, a wholly owned subsidiary of AME and the proposed management company for AME REIT
I Stay	:	I Stay Management Sdn Bhd, a 70% owned subsidiary of AME
Iskandar	:	Iskandar Malaysian Development Corridor, an economic hub and driver located in Johor, Malaysia
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LKL Industries	:	LKL Industries Sdn Bhd, a wholly owned subsidiary of AME
LPD	:	31 March 2022, being the latest practicable date before the date of this Circular
MITI	:	Ministry of International Trade and Industry, Malaysia
NA	:	Net assets
NAV	:	Net asset value
NAV per Unit	:	The value of a Unit derived after dividing the NAV by the total number of Units in issue at any time
NLA	:	Net lettable area
NPI	:	Net property income
Nusa Realtors or Proposed Property Manager	:	Nusa Realtors, being the proposed property manager of AME REIT
Offer Unit(s)	:	The 254.8 million Units to be offered pursuant to the Proposed Offering
Official List	:	A list specifying all securities listed on the Main Market of Bursa Securities
Price Determination Date	:	The date on which the Institutional Price and the Final Retail Price will be determined
Property Management Agreement	:	The property management agreement to be entered into between the Proposed Manager, the Proposed Trustee (on behalf of AME REIT) and the Proposed Property Manager
Proposals	:	Collectively, the Proposed Disposals, Proposed Offering and Proposed Listing
Proposed Disposals	:	The proposed disposals of 31 Industrial Properties and 3 Industrial-Related Properties by the Vendors to AME REIT for the Total Consideration to be satisfied via the proposed issuance of 520.0 million Units and cash consideration of RM37.0 million
Proposed Institutional Offering	:	Proposed offering of approximately 80.0 million Offer Units subject to clawback and reallocation, to Malaysian institutional investors and selected investors, including Bumiputera investors approved by MITI, at the Institutional Price

DEFINITIONS (Cont'd)

Proposed Listing	:	Proposed admission of AME REIT to the Official List and the listing of and quotation for 520.0 million Units on the Main Market of Bursa Securities
Proposed REIT Establishment	:	Proposed establishment of AME REIT by AME
Proposed Offering	:	Proposed offering of 254.8 million Offer Units comprising the Proposed Retail Offering and Proposed Institutional Offering
Proposed Public Offering	:	Proposed offering of 10.4 million Offer Units to Malaysian public via balloting
Proposed Restricted Pink Form Offering	:	Proposed restricted pink form offering of up to 7.8 million Offer Units to the Eligible Directors and Employees
Proposed Retail Offering	:	Proposed retail offering of up to approximately 174.8 million Offer Units, subject to clawback and reallocation, pursuant to the Proposed ROFS, Proposed Restricted Pink Form Offering and Proposed Public Offering
Proposed ROFS	:	Proposed restricted offer of sale of up to approximately 156.6 million ROFS Units to the Entitled AME Shareholders on the basis of 1 ROFS Unit for every 5 AME shares held on the Entitlement Date
Real Estate	:	Land and all things that are a natural part of the land as well as things attached to the land both below and above ground and includes rights, interests and benefits related to the ownership of the real estate, but excludes mineral, or oil and gas assets and resources
Record of Depositors	:	A record of securities holders provided by Bursa Depository under the rules of Bursa Depository
REIT	:	Real estate investment trust
REIT Guidelines	:	Guidelines on Listed Real Estate Investment Trusts issued by the SC
Relevant Laws and Requirements	:	The laws, regulations, guidelines, rules and official requirements, guidance notes, practice notes (whether or not having the force of law) applicable to REITs from time to time including but not limited to securities laws, REIT Guidelines, Asset Valuation Guidelines, Listing Requirements, rules of Bursa Depository, taxation laws, rulings and guidelines
Retail Price	:	Initial price per Unit (to be determined later) payable by the Entitled AME Shareholders, Eligible Directors and Employees and the Malaysian public, pursuant to the Proposed Retail Offering
RHB Trustees or Proposed Trustee	:	RHB Trustees Berhad, being the proposed trustee for AME REIT
RM and sen	:	Ringgit Malaysia and sen respectively
ROFS Unit(s)	:	Units to be offered to the Entitled AME Shareholders pursuant to the Proposed ROFS
SACSC	:	Shariah Advisory Council of the SC

DEFINITIONS (Cont'd)

SAC	:	Senai Airport City
SAC Subject Properties	:	Collectively, 14 Industrial Properties located in i-Park @ SAC, of which 1 Industrial Property used as warehouse located in the Free Industrial Zone facility within SAC which is adjacent to i-Park @ SAC, and 1 Industrial-Related Property located adjacent to i-Park @ SAC
SC	:	Securities Commission Malaysia
Selling Subsidiaries	:	Collectively, AME Development, Ipark Development, and LKL Industries
Shareholders	:	Shareholders of AME
Shariah	:	Islamic Law comprising the whole body of rulings pertaining to human conducts derived from sources of the Shariah namely the <i>Qur'an</i> (the holy book of Islam) and <i>Sunnah</i> (practices and explanations rendered by the Prophet Muhammad (<i>pbuh</i>)) and other sources of Shariah such as <i>Ijtihad</i> (exertion of individual efforts to determine the true ruling of the divine law on matters whose revelations are not explicit) of Shariah scholars
SiLC	:	Southern Industrial Logistics Clusters Industrial Park, Iskandar Puteri, Johor
SiLC Subject Properties	:	Collectively, 3 Industrial Properties located in i-Park @ SiLC and the District 6 SiLC Subject Properties
SPA(s)	:	The sale and purchase agreement(s) relating to the Proposed Disposals to be entered into by the respective Vendors and the Proposed Trustee on behalf of AME REIT
SPV	:	Special Purpose Vehicle
sq ft	:	Square feet
Subject Property(ies)	:	Collectively, SAC Subject Properties, Indahpura Subject Properties and SiLC Subject Properties
Total Asset Value	:	The value of the deposited property in accordance with generally accepted accounting principles in Malaysia, as determined in accordance with the Deed
Total Consideration	:	Total consideration of RM557.0 million for the Proposed Disposals
Twin Sunrich	:	Twin Sunrich Sdn Bhd, a wholly owned subsidiary of AME
Unitholders	:	Holder(s) of the Units
Unit(s)	:	Undivided interest in AME REIT as provided for in the Deed
Valuation Certificate	:	Collectively, the valuation certificate dated 16 August 2021 and update valuation certificate dated 3 March 2022 in respect of the Subject Properties
Valuation Reports	:	Collectively, the valuation reports dated 16 August 2021 and updated valuation letters dated 3 March 2022 in respect of the Subject Properties

DEFINITIONS (Cont'd)

- Vendor(s) : In relation to the Proposed Disposals, the vendor(s) of the Subject Properties which are subsidiaries of AME, namely:
- (i) Active Gold;
 - (ii) AME Development;
 - (iii) Ipark Development;
 - (iv) LKL Industries; and
 - (v) Twin Sunrich
- Warrants 2021/2026 : Outstanding warrants in AME issued in 2021 and are due to expire in 2026

Any reference in this Circular to the provisions of any statute, rules, regulation or rules of stock exchange shall (where the context admits) be construed as a reference to the provisions of such statute, rules, regulation or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments to the statute, rules, regulation or rules of stock exchange for the time being in force.

Certain amounts and percentage figures included herein have been subject to rounding adjustments. Any discrepancy between the figures shown herein and figures published by the Company, such as in the quarterly results or annual reports of the Company (as the case may be), is due to rounding.

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EXECUTIVE SUMMARY

This Executive Summary highlights the salient information of the Proposed REIT Establishment and the Proposals as set out in this Circular. Shareholders are advised to read this Circular in its entirety for full details of the Proposed REIT Establishment and the Proposals and not to rely solely on this Executive Summary in forming a decision on the Proposed Disposals, Proposed Offering and Proposed Listing before voting on the resolutions at the EGM.

Summary	Reference in this Circular
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1. SUMMARY

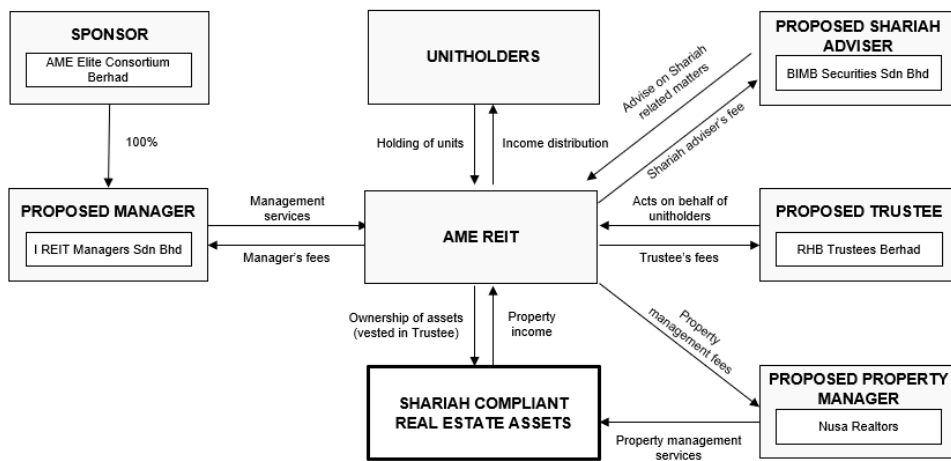
Proposed REIT Establishment

Section 2.1

AME REIT is an Islamic REIT to be established with the principal investment policy to invest, directly and indirectly, in a Shariah-compliant portfolio of income producing Real Estate used primarily for industrial and industrial-related purposes in Malaysia and overseas. The proposed initial size of AME REIT upon the Proposed Listing is 520.0 million Units.

Our Company will continue to have 51.0% interest in AME REIT upon completion of the Proposals. I REIT Managers, our wholly-owned subsidiary will be the Proposed Manager. If you are our shareholder on the Entitlement Date, you will be offered 1 ROFS Unit for every 5 ordinary shares held, as set out in **Section 2.3.2** of this Circular.

The structure of AME REIT and the key relationships between AME REIT, the Proposed Manager, the Proposed Trustee, the Proposed Property Manager, the Proposed Shariah Adviser and the Unitholders are as illustrated below:



Proposed Disposals

Section 2.2

The Proposed Disposals entails the disposals of the Subject Properties by the respective Vendors to AME REIT.

EXECUTIVE SUMMARY (Cont'd)

Reference
in this
Circular

Summary

The details of the Total Consideration and the mode of settlement for each of the Subject Properties are as follows:

Subject Properties	Appraised Value ⁽¹⁾ / Consideration (RM'000)	Mode of Settlement	
		Consideration Units (RM'000)	Cash Consideration (RM'000)
Plot 66 Indahpura	17,000	-	17,000
FZW SAC	38,000	38,000	-
SAC Dorm	45,000	45,000	-
Plot 13 Dorm Indahpura ⁽²⁾	45,000	45,000	-
Plot 17 Dorm Indahpura	45,000	45,000	-
Plot 7 Indahpura	14,000	14,000	-
Plot 8 Indahpura	14,000	14,000	-
Plot 14 Indahpura	21,000	21,000	-
Plot 20 Indahpura	7,000	7,000	-
Plot 21 Indahpura	7,000	7,000	-
Plot 36 Indahpura	7,000	7,000	-
Plot 65 Indahpura	7,000	7,000	-
Plot 69 Indahpura	17,000	17,000	-
Plot 120 Indahpura	7,000	7,000	-
Plot 3 & 4 SiLC	6,500	6,500	-
Plot 3 District 6 ⁽³⁾	12,000	12,000	-
Plot 4 District 6 ⁽⁴⁾	12,000	12,000	-
Plot 5 SAC	8,000	8,000	-
Plot 6 SAC	7,000	7,000	-
Plot 9 SAC	8,000	8,000	-
Plot 16 SAC	14,000	14,000	-
Plot 17 SAC	14,000	14,000	-
Plot 18 & 19 SAC	47,000	47,000	-
Plot 1A1 SAC	17,000	17,000	-
Plot 1B1 SAC	17,000	17,000	-
Plot 1C2 SAC	23,000	23,000	-
Plot 20 SAC	14,000	14,000	-
Plot 21 SAC	14,000	14,000	-

Summary

Subject Properties	Appraised Value ⁽¹⁾ / Consideration (RM'000)	Mode of Settlement	
		Consideration Units (RM'000)	Cash Consideration (RM'000)
Plot 30 SAC	8,000	8,000	-
Plot 32 SAC	21,000	21,000	-
Plot 18 Indahpura	7,000	-	7,000
Plot 6 SiLC	3,500	3,500	-
Plot 6 District 6	13,000	-	13,000
TOTAL	557,000	520,000	37,000

Notes:

- (1) The market value of the Subject Properties as appraised by the Independent Property Valuer, pursuant to Valuation Reports using the investment method and cross-checked with the comparison approach for all the Subject Properties except for SAC Dorm, Plot 13 Dorm Indahpura and Plot 17 Dorm Indahpura whereby in addition to the comparison approach, the cost approach is also adopted as a cross-check.
- (2) Plot 13 Dorm Indahpura is currently under construction and the CCC is expected to be obtained by end June 2022. The valuation report prepared by the Independent Property Valuer is based on the assumptions that this property has been constructed/completed in accordance with the approved building plans and specifications and issued with a CCC by the relevant authorities. The SPA for this property is conditional upon these assumptions.
- (3) AME Development is the beneficial owner of this property by way of a joint venture agreement and power of attorney both dated 28 March 2014 and a supplementary agreement dated 30 March 2015 between Symphony Square Sdn Bhd and AME Development.
- (4) AME Development is the beneficial owner of this property by way of a joint venture agreement and power of attorney both dated 28 March 2014 and a supplementary agreement dated 31 May 2016 between Twin Sunrich and AME Development.

There is no arrangement for payment of consideration on a deferred basis.

The issue price of RM1.00 per Consideration Unit is determined after taking into consideration the pro forma NAV of AME REIT upon its establishment of RM1.00 per Unit based on the total issued fund size of 520.0 million Units.

Proposed Offering

Section 2.3

Subject to clawback and reallocation provisions, the Proposed Offering will comprise the following:

- (a) Proposed Retail Offering of up to approximately 174.8 million Offer Units at Retail Price, comprising the following:
 - (i) up to approximately 156.6 million ROFS Units to the Entitled AME Shareholders on the basis of 1 ROFS Unit for every 5 ordinary shares held in AME on the Entitlement Date;

Summary	Reference in this Circular
<p>(ii) up to 7.8 million Offer Units to the Eligible Directors and Employees; and</p> <p>(iii) 10.4 million Offer Units for application by the Malaysian public, of which 5.2 million Offer Units are reserved for application by the Bumiputera public; and</p> <p>(b) Proposed Institutional Offering of approximately 80.0 million Offer Units to Malaysian institutional investors and selected investors, including Bumiputera investors approved by the MITI, at the Institutional Price.</p>	
<p><u>Proposed Listing</u></p> <p>I REIT Managers will seek admission of AME REIT into the Official List and the listing of and quotation for its entire 520.0 million Units on the Main Market of Bursa Securities.</p>	Section 2.4
<p>2. RATIONALE AND BENEFITS</p>	Section 3
<p><u>Proposed REIT Establishment</u></p> <p>The Proposed REIT Establishment is undertaken to facilitate the Proposals. Upon the establishment and listing of AME REIT, AME REIT will be the principal vehicle that would represent property investment activity for AME as AME will continue to hold 51.0% interest in AME REIT.</p> <p>AME Group will continue to work on its pipeline of property development projects and from which AME REIT would be able to source for suitable industrial properties, workers' dormitories and warehouses in the future.</p> <p>In the future, AME Group would also be able to unlock the value of its leasing property assets by securitising those assets which fit the investment criteria of AME REIT.</p>	
<p><u>Proposed Disposals</u></p> <p>The Proposed Disposals are undertaken to enable AME REIT to hold the Subject Properties as its initial investment portfolio in conjunction with the Proposals.</p>	
<p><u>Proposed Offering</u></p> <p>The Proposed Offering which involves the sale of 49.0% of the total Units in AME REIT by the Selling Subsidiaries enables AME Group to partly monetise their investments in the Subject Properties whilst providing the Entitled AME Shareholders (via the Proposed ROFS), the Eligible Directors and Employees, and investors (i.e. retail, institutional and/or sophisticated investors) with an opportunity to participate in AME REIT. Entitled AME Shareholders who subscribe for their entitlements under the Proposed ROFS will continue to have beneficial interest in the Subject Properties through the ownership of the Units.</p>	

Summary

Proposed Listing

The Proposed Listing provides AME REIT with access to the capital markets in order to raise funds for future real estate acquisition for its portfolio.

Moreover, the Proposed Listing provides investors with the opportunity to invest directly in a REIT, which is expected to provide stable distribution of income and potential capital appreciation on investment in the Units.

3. USE OF PROCEEDS

Section 4

The offer price has not been determined. Based on an illustrative offer price of RM1.00 per Offer Unit, the Proposed Offering is expected to raise gross proceeds of up to approximately RM254.8 million for AME Group.

The following table illustrates the allocation of the gross proceeds from the Proposed Offering:

Description of use of proceeds	RM'000	Estimated timeframe for full use from the date of the Proposed Listing
Repayment of borrowings	105,000	Within 3 months
Estimated expenses relating to the Proposed REIT Establishment and Proposed Listing	4,455	Within 1 month
Future industrial property development and investment projects including land acquisitions and joint ventures	145,345	Within 24 months
TOTAL	254,800	

4. RISK FACTORS

Section 5

The potential risk factors which may arise from the Proposals are as follows:

- (a) Potential delay or failure of the Proposals;
- (b) Exposure from economic, political and regulatory risks may affect the demand for the Units;
- (c) Occurrence of pandemic due to outbreak of diseases may result in economic slowdown and subsequently affecting the Proposed Listing;
- (d) Risk relating to holding of Units;
- (e) Compulsory acquisition by the State Authority; and
- (f) Potential conflict of interest between AME, AME REIT and the Proposed Manager.

Summary	Reference in this Circular
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5. APPROVALS/CONSENTS REQUIRED

Section 7

Approval obtained

The approval of the SC had been obtained:

- (a) on 5 October 2021, for certain relief from compliance with the applicable guidelines issued by the SC, via the SC's letter on even date. The relief includes, amongst others, the non-disclosure of details of the rentals and the rental income or expected rental income per month or per annum;
- (b) on 24 March 2022, for the following:
 - (i) establishment and listing of AME REIT, an Islamic REIT, on the Main Market of Bursa Securities under Section 214(1) of the CMSA;
 - (ii) appointment of the Proposed Manager as the management company of AME REIT; and
 - (iii) resultant unitholding structure of AME REIT under the Bumiputera equity requirement for public listed companies pursuant to the Proposed REIT Establishment and Proposed Listing.
- (c) on 7 April 2022, the approval in relation to the application by the Proposed Manager, for the CMSL for the regulated activity of fund management in relation to asset management restricted to REIT.

The approval of the SC is subject to certain terms and conditions as set out in Section 7.1 of this Circular.

Other approvals/consents required

As at the LPD, the Proposed REIT Establishment and the Proposals are still subject to and conditional upon the following being obtained:

- (a) approval of Bursa Securities for:
 - (i) the Proposed Listing; and
 - (ii) the proposed listing of and quotation for up to 30.0 million Units on the Main Market of Bursa Securities, being the proposed issuance of Units for payment of management fees to the Proposed Manager on a staggered basis;
- (b) approval of the shareholders of AME at an EGM to be convened for the Proposals;
- (c) approval of the respective shareholders of the Vendors for the Proposed Disposals;

EXECUTIVE SUMMARY (Cont'd)

Summary	Reference in this Circular
<p>(d) consent from the financiers of the Subject Properties for the Proposed Disposals; and</p> <p>(e) where required, approval, waiver, and/or consent of any other relevant authority and/or party.</p>	
<p>6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM</p> <p>All of our directors are entitled to participate in the Proposed Restricted Pink Form Offering and as such are deemed interested in the Proposed Restricted Pink Form Offering in relation to their respective allocations. Each interested director will abstain from deliberating and voting on their respective proposed allocation of the Offer Units as well as proposed allocation to persons connected with them (if any) under the Proposed Restricted Pink Form Offering at our Board meetings.</p> <p>Save as disclosed above and any interest arising from their capacities as directors and major shareholders of AME and as shareholders with collective interests of 0.1% respectively in Ipark Development and Active Gold, none of our directors and/or major shareholders as well as persons connected with them have any interest, direct or indirect, in the Proposals.</p>	Section 9
<p>7. DIRECTORS' STATEMENT/RECOMMENDATION</p> <p>Our Board, after having considered all relevant aspects of the Proposals, including the rationale and the financial effects of the Proposals, are of the opinion that the Proposals are in the best interests of our Company.</p> <p>Accordingly, our Board recommends that you vote in favour of the resolution for the Proposals to be tabled at the EGM.</p>	Section 10

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AME ELITE CONSORTIUM BERHAD
(Registration No. 201801030789 (1292815-W))
(Incorporated in Malaysia under the Companies Act, 2016)

Registered Office

Suite 9D, Level 9
Menara Ansar
65, Jalan Trus
80000 Johor Bahru
Johor Darul Takzim

26 April 2022

Board:

YM Tengku Azrina Binti Raja Abdul Aziz (*Independent Non-Executive Chairperson*)
Lee Chai (*Group Managing Director*)
Lim Yook Kim (*Executive Director*)
Kang Ah Chee (*Executive Director*)
Lee Sai Boon (*Executive Director*)
Tan Lay Beng (*Independent Non-Executive Director*)
Chang Tian Kwang (*Independent Non-Executive Director*)
Wee Soon Chit (*Independent Non-Executive Director*)
Lee Ling Sien (*Alternate Director to Lee Chai*)
Lim Pei Shi (*Alternate Director to Lim Yook Kim*)
Kang Koh Wei (*Alternate Director to Kang Ah Chee*)

To: Our Shareholders

Dear Sir/Madam,

- (I) PROPOSED DISPOSALS;**
- (II) PROPOSED OFFERING; AND**
- (III) PROPOSED LISTING**

1. INTRODUCTION

On 1 December 2020, HLIB, on behalf of our Board, announced that our Company proposes to establish and list AME REIT on the Main Market of Bursa Securities. The initial investment portfolio of AME REIT shall comprise industrial properties to be identified, which are owned by our subsidiaries.

On 25 November 2021, HLIB, on behalf of our Board, announced that our Company proposes to undertake the establishment of AME REIT and the Proposals, comprising the following:

- (i) proposed establishment of AME REIT by AME, the sponsor;

- (ii) proposed disposals by 5 subsidiary companies of AME of 31 Industrial Properties and 3 Industrial-Related Properties to AME REIT for the Total Consideration to be satisfied via the issuance of 520.0 million Units and cash consideration of RM37.0 million;
- (iii) proposed offering comprising the Proposed Retail Offering and Proposed Institutional Offering; and
- (iv) proposed admission of AME REIT to the Official List of Bursa Securities and the listing of and quotation for 520.0 million Units on the Main Market of Bursa Securities.

On 8 December 2021, HLIB, on behalf of our Board, announced that AME will be seeking your approval for the Proposed Disposals and the highest percentage ratio applicable to AME for the Proposed Disposals is 37.77%.

On 14 December 2021, HLIB, on behalf of our Board, announced the following:

- (i) HLIB had on even date, submitted an application to the SC in relation to the Proposed REIT Establishment and Proposals. This application was submitted by HLIB on behalf of the Proposed Manager.

The valuation reports for the 34 Subject Properties in relation to the Proposed Disposals and Proposed Offering shall be submitted to Bursa Securities on 15 December 2021. This submission was made by HLIB on behalf of AME; and

- (ii) in respect of the Proposed ROFS, our Board has fixed the entitlement basis at 1 Offer Unit for every 5 existing AME shares held by the Entitled AME Shareholders as at 5.00 p.m. on the Entitlement Date.

On 25 March 2022, HLIB, on behalf of our Board, announced that SC had granted, via its letter dated 24 March 2022 (received on 25 March 2022), approval for, among others, the following:

- (i) establishment and listing of AME REIT, an Islamic REIT, on the Main Market of Bursa Securities under Section 214(1) of the CMSA;
- (ii) appointment of the Proposed Manager as the management company of AME REIT; and
- (iii) resultant unitholding structure of AME REIT under the Bumiputera equity requirement for public listed companies pursuant to the Proposed REIT Establishment and Proposed Listing.

The approval of the SC is subject to certain terms and conditions as set out in **Section 7.1** of this Circular.

On 7 April 2022, HLIB, on behalf of our Board, announced that the Authorisation and Licensing Department of the SC had granted, via its letter dated on the even date, approval in relation to the application by the Proposed Manager, for the CMSL for the regulated activity of fund management in relation to asset management restricted to REIT.

The approval of the SC is subject to certain conditions as set out in **Section 7.1** of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH DETAILS OF THE PROPOSED REIT ESTABLISHMENT AND PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED DISPOSALS, PROPOSED OFFERING AND PROPOSED LISTING TO BE TABLED AT THE EGM. THE EGM NOTICE AND PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR AND THE APPENDICES, BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED DISPOSALS, PROPOSED OFFERING AND PROPOSED LISTING TO BE TABLED AT THE EGM.

2. THE PROPOSED REIT ESTABLISHMENT AND THE PROPOSALS

2.1 Proposed REIT Establishment

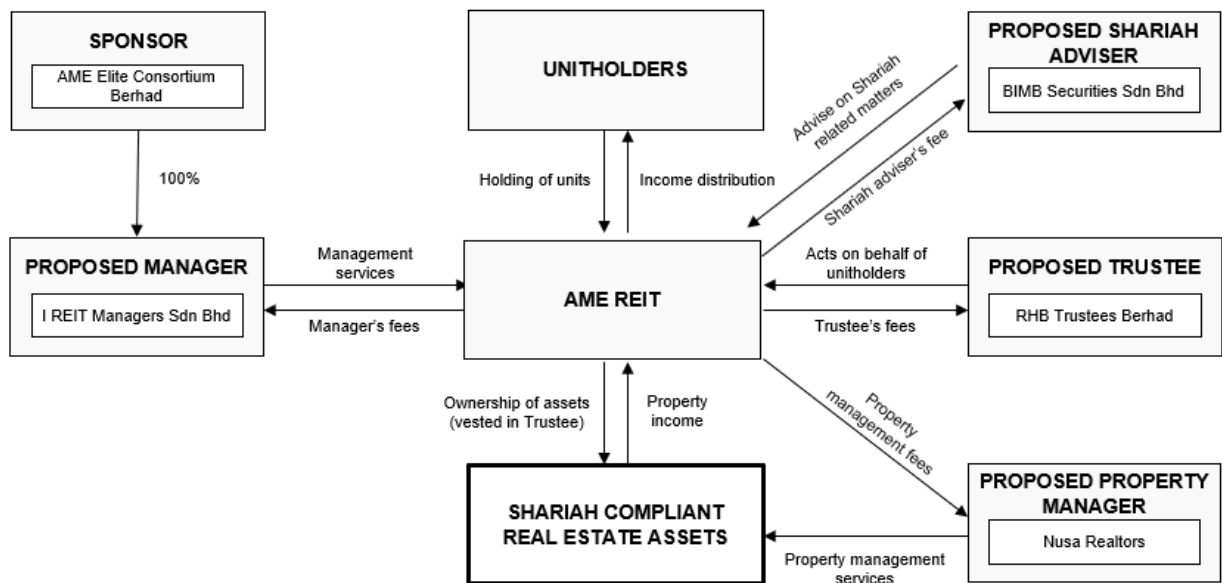
2.1.1 Details of AME REIT

AME REIT is an Islamic REIT that will be constituted by the Deed. AME REIT is to be established with the principal investment policy to invest, directly and indirectly, in a Shariah-compliant portfolio of income producing Real Estate used primarily for industrial and industrial-related purposes in Malaysia and overseas. The current focus of AME REIT is on Real Estate in Malaysia and overseas investment has yet to be determined.

The investment objective of AME REIT is to provide Unitholders with a stable and growing distribution of income and to achieve long-term growth in the NAV per Unit. The initial size of AME REIT upon the Proposed Listing is 520.0 million Units.

A summary of the salient features of AME REIT is set out in **Appendix I** of this Circular.

The following diagram illustrates the structure of AME REIT and key relationships between AME REIT, the Proposed Manager, the Proposed Trustee, the Proposed Property Manager, the Proposed Shariah Adviser and the Unitholders:



The Proposed REIT Establishment will include the involvement of the following parties:

2.1.1.1 Proposed Manager

I REIT Managers is proposed to be the management company for AME REIT and shall carry out all activities as it may deem necessary for the management of AME REIT and its business in accordance with the provisions of the Deed and the Relevant Laws and Requirements.

Under the Deed, the Proposed Manager covenants with the Proposed Trustee and each of the Unitholders, among others, the following:

- (a) to carry on and conduct its business in a proper, diligent and efficient manner and ensure that AME REIT is managed and administered in a proper, diligent and efficient manner and in accordance with the Deed and Relevant Laws and Requirements and acceptable and efficacious business practices in the real estate investment industry;

- (b) to act with due care, skill and diligence that a reasonable person would exercise in the position of the manager in managing AME REIT and effectively employ the resources and procedures necessary for the proper performance of AME REIT;
- (c) to observe high standards of integrity and fair dealing in managing AME REIT to the best and exclusive interest of the Unitholders;
- (d) not to take on, lease or otherwise acquire, any immovable property or any interest therein, except for the purposes of operating AME REIT and those entered into in the ordinary course of business;
- (e) not to make improper use of its position in, or information acquired through, managing AME REIT to gain, directly or indirectly, an advantage for itself or for any other person or to cause detriment to the interests of Unitholders and to ensure that its officers and delegates comply with the same;
- (f) to submit or make available any information relating to AME REIT, its business and any other information as may be required by the Proposed Trustee from time to time;
- (g) to the same extent as if the Proposed Trustee was a director of the Proposed Manager:
 - (i) to make available to the Proposed Trustee or an authorised officer or employee of the Proposed Trustee or the auditor appointed by the Proposed Trustee, for inspection, the whole of the books and records of the Proposed Manager in relation to AME REIT wherever kept;
 - (ii) to make available to the Proposed Trustee or an authorised officer or employee of the Proposed Trustee or the auditor appointed by the Proposed Trustee, for inspection all financial and other records of AME REIT wherever kept; and
 - (iii) to give to the Proposed Trustee or an authorised officer or employee of the Proposed Trustee or the auditor appointed by the Proposed Trustee such oral or written information, explanation or other assistance that they may require with respect to all matters relating to AME REIT or any assets of AME REIT (whether acquired before or after the date of the Deed) or otherwise relating to the affairs of AME REIT;
- (h) to ensure that AME REIT has, at all times, an appointed trustee and Shariah adviser, for as long as AME REIT is an Islamic REIT;
- (i) unless otherwise permitted by the SC and the provisions of the Valuers, Appraisers, Estate Agents and Property Managers Act 1981, to appoint an individual as a designated person responsible for the Real Estate management of AME REIT, who must possess the necessary experience and expertise in real estate investment or a property management company which has been approved by the Proposed Trustee to manage Real Estate held by AME REIT and which possesses adequate human resources with the necessary qualifications, expertise and experience in real estate management;
- (j) to ensure that AME REIT has, at all times, an appointed compliance officer (who has basic knowledge of Shariah laws and principles, for as long as AME REIT is an Islamic REIT) who shall directly report to the directors of the Proposed Manager to ensure AME REIT's compliance with the Deed and the Relevant Laws and Requirements;
- (k) to ensure that all Real Estate held by AME REIT is kept in good repair, that all valid notices from and requirements of proper authorities in relation thereto are observed and complied with and that they are let and otherwise dealt with to the best advantage;
- (l) to furnish the Proposed Trustee with a copy of all announcements that the Proposed Manager makes to Bursa Securities as soon as practicable after the announcement is made to Bursa Securities;

- (m) to ensure that its officers and delegates comply with any of its duties and obligations prescribed under the Relevant Laws and Requirements;
- (n) to take all necessary steps to ensure that the deposited property are clearly identified as AME REIT's assets and held separately from the assets of the Proposed Manager and any other REIT managed by the Proposed Manager;
- (o) to insure and keep covered or insured in the name of the Proposed Trustee for their full replacement value or such amounts as may be recommended by a qualified independent valuer against fire, explosion, storm, tempest, flood, lightning and other usual risks including loss of rent where applicable on all Real Estate comprised in the deposited property and on request by the Proposed Trustee produce for the inspection of the Proposed Trustee all takaful certificates or insurance policies effected;
- (p) to account to the Proposed Trustee for any loss suffered by the fund as a result of the Proposed Manager's failure to exercise the degree of care and diligence required in operating and managing AME REIT;
- (q) to take all reasonable steps and exercise due diligence to ensure that the deposited property are correctly valued in accordance with provisions of the Deed and the Relevant Laws and Requirements;
- (r) to establish and maintain risk management systems and controls to enable it to identify, assess, mitigate, control and monitor risks in relation to AME REIT;
- (s) to conduct all transactions for AME REIT on arm's length basis;
- (t) where AME REIT's investment strategy includes investments in non-real estate assets, to ensure that a designated person responsible for such investments is appointed, whether the function is undertaken internally within the Proposed Manager or externally. The Proposed Manager shall ensure that the appointment of such designated person, whether internally or externally, complies with the qualification criteria stipulated in the REIT Guidelines;
- (u) where the fund management function is undertaken by an external party, the Proposed Manager must ensure that the external party appoints a designated person for AME REIT;
- (v) for the purpose of valuing deposited property, to refrain from doing or omit anything that would or might confer on itself a benefit or advantage at the expense of Unitholders or investors;
- (w) to take reasonable steps to ensure that its employees provide such assistance as the Proposed Shariah Adviser reasonably requires to discharge its duties;
- (x) to pay the Proposed Trustee any moneys payable by it to the Proposed Trustee under the Deed;
- (y) where investments involve Real Estate located outside Malaysia:
 - (i) the Proposed Manager shall ensure that:
 - (aa) the Proposed Manager has the necessary experience, capability, resources and competence to deal with the legal and other regulatory requirements of Real Estate located outside Malaysia;
 - (bb) such an investment is in the best interest of the REIT and the Unitholders;
 - (cc) the Relevant Laws and Requirements are complied with; and
 - (dd) approvals or authorisations from the relevant authorities (foreign or domestic) have been obtained prior to the acquisition;

- (ii) the Proposed Manager shall demonstrate that it has the requisite competence, experience and resources to:
 - (aa) analyse the issues and risks associated with foreign investments;
 - (bb) develop, implement and keep up-to-date a set of effective internal controls and risk management systems to deal with existing and foreseeable risks associated with foreign investments; and
 - (cc) inform investors in a clear, concise and timely manner of the investment profile and risk to AME REIT; and
- (iii) the Proposed Manager shall have a contingency plan that enables it to proactively respond to any urgent need that may arise in the course of its investment and management of Real Estate located outside Malaysia and its divestment of such Real Estate (if any).

The Proposed Manager will be paid management fees in the form of cash, or Units or a combination of both. Details of the management fees are as follows:

- (a) base fee of up to 1.0% per annum of the Total Asset Value of AME REIT (excluding cash and bank balances which are held in non-interest / non-profit bearing accounts);
- (b) performance fee of up to 5.0% per annum of AME REIT's NPI. Performance fee is a typical fee which is chargeable as a percentage of NPI and forms part of the management fees of 7 out of 8 REITs listed in Malaysia since 2010. As the performance fee is chargeable as a percentage of up to 5.0% of AME REIT's NPI, this incentivises the Proposed Manager to grow AME REIT's NPI and distributable income;
- (c) acquisition fee of 1.0% of the acquisition price of each of the following as is applicable (subject to there being no double-counting):
 - (i) in relation to an acquisition (whether directly or indirectly through the Proposed Trustee or one or more SPVs of AME REIT) of any Real Estate, the transaction value of any Real Estate purchased by AME REIT or its SPV (pro-rated if applicable to the proportion of AME REIT's interest); or
 - (ii) in relation to an acquisition (whether directly or indirectly through one or more SPVs of AME REIT) of any SPV or holding entities which holds Real Estate, the underlying value of any Real Estate (pro-rated, if applicable, to the proportion of AME REIT's interest); and
- (d) divestment fee of 0.5% of the disposal price of each of the following as is applicable (subject to there being no double-counting):
 - (i) in relation to a disposal (whether directly or indirectly through the /Proposed Trustee or one or more SPVs of AME REIT) of any Real Estate, the transaction value of any Real Estate disposed by AME REIT or its SPV (pro-rated if applicable to the proportion of AME REIT's interest); or
 - (ii) in relation to a disposal (whether directly or indirectly through one or more SPVs of AME REIT) of any SPV or holding entities which holds Real Estate, the underlying value of any Real Estate (pro-rated, if applicable, to the proportion of AME REIT's interest).

In determining whether to pay the management fees in the form of Units or cash or a combination of both, the Proposed Manager will be guided by, amongst others, the cash flows planning of the Proposed Manager, the potential capital appreciation through holding the Units, the alignment of interest with the Unitholders and the manner of payment of the management fees will not be detrimental to the Unitholders. The payment of the management fees in Units shall also be subject to AME REIT obtaining Bursa Securities' approval for the listing of and quotation for the said Units as well as complying with the public spread requirements stated in the Listing Requirements and there being no adverse implications under Malaysian Code on Take-Overs and Mergers 2016 and Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC.

An application to Bursa Securities will be made for the listing of and quotation for 30.0 million Units to be issued as payment of the management fees to the Proposed Manager on a staggered basis over a period of time (“**Proposed Issuance**”). In determining the number of Units for the Proposed Issuance, the Proposed Manager has taken into consideration the estimated amount of management fees to be paid to the Proposed Manager in the form of new Units to be staggered over a period of time and is estimated to be between 4 to 6 years.

In addition, the Proposed Issuance of 30.0 million Units which represents approximately 5.8% of the initial fund size is within the range of percentages of proposed issuance of new units as payment of management fee by other REITs (as a percentage of the proposed issuance compared to their respective total initial fund sizes).

The Proposed Manager was incorporated in Malaysia on 19 April 2021 as a private limited company. The Proposed Manager is a wholly owned subsidiary of AME. As at 12 April 2022, the Proposed Manager has an issued share capital of RM2.0 million comprising 2.0 million ordinary shares.

The principal activity of the Proposed Manager is to manage and administer AME REIT. HLIB had, on behalf of I REIT Managers, submitted an application to the SC for a CMSL on 25 October 2021. The approval in relation to the application for the CMSL had been granted by the SC via its letter dated 7 April 2022, subject to the fulfilment of conditions as set out in **Section 7.1** of this Circular. The Proposed Manager shall be licensed by the SC to carry on the regulated activity of fund management in relation to asset management restricted to REITs.

As at the LPD, the directors of I REIT Managers are Lee Sai Boon and Lee Chai. On 1 April 2022, the Proposed Manager had appointed Chan Wai Leo, Datin Cheryl Kaur Pola, Yau Yin Wee, Wee Beng Chuan, Lim Yook Kim, Kang Ah Chee, and Lim Pei Shi as its directors and alternate directors.

Further information on I REIT Manager is set out in **Appendix II** of this Circular.

2.1.1.2 Proposed Trustee

RHB Trustees is proposed to be the Proposed Trustee of AME REIT. RHB Trustees shall act as the custodian for all of AME REIT’s assets in accordance with the Deed and the Relevant Laws and Regulations.

The functions, duties and responsibilities of the Proposed Trustee are set out in the Deed. The general functions, duties and responsibilities of the Proposed Trustee include, but are not limited to the following:

- (a) safeguarding the interests of the Unitholders and actively monitoring the administration of AME REIT by the Proposed Manager to ensure that the interests of Unitholders are upheld at all times;
- (b) acting continuously as trustee under the trust created by the Deed until AME REIT is terminated as provided in the Deed or until the Proposed Trustee has retired from the trust in the manner provided in the Deed;
- (c) ensuring that AME REIT has, at all times, an approved manager and a Shariah adviser, as long as AME REIT is an Islamic REIT;
- (d) ensuring that the Proposed Manager does not make improper use of its position in managing AME REIT to gain, directly or indirectly, an advantage for itself or for any other person or to cause detriment to the interest of the Unitholders;
- (e) exercising all due care, skill, diligence and vigilance in carrying out its functions and duties and in safeguarding the rights and interests of the Unitholders in accordance with the Deed and the Relevant Laws and Requirements;

- (f) ensuring at all times, through proper and adequate supervision and in exercising reasonable due diligence, that AME REIT is operated, managed and administered by the Proposed Manager in accordance with AME REIT's objectives, the Deed, the documents lodged with the SC and the Relevant Laws and Requirements and acceptable and efficacious business practices within the real estate investment industry. In ensuring compliance with the requirements and safeguarding the interests of the Unitholders, the Proposed Trustee will actively monitor AME REIT's operations and management by the Proposed Manager by conducting independent reviews and not only depend on the submission of information by the Proposed Manager;
- (g) doing everything in its power to ensure that the Proposed Manager remedies any breach known to the Proposed Trustee of the provisions or covenants of the Deed, unless the Proposed Trustee is satisfied that the breach will not materially prejudice the Unitholders' interests;
- (h) immediately notifying the SC of any irregularity, breach of the Deed, the Relevant Laws and Requirements or any other matter properly regarded by the Proposed Trustee as not being in the interests of Unitholders;
- (i) taking all reasonable steps and exercising due diligence to ensure that the systems, procedures and processes employed by the Proposed Manager are adequate to ensure that the deposited property are correctly valued and priced in accordance with provisions of the Deed and the Relevant Laws and Requirements; and
- (j) having in place adequate compliance and monitoring mechanism for regular review of compliance which includes monitoring and checking of compliance with investment limits as well as processes for reconciliation.

In accordance with the Deed, AME REIT will pay the Proposed Trustee RM15,000.00 as a one-time appointment fee and an annual trusteeship fee of 0.03% per annum of the NAV of the AME REIT. Other than this, there will be no payment due to the Proposed Trustee by way of remuneration for its services upon the subscription for or sale of a Unit and upon any distributions of income and capital otherwise under the Deed.

The Proposed Trustee was incorporated in Malaysia which is deemed registered under the Companies Act 2016 and registered as a trust company under the Trust Companies Act 1949. The Proposed Trustee is also registered with the SC for trusteeship service in respect of unit trust funds. As at the LPD, the issued and paid-up share capital of the Proposed Trustee is RM6,000,000.00 comprising 1,200,000 ordinary shares, paid-up to RM 5.00 per share with RM5.00 per share remaining unpaid in accordance with Section 3(c) of the Trust Companies Act 1949.

The principal activity of the Proposed Trustee is to provide professional corporate and retail trustee services. The Proposed Trustee has been in the trustee business since 2002. The Proposed Trustee undertakes all types of trustee business allowed under the Trust Companies Act 1949, ranging from corporate trustee services to retail services. The Proposed Trustee offers corporate trustee services such as trustee for REITs, unit trust funds, and custodian services. Its retail services include estate planning services (will writing, custodian and executor/trustee services) and private trustee services (private purpose trust, investment trust, charitable trust, insurance trust, business succession trust, estate administration trust, custodian and stakeholder services).

RHB Trustees is a wholly owned subsidiary of RHB Bank Berhad. As at the LPD, the Proposed Trustee's staff strength comprises 31 executive staff.

Further details of the Proposed Trustee are set out **Appendix III** of this Circular.

2.1.1.3 Proposed Shariah Adviser

BIMBSEC is the Proposed Shariah Adviser of AME REIT. The Proposed Shariah Adviser shall ensure that AME REIT is managed and administered in accordance with Shariah principles and other relevant Shariah requirements.

The general functions, duties and responsibilities of the Proposed Shariah Adviser include, but are not limited to the following:

- (a) Advising on all aspects of AME REIT's compliance with Shariah;
- (b) Providing Shariah expertise and guidance on all matters in relation to AME REIT, particularly on the deed and prospectus, structure, investment instruments and ensuring Shariah compliance with relevant securities laws and guidelines issued by the SC;
- (c) Ensuring that AME REIT comply with the applicable Shariah principles, concepts and rulings endorsed or resolved by the SACSC;
- (d) Preparing a report to be included in the annual report of AME REIT confirming that AME REIT has been managed in compliance with Shariah, including Shariah principles, concepts and rulings endorsed by the SACSC; and
- (e) Consulting the SC where there is any ambiguity or uncertainty to any Shariah matters.

The Proposed Shariah Adviser was deemed incorporated in Malaysia under the Companies Act 2016 on 21 February 1994 as a private limited company and is an Islamic Participating Organisation of Bursa Malaysia Berhad involved in the business of dealing in securities. The principal activity of the Proposed Shariah Adviser is stockbroking and related activities based on Shariah principles.

The Proposed Shariah Adviser is also registered with the SC to act as a Shariah adviser for Islamic capital market products and services regulated by the SC, which include Islamic collective investment schemes. The Proposed Shariah Adviser is independent from the Proposed Manager. As at the LPD, the Proposed Shariah Adviser is a corporate Shariah adviser to 82 Islamic funds including 1 Islamic REIT.

As at the LPD, BIMBSEC has an issued share capital of RM100,000,000.00 comprising 100,000,000 ordinary shares. It is a wholly owned subsidiary of Bank Islam Malaysia Berhad.

2.1.1.4 Proposed Property Manager

Nusa Realtors is proposed to be the property manager of AME REIT. As the Proposed Property Manager, Nusa Realtors will provide property management services to manage, operate, maintain and market the Subject Properties upon the terms and conditions of the Property Management Agreement.

The salient terms of the Property Management Agreement are as follows:

- (a) Subject to the right of termination under the Property Management Agreement, the appointment of the Proposed Property Manager shall commence from the date of completion of the acquisitions of the Subject Properties and shall unless terminated in accordance with the Property Management Agreement, continue for an initial period of 2 years and may be extended for a further term with the agreement of the Proposed Trustee and Proposed Manager on such terms and conditions as may be mutually agreed between the parties.
- (b) The function, duties and responsibilities of the Proposed Property Manager under the Property Management Agreement shall include the following:
 - (i) property management services including operation, repair and maintenance of the Subject Properties, recommending, engaging and/or reviewing third party contracts for provision of property maintenance, supervision and control of maintenance and repairs, ensuring compliances with building and safety regulations, arranging and taking out property insurance, submitting applications to the appropriate regulatory authorities for licences in timely manner, permissions and consents required relating to the operation, maintenance, management or improvement of the property, advising on improvement and upgrading to enhance income yields and capital value of the Subject Properties;

- (ii) financial management services by assisting the Proposed Manager and/or the Proposed Trustee in respect of the financial, cost and budgetary coordination, administration and measurement including establishment and keeping of information and records to effect cost and budgetary control, preparation of budgets for management operation, procedures for monitoring budgetary performance and compliance, and monthly and annual reports as well as analysis of operation performance;
- (iii) letting and tenancy management services by assisting the Proposed Manager and/or the Proposed Trustee in respect of, including coordinating handover of premises and tenants' fitting-out requirements, administration of rental collection and management of rental arrears and rental collection policies and practices, formulating letting policies, advising on tenancy terms and conditions;
- (iv) reporting system services whereby the Proposed Property Manager will submit the relevant report relating to the management of the Subject Properties to the Proposed Manager and/or the Proposed Trustee, either on a monthly, quarterly or annual basis, the frequency depending on the nature and types of reports; and
- (v) other professional services including providing advice on capital value, assessment value and consult with other professionals in legal, technical, financial and accounting matters, if and whenever necessary.

The Proposed Property Manager shall be entitled to receive from AME REIT, a property management fee of RM20,000.00 (excluding any applicable tax) per month (equivalent to RM240,000.00 (excluding any applicable tax) per annum) for the management and operation of the Subject Properties. In addition, the Proposed Property Manager shall also be entitled to full reimbursement from AME REIT, of costs and expenses properly incurred in the operation, maintenance, management and marketing of the Subject Properties, including fees and reimbursements for similar permissible expenses payable to its services provider(s). The property management fee shall be payable to the Proposed Property Manager in the form of cash.

The Proposed Property Manager was incorporated on 29 October 2021 under the Valuers, Appraisers, Estate Agents and Property Managers Act 1981.

Lee Kong Wah, who is the registered owner of the Proposed Property Manager, has been principally involved in property management, property valuation, real estate agency and consultancy services since 1987 in various capacities. He is duly registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia.

He has over 30 years of working experience in the real estate industry, including property and asset management, asset and mortgage valuation, real estate agency and project marketing, research and feasibility studies as well as investment appraisals. He was the Executive Director of Knight Frank Malaysia (M) Sdn Bhd from October 2012 to December 2018 where he oversaw the business operations for all branches in the state of Johor. He continued his service in Knight Frank (M) Sdn Bhd as a consulting advisor from January 2019 to December 2019.

Prior to that he has undertaken various positions in different firms, namely the Managing Partner of Hartamas Valuation and Property Consultants (2010-2012), the Director of Valuation in DTZ Nawawi Tie Leung International Property Consultants (2006-2010), Senior Vice President in the Property and Asset Management department of Hongkong and Shanghai Banking Corporation (Kuala Lumpur) (2005-2006), Managing Partner of Jasaland Valuers and Property Consultants (Johor Bahru) (1999-2005), Senior Valuer/Manager in the Valuation department of WTW International Property Consultants (Johor Bahru) (1994-1999) and Branch Manager in Rahim & Co International Property Consultants (Johor Bahru) (then known as Rahim & Co Chartered Surveyors and Property Consultants (Johor Bahru)) (1990-1994).

As the Proposed Property Manager is newly established, there are no properties under management as at LPD. Lee Kong Wah is the sole proprietor and sole personnel of the Proposed Property Manager, who has wealth of experience in the property management, valuation, agency and other related activities.

2.2 Proposed Disposals

2.2.1 Details of the Proposed Disposals

The Proposed Disposals entails the disposals of the Subject Properties by the respective Vendors to AME REIT. The details of the Subject Properties are set out in **Section 2.2.2** of this Circular.

Upon the establishment of AME REIT, the respective Vendors shall enter into the respective SPAs with the Proposed Trustee, on behalf of AME REIT, for the acquisitions of the Subject Properties at the Total Consideration, which will be satisfied, on the completion date of the SPAs, in the following manner:

- (i) issuance of 520.0 million Consideration Units at an issue price of RM1.00 per Unit, to be credited as fully paid-up; and
- (ii) cash consideration of RM37.0 million to be raised from Islamic financing.

There is no arrangement for payment of consideration on a deferred basis.

2.2.2 Details of Subject Properties and Mode of Settlement of the Total Consideration

The details of the Subject Properties, the Total Consideration and the mode of settlement for each of the Subject Properties are set out below:

Vendors	Subject Properties	Appraised Value ⁽¹⁾ /Consideration (RM'000)	Mode of Settlement	
			Consideration Units (RM'000)	Cash (RM'000)
Active Gold	Plot 66 Indahpura A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ Indahpura currently leased to Schiavello Manufacturing (Malaysia) Sdn Bhd for the manufacturing and trading of furniture and office	17,000	-	17,000
Sub-total		17,000	-	17,000
AME Development	FZW SAC Single storey detached warehouse together with an office annex and other ancillary buildings located in the Free Industrial Zone facility within SAC currently leased as a warehouse facility to GN Resound Malaysia Sdn Bhd which is involved in the distribution and packaging of medical devices, and Agility Logistics Sdn Bhd which is involved in warehousing and related activities	38,000	38,000	-

Vendors	Subject Properties	Appraised Value ⁽¹⁾ /Consideration (RM'000)	Mode of Settlement	
			Consideration Units (RM'000)	Cash (RM'000)
AME Development	SAC Dorm 5 blocks of 5-storey walk-up workers' dormitories, a 2-storey shop and other ancillary buildings located adjacent to i-Park @ SAC and currently tenanted to I Stay ⁽²⁾ which is involved in the business of letting out the dormitory to third parties	45,000	45,000	-
AME Development	Plot 13 Dorm Indahpura 2 blocks of 5-storey walk-up workers' dormitory, 2-storey facilities block and other ancillary buildings located adjacent to i-Park @ Indahpura which is currently under construction ⁽³⁾ , to be tenanted to I Stay ⁽²⁾ which is involved in the business of letting out the dormitory to third parties	45,000	45,000	-
AME Development	Plot 17 Dorm Indahpura 5 blocks of 5-storey walk-up workers' dormitory located adjacent to i-Park @ Indahpura currently tenanted to I Stay ⁽²⁾ which is involved in the business of letting out the dormitory to third parties	45,000	45,000	-
AME Development	Plot 7 Indahpura A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ Indahpura currently tenanted to GN Resound (Malaysia) Sdn Bhd for the manufacturing of hearing aid devices and its related activities and office	14,000	14,000	-

Vendors	Subject Properties	Appraised Value ⁽¹⁾ /Consideration (RM'000)	Mode of Settlement	
			Consideration Units (RM'000)	Cash (RM'000)
AME Development	Plot 8 Indahpura A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ Indahpura currently leased to Heraeus Materials Malaysia Sdn Bhd for the manufacturing of metal contact materials and its related activities and office	14,000	14,000	-
AME Development	Plot 14 Indahpura A single storey detached factory with other ancillary buildings located in i-Park @ Indahpura currently leased to Bericap Malaysia Sdn Bhd for the manufacturing of plastic closures and general wholesale trade and its related activities and office	21,000	21,000	-
AME Development	Plot 20 Indahpura A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ Indahpura currently leased to Cam Plas (Johor) Sdn Bhd for the manufacturing of precision plastics injection, moulding, tooling and its related activities and office	7,000	7,000	-
AME Development	Plot 21 Indahpura A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ Indahpura currently leased to Nippon Kinzoku (Malaysia) Sdn Bhd for the cutting of stainless steel and its related activities and office	7,000	7,000	-

Vendors	Subject Properties	Appraised Value ⁽¹⁾ /Consideration (RM'000)	Mode of Settlement	
			Consideration Units (RM'000)	Cash (RM'000)
AME Development	<p>Plot 36 Indahpura</p> <p>A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ Indahpura currently leased to Samwoo Colorants (Malaysia) Sdn Bhd for the manufacturing of colour masterbatches and compounding for plastic applications and its related activities and office</p>	7,000	7,000	-
AME Development	<p>Plot 65 Indahpura</p> <p>A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ Indahpura currently tenanted to W & S Plastics (Malaysia) Sdn Bhd for the use of plastic moulding and assembly and its related activities and office</p>	7,000	7,000	-
AME Development	<p>Plot 69 Indahpura</p> <p>A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ Indahpura currently tenanted to Merlin Entertainments Studios (Malaysia) Sdn Bhd for the manufacturing of toys and warehousing</p>	17,000	17,000	-
AME Development	<p>Plot 120 Indahpura</p> <p>A single storey detached factory located in i-Park @ Indahpura which is leased to W & S Plastics (Malaysia) Sdn Bhd for the use of plastic moulding and assembly and its related activities and office commencing 1 April 2022</p>	7,000	7,000	-

Vendors	Subject Properties	Appraised Value ⁽¹⁾ /Consideration (RM'000)	Mode of Settlement	
			Consideration Units (RM'000)	Cash (RM'000)
AME Development	Plot 3 & 4 SiLC 2 adjoining units of 1½ storey semi-detached factory located in i-Park @ SiLC currently leased to Lightpack Food Industries Sdn Bhd for the manufacturing of biscuits and cookies and its related activities and office	6,500	6,500	-
AME Development	Plot 3 District 6⁽⁴⁾ and Plot 4 District 6⁽⁵⁾ 2 contiguous units of single storey detached factory with 3-storey office and other ancillary buildings including an individual guard house to be managed by the occupant located in District 6. Plot 3 & Plot 4, District 6 are currently leased to Westrock Coffee & Tea Malaysia Sdn Bhd for the manufacturing and production of coffee, tea and coffee liquid extracts and related activities	24,000	24,000	-
Sub-total		304,500	304,500	-

lpark Development	Plot 5 SAC A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently tenanted to Polycore Optical (Malaysia) Sdn Bhd for the manufacturing and warehousing of ophthalmic lenses and related activities	8,000	8,000	-
lpark Development	Plot 6 SAC A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently leased to Federal Express Services (M) Sdn Bhd for processing, logistics and parcel distribution and its related activities	7,000	7,000	-

Vendors	Subject Properties	Appraised Value ⁽¹⁾ /Consideration (RM'000)	Mode of Settlement	
			Consideration Units (RM'000)	Cash (RM'000)
Ipark Development	<p>Plot 9 SAC</p> <p>A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently leased to PPC Moulding Services (Malaysia) Sdn Bhd for the manufacturing of silicone and plastic injection moulded parts, assembling components for the medical device industry and related activities</p>	8,000	8,000	-
Ipark Development	<p>Plot 16 SAC</p> <p>A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently tenanted to Mytech & Assembly Sdn Bhd for the manufacturing and assembly of electronic part, plastic and brush making and other related activities</p>	14,000	14,000	-
Ipark Development	<p>Plot 17 SAC</p> <p>A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently tenanted to Mytech & Assembly Sdn Bhd for the manufacturing and assembly of electronic part, plastic and brush making and other related activities</p>	14,000	14,000	-
Ipark Development	<p>Plot 18 & 19 SAC</p> <p>A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently leased to Dyson Manufacturing Sdn Bhd for the manufacturing of technology components and related products</p>	47,000	47,000	-

Vendors	Subject Properties	Appraised Value ⁽¹⁾ /Consideration (RM'000)	Mode of Settlement	
			Consideration Units (RM'000)	Cash (RM'000)
Ipark Development	Plot 1A1 SAC A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently leased to Lyreco Office Supplies (Malaysia) Sdn Bhd for the processing and distribution centre of office supplies and workplace products and related activities	17,000	17,000	-
Ipark Development	Plot 1B1 SAC A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently leased to DHL Express (Malaysia) Sdn Bhd for the processing, logistics cum parcel distribution and related activities	17,000	17,000	-
Ipark Development	Plot 1C2 SAC A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently leased to AAC Technologies (Malaysia) Sdn Bhd for the manufacturing, research and development of engineering and technology relating to smart phones and other related activities	23,000	23,000	-
Ipark Development	Plot 20 SAC A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently leased to TEK Automotive Malaysia Sdn Bhd for the manufacturing of parts and accessories for motor vehicles and related activities	14,000	14,000	-

Vendors	Subject Properties	Appraised Value ⁽¹⁾ /Consideration (RM'000)	Mode of Settlement	
			Consideration Units (RM'000)	Cash (RM'000)
Ipark Development	Plot 21 SAC A single storey detached factory mezzanine office and other ancillary buildings located in i-Park @ SAC and currently tenanted to Weidmuller (Malaysia) Sdn Bhd for the manufacturing of connecting devices, electronic components and enclosures and related activities	14,000	14,000	-
Ipark Development	Plot 30 SAC A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently leased to Hochuen Medical Sdn Bhd for the manufacturing and supply of medical and dental instruments and related activities	8,000	8,000	-
Ipark Development	Plot 32 SAC A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ SAC and currently leased to a Malaysian subsidiary of a foreign multinational electronics manufacturing services company for the manufacturing of electronics	21,000	21,000	-
Sub-total		212,000	212,000	-
LKL Industries	Plot 18 Indahpura A single storey detached factory with mezzanine office and other ancillary buildings located in i-Park @ Indahpura and currently tenanted by HID Global Sdn Bhd for the manufacturing of RFID transponders and its related activities and warehousing	7,000	-	7,000

Vendors	Subject Properties	Appraised Value ⁽¹⁾ /Consideration (RM'000)	Mode of Settlement	
			Consideration Units (RM'000)	Cash (RM'000)
LKL Industries	Plot 6 SiLC 1½ storey semi-detached industrial building located in i-Park @ SiLC currently tenanted to Lightpack Food Industries Sdn Bhd for the manufacturing of biscuits and cookies and its related activities and office	3,500	3,500	-
Sub-total		10,500	3,500	7,000
Twin Sunrich	Plot 6 District 6 A single storey detached factory with 3 storey office and other ancillary buildings including an individual guardhouse to be managed by the occupant located in District 6. Plot 6 District 6 is currently tenanted to Ametalin Sdn Bhd for the manufacturing of thermal insulation products, building wraps, specialty laminates and packaging materials and related activities	13,000	-	13,000
Sub-total		13,000	-	13,000
Total		557,000	520,000	37,000

Notes:

- (1) The market value of the Subject Properties as appraised by the Independent Property Valuer, pursuant to Valuation Reports using the investment method and cross-checked with the comparison approach for all the Subject Properties except for SAC Dorm, Plot 13 Dorm Indahpura and Plot 17 Dorm Indahpura whereby in addition to the comparison approach, the cost approach is also adopted as a cross-check.
- (2) I Stay is a 70.0% owned subsidiary of AME. The remaining 30.0% equity interest is held by Pu Wah Jian, who is also a director of I Stay. However, Pu Wah Jian is not a related party to any of AME's directors, major shareholders and/or substantial shareholders.
- (3) Plot 13 Dorm Indahpura is currently under construction and the CCC is expected to be obtained by end June 2022. The valuation report prepared by the Independent Property Valuer is based on the assumptions that this property has been constructed/completed in accordance with the approved building plans and specifications and issued with a CCC by the relevant authorities. The SPA for this property is conditional upon these assumptions.
- (4) AME Development is the beneficial owner of this property by way of a joint venture agreement and power of attorney both dated 28 March 2014 and a supplementary agreement dated 30 March 2015 between Symphony Square Sdn Bhd and AME Development.
- (5) AME Development is the beneficial owner of this property by way of a joint venture agreement and power of attorney both dated 28 March 2014 and a supplementary agreement dated 31 May 2016 between Twin Sunrich and AME Development.

The mode of settlement of the Total Consideration comprising the cash consideration and Consideration Units was determined after taking into consideration the Vendors' prevailing cash flow position and debt repayment requirements respectively, and the intention for AME Development to be the 51% controlling Unitholder of AME REIT.

(i) Actual gross rental income, occupancy rate and weighted average lease expiry (“WALE”)

From January to December 2021, the total actual gross rental income due and payable for the Subject Properties is approximately RM33.0 million, of which Industrial Properties contributed RM25.8 million or 78.2% while the remaining RM7.2 million or 21.8% is contributed by Dormitories.

For the month of March 2022, the total actual gross rental income due and payable for the Subject Properties is approximately RM2.93 million, of which Industrial Properties contributed RM2.33 million or 79.5% while the remaining RM0.60 million or 20.5% is contributed by Dormitories.

The table below sets out the actual gross rental income from January to December 2021 and for the month of March 2022 and occupancy rate as at 31 March 2022 for the Industrial Properties:

Industrial Properties	Actual gross rental income				Occupancy rate ⁽¹⁾
	From January to December 2021		For the month of March 2022		
	(RM'000)	(%)	(RM'000)	(%)	(%)
SAC Subject Properties	15,435	59.8	1,394	59.9	95.0 ⁽²⁾
Indahpura Subject Properties	7,733	30.0	691	29.7	100.0
SiLC Subject Properties	2,627	10.2	241	10.4	100.0
Total	25,795	100.0	2,326	100.0	97.1

Notes:

- (1) The occupancy rate is calculated based on the occupied NLA and total NLA of the Industrial Properties as at 31 March 2022.
- (2) The occupancy rate of 95.0% was due to Plot A of FZW SAC being vacant.

The table below sets out the actual gross rental income from January to December 2021 and for the month of March 2022 and occupancy rate as at 31 March 2022 for the Industrial-Related Properties:

Industrial-Related Properties	Actual gross rental income				Occupancy rate ⁽¹⁾
	From January to December 2021		For the month of March 2022		
	(RM'000)	(%)	(RM'000)	(%)	(%)
Dormitories ⁽²⁾	7,200	100.0	600	100.0	100.0

Notes:

- (1) The occupancy rate is 100% as the Dormitories are rented on master lease arrangements.
- (2) Excluding Plot 13 Dorm Indahpura which is currently under construction and the CCC is expected to be obtained by end June 2022. The valuation report prepared by the Independent Property Valuer is based on the assumptions that this property has been constructed/completed in accordance with the approved building plans and specifications and issued with a CCC by the relevant authorities. The SPA for this property is conditional upon these assumptions.

As at LPD, the above existing tenancies have a WALE by rental income of approximately 4 years.

Certain tenancy agreements have renewal options, ranging from 1 to 5 years. When the tenants exercise the renewal options, the revised rental rates will be based on the scheduled step-up rental rates if already pre-agreed or subject to further negotiation at the point of renewal.

Further detailed information on the Subject Properties is set out in **Appendix IV** of this Circular.

2.2.3 Salient terms of the SPAs

The salient terms of the SPAs are set out in **Appendix V** of this Circular.

2.2.4 Basis of and justification for the Total Consideration

The Total Consideration was arrived at on a willing-buyer willing-seller basis and based on the market value of the Subject Properties as appraised by the Independent Property Valuer, based on the Valuation Reports. The valuation of the Subject Properties was carried out using the income approach (investment method) and cross-checked with the comparison approach for all the Subject Properties except for SAC Dorm, Plot 13 Dorm Indahpura and Plot 17 Dorm Indahpura whereby in addition to the comparison approach, the cost approach is also adopted as a cross-check. The rationale for adopting an additional approach as cross check is that SAC Dorm, Plot 13 Dorm Indahpura and Plot 17 Dorm Indahpura are purpose-built workers' dormitories, that are rarely if ever sold in the market. As a result, information is not available for similar workers' dormitory sale comparables.

The income approach (investment method) of valuation involves determining the net annual income and capitalising the net income by a suitable rate of return consistent with the type and quality of investment to arrive at the market value. The net annual income is calculated by deducting the annual outgoings from the gross annual income of the relevant property.

Income in the context of the investment method relates mainly to rental. This method is premised on the principle that the value of an income-producing property is represented by "the present worth of future rights to income, or utility".

The comparison approach involves analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes. Adjustments are made for differences in location, size, age and condition of unit and building, tenure, title restrictions (if any), and other relevant characteristics to arrive at the market value.

The cost approach is the common method as it can be applied to a wide range of assets. It is based on the economic theory of substitution and the principle of substitution. The cost approach entails the summation of the market value of land and Depreciated Replacement Cost of the building.

The Independent Property Valuer has adopted the market value derived from the income approach (investment method) as a fair representation, considering the legal owners of the Subject Properties have entered into leases/tenancies of between 2 years to 12 years with the lessees/tenants, and given the lessees/tenants the right to use or occupy the Subject Properties for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the comparison approach.

2.2.5 Basis of and justification for determining the issue price of the Consideration Units

The issue price of RM1.00 per Consideration Unit is determined after taking into consideration the pro forma NAV of AME REIT upon its establishment of RM1.00 per Unit based on the initial size of 520.0 million Units.

2.2.6 Ranking of the Consideration Units

The Consideration Units shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank equally with other Units without any preference or priority among themselves.

2.2.7 Listing of and quotation for the Consideration Units on the Main Market of Bursa Securities

An application will be made by the Principal Adviser to Bursa Securities, on behalf of I REIT Managers for the listing of and quotation for the Consideration Units on the Main Market of Bursa Securities in conjunction with the Proposed Listing.

2.2.8 Liabilities which remain with and guarantees given by the Company

There are no liabilities, including contingent liabilities, that remain with AME upon completion of the Proposed Disposals. There are no guarantees given by AME to AME REIT pursuant to the Proposed Disposals.

2.3 Proposed Offering

2.3.1 Details of the Proposed Offering

Upon completion of the Proposed Disposals, the Selling Subsidiaries will make available 254.8 million Offer Units in conjunction with the Proposed Offering as follows:

Selling Subsidiaries	No. of Offer Units (‘000)	Percentage of total Units (%)
AME Development	39,300	7.5
Ipark Development	212,000	40.8
LKL Industries	3,500	0.7
Total	254,800	49.0

The Proposed Offering will comprise the following:

- (a) Proposed Retail Offering of up to approximately 174.8 million Offer Units at Retail Price, comprising the following:
 - (i) up to approximately 156.6 million ROFS Units to the Entitled AME Shareholders on the basis of 1 ROFS Unit for every 5 ordinary shares held in AME on the Entitlement Date;
 - (ii) up to 7.8 million Offer Units to the Eligible Directors and Employees; and
 - (iii) 10.4 million Offer Units for application by the Malaysian public, of which 5.2 million Offer Units are reserved for application by the Bumiputera public; and
- (b) Proposed Institutional Offering of at least approximately 80.0 million Offer Units to Malaysian institutional investors and selected investors, including Bumiputera investors approved by the MITI, at the Institutional Price,

subject to clawback and reallocation provisions typically applied in initial public offerings. Clawback and reallocation provisions are undertaken to ensure that when there are under-subscriptions in any category of any offering, such under-subscriptions can be fulfilled by over-subscriptions in other categories of the offering. For instance, should there be any shortfall in respect of subscriptions in any categories of the Proposed Retail Offering in **Sections 2.3.1 (a)(i), (ii) and (iii)** of this Circular and the Proposed Institutional Offering have been over-subscribed, the over-subscriptions could be reallocated to fulfil the shortfall under the Proposed Retail Offering, and vice versa.

The Offer Units under the Proposed Retail Offering and the Proposed Institutional Offering are in the manner set out below:

Categories	Minimum Scenario ⁽¹⁾		Maximum Scenario ⁽²⁾	
	No. of Units (^{'000})	% of total Units %	No. of Units (^{'000})	% of total Units %
Proposed Retail Offering:				
Proposed ROFS	128,135	24.6	156,609	30.1
Proposed Restricted Pink Form Offering	7,800	1.5	7,800	1.5
Proposed Public Offering				
- Bumiputera	5,200	1.0	5,200	1.0
- Non-Bumiputera	5,200	1.0	5,200	1.0
Sub-total	146,335	28.1	174,809	33.6
Proposed Institutional Offering:				
- Bumiputera investors approved by MITI	65,000	12.5	65,000	12.5
- Other Malaysian institutional investors and selected investors	43,465	8.4	14,991	2.9
Sub-total	108,465	20.9	79,991	15.4
Total	254,800	49.0	254,800	49.0

Notes:

(1) Assuming no exercise of Warrants 2021/2026.

(2) Assuming full exercise of Warrants 2021/2026.

2.3.2 Proposed Retail Offering

2.3.2.1 Allocation to the Entitled AME Shareholders under the Proposed ROFS

(a) Number and basis of allocation

Up to approximately 156.6 million ROFS Units are reserved for application by the Entitled AME Shareholders at the Retail Price. Each Entitled AME Shareholder will be guaranteed an allocation of the basis of 1 ROFS Unit for every 5 ordinary shares held in AME on the Entitlement Date, rounded down to the nearest unit.

The Proposed ROFS is non-renounceable and non-tradeable. Entitled AME Shareholders may fully or partially subscribe for their entitlement to the ROFS Units by paying the full Retail Price for their subscriptions. The ROFS Units will not be underwritten. For avoidance of doubt, should the Entitled AME Shareholders choose not to fully or partially subscribe for their entitlements to the ROFS Units, they will not receive any cash for their entitlements under the Proposed ROFS.

Fractional entitlements arising from the Proposed ROFS will be disregarded and the aggregate of such fractions will be dealt with in such manner or on such terms as the Board may in its absolute discretion deem fit, necessary and/or expedient, fair and equitable and in the best interests of AME REIT.

(b) Excess ROFS Application

Excess ROFS Units will be made available to other Entitled AME Shareholders under the Excess ROFS Units application (“**Excess ROFS Application**”). Each Entitled AME Shareholder is eligible to apply for the Excess ROFS Units. The Board and the board of directors of the Proposed Manager reserve the right to allocate any Excess ROFS Units to Entitled AME Shareholders who have made an Excess ROFS Application, in a fair and equitable basis and in such manner as it deems fit and expedient and in the best interest of AME REIT. It is the intention of the Board and the board of directors of the Proposed Manager to allocate the Excess ROFS Units on a pro-rata basis according to the Entitled AME Shareholders’ respective shareholdings in AME as at the Entitlement Date which is to be rounded down to the nearest unit.

If any Excess ROFS Unit after the above allocation remains available, it will be re-allocated based on a pro-rata basis according to the Entitled AME Shareholders’ respective shareholdings in AME as at the Entitlement Date which is to be rounded down to the nearest unit.

Subject to the final basis of allocation of the remaining ROFS Units on a pro-rata basis, the Entitled AME Shareholders who apply in excess of their guaranteed entitlement may receive additional allocation on a pro-rata basis according to their respective shareholdings in AME as at the Entitlement Date.

Entitled AME Shareholders are not allowed to submit multiple applications for the ROFS Units offered under the Proposed ROFS and the Board and the board of directors of I REIT Managers has the absolute discretion to reject such applications. The Entitled AME Shareholders are also eligible to apply for the Offer Units allocated to the Malaysian Public under the Proposed Public Offering even if they decide to subscribe for the Units made to them under the Proposed ROFS.

2.3.2.2 Allocation to Eligible Directors and Employees under the Proposed Restricted Pink Form Offering

(a) Number and basis of allocation

Up to 7.8 million Offer Units have been reserved for the Eligible Directors and Employees.

The criteria for allocation of Offer Units to eligible directors are based on, amongst others, their respective roles and responsibilities to the AME and its subsidiaries.

The criteria for allocation to the eligible employees are based on the following factors:

- (i) the eligible employees must be a full-time confirmed employee and on the payroll of AME and its subsidiaries, and who has not submitted his/her resignation; and
- (ii) the number of Offer Units allocated to the eligible employee is based on, amongst others, his/her performance, seniority within AME and its subsidiaries as well as contributions leading up to the Proposed Listing.

(b) Excess Offer Unit Application

Any unsubscribed Offer Units will be offered to other Eligible Directors and Employees as excess Units applications (“**Excess Offer Unit Application**”).

The Proposed Manager reserves the right to allocate to the Eligible Directors and Employees who have applied for excess Offer Units on top of their pre-determined allocation at the discretion of the Proposed Manager in such manner it deems fit and expedient. The Proposed Manager also reserves the right to accept any Excess Offer Unit Application, in full or in part, without assigning any reason. Thereafter, any unsubscribed Offer Units unallocated to the Eligible Directors and Employees will be made available for application by the Malaysian Public under the Proposed Public Offering, subject to the clawback and reallocation provisions.

2.3.2.3 Allocation to the Malaysian Public under the Proposed Public Offering

10.4 million Offer Units shall be allocated for subscription by the Malaysian Public, of which 5.2 million Offer Units have been set aside for application by Bumiputera individuals, companies, co-operatives, societies and institutions.

2.3.3 Proposed Institutional Offering

Proposed Institutional Offering to institutional investors and selected investors at the Institutional Price payable in full upon allocation and determined by way of bookbuilding on the Price Determination Date will be allocated in the following manner:

- (i) 65.0 million Offer Units to Bumiputera investors approved by MITI; and
- (ii) at least approximately 15.0 million Offer Units to Malaysian institutional investors and selected investors.

2.3.4 Minimum Subscription

There is no minimum subscription in terms of the cash to be raised from the Proposed Offering. However, the minimum subscription in terms of the number of Units to be subscribed will be such number of Units required to be held by public unitholders for AME REIT to have at least 25.0% of the total number of Units in issue to be held by 1,000 public Unitholders holding not less than 100 Units each upon completion of the Proposed Offering and at the point of the Proposed Listing.

If the Proposed Offering is not completed and/or the Proposed Manager decides in its absolute discretion not to proceed with the Proposed Listing, monies paid in respect of any application for the Offer Units will be returned to the applicants without interest.

2.3.5 Non-Qualifying Overseas Shareholders

The distribution of this Circular and the Proposed Offering may be prohibited or restricted (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions outside Malaysia under the relevant securities laws of those jurisdictions.

Accordingly, for practical reasons and in order to avoid the violation of applicable securities laws of jurisdictions outside Malaysia, the Proposed ROFS will not be made available to the Entitled AME Shareholders with a registered address in jurisdictions outside Malaysia ("**Overseas Shareholders**") who have not at least 3 market days prior to the Entitlement Date provided the Unit Registrar with addresses in Malaysia for the service of notices or documents in relation to the Proposed ROFS ("**Non-Qualifying Overseas Shareholders**").

In view that the Non-Qualifying Overseas Shareholders will not be entitled to subscribe for ROFS Units, they will therefore not receive any ROFS Units. For the avoidance of doubt, even if an Overseas Shareholder has provided a Malaysian address as aforesaid, the making available or offer for subscription or purchase, or invitation to subscribe for or purchase, or sale of ROFS Units under the Proposed ROFS will be subject to compliance with the applicable securities laws of jurisdictions outside Malaysia to the extent reasonably practicable.

2.3.6 Retail Price and Institutional Price

2.3.6.1 Retail Price

The Retail Price will be determined after taking into consideration various factors, including but not limited to, the financial history and condition of the Subject Properties, the pro forma NAV per Unit upon the Proposed Listing, the forecast distribution yields of AME REIT, the future prospects of AME REIT, as well as the prevailing capital and property market conditions and sentiments.

The Final Retail Price will be equal to the lower of the Retail Price or the Institutional Price.

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest thereon.

2.3.6.2 Institutional Price

The Institutional Price will be determined via bookbuilding after the close of the subscription for the Proposed Institutional Offering.

2.3.7 Ranking of the Offer Units

The Offer Units shall be free from all claims, charges, liens, and other encumbrances whatsoever and shall rank equally with other Units without any preference or priority among themselves.

2.3.8 Proceeds from the Proposed Offering

The proceeds raised from the Proposed Offering will accrue to the Selling Subsidiaries in proportion to the number of Offer Units offered. The fees payable for and in conjunction with the Proposed Offering would be borne proportionately by the respective Selling Subsidiaries.

2.3.9 Undertakings to subscribe for the Proposed ROFS

Pursuant to the Proposed ROFS, the Company had on 12 April 2022 procured irrevocable written undertakings from the following substantial shareholders of the Company, namely Lee Chai, Lee Sai Boon, Kang Ah Chee and Lim Yook Kim, to subscribe and/or cause to subscribe in full for their respective entitlements for the Proposed ROFS and/or each other's entitlements not subscribed for under the Proposed ROFS based on the number of shares in AME held as the date of the undertaking as follows:

Substantial shareholder	No. of shares in AME held as at the date of undertaking	No. of Units
Lee Chai	112,701,650	22,540,330
Lee Sai Boon	36,987,000	7,397,400
Lim Yook Kim	113,841,150	22,768,230
Kang Ah Chee	111,591,150	22,318,230

For avoidance of doubt:

- (i) the undertaking is limited to the number of shares in AME held by the respective substantial shareholder directly in their own names (excluding shares held indirectly via investment holding companies) as at the date of this undertaking; and
- (ii) the undertaking does not cover any exercise of warrants or any new purchase of AME shares by any of the Entitled AME Shareholder subsequent to the date of this undertaking.

2.4 Proposed Listing

I REIT Managers will seek admission of AME REIT into the Official List and the listing of and quotation for the 520.0 million Units on the Main Market of Bursa Securities.

3. RATIONALE AND BENEFITS

3.1 Proposed REIT Establishment

The Proposed REIT Establishment shall be undertaken to facilitate the Proposals.

AME Group is a property development and construction group with core expertise in the construction of customised large manufacturing plants as well as design-and-build of industrial parks complemented by AME Group's offerings in engineering services, property investment and management services in Malaysia.

Upon the establishment and listing of AME REIT, AME REIT will be the principal vehicle that would represent property investment activity for AME as AME will continue to hold 51.0% interest in AME REIT. The 34 Subject Properties have met the requisite criteria to form the initial portfolio of AME REIT. As at LPD, there are 7 remaining leasing properties which do not fulfil the investment criteria of AME REIT and are retained in AME Group.

AME Group will continue to work on its pipeline of property development projects and from which AME REIT would be able to source for suitable industrial properties, workers' dormitories and warehouses in the future.

In the future, AME Group would also be able to unlock the value of its leasing property assets by securitising those assets which fit the investment criteria of AME REIT.

As the sponsor of AME REIT and in line with similar arrangements for sponsored REITs, AME, its wholly owned subsidiaries and Ipark Development (collectively, the "**Grantors**") will be granting a right of first refusal ("**ROFR**") to AME REIT which will be effective for a period of 5 years from the date of listing of AME REIT. Pursuant to the ROFR, the Grantors will not dispose and/or purchase any industrial property and dormitory with leasing or tenancy arrangement ("**Relevant Asset**") without giving the ROFR in writing to the Proposed Trustee and the Proposed Manager to purchase such Relevant Asset for and on behalf of AME REIT. Furthermore, in the event of disposal of Relevant Asset by the Grantors, the selling price and terms offered to the Proposed Trustee and Proposed Manager must be similar or equal to those offered to third party purchasers.

The ROFR may be renewed for another 5 years subject to mutual agreement and provided that (i) the Proposed Manager remains as the management company for AME REIT; (ii) AME holds direct and/or indirect interest of 50% or more in the Proposed Manager; (iii) AME holds direct and/or indirect interest of 20% or more in AME REIT; and (iv) AME REIT remains listed on Bursa Securities.

3.2 Proposed Disposals

The Proposed Disposals are undertaken to enable AME REIT to hold the Subject Properties as its initial investment portfolio in conjunction with the Proposals.

Upon completion of the Proposed Disposals, there will be no change to the business and principal activities of AME Group because all the 520.0 million Units issued as consideration for the Proposed Disposals will be held by 3 subsidiaries of AME which are also the Selling Subsidiaries.

The total audited net book value of the Subject Properties as at 31 March 2021 of RM426.2 million, represents 35.8% of the total assets of AME on a consolidated basis for the FYE 31 March 2021. The Industrial Properties contributed RM22.5 million (as the revenue relating to the Dormitories were not recognised from the consolidated perspective due to them being tenanted to a subsidiary of AME) and RM8.2 million as stated in **Section 6.3** of this Circular, representing 4.9% and 15.2%, respectively of the total revenue and profit after tax of AME on a consolidated basis for the FYE 31 March 2021.

3.3 Proposed Offering

The Proposed Offering which involves the sale of 49.0% of the total Units in AME REIT by the Selling Subsidiaries enables AME Group to partly monetise their investments in the Subject Properties whilst providing the Entitled AME Shareholders (via the Proposed ROFS), the Eligible Directors and Employees, and investors (i.e. retail, institutional and sophisticated investors) with an opportunity to participate in AME REIT. Entitled AME Shareholders who subscribe for their entitlements under the Proposed ROFS will continue to have beneficial interest in the Subject Properties through the ownership of the Units.

Based on an illustrative offer price of RM1.00 per Offer Unit, the proceeds of RM254.8 million from the Proposed Offering will provide the AME Group with additional funds to repay borrowings and capitalise on strategic business opportunities related to property development and investment projects which may strengthen the AME Group's financial performance, thereby maximising Shareholders' return.

Upon completion of the Proposed Offering, AME will remain as controlling Unitholder of AME REIT holding at least 51.0% of the total issued Units of AME REIT (and correspondingly 51% effective interests in the Subject Properties). Pursuant to MFRS 10 Consolidated Financial Statements, AME REIT is deemed as a subsidiary of AME.

Moreover, the Proposed Institutional Offering is intended to provide an avenue for institutional investors and selected investors to participate in AME REIT and to meet the applicable public unitholding spread as prescribed in the Listing Requirements.

3.4 Proposed Listing

The Proposed Listing provides AME REIT with access to the capital markets in order to raise funds for future real estate acquisition for its portfolio.

Moreover, the Proposed Listing provides investors with the opportunity to invest directly in a REIT, which is expected to provide stable distribution of income and potential capital appreciation on investment in the Units.

4. USE OF PROCEEDS

Based on an illustrative offer price of RM1.00 per Offer Unit, the Proposed Offering are expected to raise gross proceeds of up to approximately RM254.8 million for AME Group.

The following table illustrates the allocation of the gross proceeds from the Proposed Offering:

Description of use of proceeds	RM'000	Estimated timeframe for full use from the date of the Proposed Listing
Repayment of borrowings ⁽¹⁾	105,000	Within 3 months
Estimated expenses relating to the Proposed REIT Establishment and Proposed Listing ⁽²⁾	4,455	Within 1 month
Future industrial property development and investment projects including land acquisitions and joint ventures ⁽³⁾	145,345	Within 24 months
Total	254,800	

Notes:

- (1) As at 31 December 2021, the total borrowings of the AME Group is approximately RM248.3 million, of which approximately RM163.9 million of borrowings is in relation to the Subject Properties. The repayment of existing borrowings undertaken by the Vendors of approximately RM105.0 million is expected to result in interest savings of approximately RM3.7 million per annum based on an average interest rate of 3.55% per annum. However, AME will consolidate the RM37.0 million arising from the Islamic financing to be undertaken by AME REIT for the Proposed Disposals, which is expected to result in additional profit costs of approximately RM1.4 million per annum based on an assumed profit rate of 3.70% per annum.

If the actual repayment of borrowings is lower than the allocated amount above, the surplus cash shall be used for future industrial property development and investment projects.

- (2) The estimated expenses relating to the Proposed REIT Establishment and Proposed Listing comprise the following:

	RM'000
Underwriting fees and commissions, placement commission, and brokerage proportionate to the Units offered by the Selling Subsidiaries under the Proposed Offering	3,850 ^(a)
Professional fees	527
Other expenses	78
Total	4,455

Note:

- (a) Inclusive of estimated expenses incurred by Ipark Development of which 20% representing approximately RM609,000 is attributable to the minority shareholder of Ipark Development.
- (3) As at the LPD, AME Group has yet to enter into any contractual binding arrangements in relation to future industrial property development and investment projects including land acquisitions and joint ventures.

Pending full utilisation of the proceeds, the proceeds shall be placed in interest-bearing account with licensed financial institution(s) or short-term money market instrument(s) as the Board may deem fit. Such interest income generated will be allocated for potential investment opportunities.

AME will also report the status of the unused remaining proceeds, including, amongst others, the amount used and detailed explanation of its use, the remaining balance, and the interest income generated from such balance in AME's quarterly financial results and annual reports until such remaining proceeds are fully used.

5. RISK FACTORS

The potential risk factors which may arise from the Proposals are as follows:

5.1 Potential delay or failure of the Proposals

The Proposed Disposals are subject to conditions precedents in the SPAs. Any delay or failure to meet any of the conditions precedent would affect the implementation of the Proposed Offering and Proposed Listing. The Proposals also subject to approvals of the relevant authorities. Even upon receipt of all relevant approvals, the Proposals remains exposed to the risk of delay or failure should any one or more of the following events occur:

- (i) AME REIT is unable to meet the public spread requirement of a minimum of 1,000 public Unitholders holding not less than 100 Units each at the point of Proposed Listing;
- (ii) AME REIT is unable to meet the public Unitholding spread of at least 25.0% at the point of listing as a condition of the approval by Bursa Securities;

- (iii) the financing facilities for the Proposed Disposals being withdrawn, terminated or not being drawn down for any reason whatsoever; and
- (iv) the authorities revoke approvals for the Proposed REIT Establishment and the Proposals.

Hence, there can be no assurance that the Proposals will be undertaken within a stipulated timeframe or at all.

Upon successful listing, there is no guarantee that the Units will continue to be listed on Bursa Securities as AME REIT will need to comply with the regulations of Bursa Securities such as public unitholding spread requirements.

5.2 Exposure from economic, political and regulatory risks may affect the demand for the Units

Although the Subject Properties are located in Iskandar Malaysia, AME REIT's results of operations would depend, to a large extent, on the performance of the Malaysian and global economy and industrial related activities such as manufacturing, production, processing and storage of goods and products. The performance of AME REIT may also be affected by the industrial property market conditions, such as the competitiveness of competing industrial parks or the supply and demand of industrial properties. A decline in the Malaysian and global economy and industrial related activities could adversely affect the results of operations and future growth of the tenants on the Subject Properties. An economic decline in Malaysia, a decline in the industrial property market conditions in Malaysia or other developments outside the control of AME REIT and the Proposed Manager, may affect AME REIT's business, financial condition and results of operations.

The performance of AME REIT may be adversely affected by disruptions to economic and production activities including, but not limited to:

- (i) an economic downturn in Malaysia or globally, affecting property values, rents, and occupancy rate;
- (ii) a negative impact to the financial position of tenants of the Subject Properties resulting in delays in the receipt of rental payments, defaults in rental payments or early termination of tenancies;
- (iii) reduced tenants in the Subject Properties;
- (iv) tenants becoming insolvent or otherwise unable to meet their obligations; and/or
- (v) an increase in counterparty risk involving parties such as tenants, insurers, lenders as well as contractors and suppliers.

After its listing on the Main Market of Bursa Securities, there can be no assurance that the Malaysian and global economy will continue to improve, or that industrial property values, rents and occupancy rates will not decline, that overall supply chains will not be dampened, that local and foreign direct investments will not fall in the future, or political and regulatory policies will be favourable towards market sentiments. These factors invariably contribute to the volatility of the trading volume on Bursa Securities, thus adding risk that the price for the Units may not trade at or above the issue price upon subsequent to the Proposed Listing.

5.3 Occurrence of pandemic due to outbreak of diseases may result in economic slowdown and subsequently affecting the Proposed Listing

In 2020, there was an outbreak of the infectious disease known worldwide as COVID-19 that was recognised by the World Health Organisation on 11 March 2020 as a "pandemic". Following this, countries across the world imposed restrictions on travel and/or quarantines to curb the spread of COVID-19. Between 16 March 2020 to 15 June 2021, various iterations of the Movement Control Order were announced in Malaysia to implement restriction on social and economic sectors except for those in the provision of essential services, in order to contain the spread of the virus.

As of 13 April 2022, 97.6% of the adult population, or 22,959,339 individuals, have completed their doses while 98.8% or 23,236,086 have received at least one dose according to the Health Ministry's CovidNow portal. With the improving Covid-19 situation in the country, Malaysia will be transitioning into the "endemic" stage where economic sectors are being re-opened subject to compliance of operating procedures to be reviewed from time to time.

The COVID-19 global outbreak has disrupted global economic activity, and impacted companies in various industries in the Malaysian economy. Although Malaysia is transitioning into the "endemic" stage, there is no certainty that there would be no new outbreak of mutated and more virulent strains that would have a negative impact on the local and global economy and business activities in the near future. Inability to contain a new outbreak could have a negative impact on the global economy and business activities. Depending on the spread and consequences of the COVID-19 outbreak, stock exchanges over the world including Bursa Securities could be volatile and share prices may be subject to extraordinary swings. Thus, there is a risk that the price for the Units may be affected, regardless of the results and performance of AME REIT, and decline in value after its listing on the Main Market of Bursa Securities.

5.4 Risk relating to holding of Units

The trading price at which the Units will take on Bursa Securities upon the listing of AME REIT will be dependent upon market forces which are beyond the AME Group's control. The trading price of the Units, like all listed securities traded on Bursa Securities, is subject to fluctuation. A variety of factors could cause the trading price of the Units to fluctuate, including, but not limited to:

- (i) the perceived prospects of AME REIT's business and investments and the Malaysian real estate market;
- (ii) differences between AME REIT's actual financial and operating results and those expected by investors and analysts;
- (iii) changes in analysts' recommendations or projections, if any;
- (iv) changes in general economic or market conditions;
- (v) the market value of AME REIT's assets;
- (vi) the perceived attractiveness of the Units against those of other equity or debt securities, including those not in the real estate sector;
- (vii) the balance of buyers and sellers of the Units;
- (viii) the size and liquidity of the Malaysian REIT market;
- (ix) any changes to the regulatory system, including the accounting standards and tax system, both generally and specifically in relation to Malaysian REITs;
- (x) any ability on the Proposed Manager's part to implement successfully its investment and growth strategies; and
- (xi) broad market fluctuations, including increases in interest rates and weakness of the equity and debt markets.

For these reasons, amongst others, Units may trade at prices that are higher or lower than the NAV per Unit. To the extent that AME REIT retains operating cash flow for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of AME REIT's Total Asset Value and NAV, may not correspondingly increase the market price of the Units. Any failure to meet market expectations with regard to future earnings and cash contributions may adversely affect the market price for the Units.

5.5 Compulsory acquisition by the State Authority

Pursuant to the Land Acquisition Act 1960 (“**Land Acquisition Act**”), the State Authority has the power to acquire any land, whether in whole or in part, which is needed:

- (i) for any public purpose;
- (ii) by any person or corporation for any purpose which, in the opinion of the State Authority, is beneficial to the economic development of Malaysia or any part thereof or to the public generally or any class of the public; or
- (iii) for the purpose of mining or for residential, agricultural, commercial, industrial or recreational purposes or any combination of such purposes.

In the event of any compulsory acquisition of property in Malaysia, the amount of compensation to be awarded is based on the fair market value of a property and is assessed on the basis prescribed in the Land Acquisition Act and other relevant laws. The market value of any of the Subject Properties, if so acquired, as determined by the State Authority may be lower than the market value as determined by any independent property valuer appointed by AME REIT.

Moreover, if any of the Subject Properties were compulsorily acquired by the State Authority after completion of the Proposed Disposals, and at a point in time when the market value of the Subject Properties has decreased, the level of compensation paid to AME REIT may be less than the price which AME REIT paid for the Subject Properties. This may have an adverse effect on the trading price of the Units and AME REIT’s business, financial condition, results of operations and prospects. In the event any of the Subject Properties are subject to compulsory acquisition by the State Authority before the completion of the Proposed Disposals, the Proposed Trustee has an option to terminate the relevant SPA or to proceed with the purchase of the relevant Subject Property under the terms of the SPA.

In the event the Proposed Trustee elects to terminate the relevant SPA, the Vendor will refund to AME REIT the purchase consideration (free of interest) paid for the relevant Subject Property in cash, and in exchange of the Vendor’s refund, the Proposed Trustee will return all documents delivered by the Vendor. In the event the Proposed Trustee elects to proceed with the purchase of the relevant Subject Property, the Vendor will notify the State Authority of the interest of the Proposed Trustee in the relevant Subject Property and the terms of the relevant SPA, and the Vendor will pursue the best compensation available from the State Authority to be remitted to the Proposed Trustee, subject to full payment of the purchase consideration by the Proposed Trustee to the Vendor.

5.6 Potential conflict of interest between AME, AME REIT and the Proposed Manager

The Proposed Manager is a wholly owned subsidiary of AME and the proposed management company of AME REIT. AME will be the single largest Unitholder of AME REIT via its subsidiary upon completion of the Proposed Offering.

As disclosed in **Section 2.1.1.1** and **Appendix II** of this Circular, certain of the directors including an alternate director, namely Lee Chai, Lee Sai Boon, Kang Ah Chee, Lim Yook Kim and Lim Pei Shi are also sitting on the board of directors of the Proposed Manager as AME’s representatives as AME would be the majority Unitholder of AME REIT (“**Common Directors**”). Further the Common Directors will also hold direct interests in AME REIT pursuant to their entitlements in respect of the Proposed ROFS, which are also available to all the other shareholders on a pro-rata basis.

Lim Yook Kim, Kang Ah Chee and Lim Pei Shi are alternate directors in the Proposed Manager. Lee Chai and Lee Sai Boon’s executive roles in the Proposed Manager are merely an extension and incidental to their roles in AME Group. In view of the above, all the Common Directors will not receive any salary apart from directors’ fees (if any), in respect of their functions in the Proposed Manager.

Notwithstanding the above, there can be no assurance that conflicts of interest may not arise between AME Group, AME REIT and the Proposed Manager in the future in respect of the Common Directors' involvements in the operations, policies and other business affairs of both AME and AME REIT. The Company has instituted the following procedures to mitigate any potential conflict of interest:

- (i) the Board has adopted the recommendations under the Malaysian Code on Corporate Governance to have a board of directors comprising at least 50% of independent directors and the audit committee to comprise solely of independent directors;
- (ii) any transactions in which a conflict of interest will arise should be negotiated and executed at arm's length basis based on normal commercial terms and are not to be the detriment of the minority shareholders of AME and favourable to the related party. The processes to identify, track, monitor and approve related party transactions in relation to, among others, transactions relating to acquisition or disposal of properties to and from AME REIT and relating to AME Group's renting properties from AME REIT, in a timely and orderly manner are set out below:
 - (a) the Company circulates a list of related parties to its subsidiaries notifying that all transactions undertaken by AME Group with any related parties (which includes AME REIT) included in this list must be undertaken on an arm's length basis, on normal commercial terms not more favourable to the related parties in comparison to terms available to independent parties and will not be detrimental to the minority shareholders of AME. Such procedures will include proper segregation of processes for preparation of documents, verifications and approvals;
 - (b) the Company maintains a register to record proper records, capturing all related party transactions which are entered into by AME Group and the bases, including any quotations from unrelated parties and independent valuations to support such bases on which they are entered into, and to ensure that relevant approvals have been obtained and to review the group procedures for such transactions ensuring they are adhered to;
 - (c) all related party transactions (either individually or as part of a series of if aggregated with other transactions involving the same related party during the same financial year) with value equal to or exceeding RM500,000 are subject to approval by the Group Managing Director, Audit and Risk Management Committee and the Board at regular intervals. Any interested party shall abstain from approving such transactions;
 - (d) potential related party transactions expected to be entered into in the ordinary course of business and are below RM500,000 would be presented to the Audit and Risk Management Committee for prior approval as a general mandate, with specific procedures to be adhered to for implementation. Upon getting the general mandate from the Audit and Risk Management Committee, all transactions in the ordinary course of business and are below RM500,000 shall be subject to approval by the Group Managing Director. Any related party transactions which are not in the ordinary course of business and are below RM500,000 shall be authorised by the relevant authorised personnel, including the Group Managing Director. Any interested party shall abstain from approving such transactions;
 - (e) rental of properties are undertaken by the sales and marketing team of AME Group which is distinct and separate from the leasing team of AME REIT and work independently of each other. Any proposal in respect of terms of tenancies are also provided independent of the AME REIT's team to the potential tenants. As a standard procedure, where the sales and marketing team is aware that the potential tenant is also considering standard factory units available in the AME REIT's portfolio, such tenant will be informed by the sales and marketing team that notwithstanding the relationship between AME Group and AME REIT, the terms to be provided to the potential tenant are independently structured by the respective teams;

- (f) except for transactions below RM500,000 set out in (d) above (where which are not required to be presented to the Board for approval), in respect of matters or transactions which the director or a person connected to him or her has an interest (directly or indirectly), such relevant interested director shall not participate in any proceedings of the Board and shall abstain from voting in respect of such matter or transaction. The interested director must inform the Board, of the details of the nature and extent of his/her interest, including all matters in relation to the proposed related party transaction that he/she is aware or should reasonably be aware of, which is not in the best interest of the Company;
 - (g) adherence to the Listing Requirements for related party transactions which may involve immediate announcement of related party transactions and/or requirement to seek shareholders' prior approval and provision of independent advice, depending on the materiality threshold;
 - (h) the persons who are empowered to negotiate, transact or enter into contracts with the relevant related parties are responsible in determining whether such transaction has been previously approved by the Shareholders prior to the execution of the said transaction, and shall consult the group financial controller whenever in doubt;
 - (i) the interested director and/or major shareholder and/or persons connected with them must not vote in respect of their direct and indirect interest at the general meeting on the resolution pertaining to any related party transaction. It is the duty of the interested director and/or interested major shareholder to ensure that persons connected with them abstain from voting in respect of their direct and indirect interest on the resolution pertaining to the related party transaction;
 - (j) the Audit and Risk Management Committee shall review the internal audit reports to ensure that all guidelines and procedures in place to monitor related party transactions are complied with. The review will include the examination of the nature of the transaction and its supporting documents or such other data deemed necessary to the Audit and Risk Management Committee. The Audit and Risk Management Committee may request for additional procedures to be imposed, if necessary; and
 - (k) the internal auditor shall periodically review the guidelines and procedures for all related party transactions to ensure that relevant approvals have been obtained, review procedures for such transactions are adhered to and ascertain that the guidelines established to monitor related party transactions have been complied with.
- (iii) all related party transactions are subject to regular periodic review by the Audit and Risk Management Committee on a quarterly basis. If a member of the Audit and Risk Management Committee has an interest in a transaction, he/she is to abstain from participating in the review and recommendation process in relation to that transaction.

6. EFFECTS

6.1 Share capital and substantial shareholders' shareholdings

The Proposed REIT Establishment and Proposals will not have any effect on AME's share capital and substantial shareholders' shareholdings.

6.2 NA per AME share and gearing

The Proposed REIT Establishment and the Proposed Listing will not have any effect on AME Group's NA per AME share and gearing.

The pro forma effects of the Proposed Disposals and the Proposed Offering on the consolidated NA per AME share and gearing of the AME Group based on its latest audited consolidated statement of financial position as at FYE 31 March 2021 are set out below:

	Audited as at 31 March 2021	(I) After adjustment for subsequent events ⁽¹⁾	(II) After (I) and the Proposed Disposals and Proposed Offering
	(RM'000)	(RM'000)	(RM'000)
Share capital	620,140	620,140	620,140
Merger reserve	(452,311)	(452,311)	(452,311)
Retained earnings	506,711	506,711	542,375 ⁽²⁾
NA attributable to the owners of AME	674,540	674,540	710,204
No. of AME shares in issue ('000)	427,115	640,673 ⁽¹⁾	640,673
NA per AME Share (RM)	1.58	1.05	1.11
Total borrowings (RM'000)	247,608	247,608	127,636 ⁽³⁾
Gearing ratio (times) ⁽⁴⁾	0.37	0.37	0.18

Notes:

- (1) After adjusting for the issuance of 213,557,548 new AME shares pursuant to the bonus issue of shares that were listed and quoted on the Main Market of Bursa Securities on 22 September 2021.
- (2) After adjusting for the gains on fair value of approximately RM47.2 million, and deducting the corresponding taxation effects of approximately RM5.1 million arising from the Proposed Disposals and the estimated expenses in relation to the Proposed REIT Establishment and Proposed Listing of approximately RM6.4 million.
- (3) RM105.0 million has been allocated for repayment from the proceeds of the Proposed Offering as stated in **Section 4** of this Circular and the RM61.5 million is to be repaid from internally-generated funds. AME REIT is expected to drawdown RM46.5 million to part finance the proposed acquisition of the Subject Properties as well as to fund the Proposed Listing expenses and for working capital requirements.
- (4) Calculated based on the total borrowings over NA attributable to the owners of AME.

6.3 Earnings and EPS

The Proposed REIT Establishment and the Proposed Listing will not have any effect on the consolidated earnings and EPS of AME.

For illustration purposes, based on the latest audited consolidated financial statements for the FYE 31 March 2021, the pro forma consolidated earnings and EPS of AME are set out in the table below.

The pro forma consolidated earnings and EPS of AME are prepared based on the assumption that the Proposals had been effected on 1 April 2020 but not including the effects of utilisation of the proposed allocation towards future industrial property development and investment projects as set out in **Section 4** of this Circular.

	Audited as at 31 March 2021	After the Proposed Disposals and Proposed Offering
	(RM'000)	(RM'000)
Profit after taxation attributable to owners of AME	53,477	53,477
Less: Profit contributed by Subject Properties recognised by AME Group in FYE 31 March 2021 ⁽¹⁾	-	(8,154)
Add: Profit contributed by Subject Properties based on 100.0% effective interest held by AME REIT ⁽¹⁾	-	14,378
After the Proposed Disposals before taking into account one-off gain/loss on disposals	53,477	59,701
Less: Profit from AME REIT attributable to the 254.8 million Offer Units representing 49.0% of AME REIT ⁽²⁾	-	(10,579)
After the Proposed Offering before taking into account one-off gain/loss on disposals	53,477	49,122
Less: Estimated expenses ⁽³⁾	-	(605)
One-off effects		
Add: Net gain on taxation ⁽⁴⁾	-	6,190
Add: Net gain on reclassification of inventories to investment properties ⁽⁵⁾	-	35,870
Less: Estimated expenses for the sale of 254.8 million Offer Units representing 49.0% of AME REIT ⁽⁶⁾	-	(3,241)
	53,477	87,336
Weighted average number of AME shares ('000)	427,115	427,115
EPS (sen)	12.52	20.45
EPS (sen), excluding the one-off effects	12.52	11.36

Notes:

- (1) After incorporating adjustments to reflect effective holding of 100.0% interest in Subject Properties via AME REIT. This involves the deduction of approximately RM8.2 million, which represents the full amount of profit contribution of the Subject Properties recognised in FYE 31 March 2021 to AME Group (which excludes the profit attributable to minority shareholder of Ipark Development), and recognition of the full notional profit attributable to AME Group of RM9.4 million for the FYE 31 March 2021. This arises from AME REIT's effective interest of 100.0% in the Subject Properties due to the Proposed Disposals. RM14.4 million has been arrived at after the notional profit of RM9.4 million above (excluding Industrial-Related Properties due to it being rented out to a subsidiary of AME Group) and after taking into consideration the net surplus from estimated trust income and expenses and savings from interest and tax expenses of RM5.0 million.
- (2) RM10.6 million represents 49.0% of the notional profit contribution of RM21.6 million for FYE 31 March 2021 of AME REIT.
- (3) The estimated expenses in relation to the Proposed Offering comprise, amongst others, professional fees for advisers, solicitors, independent property valuers and reporting accountants, fees payable to the authorities, expenses to convene the extraordinary general meeting, printing, despatch and advertising expenses.

- (4) After taking into consideration the reversal of deferred tax liabilities on fair value gains on investment properties of approximately RM6.1 million and capital allowances of approximately RM4.4 million, partially offset by the differences between the disposal consideration and the residual expenditure of the Subject Properties, limited to the capital allowances previously utilised in respect of the Subject Properties of approximately RM4.3 million.
- (5) RM35.8 million arises from reclassification of 10 Subject Properties held by AME Development and Ipark Development from inventories recognised at cost to investment properties, and is arrived at after taking into consideration the fair value gains of RM47.2 million and after income tax expenses of approximately RM11.3 million in FYE 31 March 2021.
- (6) The estimated expenses for the sales of Unit pursuant to the Proposed Offering comprise, amongst others, brokerage, placement and underwriting fees of approximately RM3.2 million.

Upon completion of the Proposed Offering, the contribution of earnings from the Subject Properties to the AME Group will reduce to the proportion of AME Group's Unitholdings of 51.0% in AME REIT.

In addition, as the Proposed Manager is a wholly owned subsidiary of AME, AME Group is expected to benefit from the receipt of cash and/or Units by the Proposed Manager in consideration for the management and administration of AME REIT, and any income distribution from the Units held by the Proposed Manager.

7. APPROVALS/CONSENTS REQUIRED

7.1 Approval obtained

The approval of the SC had been obtained:

- (a) on 5 October 2021, for certain relief from compliance with the applicable guidelines issued by the SC, via the SC's letter on even date. The relief includes, amongst others, the non-disclosure of details of the rentals and the rental income or expected rental income per month or per annum; and
- (b) on 24 March 2022 (received on 25 March 2022), for the following:
 - (i) establishment and listing of AME REIT, an Islamic REIT, on the Main Market of Bursa Securities under Section 214(1) of the CMSA, subject to the terms and conditions as contained below;
 - (ii) appointment of the Proposed Manager as the management company of AME REIT, subject to the conditions as contained below; and
 - (iii) resultant unitholding structure of AME REIT under the Bumiputera equity requirement for public listed companies pursuant to the Proposed REIT Establishment and Proposed Listing, subject to the effects of the Proposed Listing on the unitholding structure of AME REIT as contained below.

Terms and conditions

(1) Terms

- (a) establishment of AME REIT with an initial fund size of 520,000,000 Units;
- (b) acquisition of the Subject Properties by AME REIT;

- (c) the Proposed Offering, subject to the clawback and reallocation provisions, comprising the following:
- (i) retail offering of up to 174,808,820 Units, to be allocated as follows:
- (I) restricted offer for sale (“**ROFS**”) of up to 156,608,820 ROFS Units to the Entitled AME Shareholders on the basis of 1 ROFS unit for every 5 ordinary shares held in AME on the Entitlement Date;
- (II) up to 7,800,000 Units to the Eligible Directors and Employees of AME and its subsidiaries; and
- (III) 10,400,000 Units for application by the Malaysian public of which 5,200,000 Units are reserved for application by the Bumiputera public investors via balloting.
- The ROFS is non-renounceable and non-tradeable. Entitled AME Shareholders may also partially subscribe or not subscribe to the ROFS.
- (ii) institutional offering of at least 79,991,180 Units to institutional investors and selected investors comprising the following:
- (I) 65,000,000 Units to Bumiputera investors to be approved by the MITI; and
- (II) at least 14,991,180 Units to Malaysian institutional investors and selected investors.
- (d) listing of and quotation for 520,000,000 Units on the Main Market of Bursa Securities.

(2) Conditions

- (a) I REIT Managers to get an approval from the SC for it to be licensed for fund management in relation to asset management, restricted to REIT; and
- (b) I REIT Managers or HLIB to submit an operational audit report on AME REIT’s operations to the SC within six months after AME REIT is listed. The appointment of the external auditor and scope of work shall be subject to SC’s clearance.

(3) Effects of the Proposed Listing on the unitholding structure of AME REIT

The unitholding structure of AME REIT upon completion of the Proposed Listing is as follows:

Category of unitholders	After the Proposed Listing			
	Minimum Scenario ⁽¹⁾		Maximum Scenario ⁽²⁾	
	No of units	%	No of units	%
Bumiputera				
- Bumiputera investors to be approved by MITI	65,000,000 ⁽³⁾	12.5	65,000,000 ⁽³⁾	12.5
- Bumiputera public investors via balloting	5,200,000 ⁽³⁾	1.0	5,200,000 ⁽³⁾	1.0
Total Bumiputera	70,200,000	13.5	70,200,000	13.5
Non-Bumiputera	446,545,641	85.9	445,822,450	85.7

Category of unitholders	After the Proposed Listing			
	Minimum Scenario ⁽¹⁾		Maximum Scenario ⁽²⁾	
	No of units	%	No of units	%
Total Malaysian	516,745,641	99.4	516,022,450	99.2
Foreigners	3,254,359	0.6	3,977,550	0.8
Total	520,000,000	100.0	520,000,000	100.0

Notes:

- (1) Based on the number of issued shares in AME of 640,672,649, assuming no exercise of outstanding 142,371,453 Warrants 2021/2026.
- (2) Based on the number of issued shares in AME of 783,044,102, assuming full exercise of outstanding 142,371,453 Warrants 2021/2026.
- (3) Assuming all shares allocated to Bumiputera investors to be approved by MITI and Bumiputera public investors via balloting are fully subscribed.

- (c) on 7 April 2022, the approval from the Authorisation and Licensing Department of the SC in relation to the application by the Proposed Manager, for the CMSL for the regulated activity of fund management in relation to asset management restricted to REIT ("**CMSL Approval**").

The CMSL Approval of the SC is subject to the fulfilment of conditions below within 6 months from 7 April 2022:

- (i) to increase its shareholders' funds to a minimum of RM1.0 million; and
- (ii) to appoint at least one responsible person for compliance.

In addition, the CMSL Approval is granted premised on the following:

- (i) There are no adverse findings against I REIT Managers, its shareholders, directors, chief executive, proposed licensed representatives, proposed responsible person for compliance, and company secretaries from the vetting conducted; and
- (ii) I REIT Managers to carry out its representations made in relation to its CMSL application, including its planned board composition and personnel hiring plans, and upon licence issuance, I REIT Managers is to execute its business plan as presented in the CMSL application.

7.2 Other approvals/consents required

As at the LPD, the Proposed REIT Establishment and the Proposals are subject to and conditional upon the following being obtained:

- (a) approval of Bursa Securities for:
 - (i) the Proposed Listing; and
 - (ii) the proposed listing of and quotation for up to 30.0 million Units on the Main Market of Bursa Securities, being the proposed issuance of Units for payment of management fees to the Proposed Manager on a staggered basis;
- (b) approval of the shareholders of AME at an EGM to be convened for the Proposals;
- (c) approval of the respective shareholders of the Vendors for the Proposed Disposals;

- (d) consent from the financiers of the Subject Properties for the Proposed Disposals; and
- (e) where required, approval, waiver, and/or consent of any other relevant authority and/or party.

The highest percentage ratio applicable to AME for the Proposed Disposals and Proposed Offering is 37.77%, computed based on the latest available audited consolidated financial statements of AME for the FYE 31 March 2021, and based on an illustrative offer price of RM1.00 per Offer Unit under the Proposed Offering. As a consequence of the Proposed Offering, the highest percentage ratio calculated for the Proposed Disposals of 49% of the Subject Properties based on the effective dilution of AME Group's interest in the Subject Properties of 49% is 37.77%.

The implementation of the Proposed Disposals is conditional upon approvals being obtained for the Proposals.

The Proposals are not conditional upon any other corporate exercises undertaken or to be undertaken by AME.

As at the LPD, the consent and approvals set out under (a) to (e) above have not been obtained and are expected to be obtained by 3rd quarter of 2022.

8. OUTSTANDING CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals and as disclosed below, there is no other corporate proposals announced by our Company but is pending completion before the printing of this Circular.

On 30 December 2020, RHB Investment Bank Berhad had, on behalf of our Board, announced that our wholly owned subsidiaries, Pentagon Land Sdn Bhd ("**Pentagon**") and Greenhill SiLC Sdn Bhd ("**Greenhill**") had on 30 December 2020 entered into the following agreements:

- (i) the conditional sale and purchase agreement entered into by Pentagon to acquire 38 plots of freehold industrial land in the phase 3 of SiLC measuring approximately 37.09 hectares or approximately 91.64 acres in total land area from UEM Land Berhad ("**UEML**") and Nusajaya Heights Sdn Bhd ("**NHSB**") for an indicative total cash consideration of approximately RM233.53 million ("**SPA 1**"); and
- (ii) the conditional sale and purchase agreement entered into by Greenhill for the acquisition of 34 plots of freehold industrial land in phase 3 of SiLC, measuring approximately 31.61 hectares or approximately 78.11 acres in total land area from UEML and NHSB for an indicative total cash consideration of approximately RM200.76 million ("**SPA 2**").

As at the LPD, the conditions precedent to SPA 1 have been fulfilled but pending completion. For SPA 2, the conditions precedent in relation to obtaining Bumiputera release for certain Bumiputera plots have yet to be fulfilled.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

All of our directors are entitled to participate in the Proposed Restricted Pink Form Offering and as such are deemed interested in the Proposed Restricted Pink Form Offering in relation to their respective allocations. Each interested director will abstain from deliberating and voting on their respective proposed allocation of the Offer Units as well as proposed allocation to persons connected with them (if any) under the Proposed Restricted Pink Form Offering at our Board meetings.

Save as disclosed above and any interest arising from their capacities as our directors and major shareholders and as shareholders with collective interests of 0.1% respectively in Ipark Development⁽¹⁾ and Active Gold⁽²⁾, none of the directors and/or major shareholders of AME as well as persons connected with them have any interest, direct or indirect, in the Proposals.

Notes:

- (1) Active Gold is a 99.9% owned subsidiary of AME. The remaining 0.1% equity interest in Active Gold is held directly by the following related parties of AME:

Name	Position held in AME	Interest
Lee Chai	Group Managing Director and major shareholder of AME	0.03%
Lim Yook Kim	Executive Director and major shareholder of AME	0.03%
Kang Ah Chee	Executive Director and major shareholder of AME	0.03%
Lee Sai Boon	Executive Director and substantial shareholder of AME	0.01%

- (2) Ipark Development is an indirect 79.9% owned subsidiary of AME. The remaining 20.1% equity interest in Ipark Development are held by the following parties:

- (a) 20.0% held by Fujiplates Manufacturing Sdn Bhd, a non-related party to any of AME's directors, major shareholders and/or substantial shareholders; and
- (b) 0.1% held by the following related parties, by virtue of their direct interests in AME Integrated Sdn Bhd, the holding company of Ipark Development, pursuant to Section 8 of the Companies Act 2016:

Name	Position held in AME	Interest
Lee Chai	Group Managing Director and major shareholder of AME	0.03%
Lim Yook Kim	Executive Director and major shareholder of AME	0.03%
Kang Ah Chee	Executive Director and major shareholder of AME	0.03%
Lee Sai Boon	Executive Director and substantial shareholder of AME	0.01%

10. DIRECTORS' STATEMENT/RECOMMENDATION

Our Board, after having considered all relevant aspects of the Proposals, including the rationale and the financial effects of the Proposals, are of the opinion that the Proposals are in the best interests of our Company.

Accordingly, our Board recommends that you vote in favour of the resolutions for the Proposals to be tabled at the EGM.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all requisite approvals being obtained as set out in **Section 7.2** of this Circular, the Proposed REIT Establishment and Proposals are expected to be completed by third quarter of 2022, the details are as follows:

Tentative Date	Event
11 May 2022	EGM for the Proposals
2 nd quarter of 2022	Completion of the Proposed REIT Establishment
3 rd quarter of 2022	Completion of the Proposed Offering
3 rd quarter of 2022	Completion of the Proposed Disposals
3 rd quarter of 2022	Completion of the Proposed Listing

12. EGM

Our EGM will be conducted on a fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("**RPEV**") facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Wednesday, 11 May 2022 at 10.00 am or at any adjournment thereof.

A member entitled to participate, speak and vote at our EGM is entitled to appoint a proxy or proxies to participate, speak and vote on his/her behalf. In such event, please complete and return the Form of Proxy in accordance with the instructions therein as soon as possible and shall be deposited at the office of our Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time set for holding the EGM. The last date and time for lodgement of Form(s) of Proxy is 9 May 2022 at 10.00am. The lodging of the Form of Proxy will not preclude you from participating, speaking and voting remotely at the EGM should you subsequently wish to do so. Alternatively, members may deposit the Form of Proxy by electronic means with our Company's Share Registrar through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> or email to bsr.helpdesk@boardroomlimited.com not less than 48 hours before the EGM. For further information on the electronic submission of the Form of Proxy and participation at the EGM, kindly refer to the Administrative Guide which is enclosed together with this Circular.

13. FURTHER INFORMATION

You are requested to refer to the enclosed appendices for further information.

Yours faithfully,

For and on behalf of the Board of

AME ELITE CONSORTIUM BERHAD

Lee Chai

Group Managing Director

SALIENT FEATURES OF AME REIT

AME REIT will be established upon registration and lodgement of the Deed with the SC. A summary of the salient features of the AME REIT is as follows:

Name of fund	:	AME REIT
Fund category	:	REIT
Fund type	:	Income stability and growth
Principal investment policy	:	Investing, directly and indirectly, in a Shariah-compliant portfolio of Real Estate used primarily for industrial and industrial-related purposes in Malaysia and overseas. Any material change to the investment policy of AME REIT will require the approval of the Unitholders by way of a resolution of not less than two-thirds of all Unitholders at a Unitholders' meeting duly convened and held in accordance with the Deed.
Investor profile	:	AME REIT may appeal to an investor with long-term investment objectives who seeks regular and stable income distributions and long-term capital appreciation, and who understands the risks related to the real estate industry and REITs.
Total issued fund size upon Proposed Listing	:	520.0 million Units
Investment objectives	:	The primary objectives of AME REIT are: <ul style="list-style-type: none"> (i) to provide Unitholders with a stable and growing distribution of income; and (ii) to achieve long-term growth in the NAV per Unit.
Key strategies	:	The Proposed Manager intends to achieve the investment objectives of AME REIT through the following strategies: <ul style="list-style-type: none"> (i) Acquisition growth strategy – The Proposed Manager will leverage on AME Group's future property development projects as well as third party properties to source for and acquire properties within Malaysia⁽¹⁾ that fit within AME REIT's investment strategy to generate stable cash flows and potential for long-term income and capital growth; (ii) Proactive asset management strategy – The Proposed Manager will seek to optimise and maintain high occupancy rates, achieve stable rental growth and maximise investment returns; and (iii) Capital and risk management strategy – The Proposed Manager intends to optimise AME REIT's capital structure and cost of capital within the financing limits set out in the REIT Guidelines and intends to use a combination of Islamic financing and equity financing to fund future acquisitions and capital expenditure.

SALIENT FEATURES OF AME REIT (Cont'd)

Distribution policy	:	<p>The Proposed Manager shall, for each distribution period, distribute all (or such other percentage as determined by the Proposed Manager at its absolute discretion) of AME REIT's distributable income. It is the intention of the Proposed Manager to distribute at least 90.0% of AME REIT's distributable income on a quarterly basis (or such other intervals as the Proposed Manager may determine at its absolute discretion).</p> <p>The actual proportion of distributable income to be distributed to Unitholders which shall be at the absolute discretion of the Proposed Manager may be greater than 90.0% of AME REIT's distributable income to the extent that the Proposed Manager believes it to be appropriate, having regard to AME REIT's funding requirements, other capital management considerations and the availability of funds. Distributions, when made in the form of cash, will be in Ringgit Malaysia.</p>
Borrowing limitations and gearing policy	:	<p>Up to 50.0% of the Total Asset Value of AME REIT at the time the financing is incurred (or such other limit permitted by the REIT Guidelines from time to time).</p> <p>Upon completion of the Proposed Listing, AME REIT will have a total indebtedness of approximately RM46.5 million (net of estimated transaction costs of approximately RM 0.5 million) representing approximately 8.1% of its estimated Total Asset Value.</p>
Listing	:	Main Market of Bursa Securities
Proposed Manager	:	I REIT Managers is the Proposed Manager of AME REIT. Please refer to Section 2.1.1.1 and Appendix II of this Circular for further information of the Proposed Manager.
Proposed Trustee	:	RHB Trustees is the Proposed Trustee of AME REIT. Please refer to Section 2.1.1.2 and Appendix III of this Circular for further information of the Proposed Trustee.
Proposed Shariah Adviser	:	BIMBSEC is the Proposed Shariah Adviser of AME REIT. Please refer to Section 2.1.1.3 of this Circular for further information of the Proposed Shariah Adviser.

Note:

- (1) *The CEO is also mandated to source properties situated outside of Johor, with specific focus on the central and northern regions of Peninsular Malaysia.*

INFORMATION ON THE PROPOSED MANAGER – I REIT MANAGERS

1. HISTORY AND BUSINESS

I REIT Managers was incorporated in Malaysia on 19 April 2021.

The principal activity of I REIT Managers is to manage and administer AME REIT. As at the LPD, I REIT Managers is a wholly owned subsidiary of AME. On 25 October 2021, on behalf of I REIT Managers, HLIB had submitted an application to the SC for a CMSL. The approval in relation to the application for the CMSL had been granted by the SC via its letter dated 7 April 2022, subject to the fulfilment of conditions as set out in **Section 7.1** of this Circular. The Proposed Manager shall be licensed by the SC to carry out fund management activities in relation to asset management restricted to REITs.

2. SHARE CAPITAL

As at 12 April 2022, the share capital of I REIT Managers is RM2.0 million comprising 2.0 million ordinary shares.

3. BOARD OF DIRECTORS

As at 12 April 2022, the directors of I REIT Managers and their direct and indirect shareholdings in I REIT Managers are as follows:

Name	Nationality	Designation	Direct		Indirect	
			No. of shares	%	No. of shares	%
Lee Chai	Malaysian	Executive Director	-	-	2,000,000 ⁽¹⁾	100.0
Lee Sai Boon	Malaysian	Chairman/ Executive Director	-	-	2,000,000 ⁽¹⁾	100.0
Chan Wai Leo	Malaysian	Chief Executive Officer/ Executive Director	-	-	-	-
Datin Cheryl Kaur Pola	Malaysian	Independent Non-Executive Director	-	-	-	-
Yau Yin Wee	Malaysian	Independent Non-Executive Director	-	-	-	-
Wee Beng Chuan	Malaysian	Independent Non-Executive Director	-	-	-	-
Lim Yook Kim	Malaysian	Alternate Director to Lee Chai	-	-	2,000,000 ⁽¹⁾	100.0
Kang Ah Chee	Malaysian	Alternate Director to Lee Sai Boon	-	-	2,000,000 ⁽¹⁾	100.0
Lim Pei Shi	Malaysian	Alternate Director to Chan Wai Leo	-	-	-	-

Note:

(1) Deemed interest pursuant to Section 8(4) of the Companies Act 2016.

INFORMATION ON THE PROPOSED MANAGER – I REIT MANAGERS (Cont'd)

4. SHAREHOLDERS

As at 12 April 2022, the shareholders of I REIT Managers are as follows:

Shareholders	Country of incorporation/ Nationality	Direct		Indirect	
		No. of shares	%	No. of shares	%
AME	Malaysia	2,000,000	100.0	-	-
Lee Chai	Malaysian	-	-	2,000,000 ⁽¹⁾	100.0
Lee Sai Boon	Malaysian	-	-	2,000,000 ⁽¹⁾	100.0
Lim Yook Kim	Malaysian	-	-	2,000,000 ⁽¹⁾	100.0
Kang Ah Chee	Malaysian	-	-	2,000,000 ⁽¹⁾	100.0

Note:

(1) Deemed interested pursuant to Section 8(4) of the Companies Act 2016

5. SUBSIDIARY AND ASSOCIATE COMPANY

As at the LPD, I REIT Managers does not have any subsidiary or associate company.

6. FINANCIAL INFORMATION

There is no audited financial information available for I REIT Managers as it was incorporated on 19 April 2021.

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INFORMATION ON THE PROPOSED TRUSTEE – RHB TRUSTEES

1. HISTORY AND BUSINESS

RHB Trustees was incorporated on 6 March 2002 under the Companies Act 1965 and is registered as a trust company under Section 4 of the Trust Companies Act 1949 on 16 August 2002. It is also registered with the SC for trusteeship service in respect of unit trust funds.

The principal activity of the Proposed Trustee is to provide professional corporate and retail trustee services. The Proposed Trustee has been in the trustee business since 2002. As at the LPD, the Proposed Trustee's staff strength comprises 31 executive staff.

The Proposed Trustee undertakes all types of trustee business allowed under the Trust Companies Act, ranging from corporate trustee services to retail services. The Proposed Trustee offers corporate trustee services such as trustee for REITs, unit trust funds, and custodian services. Its retail services include estate planning services (will writing, custodian and executor/trustee services) and private trustee services (private purpose trust, investment trust, charitable trust, insurance trust, business succession trust, estate administration trust, custodian and stakeholder services). As at the LPD, the Proposed Trustee is trustee for more than 13 unit trust funds, 50 wholesale funds and 2 exchange-traded funds with approximate aggregate fund size of RM4.6 billion.

2. SHARE CAPITAL

As at the LPD, the issued and paid-up share capital of the Proposed Trustee is RM6,000,000.00 comprising 1,200,000 ordinary shares, paid-up to RM5.00 per share with RM5.00 per share remaining unpaid in accordance with Section 3(c) of the Trust Companies Act.

3. BOARD OF DIRECTORS

As at the LPD, the directors of RHB Trustees and their direct and indirect shareholdings in I REIT Managers are as follows:

Name	Nationality	Designation	Direct		Indirect	
			No. of shares	%	No. of shares	%
Dato' Siow Kim Lun @ Siow Kim Lin	Malaysian	Independent Non-Executive Chairman	-	-	-	-
Dato' Darawati Hussain	Malaysian	Senior Independent Non-Executive Director	-	-	-	-
Tony Chieng Siong Ung	Malaysian	Non- Independent Executive Director	-	-	-	-
Dr Chong Han Hwee	Malaysian	Non- Independent Non-Executive Director	-	-	-	-

INFORMATION ON THE PROPOSED TRUSTEE – RHB TRUSTEES (Cont'd)

4. SHAREHOLDERS

As at the LPD, the shareholders of RHB Trustees are as follows:

Shareholders	Country of incorporation	Direct		Indirect	
		No. of shares	%	No. of shares	%
RHB Bank Berhad	Malaysia	240,000	20.0	1,200,000	100.0
RHB Investment Bank Berhad	Malaysia	240,000	20.0	-	-
RHB Nominees (Asing) Sdn Bhd	Malaysia	240,000	20.0	-	-
RHB Futures and Options Sdn Bhd	Malaysia	240,000	20.0	-	-
RHB Nominees (Tempatan) Sdn Bhd	Malaysia	240,000	20.0	-	-

5. SUBSIDIARY AND ASSOCIATE COMPANY

As at the LPD, RHB Trustees does not have any subsidiary and associated company, save and except for the shares in entities which are held in its capacity as trustee/stakeholder.

6. FINANCIAL INFORMATION

A summary of the RHB Trustees' audited financial information for the past three FYEs 31 December 2018, 31 December 2019 and 31 December 2020 is as follows:

	Audited FYEs 31 December		
	2018 (RM'000)	2019 (RM'000)	2020 (RM'000)
Paid-up share capital	6,000	6,000	6,000
Shareholders' funds	18,116	17,576	17,191
Revenue	10,920	9,791	9,379
Profit before taxation	4,019	3,686	3,517
Profit after taxation	3,040	2,885	2,765

INFORMATION ON THE SUBJECT PROPERTIES

(a) SAC Subject Properties

Plot Name and Address	Plot 5 SAC	Plot 6 SAC	Plot 9 SAC	Plot 16 SAC
Vendor	Ipark Development	Ipark Development	Ipark Development	Ipark Development
Title detail	H.S.(D) 580789, PTD 196174, Mukim Tebrau, Johor Bahru, Johor	H.S.(D) 580788, PTD 196173, Mukim Tebrau, Johor Bahru, Johor	H.S.(D) 580795, PTD 196180, Mukim Tebrau, Johor Bahru, Johor	H.S.(D) 75859, PTD 112746, Mukim Senai, Kulai, Johor
Postal address	No.7, Jalan i-Park SAC 2 Taman Perindustrian i-Park SAC 81400 Senai, Johor	No.6, Jalan i-Park SAC 2 Taman Perindustrian i-Park SAC 81400 Senai, Johor	No.13, Jalan i-Park SAC 3 Taman Perindustrian i-Park SAC 81400 Senai, Johor	No.20, Jalan i-Park SAC 3 Taman Perindustrian i-Park SAC 81400 Senai, Johor
Tenure/ Expiry of lease	Freehold	Freehold	Freehold	Freehold
Description/ Category of land use	A single storey detached factory with mezzanine office and other ancillary buildings currently tenanted to Polycore Optical (Malaysia) Sdn Bhd (since 13 June 2018) for the manufacturing and warehousing of ophthalmic lenses and related activities <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to Federal Express Services (M) Sdn Bhd (since 27 September 2018) for the processing, logistics and parcel distribution and its related activities <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to PPC Moulding Services (Malaysia) Sdn Bhd (since 1 January 2020) for the manufacturing of silicone and plastic injection moulded parts, assembling components for medical device industry and related activities <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently tenanted to Mytech & Assembly Sdn Bhd (since 8 January 2019) for the manufacturing and assembly of electronic part, plastic and brush making and related activities <u>Category of land use:</u> Industrial
NLA (sq ft)	31,202	28,809	31,202	58,074

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 5 SAC	Plot 6 SAC	Plot 9 SAC	Plot 16 SAC
Range of rental rates in industrial parks in which the Industrial Properties are located (as extracted from the Valuation Certificate)	RM1.30 – RM2.51 per sq ft/month	RM1.30 – RM2.51 per sq ft/month	RM1.30 – RM2.51 per sq ft/month	RM1.30 – RM2.51 per sq ft/month
Approximate age of building as at LPD	3 years, 10 months	3 years, 5 months	3 years, 10 months	3 years, 2 months
Cost of investment as at 31 March 2021 (RM'000)/ Date of investment	5,900 / 28 May 2018	6,490 / 4 November 2018	5,805 / 31 May 2018	10,365 / 15 January 2019
Audited net book value recorded in the accounts of the respective Vendors as at 31 March 2021 (RM'000)	8,000	7,000	8,000	10,885
Market value/ Purchase consideration (RM'000)	8,000	7,000	8,000	14,000
Pro forma gain on disposal after Proposed Disposals, attributable to the owners of AME (RM'000)	_-#	_-#	_-#	2,289 [^]
Encumbrances/ Restriction in interest/ Express Conditions	(1)	(2)	(3)	(4)

Notes:

(#) There is no pro forma gain on disposal on a consolidated basis as this Subject Property would not be deemed disposed of and would be classified as either investment properties or property, plant and equipment (for Dormitories) at AME Group level.

(^) This represents the net pro forma fair value gain from the reclassification of inventories to investment properties.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 17 SAC	Plot 18 & 19 SAC	Plot 1A1 SAC	Plot 1B1 SAC
Vendor	Ipark Development	Ipark Development	Ipark Development	Ipark Development
Title detail	H.S.(D) 75860, PTD 112747, Mukim Senai, Kulai, Johor	H.S.(D) 76888, PTD 112829, Mukim Senai, Kulai, Johor	H.S.(D) 596298, PTD 203569, Mukim Tebrau, Johor Bahru, Johor	H.S.(D) 604384, PTD 204026, Mukim Tebrau, Johor Bahru, Johor
Postal address	No.21, Jalan i-Park SAC 3 Taman Perindustrian i-Park SAC 81400 Senai, Johor	No.22, Jalan i-Park SAC 3 Taman Perindustrian i-Park SAC 81400 Senai, Johor	No.68, Jalan i-Park SAC 8 Taman Perindustrian i-Park SAC 81400 Senai, Johor	No.69, Jalan i-Park SAC 8 Taman Perindustrian i-Park SAC 81400 Senai, Johor
Tenure/ Expiry of lease	Freehold	Freehold	Freehold	Freehold
Description/ Category of land use	A single storey detached factory with mezzanine office and other ancillary buildings currently tenanted to Mytech & Assembly Sdn Bhd (since 31 October 2018) for the manufacturing and assembly of electronic part, plastic and brush making and related activities <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to Dyson Manufacturing Sdn Bhd (since 1 April 2019) for the manufacturing of technology components and related products <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to Lyreco Office Supplies (Malaysia) Sdn Bhd (since 16 January 2019) for the processing and distribution centre of office supplies and workplace products and related activities <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings with parking lot currently leased to DHL Express (Malaysia) Sdn Bhd (since 23 May 2019) for the processing, logistics cum parcel distribution and related activities <u>Category of land use:</u> Industrial
NLA (sq ft)	58,074	129,275	71,486	81,969
Range of rental rates in industrial parks in which the Industrial Properties are located (as extracted from the Valuation Certificate)	RM1.30 – RM2.51 per sq ft/ month	RM1.30 – RM2.51 per sq ft/ month	RM1.30 – RM2.51 per sq ft/ month	RM1.30 – RM2.51 per sq ft/ month

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 17 SAC	Plot 18 & 19 SAC	Plot 1A1 SAC	Plot 1B1 SAC
Approximate age of building as at LPD	3 years, 4 months	2 years, 8 months	3 years, 2 months	2 years, 11 months
Cost of investment as at 31 March 2021 (RM'000)/ Date of investment	10,365 / 15 November 2018	31,258 / 28 July 2019	12,430 / 15 January 2019	12,635 / 25 April 2019
Audited net book value recorded in the accounts of the respective Vendors as at 31 March 2021 (RM'000)	10,885	47,000	17,000	17,000
Market value/ Purchase consideration (RM'000)	14,000	47,000	17,000	17,000
Pro forma gain on disposal after taxation after Proposed Disposals, attributable to the owners of AME (RM'000)	2,290 [^]	-#	-#	-#
Encumbrances/ Restriction in interest/ Express Conditions	(5)	(6)	(7)	(8)

Notes:

(#) There is no pro forma gain on disposal on a consolidated basis as this Subject Property would not be deemed disposed of and would be classified as either investment properties or property, plant and equipment (for Dormitories) at AME Group level.

(^) This represents the net pro forma fair value gain from the reclassification of inventories to investment properties.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 1C2 SAC	Plot 20 SAC	Plot 21 SAC	Plot 30 SAC
Vendor	Ipark Development	Ipark Development	Ipark Development	Ipark Development
Title detail	H.S.(D) 587217, PTD 198653, Mukim Tebrau, Johor Bahru, Johor	H.S.(D) 75867, PTD 112754, Mukim Senai, Kulai, Johor	H.S.(D) 75866, PTD 112753, Mukim Senai, Kulai, Johor	H.S.(D) 75873, PTD 112760, Mukim Senai, Kulai, Johor
Postal address	No.66, Jalan i-Park SAC 8 Taman Perindustrian i-Park SAC 81400 Senai, Johor	No.34, Jalan i-Park SAC 4 Taman Perindustrian i-Park SAC 81400 Senai, Johor	No.33, Jalan i-Park SAC 4 Taman Perindustrian i-Park SAC 81400 Senai, Johor	No.40, Jalan i-Park SAC 4 Taman Perindustrian i-Park SAC 81400 Senai, Johor
Tenure/ Expiry of lease	Freehold	Freehold	Freehold	Freehold
Description/ Category of land use	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to AAC Technologies (Malaysia) Sdn Bhd (since 14 January 2021) for the manufacturing, research and development of engineering and technology relating to smart phones and related activities <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to TEK Automotive Malaysia Sdn Bhd (since 19 April 2018) for the manufacturing of parts and accessories for motor vehicles and related activities <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently tenanted by Weidmuller (Malaysia) Sdn Bhd (since 1 July 2019) for the manufacturing of connecting devices, electronic components and enclosures and its related activities <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently leased by Hochuen Medical Sdn Bhd (since 1 March 2021) for the manufacturing of medical and dental instruments and supplies and its related activities <u>Category of land use:</u> Industrial
NLA (sq ft)	72,177	58,074	58,074	31,424
Range of rental rates in industrial parks in which the Industrial Properties are located (as extracted from the Valuation Certificate)	RM1.30 – RM2.51 per sq ft/ month	RM1.30 – RM2.51 per sq ft/ month	RM1.30 – RM2.51 per sq ft/ month	RM1.30 – RM2.51 per sq ft/ month

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 1C2 SAC	Plot 20 SAC	Plot 21 SAC	Plot 30 SAC
Approximate age of building as at LPD	1 years, 3 months	3 years, 10 months	2 years, 10 months	1 years, 4 months
Cost of investment as at 31 March 2021 (RM'000)/ Date of investment	13,338 / 31 December 2020	10,333 / 22 May 2018	10,320 / 29 May 2019	6,560 / 25 November 2020
Audited net book value recorded in the accounts of the respective Vendors as at 31 March 2021 (RM'000)	13,976	14,000	10,885	7,004
Market value/ Purchase consideration (RM'000)	23,000	14,000	14,000	8,000
Pro forma gain on disposal after taxation after Proposed Disposals, attributable to the owners of AME (RM'000)	5,972 [^]	-#	2,323 [^]	943 [^]
Encumbrances/ Restriction in interest/ Express Conditions	(9)	(10)	(11)	(12)

Notes:

(#) There is no pro forma gain on disposal on a consolidated basis as this Subject Property would not be deemed disposed of and would be classified as either investment properties or property, plant and equipment (for Dormitories) at AME Group level.

([^]) This represents the net pro forma fair value gain from the reclassification of inventories to investment properties.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 32 SAC	FZW SAC	SAC Dorm
Vendor	Ipark Development	AME Development	AME Development
Title detail	H.S.(D) 77659, PTD 112781, Mukim Senai, Kulai, Johor	H.S.(D) 569755, PTD 195470, Mukim Tebrau, Johor Bahru, Johor	H.S.(D) 75887, PTD 112778, Mukim Senai, Kulai, Johor
Postal address	No.48, Jalan i-Park SAC 7 Taman Perindustrian i-Park SAC 81400 Senai, Johor	No. 18, Jalan Kargo 2 Senai Airport City 81400 Senai, Johor	No. 91, Jalan SAC 4 Taman Perindustrian i-Park SAC 81400 Senai, Johor
Tenure/ Expiry of lease	Freehold	Freehold	Freehold
Description/ Category of land use	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to a Malaysian subsidiary of a foreign multinational electronics manufacturing services company (since 1 April 2021). <u>Category of land use:</u> Industrial	A single storey detached factory together with an office annex and other ancillary buildings leased to GN Resound Malaysia Sdn Bhd (since 8 July 2020) which is involved in the distribution and packaging of medical devices, and Agility Logistics Sdn Bhd (since 13 November 2020) which is involved in warehousing and related activities <u>Category of land use:</u> Industrial	A parcel of building land built upon with five (5) blocks of 5-storey walk-up workers' dormitory, a 2-storey shop and other ancillary buildings currently tenanted to I Stay (since 1 April 2019), which is involved in the business of letting out the dormitory to third parties <u>Category of land use:</u> Building
NLA (sq ft) for Industrial Properties/Bed capacity for Dormitories	100,367	129,818	2,005 beds
Range of rental rates in industrial parks in which the Industrial Properties are located (as extracted from the Valuation Certificate)/ rental per month for Industrial-Related Properties	RM1.30 – RM2.51 per sq ft/ month	RM1.30 – RM2.51 per sq ft/ month	RM300,000/ month

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 32 SAC	FZW SAC	SAC Dorm
Approximate age of building as at LPD	1 year	1 year, 9 months	(Phase 1) 3 years, 1 month (Phase 2) 2 years, 9 months
Cost of investment as at 31 March 2021 (RM'000)/ Date of investment	8,989 / 15 March 2021	23,756 / 5 July 2020	34,936 / 18 June 2019
Audited net book value recorded in the accounts of the respective Vendors as at 31 March 2021 (RM'000)	21,000	38,000	45,000
Market value/ Purchase consideration (RM'000)	21,000	38,000	45,000
Pro forma gain on disposal after taxation after Proposed Disposals, attributable to the owners of AME (RM'000)	-#	-#	-#
Encumbrances/ Restriction in interest/ Express Conditions	(13)	(14)	(15)

Note:

(#) There is no pro forma gain on disposal on a consolidated basis as this Subject Property would not be deemed disposed of and would be classified as either investment properties or property, plant and equipment (for Dormitories) at AME Group level.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Notes:

	Encumbrances	Restriction in interest	Express Conditions
1	Land charged to RHB Islamic Bank Berhad	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan	<ol style="list-style-type: none"> 1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses as in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
2	Land charged to RHB Islamic Bank Berhad	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan	<ol style="list-style-type: none"> 1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses as in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

	Encumbrances	Restriction in interest	Express Conditions
3	<p>1. Land charged to RHB Islamic Bank Berhad 2. Land leased to PPC Moulding Services (Malaysia) Sdn Bhd for 6 years from 16 January 2020</p>	<p>This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan</p>	<p>1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses as in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.</p>
4	<p>Land charged to RHB Islamic Bank Berhad</p>	<p>This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan</p>	<p>1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses as in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.</p>
5	<p>Land charged in favour of RHB Islamic Bank Berhad</p>	<p>This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan</p>	<p>1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses as in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.</p>

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

	Encumbrances	Restriction in interest	Express Conditions
6	<p>1. Land charged in favour of Hong Leong Islamic Bank Berhad</p> <p>2. Land partially leased to Tenaga Nasional Berhad for 30 years from 30 June 2019</p>	<p>This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan</p>	<p>1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses as in accordance with the plan approved by the authorities.</p> <p>2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities.</p> <p>3. All laws and conditions determined by the authorities from time to time are to be followed.</p>
7	<p>Land charged in favour of Ambank (M) Berhad</p>	<p>This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan</p>	<p>1. The land is to be used as an industrial area for medium-sized industries as in accordance with the plan approved by the authorities.</p> <p>2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities.</p> <p>3. All laws and conditions determined by the authorities from time to time are to be followed.</p>
8	<p>Land charged in favour of Ambank (M) Berhad</p>	<p>This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan</p>	<p>1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses as in accordance with the plan approved by the authorities.</p> <p>2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities.</p> <p>3. All laws and conditions determined by the authorities from time to time are to be followed.</p>

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

	Encumbrances	Restriction in interest	Express Conditions
9	Nil	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan	<ol style="list-style-type: none"> 1. The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
10	Land charged in favour of Ambank (M) Berhad	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan	<ol style="list-style-type: none"> 1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses as in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
11	Land charged in favour of RHB Islamic Bank Berhad	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan	<ol style="list-style-type: none"> 1. The land is to be used as an industrial area for medium-sized industries as in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

	Encumbrances	Restriction in interest	Express Conditions
12	Land charged in favour of RHB Islamic Bank Berhad	<ol style="list-style-type: none"> This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan. Lands when transferred to a Bumiputera/Bumiputera company shall not be subsequently sold, leased or transferred in any way to non-Bumiputera/non-Bumiputera companies without the consent of the State Authority. The approval letter from the State Authority has been obtained on 20 January 2021. 	<ol style="list-style-type: none"> The land is to be used as an industrial area for medium-sized industries as industry lots as in accordance with the plan approved by the authorities. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. All laws and conditions determined by the authorities from time to time are to be followed.
13	Land charged in favour of RHB Islamic Bank Berhad	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan.	<ol style="list-style-type: none"> The land is to be used as an industrial area for medium-sized industries as industry lots as in accordance with the plan approved by the authorities. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. All laws and conditions determined by the authorities from time to time are to be followed.
14	Land charged to Ambank Islamic Berhad	Nil	<ol style="list-style-type: none"> The land is to be used as medium-sized industrial area for the business of cargo lots and logistics and to be built in accordance with the plan approved by the authorities. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. All laws and conditions determined by the authorities from time to time are to be followed.

INFORMATION ON THE SUBJECT PROPERTIES (Conf'd)

	Encumbrances	Restriction in interest	Express Conditions
15	Land charged to Hong Leong Islamic Bank Berhad	This land shall not be transferred to foreigner/foreign company except with the permission of the State Authority	<ol style="list-style-type: none"> 1. This land is to be used to build a workers' dormitory in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.

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INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

(b) Indahpura Subject Properties

Plot Name and Address	Plot 7 Indahpura	Plot 8 Indahpura	Plot 14 Indahpura	Plot 18 Indahpura
Vendor	AME Development	AME Development	AME Development	LKL Industries
Title detail	GRN 580233, Lot 98828, Mukim Kulai, Kulai, Johor	GRN 580232, Lot 98827, Mukim Kulai, Kulai, Johor	GRN 580207, Lot 98834, Mukim Kulai, Kulai, Johor	GRN 580211, Lot 98840, Mukim Kulai, Kulai, Johor
Postal address	No. 5, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor	No. 6, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor	No. 12, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor	No. 21, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Tenure/ Expiry of lease	Freehold	Freehold	Freehold	Freehold
Description/ Category of land use	A single storey detached factory with mezzanine office and other ancillary buildings currently tenanted to GN Resound (Malaysia) Sdn Bhd (since 30 June 2014) for the manufacturing of hearing aid devices and its related activities and office	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to Heraeus Materials Malaysia Sdn Bhd (since 8 October 2013) for the manufacturing of metal contact materials and its related activities and office	A single storey detached factory with other ancillary buildings currently tenanted by Bericap Malaysia Sdn Bhd (since 17 January 2022) for the manufacturing of plastic closures and general wholesale trade and its related activities and office	A single storey detached factory with mezzanine office and other ancillary buildings currently tenanted by HID Global Sdn Bhd (since 21 October 2016) for the manufacturing of RFID transponders and its related activities and warehousing
NLA (sq ft)	55,365	55,365	89,169	27,521
Range of rental rates in industrial parks in which the Industrial Properties are located (as extracted from the Valuation Certificate)	RM1.40 – RM1.82 per sq ft/ month	RM1.40 – RM1.82 per sq ft/ month	RM1.40 – RM1.82 per sq ft/ month	RM1.40 – RM1.82 per sq ft/ month

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 7 Indahpura	Plot 8 Indahpura	Plot 14 Indahpura	Plot 18 Indahpura
Approximate age of building as at LPD	8 years, 6 months	8 years, 6 months	2 months	8 years, 1 month
Cost of investment as at 31 March 2021 (RM'000)/ Date of investment	13,382 / 29 November 2013	6,052 / 8 October 2013	3,115 / 31 December 2021	6,310 / 7 March 2016
Audited net book value recorded in the accounts of the respective Vendors as at 31 March 2021 (RM'000)	14,000	14,000	2,776	7,000
Market value/ Purchase consideration (RM'000)	14,000	14,000	21,000	7,000
Pro forma gain on disposal after taxation after Proposed Disposals, attributable to the owners of AME (RM'000)	_<#	_<#	6,591 [^]	_<#
Encumbrances/ Restriction in interest/ Express Conditions	(1)	(2)	(3)	(4)

Notes:

(#) There is no pro forma gain on disposal on a consolidated basis as this Subject Property would not be deemed disposed of and would be classified as either investment properties or property, plant and equipment (for Dormitories) at AME Group level.

([^]) This represents the net pro forma fair value gain from the reclassification of inventories to investment properties.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 20 Indahpura	Plot 21 Indahpura	Plot 36 Indahpura	Plot 65 Indahpura
Vendor	AME Development	AME Development	AME Development	AME Development
Title detail	GRN 580213, Lot 98842, Mukim Kulai, Kulai, Johor	GRN 580214, Lot 98843, Mukim Kulai, Kulai, Johor	GRN 580180, Lot 98856, Mukim Kulai, Kulai, Johor	H.S.(D) 63620, PTD 107695, Mukim Kulai, Kulai, Johor
Postal address	No. 19, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor	No. 18, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor	No. 27, Jalan i-Park 1/3, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor	No. 62, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Tenure/ Expiry of lease	Freehold	Freehold	Freehold	Freehold
Description/ Category of land use	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to Cam Plas (Johor) Sdn Bhd (since 1 July 2017) for the manufacturing of precision plastics injection, moulding, tooling and its related activities and office <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to Nippon Kinzoku (Malaysia) Sdn Bhd (since 12 July 2013) for the cutting of stainless steel and its related activities and office <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to Samwoo Colorants (Malaysia) Sdn Bhd (since 1 January 2021) for the manufacturing of colour masterbatches and compounding for plastic applications and its related activities and office <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently tenanted to W & S Plastics (Malaysia) Sdn Bhd (since 1 June 2016) or the use of plastic moulding and assembly and its related activities and office <u>Category of land use:</u> Industrial
NLA (sq ft)	27,521	26,977	27,521	27,980
Range of rental rates in industrial parks in which the Industrial Properties are located (as extracted from the Valuation Certificate)	RM1.40 – RM1.82 per sq ft/month	RM1.40 – RM1.82 per sq ft/month	RM1.40 – RM1.82 per sq ft/month	RM1.40 – RM1.82 per sq ft/month

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 20 Indahpura	Plot 21 Indahpura	Plot 36 Indahpura	Plot 65 Indahpura
Approximate age of building as at LPD	9 years, 5 months	8 years, 8 months	8 years, 1 month	6 years, 2 months
Cost of investment as at 31 March 2021 (RM'000)/ Date of investment	3,288 / 1 November 2012	3,239 / 12 July 2013	2,823 / 26 February 2014	3,411 / 14 January 2016
Audited net book value recorded in the accounts of the respective Vendors as at 31 March 2021 (RM'000)	7,000	7,000	3,585	7,000
Market value/ Purchase consideration (RM'000)	7,000	7,000	7,000	7,000
Pro forma gain on disposal after taxation after Proposed Disposals, attributable to the owners of AME (RM'000)	-.#	-.#	3,175 [^]	-.#
Encumbrances/ Restriction in interest/ Express Conditions	(5)	(6)	(7)	(8)

Notes:

(#) There is no pro forma gain on disposal on a consolidated basis as this Subject Property would not be deemed disposed of and would be classified as either investment properties or property, plant and equipment (for Dormitories) at AME Group level.

(^) This represents the net pro forma fair value gain from the reclassification of inventories to investment properties.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 66 Indahpura	Plot 69 Indahpura	Plot 120 Indahpura	Plot 13 Dorm Indahpura*
Vendor	Active Gold	AME Development	AME Development	AME Development
Title detail	H.S.(D) 63619, PTD 107694, Mukim Kulai, Kulai, Johor	H.S.(D) 63622, PTD 107697, Mukim Kulai, Kulai, Johor	GRN 601912, Lot 101609, Mukim Kulai, Kulai, Johor	GRN 580206, Lot 98833, Mukim Kulai, Kulai, Johor
Postal address	No. 60, Jalan i-Park 1/5, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor	No. 64, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor	No. 65, Jalan i-Park 1/6, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor	Along Jalan Seroja 28/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Tenure/ Expiry of lease	Freehold	Freehold	Freehold	Freehold
Description/ Category of land use	A single storey detached factory with mezzanine office and other ancillary buildings currently leased to Schiavello Manufacturing (Malaysia) Sdn Bhd (since 30 March 2015) for the manufacture and trading of furniture and office <u>Category of land use:</u> Industrial	A single storey detached factory with mezzanine office and other ancillary buildings currently tenanted to Merlin Entertainments Studios (Malaysia) Sdn Bhd (since 15 November 2017) for the manufacturing of toys and warehousing <u>Category of land use:</u> Industrial	A single storey detached factory currently leased to W & S Plastics (Malaysia) Sdn Bhd (since 1 April 2022) for the use of plastic moulding and assembly and its related activities and office <u>Category of land use:</u> Industrial	A parcel of building land built upon with two (2) blocks of 5-storey walk-up workers' dormitory, a 2-storey facilities block and other ancillary buildings currently under construction, to be tenanted to I Stay which is involved in the business of letting out the dormitory to third parties <u>Category of land use:</u> Building
NLA (sq ft) for Industrial Properties/ Bed capacity for Dormitories	67,639	61,135	32,186	2,289 beds upon completion
Range of rental rates in industrial parks in which the Industrial Properties are located (as extracted from the Valuation Certificate)/ rental per month for Industrial-Related Properties	RM1.40 – RM1.82 per sq ft/ month	RM1.40 – RM1.82 per sq ft/ month	RM1.40 – RM1.82 per sq ft/ month	RM338,000/ month after the commencement of the tenancy

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 66 Indahpura	Plot 69 Indahpura	Plot 120 Indahpura	Plot 13 Dorm Indahpura*
Approximate age of building as at LPD	6 years, 10 months	5 years, 3 months	4 years, 8 months	Construction in Progress
Cost of investment as at 31 March 2021 (RM'000)/ Date of investment	15,281 / 14 May 2015	7,211 / 22 December 2016	6,509 / 15 December 2016	6,415 / 31 May 2022
Audited net book value recorded in the accounts of the respective Vendors as at 31 March 2021 (RM'000)	17,000	7,211	7,000	6,415
Market value/ Purchase consideration (RM'000)	17,000	17,000	7,000	45,000
Pro forma gain on disposal after taxation after Proposed Disposals, attributable to the owners of AME (RM'000)	-#	7,439 [^]	-#	-#
Encumbrances/ Restriction in interest/ Express Conditions	(9)	(10)	(11)	(12)

Notes:

(*) The Subject Property is under construction, and the CCC is expected to be obtained by end June 2022.

(#) There is no pro forma gain on disposal on a consolidated basis as this Subject Property would not be deemed disposed of and would be classified as either investment properties or property, plant and equipment (for Dormitories) at AME Group level.

([^]) This represents the net pro forma fair value gain from the reclassification of inventories to investment properties.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 17 Dorm Indahpura
Vendor	AME Development
Title detail	GRN 580210, Lot 98837, Mukim Kulai, Kulai, Johor
Postal address	PTD 106941, Jalan Seroja 28, Kawasan Perindustrian i-Park Bandar Indahpura, 81000 Kulai, Johor
Tenure/ Expiry of lease	Freehold
Description/ Category of land use	A parcel of building land built upon with five (5) blocks of 5-storey walk-up workers' dormitory and other ancillary buildings currently tenanted to I Stay (since 1 June 2014) which is involved in the business of letting out the dormitory to third parties
Bed capacity for Dormitories	<u>Category of land use:</u> Building 2,290 beds
Rental per month for Industrial-Related Properties	RM300,000/ month
Approximate age of building as at LPD	Phase 1 (8 years, 3 months) Phase 2 (6 years, 11 months)

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 17 Dorm Indahpura
Cost of investment as at 31 March 2021 (RM'000)/ Date of investment	27,334 / 15 April 2015
Audited net book value recorded in the accounts of the respective Vendors as at 31 March 2021 (RM'000)	45,000
Market value/ Purchase consideration (RM'000)	45,000
Pro forma gain on disposal after taxation after Proposed Disposals, attributable to the owners of AME (RM'000)	-.#
Encumbrances/ Restriction in interest/ Express Conditions	(13)

Note:

(#) *There is no pro forma gain on disposal on a consolidated basis as this Subject Property would not be deemed disposed of and would be classified as either investment properties or property, plant and equipment (for Dormitories) at AME Group level.*

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Notes:

	Encumbrances	Restriction in interest	Express Conditions
1	Land charged in favour of RHB Islamic Bank Berhad	1. This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan.	<ol style="list-style-type: none"> 1. This land is to be used for , factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
2	<ol style="list-style-type: none"> 1. Land charged in favour of OCBC Bank (Malaysia) Berhad 2. Land leased to Heraeus Materials Malaysia Sdn Bhd for 5 years from 8 October 2018 	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan.	<ol style="list-style-type: none"> 1. The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

	Encumbrances	Restriction in interest	Express Conditions
3	Nil	<ol style="list-style-type: none"> 1. This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan. 2. The land allocated for Bumiputera when transferred to a Bumiputera / Bumiputera company shall not be subsequently sold, leased or transferred in any way to non-Bumiputera / non-Bumiputera companies without the consent of the State Authority. The approval letter from the State Authority has been obtained on 9 August 2017. 	<ol style="list-style-type: none"> 1. The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
4	Land charged in favour of Public Bank Berhad	Nil	<ol style="list-style-type: none"> 1. The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
5	Land charged in favour of Ambank Islamic Berhad	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan.	<ol style="list-style-type: none"> 1. The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

	Encumbrances	Restriction in interest	Express Conditions
6	Nil	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan.	<ol style="list-style-type: none"> 1. The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
7	Nil	<ol style="list-style-type: none"> 1. This land shall not be transferred in any way unless the construction of industrial building has commenced in accordance with the plan approved by the relevant local authority. 2. The land allocated for Bumiputera when transferred to a Bumiputera / Bumiputera company shall not be subsequently sold, leased or transferred in any way to non-Bumiputera / non-Bumiputera companies without the consent of the State Authority. The approval letter from the State Authority has been obtained on 1 October 2014. 	<ol style="list-style-type: none"> 1. The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
8	<ol style="list-style-type: none"> 1. Land charged in favour of Affin Islamic Bank Berhad. 2. Land partially leased to Tenaga Nasional Berhad for 30 years from 9 January 2017. 	<ol style="list-style-type: none"> 1. This land shall not be transferred in any way unless the construction of industrial building has commenced in accordance with the plan approved by the relevant local authority. 2. The land allocated for Bumiputera when transferred to a Bumiputera / Bumiputera company shall not be subsequently sold, leased or transferred in any way to non-Bumiputera / non-Bumiputera companies without the consent of the State Authority. The approval letter from the State Authority has been obtained on 22 May 2014. 	<ol style="list-style-type: none"> 1. The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

	Encumbrances	Restriction in interest	Express Conditions
9	Land charged in favour of Public Bank Berhad	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan.	<ol style="list-style-type: none"> The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. All laws and conditions determined by the authorities from time to time are to be followed.
10	Nil	<ol style="list-style-type: none"> This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan. The land allocated for Bumiputera when transferred to a Bumiputera / Bumiputera company shall not be subsequently sold, leased or transferred in any way to non-Bumiputera / non-Bumiputera companies without the consent of the State Authority. The approval letter from the State Authority has been obtained on 22 May 2014. 	<ol style="list-style-type: none"> The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. All laws and conditions determined by the authorities from time to time are to be followed.
11	Land charged in favour of Affin Islamic Bank Berhad.	The land allocated for Bumiputera when transferred to a Bumiputera / Bumiputera company shall not be subsequently sold, leased or transferred in any way to non-Bumiputera / non-Bumiputera companies without the consent of the State Authority. The approval letter from the State Authority has been obtained on 14 December 2016.	<ol style="list-style-type: none"> The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. All laws and conditions determined by the authorities from time to time are to be followed.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

	Encumbrances	Restriction in interest	Express Conditions
12	Land charged in favour of RHB Islamic Bank Berhad	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan.	<ol style="list-style-type: none"> 1. The land is to be used for factories for medium sized enterprises and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
13	Land charged in favour of AmIslamic Bank Berhad	This land shall not be sold or transferred in any way to non -citizens/foreign companies without the consent of the state authorities.	<ol style="list-style-type: none"> 1. This land shall be used for an employee hostel building constructed according to the plan approved by the local authority. 2. All impurities and pollution due to these activities must be channeled to a place that has been determined by the local authority concerned. 3. All policies and conditions that have been set and enforced from time to time by the relevant authorities are complied with.

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INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)
(c) SiLC Subject Properties

Plot 3 SiLC		Plot 4 SiLC		Plot 6 SiLC	
Plot Name and Address	AME Development	AME Development	LKL Industries		
Vendor	H.S.(D) 516443, PTD 7376, Mukim Jelutong, Johor Bahru, Johor	H.S.(D) 516444, Lot PTD 7377, Mukim Jelutong, Johor Bahru, Johor	H.S.(D) 516446, Lot PTD 7379, Mukim Jelutong, Johor Bahru, Johor		
Title detail	No. 6, Jalan SiLC 1/6 Kawasan Perindustrian SiLC 79200 Iskandar Puteri, Johor	No. 8, Jalan SiLC 1/6 Kawasan Perindustrian SiLC 79200 Iskandar Puteri, Johor	No. 12, Jalan SiLC 1/6 Kawasan Perindustrian SiLC 79200 Iskandar Puteri, Johor		
Postal address	Freehold	Freehold	Freehold		
Tenure/ Expiry of lease	Two adjoining units of 1 ½ storey semi-detached factory currently leased to Lightpack Food Industries Sdn Bhd (since 1 August 2013) for the manufacturing of biscuits and cookies and its related activities and office <u>Category of land use:</u> Industrial	Freehold	Freehold		
Description/ Category of land use					1 ½ storey semi-detached factory currently tenanted to Lightpack Food Industries Sdn Bhd (since 1 October 2014) for the manufacturing of biscuits and cookies and its related activities and office <u>Category of land use:</u> Industrial
NLA (sq ft)		24,319			12,785
Range of rental rates in industrial parks in which the Industrial Properties are located (as extracted from the Valuation Certificate)		RM1.60 – RM1.70 per sq ft/ month			RM1.60 – RM1.70 per sq ft/ month
Approximate age of building as at LPD		8 years, 10 months			8 years, 10 months
Cost of investment as at 31 March 2021 (RM'000)/ Date of investment		3,545 / 17 May 2013			3,974 / 17 May 2013

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 3 SiLC	Plot 4 SiLC	Plot 6 SiLC
Audited net book value recorded in the accounts of the respective Vendors as at 31 March 2021 (RM'000)		6,500	3,500
Market value/ Purchase consideration (RM'000)		6,500	3,500
Pro forma gain on disposal after taxation after Proposed Disposals, attributable to the owners of AME (RM'000)		_<#	_<#
Encumbrances/ Restriction in interest/ Express Conditions	(1)	(2)	(3)

Note:

(#) There is no pro forma gain on disposal on a consolidated basis as this Subject Property would not be deemed disposed of and would be classified as either investment properties or property, plant and equipment (for Dormitories) at AME Group level.

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INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot 3 District 6		Plot 4 District 6		Plot 6 District 6	
Plot Name and Address	AME Development	AME Development		Twin Sunrich	
Vendor					
Title detail	H.S.(D) 535650, PTD 7669, Mukim Jelutong, Johor Bahru, Johor	H.S.(D) 535652, PTD 7670, Mukim Jelutong, Johor Bahru, Johor		H.S.(D) 535654, PTD 7672, Mukim Jelutong, Johor Bahru, Johor	
Postal address	No. 23, Jalan Bioteknologi 3 Kawasan Perindustrian SiLC 79200 Iskandar Puteri, Johor	No. 25, Jalan Bioteknologi 3 Kawasan Perindustrian SiLC 79200 Iskandar Puteri, Johor		No. 29, Jalan Bioteknologi 3 Kawasan Perindustrian SiLC 79200 Iskandar Puteri, Johor	
Tenure/ Expiry of lease	Freehold	Freehold		Freehold	
Description/ Category of land use	Two contiguous units of single storey detached factory with 3-storey office and other ancillary buildings currently leased to Westrock Coffee & Tea Malaysia Sdn Bhd (since 21 January 2021) for the manufacturing and production of coffee, tea and coffee liquid extracts and related activities <u>Category of land use:</u> Industrial			A single storey detached factory with 3-storey office and other ancillary buildings currently tenanted to Ametalin Sdn Bhd (since 1 February 2016) for the manufacturing of thermal insulation products, building wraps, speciality laminates and packaging materials and related activities <u>Category of land use:</u> Industrial	
NLA (sq ft)		92,202		45,984	
Range of rental rates in industrial parks in which the Industrial Properties are located (as extracted from the Valuation Certificate)		RM1.08 – RM1.75 per sq ft/ month		RM1.08 – RM1.75 per sq ft/ month	
Approximate age of building as at LPD	6 years, 10 months		6 years, 7 months	6 years, 7 months	
Cost of investment as at 31 March 2021 (RM'000)/ Date of investment	9,005 / 31 May 2015		8,616 / 30 August 2015	13,081 / 30 August 2015	

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Plot Name and Address	Plot 3 District 6	Plot 4 District 6	Plot 6 District 6
Audited net book value recorded in the accounts of the respective Vendors as at 31 March 2021 (RM'000)	9,620	9,251	13,000
Market value/ Purchase consideration (RM'000)	24,000		13,000
Pro forma gain on disposal after taxation after Proposed Disposals, attributable to the owners of AME (RM'000)	4,848 [^]		-#
Encumbrances/ Restriction interest/ Express Conditions	(4)	(5)	(6)

Notes:

(#) There is no pro forma gain on disposal on a consolidated basis as this Subject Property would not be deemed disposed of and would be classified as either investment properties or property, plant and equipment (for Dormitories) at AME Group level.

(^) This represents the net pro forma fair value gain from the reclassification of inventories to investment properties.

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INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

Notes:

	Encumbrances	Restriction in interest	Express Conditions
1	Land charged to Ambank Islamic Berhad	Lands when transferred to a Bumiputera/Bumiputera company shall not be subsequently sold, leased or transferred in any way to non-Bumiputera/ non-Bumiputera companies without the consent of the State Authority. The approval letter from the State Authority has been obtained on 20 February 2014.	<ol style="list-style-type: none"> 1. The land is to be used as a twin industrial area for light industries and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
2	Land charged to Ambank Islamic Berhad	Lands when transferred to a Bumiputera/Bumiputera company shall not be subsequently sold, leased or transferred in any way to non-Bumiputera/ non-Bumiputera companies without the consent of the State Authority. The approval letter from the State Authority has been obtained on 20 February 2014.	<ol style="list-style-type: none"> 1. The land is to be used as a twin industrial area for light industries and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
3	Land charged to Public Bank Berhad	Lands when transferred to a Bumiputera/Bumiputera company shall not be subsequently sold, leased or transferred in any way to non-Bumiputera/ non-Bumiputera companies without the consent of the State Authority. The approval letter from the State Authority has been obtained on 31 December 2013.	<ol style="list-style-type: none"> 1. The land is to be used as a twin industrial area for light industries and to be built in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.

INFORMATION ON THE SUBJECT PROPERTIES (Cont'd)

	Encumbrances	Restriction in interest	Express Conditions
4	Land leased to Westrock Coffee & Tea Malaysia Sdn Bhd for 5 years and 2 months from 21 January 2021	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan.	<ol style="list-style-type: none"> 1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
5	Land partially leased to Tenaga Nasional Berhad for 30 years from 11 November 2015	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan.	<ol style="list-style-type: none"> 1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.
6	<ol style="list-style-type: none"> 1. Land charged to Ambank Islamic Berhad 2. Land partially leased to Tenaga Nasional Berhad for 30 years from 3 February 2017 	This land shall not be transferred by any means unless the construction of infrastructure for public utilities at the industrial site has commenced in accordance with the approved Local Authorities plan.	<ol style="list-style-type: none"> 1. The land is to be used as an industrial area for medium-sized industries as industry lots and other related uses in accordance with the plan approved by the authorities. 2. All wastes and pollution caused by the above activity should be directed to areas determined by the authorities. 3. All laws and conditions determined by the authorities from time to time are to be followed.

SALIENT TERMS OF THE SPAS

The salient terms of the draft SPAs are as follows:

A. OVERVIEW OF THE SPAS

Pursuant to the SPAs, the trustee will acquire the Subject Properties from the Vendors together with the fixtures and fittings thereon and in the condition of the Subject Properties as at the date of the SPAs on an “as is where is” basis, subject to, among others, the following:

- (i) the existing restrictions-in-interest, conditions (whether express or implied) and the category of land use endorsed on the documents of title to the Subject Properties, and such encumbrances which shall continue to subsist after completion of the SPAs;
- (ii) in respect of the Subject Properties with existing tenants, without vacant possession on the basis that the Subject Properties will continue to be occupied by such tenants with all their rights, benefits and obligations pursuant to the existing tenancy remaining intact;
- (iii) save for the Subject Properties in District 6 and FZW SAC, the Deed of Mutual Covenant (“**DMC**”) to be entered into by the trustee in relation to the provision of gated development services by the developer of the Subject Properties including but not limited to boundary fencing, provision of security personnel, installation of closed-circuit television monitoring system, erection of boom gate as well as the maintenance, upkeep and repair of the guardhouse in accordance with the terms and conditions of the DMC;
- (iv) in respect of Plot 1A1 SAC, Plot 1B1 SAC, Plot 1C2 SAC, Plot FZW SAC and Plot 32 SAC only, the covenants imposed by the master developer whereby the trustee (on behalf of AME REIT) undertakes that:
 - (a) any area of the land on which the Subject Properties is situated (“**Affected Area**”) will not be sold, disposed, leased or rented to persons who intend to use the land for any non-complementary purposes that generate either excessive dusts or noxious or strong odours or smoke which may cause any material or adverse effects to or in respect of the use of the manufacturing plant and facility for manufacturing and production of “Hershey” brands confectionery and other food products for the business activities of Hershey Malaysia Sdn Bhd; and
 - (b) it will ensure and procure that the lessees, tenants, licensees or any other occupants using the Subject Properties in the Affected Area comply with the covenant in Section A(iv)(a) above and impose such similar covenants and undertaking from such person in its agreement with them; and
- (v) upon request of the relevant Vendor, to execute an agreement and any documents in respect thereof to grant Tenaga Nasional Berhad (“**TNB**”) a right of way over and to lease any part of the relevant Subject Properties to TNB for a substation to be constructed on the Subject Property.

The SPAs are interdependent and the trustee is not obliged to complete the acquisition of any Subject Property unless the acquisitions are completed concurrently under the respective SPAs. However, if for any reason any one or more of the SPAs are rescinded or terminated or cannot be completed for any reasons whatsoever, the trustee shall have the sole and absolute discretion to terminate the SPAs pursuant to the terms therein.

SALIENT TERMS OF THE SPAS (Cont'd)

B. CONDITIONS PRECEDENT

The sale, purchase and transfer of the Subject Properties are conditional upon, among others:

- (i) the receipt of the written confirmation from the manager confirming that:
 - (a) the relevant conditions, variations or revisions imposed by the SC and Bursa Securities in respect of the acquisition of the Subject Property have been satisfied; and
 - (b) the book building exercise is completed;
- (ii) the approval of Bursa Securities for the Proposed Listing having been obtained by the manager;
- (iii) the prospectus in relation to the Proposed Offering having been issued;
- (iv) in respect of Plot 13 Dorm Indahpura, the Subject Properties having been constructed in accordance with the approved building plans and specifications and the CCC having been obtained from the relevant authorities; and
- (v) the special conditions to be complied with for certain Subject Properties as stated in Section A(iii), Section A(iv) and Section A(v) in the Overview of the SPAs above.

C. COMPLETION

Subject to the fulfilment of the conditions precedent set out in Section B above, on the date, on which the acquisitions of the Subject Properties are completed or deemed to be completed on the terms as set out in the SPA (unless otherwise indicated) ("**Completion Date**"), among others:

- (i) the rights, benefits, title, interests, in and to the Subject Properties shall pass from the Vendor to the trustee whereupon the Vendor shall be deemed to hold on trust the Subject Properties for the trustee until the trustee is registered as the proprietor at the relevant land registry and the legal possession of the Subject Properties shall be deemed delivered to the trustee;
- (ii) the rights, benefits, interests, obligations, and liabilities in the tenancy in respect of the Subject Properties which are subsisting on the Completion Date shall be deemed to have passed to the trustee and shall be novated by the Vendor to the trustee immediately or as soon as practicable;
- (iii) all existing contracts pertaining to the Subject Properties shall be novated to the trustee (and to the extent there are no obligations to be transferred to the trustee under an existing contract, then on the basis that all remaining benefits, rights, titles, entitlements and interests of the Vendor under such existing contracts are assigned to the trustee and due notice that is given to the applicable third party) immediately or as soon as practicable;
- (iv) the insurances taken up in respect of the Subject Properties which are subsisting on the Completion Date of the SPAs shall be endorsed in favour of the trustee, on or before the expiry of one month from the Completion Date and the trustee shall be entitled to purchase such other insurances which the trustee deem necessary;
- (v) all outgoings in respect of the Subject Properties shall be apportioned on the Completion Date of the SPAs and the Vendor shall bear and settle the outgoings due and payable up to the date immediately preceding the Completion Date of the SPAs and the trustee shall bear and settle the outgoings due and payable on and from the Completion Date of the SPAs;

SALIENT TERMS OF THE SPAS (Cont'd)

- (vi) all income in respect of the Subject Properties including rental income shall be apportioned on the Completion Date of the SPAs and the Vendor shall be entitled to all income received up to the date immediately preceding the Completion Date of the SPAs and the trustee shall in addition to Section C(ii) and (iii) above be entitled to all income received on and from the Completion Date of the SPAs; and
- (vii) all security and utility deposits, rental and other payments paid by the tenant which are retained or in the custody of the Vendor as well as the outgoings under Section C(v) above and the income under Section C(vi) above which are to be paid to the trustee (if any) shall be held on trust for the trustee from the Completion Date of the SPAs and the Vendor shall pay the same to the trustee immediately or as soon as practicable.

D. REPRESENTATION AND WARRANTIES

The Vendors have given specific representations and warranties relating to, among others, their capacities, the Subject Properties, the leases, tenancies and licenses. If any event or circumstance, which arises or becomes known to the trustee after the date of the SPAs and prior to the Completion Date of the SPAs, which is inconsistent with any of the representations and warranties by the Vendors, the trustee may give a written notice to the Vendor to remedy the same within 30 days from the date of the notice. If the Vendor fails to remedy the same, the trustee shall be entitled to terminate the SPAs.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES



C H Williams Talhar & Wong Sdn Bhd (197401001098)
 Unit 15B Level 15 Menara Ansar
 65 Jalan Trus P O Box 320
 80000 Johor Bahru
 Johor Darul Takzim
 Malaysia

Report and Valuation

16 August 2021

PRIVATE & CONFIDENTIAL

The Board of Directors
 AME ELITE CONSORTIUM BERHAD
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Dear Sirs

VALUATION OF THIRTY-FOUR (34) PROPERTIES IN RELATION TO THE PROPOSED DISPOSALS OF 34 PROPERTIES BY THE 5 SUBSIDIARIES OF AME ELITE CONSORTIUM BERHAD ("AME") INTO AME REAL ESTATE INVESTMENT TRUST ("AME REIT") ("PROPOSED DISPOSALS")

In accordance with the instructions of AME, we, C H Williams Talhar & Wong Sdn Bhd, have carried out a valuation on the above captioned properties as at 2 August 2021 for the purpose of submission to Bursa Malaysia Securities Berhad in relation to the Proposed Disposals.

This Valuation Certificate is prepared for the inclusion in the circular in relation to the Proposed Disposals.

We have prepared and provided this Valuation Certificate which outlines key factors that have been considered in arriving at our opinion of Market Value and reflects all information known by us and based on present market conditions.

The valuation has been prepared in accordance with the requirements stipulated in the Asset Valuation Guidelines issued by the Securities Commission Malaysia and Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

The basis of the valuation is Market Value which is defined by the Malaysian Valuation Standards (MVS) to be "the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion".

This Valuation Certificate should be read in conjunction with the full Report and Valuation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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METHOD OF VALUATION

In arriving at our opinion of Market Values, we have adopted the following Valuation Methodologies: -

Income Approach (Investment Method)

We have adopted the Income Approach (Investment Method) as our main approach.

The Income Approach (Investment Method) entails determining the net annual income by deducting the annual outgoings from the gross annual income and capitalising the net income by a suitable rate of return consistent with the type and quality of investment to arrive at the market value.

Income in the context of the investment method relates mainly to rental. This method is premised on the principle that the value of an income-producing property is represented by "the present worth of future rights to income, or utility".

The passing rents of the existing tenancies are adopted as the 'Term' income whilst the rent for 'Reversion' is benchmarked against recently concluded tenancies within the same property as the main guide as well as market rental evidences for other similar type of properties.

In arriving at the market rent of the subject property under the reversionary valuation, we have considered the following market evidences: -

i) i-Park @ Indahpura & i-Park @ Senai Airport City

Details	Comparable 1	Comparable 2	Comparable 3
Source	Lease Agreement		
Location	Kawasan Perindustrian i-Park, Bandar Indahpura, Kulai, Johor	Taman Perindustrian i-Park SAC, Senai, Johor	Taman Perindustrian i-Park SAC, Senai, Johor
Type	Single storey detached factory		
Tenure	Freehold / Term in perpetuity		
Lettable Floor Area	59,956 sq ft	74,619 sq ft	72,177 sq ft
Date of Agreement	13/01/2020	16/06/2020	20/01/2020
Concluded Rental	RM89,934/-	RM111,928/-	RM101,048/-
Analysis Rental (RM psf)	RM1.50 psf	RM1.50 psf	RM1.40 psf (excluding additional works @ RM0.439psf)

ii) District 6 @ SiLC

Details	Comparable 1	Comparable 2	Comparable 3
Source	Lease Agreement		
Location	Taman Teknologi Nusajaya, Iskandar Puteri, Johor	Pelabuhan Tanjung Pelepas, Gelang Patah, Johor	Taman Teknologi Nusajaya, Iskandar Puteri, Johor
Type	Detached factory		
Tenure	Freehold / Term in perpetuity	35 years lease tenure	Freehold / Term in perpetuity
Lettable Floor Area	104,694 sq ft	222,723 sq ft	42,068 sq ft
Date of Agreement	28/06/2018	01/05/2018	08/05/2017
Concluded Rental	RM238,703/-	RM400,902/-	RM83,295/-
Analysis Rental (RM psf)	RM2.28 psf	RM1.80 psf	RM1.98 psf

iii) i-Park @ SiLC

Details	Comparable 1	Comparable 2	Comparable 3
Source	Lease / Tenancy Agreement		
Location	Taman Perindustrian i-Park SAC, Senai, Johor	Taman Teknologi Nusajaya, Iskandar Puteri, Johor	Taman Teknologi Nusajaya, Iskandar Puteri, Johor
Type	Semi-detached factory	Detached factory	
Tenure	Freehold / Term in perpetuity		
Lettable Floor Area	12,391 sq ft	104,694 sq ft	42,068 sq ft
Date of Agreement	11/12/2020	28/06/2018	08/05/2017
Concluded Rental	RM17,888/-	RM238,703/-	RM83,295/-
Analysis Rental (RM psf)	RM1.44 psf	RM2.28 psf	RM1.98 psf

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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Income Approach (Investment Method) (Cont'd)

iv) Dormitories

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Tenancy Agreement		Initial Public Offering (IPO) Prospectus	
Project	Desa Cemerlang, Ulu Tiram, Johor	Bandar Baru Permas Jaya, Masai, Johor	Westlite Johor Technology Park Accommodation, Senai, Johor	Westlite Senai II Accommodation, Senai, Johor
Lot No., Town, District and State	PTD 221802, Mukim of Plentong, District of Johor Bahru, Johor	PTD 75283, Mukim of Plentong, District of Johor Bahru, Johor	PTD 87632, Mukim of Kulai, District of Kulai, Johor	Lot 6214, Mukim of Senai, District of Kulai, Johor
Type	Workers' dormitory			
Total No. of Bed	2,212 beds	2,400 beds	5,800 beds	5,900 beds
Date of Agreement	25/11/2019	28/08/2017	2017	2017
Concluded Rental	RM214,400/- (master lease)	RM300,000/- (master lease)	RM593,884/- (sublease)	RM684,148/- (sublease)
Analysis Rental (RM per bed)	RM97 p.bed	RM125 p.bed	RM102 p.bed	RM116 p.bed

Summary of the gross rentals adopted for the term and reversionary are tabulated as follows: -

Locality	Term Rental	Reversionary Rental
i-Park @ Indahpura	RM1.40 - RM1.82 psf/month	RM1.50 - RM1.65 psf/month
i-Park & Freezone @ Senai Airport City	RM1.30 - RM2.51 psf/month	RM1.50 - RM2.00 psf/month
District 6 @ SiLC	RM1.08 - RM1.75 psf/month	RM1.70 psf/month
i-Park @ SiLC	RM1.60 - RM1.70 psf/month	RM1.65 psf/month
Dormitories	RM131 - RM150 p.bed/month	RM130 - RM 145 p.bed/month

The other component of the Investment Method is the annual outgoings which comprises all the property related expenses such as property taxes, insurance, repair & maintenance cost as well as provision for property management fees. Void factor which relates to non-generation of rental income during the period between rent reviews and rent-free period is also construed as property expenses.

We have adopted a market corroborated capitalisation rate to arrive at the capital value of the properties. In arriving at our opinion of the appropriate capitalisation rate, we have examined and analysed several past and recent sales of industrial premise. Exercising judgement based on our experience in the industry, we have compared the relative investment characteristics of the subject properties and the sales. We have made necessary diligent adjustments to arrive at the capitalisation rate with emphasis given on the current market condition, location, tenure, quality and condition of the subject buildings. We also have taken into account the current economic condition, the existing and future demand and supply of industrial space / workers' dormitory in arriving the capitalisation rate.

The yield analysis of selected industrial premises based on the past and recent transactions is tabulated as follows:-

Comparable	1	2	3	4
Location	PLO 823 & PLO 828, Kaw. Perindustrian Pasir Gudang, Pasir Gudang	No. 92, Jalan i-Park 1/10, Kaw. Perindustrian i-Park, Bandar Indahpura, Kulai	No. 21, Jalan Bioteknologi 3, Kaw. Perindustrian SiLC, Iskandar Puteri	No. 93, Jalan i-Park 1/10, Kaw. Perindustrian i-Park, Bandar Indahpura, Kulai
Date	15/03/2021	19/11/2020	31/07/2019	07/06/2018
Consideration	RM75,000,000/-	RM12,984,000/-	RM14,300,000/-	RM31,500,000/-
Lettable Area	464,613 sq ft	57,545 sq ft	45,984 sq ft	132,706 sq. ft.
Tenure	60-year leasehold with unexpired term of about 55 yrs and 53 yrs	Freehold	Freehold	Freehold
Estimated Net Yield Rate	6.2%	6.7%	5.2%	6.8%

(Source: CBRE | WTW Research)

The above analysis revealed yields ranging from 5.2% to 6.8%. Our research on the yield trend revealed that yields of industrial premise are under further compression due to the moderate Malaysian economy, slower capital market activity and scarcity of quality investment which allows for long term rental income along with capital appreciation.

Having considered the above and other relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income. For dormitories, we have adopted the term and reversionary yields at 6.00% and 6.50% respectively.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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Comparison Approach

Comparison Approach was used as a check method to see the reasonability of the value generated by the Income Approach (Investment Method).

The Comparison Approach entails analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location, accessibility, size of the building, age and condition of unit and building, size and shape of land, tenure, planning status, title restrictions if any and other relevant characteristics to arrive at the market value.

The principle of comparison is based on the economic concept of substitution, that a knowledgeable and prudent person would not pay more for a property than the cost of acquiring an equally satisfactory substitute. This implies that, within a suitable time-frame, the values of properties that are considered to be close substitutes in terms of location, utility and desirability will tend to be similar and the lowest price of the best alternative tends to establish market value.

We have compiled and analysed sale evidences in the localities of the subject property. In arriving at our opinion of value of the subject property using the Comparison Approach, the selected suitable sale evidences, amongst others, are considered and adopted.

The transactions data adopted in our valuation are either from Valuation and Property Services Department (JPPH), Bursa Malaysia, Company Announcement or concluded sales (SPA) which can be relied upon with significant level of certainty.

Cost Approach

We have also considered the Cost Approach in our valuation for the dormitories as they are purpose-built workers' dormitory that are rarely if ever sold in the market as well as the non-availability of similar workers' dormitory sale comparables.

Cost Approach was adopted for the properties which are specialised in nature and those are rarely traded in the market, e.g. a purpose-built workers' dormitory, a parcel of industrial land with uncompleted building structures as well as a parcel of land presently undergoing the construction of workers' dormitory and supporting buildings.

In essence, Cost Approach entails the summation of the market value of land and Depreciated Replacement Cost of the building. The land is valued by reference to transactions of similar lands in the surrounding with adjustments made for differences in location, terrain, size and shape of the land, tenure, title restrictions, if any and other relevant characteristics. The building component is arrived at by the Depreciated Replacement Cost method, which is defined as the current cost of replacing an asset with a modern equivalent asset less deductions for the accrued depreciation comprising physical deterioration and all relevant obsolescence and optimisation.

Cost Approach is the common method as it can be applied to wide range of assets. It is based on the economic theory of substitution - that a buyer will pay no more for the subject property than the cost of acquiring an asset of equal utility, whether by purchase or by construction. It is also based on the principle of substitution, i.e. that unless undue time, inconvenience, risk or other factors are involved, the price that a buyer in the market would pay for the asset being valued would not be more than the cost to construct an equivalent asset.

In arriving at the replacement cost of the buildings and other site improvements, we have taken into account and adopted the industry average costs as derived from analysis of contracts awarded for the construction of similar type of development components, current cost estimates by quantity surveyors according to Juru Ukur Bahan Malaysia (JUBM) construction cost handbook and counter-checked against the actual cost incurred for the subject property itself. Upon determination of the construction cost new, a depreciation factor of between 2% per annum has been adopted and deducted from the construction cost new to arrive at the Depreciated Replacement Cost of the buildings and other site improvements. The depreciation rate is tied to the industry norm life span of buildings of 60 years.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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OPINION OF VALUE

The table below is a summary of Market Values for the properties valued: -

No.	Property Details	Market Value
1	Lot 98840 (Formerly PTD 106944), Mukim of Kulai, District of Kulai, Johor [No. 21, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265H/21/JTZ)	RM7,000,000/-
2	Lot 98842 (Formerly PTD 106946), Mukim of Kulai, District of Kulai, Johor [No. 19, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265J/21/KZX)	RM7,000,000/-
3	Lot 98843 (Formerly PTD 106947), Mukim of Kulai, District of Kulai, Johor [No. 18, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265K/21/KZX)	RM7,000,000/-
4	Lot 98856 (Formerly PTD 106960), Mukim of Kulai, District of Kulai, Johor [No. 27, Jalan i-Park 1/3, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265L/21/KZX)	RM7,000,000/-
5	Lot No. PTD 107695, Mukim of Kulai, District of Kulai, Johor [No. 62, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265M/21/MNH)	RM7,000,000/-
6	Lot No. PTD 107694, Mukim of Kulai, District of Kulai, Johor [No. 60, Jalan i-Park 1/5, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265N/21/MNH)	RM17,000,000/-
7	PTD 107697, Mukim of Kulai, District of Kulai, Johor [No. 64, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265O/21/JTZ)	RM17,000,000/-
8	Lot 98828 (Formerly PTD 106932), Mukim of Kulai, District of Kulai, Johor [No. 5, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265P/21/KZX)	RM14,000,000/-
9	Lot 98827 (Formerly PTD 106931), Mukim of Kulai, District of Kulai, Johor [No. 6, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265Q/21/KZX)	RM14,000,000/-

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OPINION OF VALUE (Cont'd)

No.	Property Details	Market Value
10	Lot No. PTD 107908, Mukim of Kulai, District of Kulai, Johor [No. 65, Jalan i-Park 1/6, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory (Our Ref : WTW/04/V/009265R/21/KZX)	RM7,000,000/-
11	PTD 112746, Mukim of Senai, District of Kulai, Johor [No. 20, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265S/21/ABL)	RM14,000,000/-
12	PTD 112747, Mukim of Senai, District of Kulai, Johor [No. 21, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265T/21/ABL)	RM14,000,000/-
13	PTD 112829, Mukim of Senai, District of Kulai, Johor [No. 22, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265U/21/ABL)	RM47,000,000/-
14	PTD 203569, Mukim of Tebrau, District of Johor Bahru, Johor [No. 68, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265V/21/ABL)	RM17,000,000/-
15	PTD 204026, Mukim of Tebrau, District of Johor Bahru, Johor [No. 69, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265W/21/ABL)	RM17,000,000/-
16	PTD 198653, Mukim of Tebrau, District of Johor Bahru, Johor [No. 66, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265X/21/ABL)	RM23,000,000/-
17	PTD 112754, Mukim of Senai, District of Kulai, Johor [No. 34, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265Y/21/ABL)	RM14,000,000/-
18	PTD 112753, Mukim of Senai, District of Kulai, Johor [No. 33, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265Z/21/ABL)	RM14,000,000/-

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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OPINION OF VALUE (Cont'd)

No.	Property Details	Market Value
19	PTD 196174, Mukim of Tebrau, District of Johor Bahru, Johor [No. 7, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265AA/21/ABL)	RM8,000,000/-
20	PTD 196173, Mukim of Tebrau, District of Johor Bahru, Johor [No. 6, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265AB/21/ABL)	RM7,000,000/-
21	PTD 196180, Mukim of Tebrau, District of Johor Bahru, Johor [No. 13, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265AC/21/ABL)	RM8,000,000/-
22	PTD 112760, Mukim of Senai, District of Kulai, Johor [No. 40, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265AD/21/ABL)	RM8,000,000/-
23	Lot Nos. PTD 7669 and PTD 7670, Mukim of Jelutong, District of Johor Bahru, Johor [Nos. 23 & 25, Jalan Bioteknologi 3, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor] Two (2) contiguous units of single storey detached factory with 3-storey office and other ancillary buildings (Our Ref : WTW/04/V/009265B/21/GKN)	RM24,000,000/-
24	Lot 98834 (Formerly PTD 106938), Mukim of Kulai, District of Kulai, Johor [No. 12, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265C/21/JTZ)	RM21,000,000/-
25	Lot No. PTD 7672, Mukim of Jelutong, District of Johor Bahru, Johor [No. 29, Jalan Bioteknologi 3, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor] A single storey detached factory with 3-storey office and other ancillary buildings (Our Ref : WTW/04/V/009265D/21/GKN)	RM13,000,000/-
26	PTD 195470, Mukim of Tebrau, District of Johor Bahru, Johor [No. 18, Jalan Kargo 2, Senai Airport City, 81400 Senai, Johor] A single storey detached factory together with an office annex and other ancillary buildings (Our Ref : WTW/04/V/009265E/21/MNH)	RM38,000,000/-
27	Lot 98833 (Formerly PTD 106937), Mukim of Kulai, District of Kulai, Johor [Along Jalan Seroja 28/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A parcel of building land built upon with two (2) blocks of 5-storey walk-up workers' dormitory, a 2-storey facilities block and other ancillary buildings (Our Ref : WTW/04/V/009265F/21/JTZ)	RM45,000,000/-

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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OPINION OF VALUE (Cont'd)

No.	Property Details	Market Value
28	Lot 98837 (Formerly PTD 106941), Mukim of Kulai, District of Kulai, Johor [PTD 106941, Jalan Seroja 28, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor] A parcel of building land built upon with five (5) blocks of 5-storey walk-up workers' dormitory and other ancillary buildings (Our Ref : WTW/04/V/009265G/21/JTZ)	RM45,000,000/-
29	PTD 112778, Mukim of Senai, District of Kulai, Johor [No. 91, Jalan SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A parcel of building land built upon with five (5) blocks of 5-storey walk-up workers' dormitory, a 2-storey shop and other ancillary buildings (Our Ref : WTW/04/V/009265AE/21/JTZ)	RM45,000,000/-
30	PTD 112781, Mukim of Senai, District of Kulai, Johor [No. 48, Jalan i-Park SAC 7, Taman Perindustrian i-Park SAC, 81400 Senai, Johor] A single storey detached factory with mezzanine office and other ancillary buildings (Our Ref : WTW/04/V/009265AF/21/ABL)	RM21,000,000/-
31	Lot Nos. PTD 7376 and PTD 7377, Mukim of Jelutong, District of Johor Bahru, Johor [Nos. 6 & 8, Jalan SiLC 1/6, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor] Two (2) adjoining units of 1½ storey semi-detached factory (Our Ref : WTW/04/V/009265AG/21/GKN)	RM6,500,000/-
32	Lot No. PTD 7379, Mukim of Jelutong, District of Johor Bahru, Johor [No. 12, Jalan SiLC 1/6, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor] A 1½ storey semi-detached factory (Our Ref : WTW/04/V/009265AI/21/GKN)	RM3,500,000/-
Grand Total		RM557,000,000/-

Yours faithfully
for and on behalf of
C H Williams Talhar & Wong Sdn Bhd

Sr LO KIN WENG

B. (Hons) Estate Mgt. MRICS, MRISM, MPEPS
RICS Registered Valuer
Registered Valuer (V-917)

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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CERTIFICATES OF VALUATION

1. No. 21, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
(Our Ref : WTW/04/V/009265H/21/JTZ)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 21, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	GRN 580211 (Formerly HSD 62256)
Lot No.	:	Lot 98840 (Formerly PTD 106944), Mukim of Kulai, District of Kulai, Johor
Land Area	:	0.5229 hectare (5,229 square metres / 1.292 acres)
Gross Floor Area	:	2,657 square metres (28,600 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	LKL Industries Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a fairly good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/0666 dated 26 February 2014. The buildings are approximately 7 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to HID Global Sdn Bhd.

Vide the Tenancy Agreement dated 18 October 2016 entered between LKL Industries Sdn Bhd ("the Landlord") and HID Global Sdn Bhd ("the Tenant"), the Landlord agreed to grant and the Tenant agreed to accept, a tenancy of the subject property for a Tenancy Term of fixed three (3) years.

By a tenancy renewal letter dated 17 June 2019, both parties have mutually agreed among others the Lease Term shall be renewed for further term of three (3) years ("Renewed Period").

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.60 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, negative factor, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM315 psf	RM297 psf	RM286 psf	RM292 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM286 to RM315 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM290 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM7,000,000/-
Comparison Approach	RM7,500,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property free from all encumbrances at **RM7,000,000/- (Ringgit Malaysia : Seven Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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2. No. 19, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
(Our Ref : WTW/04/V/009265J/21/KZX)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 19, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	GRN 580213 (Formerly HSD 62258)
Lot No.	:	Lot 98842 (Formerly PTD 106946), Mukim of Kulai, District of Kulai, Johor
Land Area	:	0.4048 hectare (4,047.9 square metres / 1.00 acre)
Gross Floor Area	:	2,645 square metres (28,471 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/0907 dated 1 November 2012. The buildings are approximately 9 years old .

OCCUPATION

At the time of our inspection, the subject property was leased to Cam Plas (Johor) Sdn Bhd.

Vide the Agreement to Lease dated 20 July 2017 entered between AME Development Sdn Bhd ("the Lessor") and Cam Plas (Johor) Sdn Bhd ("the Lessee"), the Lessor agreed to grant and the Lessee agreed to accept, a lease of the subject property for a Lease Term of fixed six (6) years and (3) months.

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.60 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	ipark Development Sdn Bhd	Symphony Square Sdn Bhd	ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM335 psf	RM313 psf	RM301 psf	RM307 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM301 to RM335 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM305 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM7,000,000/-
Comparison Approach	RM8,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM7,000,000/- (Ringgit Malaysia : Seven Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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3. No. 18, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
 (Our Ref : WTW/04/V/009265K/21/KZX)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 18, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	GRN 580214 (Formerly HSD 62259)
Lot No.	:	Lot 98843 (Formerly PTD 106947), Mukim of Kulai, District of Kulai, Johor
Land Area	:	0.4048 hectare (4,047.9 square metres / 1.00 acre)
Gross Floor Area	:	2,634 square metres (28,352 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a bin centre and a TNB sub-station.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/0850 dated 12 July 2013. The buildings are approximately 8 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to Nippon Kinzoku (Malaysia) Sdn Bhd.

Vide the Agreement to Lease dated 7 February 2013 entered between AME Development Sdn Bhd ("the Lessor") and Nippon Kinzoku (Malaysia) Sdn Bhd ("the Lessee"), the Lessor agreed to grant and the Lessee agreed to accept, a lease of the subject property for a Lease Term of fixed five (5) years.

By a lease renewal letter dated 8 February 2018, the Lessor has confirmed that the Lease Term shall be renewed for further term of five (5) years ("Renewed Period").

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.60 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM335 psf	RM313 psf	RM301 psf	RM307 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM301 to RM335 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM305 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM7,000,000/-
Comparison Approach	RM8,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM7,000,000/- (Ringgit Malaysia : Seven Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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4. No. 27, Jalan i-Park 1/3, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
(Our Ref : WTW/04/V/009265L/21/KZX)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 27, Jalan i-Park 1/3, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	GRN 580180 (Formerly HSD 62272)
Lot No.	:	Lot 98856 (Formerly PTD 106960), Mukim of Kulai, District of Kulai, Johor
Land Area	:	0.4437 hectare (4,437 square metres / 1.096 acre)
Gross Floor Area	:	2,645 square metres (28,471 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian
Title Status	:	Lot Untuk Bumiputra *

Note :

* The Bumiputra Release Approval Letter issued by Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) bearing ref no. SUKJ.P.606/09-87 dated 1 October 2014 expressly stated that the subject property has been approved for release to public purchaser upon payment of contribution and other terms and conditions set out in the letter thereof.

Following the Johor state practice, no application will be made to the relevant land offices to remove the restriction-in-interest as well as Bumiputra endorsement on the document of title. The Bumiputra units are allow to be transferred to the Non-Bumiputra once the Bumiputra release approval letter is obtained from the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan).

Our enquiries with the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) clarified that the units referred to in the approval letter caters for both vacant lands and developed units.

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/0669 dated 26 February 2014. The buildings are approximately 7 years old .

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION

At the time of our inspection, the subject property was leased to Samwoo Colorants (Malaysia) Sdn Bhd.

Vide the Agreement to Lease dated 24 December 2020 entered between AME Development Sdn Bhd ("the Lessor") and Samwoo Colorants (Malaysia) Sdn Bhd ("the Lessee"), the Lessor agreed to grant and the Lessee agreed to accept, a lease of the subject property for a Lease Term of fixed five (5) years and one (1) month.

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Landlord at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate to be mutually agreed upon by the parties in writing.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.60 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	ipark Development Sdn Bhd	Symphony Square Sdn Bhd	ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM335 psf	RM313 psf	RM301 psf	RM307 psf

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM301 to RM335 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM305 per square foot over the main floor area for the subject property as a fair representation.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM7,000,000/-
Comparison Approach	RM8,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to sell, lease, transfer and free from all encumbrances at RM7,000,000/- (Ringgit Malaysia : Seven Million Only).

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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5. No. 62, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
(Our Ref : WTW/04/V/009265M/21/MNH)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 62, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	HSD 63620
Lot No.	:	PTD 107695, Mukim of Kulai, District of Kulai, Johor
Land Area	:	0.4217 hectare (4,217 square metres / 1.042 acres)
Gross Floor Area	:	2,554 square metres (27,491 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian
Title Status	:	Lot Untuk Bumiputra *

Note:

* The Bumiputra Release Approval Letter issued by Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) bearing ref no. SUKJ.P.606/09-107 dated 22 May 2014 expressly stated that the subject property has been approved for release to public purchaser upon payment of contribution and other terms and conditions set out in the letter thereof.

Following the Johor state practice, no application will be made to the relevant land offices to remove the restriction-in-interest as well as Bumiputra endorsement on the document of title. The Bumiputra units are allow to be transferred to the Non-Bumiputra once the Bumiputra release approval letter is obtained from the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan).

Our enquiries with the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) clarified that the units referred to in the approval letter caters for both vacant lands and developed units.

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a fairly good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1133 dated 14 January 2016. The buildings are approximately 5 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to W & S Plastics (Malaysia) Sdn Bhd.

Vide the Tenancy Agreement dated 10 March 2016 entered between AME Development Sdn Bhd ("the Landlord") and W & S Plastics (Malaysia) Sdn Bhd ("the Tenant"), the Landlord agreed to grant and the Tenant agreed to accept, a tenancy of the subject property for a Tenancy Term of fixed three (3) years.

By a tenancy renewal letter dated 23 April 2018, the Landlord and the Tenant have mutually agreed among others the Lease Term shall be renewed for further term of three (3) years ("Renewed Period").

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.60 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	ipark Development Sdn Bhd	Symphony Square Sdn Bhd	ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM335 psf	RM313 psf	RM301 psf	RM307 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM301 to RM335 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM305 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM7,000,000/-
Comparison Approach	RM8,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to sell, lease, transfer and free from all encumbrances at **RM7,000,000/- (Ringgit Malaysia : Seven Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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6. No. 60, Jalan i-Park 1/5, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
(Our Ref : WTW/04/V/009265N/21/MNH)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 60, Jalan i-Park 1/5, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	HSD 63619
Lot No.	:	PTD 107694, Mukim of Kulai, District of Kulai, Johor
Land Area	:	0.9445 hectare (9,445 square metres / 2.334 acres)
Gross Floor Area	:	6,466 square metres (69,599 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Active Gold Services Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a TNB sub-station, a pump room and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls supporting a reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a fairly good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1113 dated 14 May 2015. The buildings are approximately 6 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to Schiavello Manufacturing (Malaysia) Sdn Bhd.

Vide the Lease Agreement dated 2 December 2014 entered between AME Development Sdn Bhd ("the Lessor") and Prima Furniture (Aust) Ptd Ltd ("the Lessee"), the Lessor agreed to grant and the Lessee agreed to accept, a lease of the subject property for a Lease Term of fixed four (4) years. The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years each totalling six (6) years ("Renewed Period"). The option to renew shall be deemed to have been automatically exercised by the Lessee.

Vide the Novation Agreement dated 24 April 2015 entered between AME Development Sdn Bhd ("the Lessor"), Prima Furniture (Aust) Pte Ltd ("the Existing Lessee") and Schiavello Manufacturing (Malaysia) Sdn Bhd ("the New Lessee"), the Existing Lessee is desirous to be released and discharged from the contract contained in the Lease Agreement and the Lessor has agreed to release and discharge the Existing Lessee upon the New Lessee's undertaking to be bound by the terms of the Lease Agreement in place of the Existing Lessee.

Vide the Novation Agreement dated 21 June 2016 entered between AME Development Sdn Bhd ("Existing Lessor"), Active Gold Services Sdn Bhd ("the New Lessor") and Schiavello Manufacturing (Malaysia) Sdn Bhd ("the Lessee"), the Existing Lessor is desirous to be released and discharged from the contract contained in the Lease Agreement and the Lessee has agreed to release and discharge the Existing Lessor upon the New Lessor's undertaking to be bound by the terms of the Lease Agreement in place of the Existing Lessor.

By a lease renewal letter dated 15 January 2019, the Lessor and the Lessee have mutually agreed among others the Lease Term shall be renewed for further term of three (3) years ("Renewed Period").

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.50 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	lpark Development Sdn Bhd	Symphony Square Sdn Bhd	lpark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM335 psf	RM280 psf	RM270 psf	RM276 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM270 to RM335 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM275 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM17,000,000/-
Comparison Approach	RM18,500,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at RM17,000,000/- (Ringgit Malaysia : Seventeen Million Only).

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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7. No. 64, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
 (Our Ref : WTW/04/V/009265O/21/JTZ)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 64, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	HSD 63622
Lot No.	:	PTD 107697, Mukim of Kulai, District of Kulai, Johor
Land Area	:	0.8727 hectare (8,727 square metres / 2.156 acres)
Gross Floor Area	:	5,709 square metres (61,451 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian
Title Status	:	Lot Untuk Bumiputra *

Note :

* The Bumiputra Release Approval Letter issued by Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) bearing ref no. SUKJ.P.606/09-107 dated 22 May 2014 expressly stated that the subject property has been approved for release to public purchaser upon payment of contribution and other terms and conditions set out in the letter thereof.

Following the Johor state practice, no application will be made to the relevant land offices to remove the restriction-in-interest as well as Bumiputra endorsement on the document of title. The Bumiputra units are allow to be transferred to the Non-Bumiputra once the Bumiputra release approval letter is obtained from the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan).

Our enquiries with the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) clarified that the units referred to in the approval letter caters for both vacant lands and developed units.

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1503 dated 22 December 2016. The buildings are approximately 5 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to Merlin Entertainments Studios (M) Sdn Bhd.

Vide the Tenancy Agreement dated 9 November 2017 entered between AME Development Sdn Bhd ("the Landlord") and Merlin Entertainments Studios (Malaysia) Sdn Bhd ("the Tenant"), the Landlord agreed to grant and the Tenant agreed to accept, a tenancy of the subject property for a Tenancy Term of fixed three (3) years.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for further term as follows: -

- (i) Fixed three (3) years from expiration of the Tenancy Term ("First Renewed Period"); and
- (ii) Fixed three (3) years from expiration of the First Renewed Period ("Second Renewed Period").

The option to renew for the First Renewed Period shall deemed to be automatically exercised by the Tenant.

The option to renew for the Second Renewed Period shall be exercised by the Tenant by written notice to the Landlord at least six (6) months prior to the Expiration Date of the First Renewed Period ("Notice of Renewal") and the Agreed Rental for the Second Renewed Period shall be at the prevailing market rate but to be mutually agreed upon by the Parties in writing with maximum increment not more than 10% of the Agreed Rental for the First Renewed Period.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.65 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM374 psf	RM313 psf	RM301 psf	RM307 psf

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM301 to RM374 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM310 per square foot over the main floor area for the subject property as a fair representation.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM17,000,000/-
Comparison Approach	RM18,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to sell, lease, transfer and free from all encumbrances at **RM17,000,000/- (Ringgit Malaysia : Seventeen Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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8. No. 5, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
 (Our Ref : WTW/04/V/009265P/21/KZX)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 5, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	GRN 580233 (Formerly HSD 62246)
Lot No.	:	Lot 98828 (Formerly PTD 106932), Mukim of Kulai, District of Kulai, Johor
Land Area	:	0.8499 hectare (8,499 square metres / 2.10 acres)
Gross Floor Area	:	5,482 square metres (59,008 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a bin centre, a TNB sub-station and a pump room.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/0644 dated 4 October 2013. The buildings are approximately 8 years old .

OCCUPATION

At the time of our inspection, the subject property was tenanted to GN Resound A/S.

Vide the Tenancy Agreement dated 10 February 2014 entered between AME Development Sdn Bhd ("the Landlord") and GN Resound A/S ("the Tenant"), the Landlord agreed to grant and the Tenant agreed to accept, a tenancy of the subject property for a Tenancy Term of fixed three (3) years.

By a tenancy renewal letter dated 8 February 2018, both parties have mutually agreed among others whereby: -
 (a) the existing Tenancy Term of 3 years has been automatically renewed for a further one (1) year;
 (b) a further Renewed Period of two (2) years ("Second Renewed Period");
 (c) upon expiry of the Second Renewed Period, shall be automatically renewed for a further Renewed Period of three (3) years ("Third Renewed Period").

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.50 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM335 psf	RM280 psf	RM270 psf	RM276 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM270 to RM335 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM275 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM14,000,000/-
Comparison Approach	RM15,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM14,000,000/- (Ringgit Malaysia : Fourteen Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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9. No. 6, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
(Our Ref : WTW/04/V/009265Q/21/KZX)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 6, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	GRN 580232 (Formerly HSD 62245)
Lot No.	:	Lot 98827 (Formerly PTD 106931), Mukim of Kulai, District of Kulai, Johor
Land Area	:	0.8463 hectare (8,463 square metres / 2.091 acres)
Gross Floor Area	:	5,436 square metres (58,513 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a bin centre and a TNB sub-station.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/0641 dated 8 October 2013. The buildings are approximately 8 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to Heraeus Materials Malaysia Sdn Bhd.

Vide the Agreement to Lease dated 1 March 2013 entered between AME Development Sdn Bhd ("the Lessor") and Heraeus Materials Malaysia Sdn Bhd ("the Lessee"), the Lessor agreed to grant and the Lessee agreed to accept, a lease of the subject property for a Lease Term of fixed five (5) years.

By a lease renewal letter dated 11 April 2018, both parties have mutually agreed amongst others whereby: -

- (a) a further Renewed Period of five (5) years ("First Renewed Period");
- (b) Subject to the Lessee being in compliance with all its obligations, under the Lease Agreement, the Lessor thereby agreed to grant to the Lessee a Second Option to Renew for five (5) years ("Second Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date of the First Renewed Period.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.50 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	ipark Development Sdn Bhd	Symphony Square Sdn Bhd	ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM335 psf	RM280 psf	RM270 psf	RM276 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM270 to RM335 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM275 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM14,000,000/-
Comparison Approach	RM15,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM14,000,000/- (Ringgit Malaysia : Fourteen Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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10. No. 65, Jalan i-Park 1/6, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
(Our Ref : WTW/04/V/009265R/21/KZX)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory
Address	:	No. 65, Jalan i-Park 1/6, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	HSD 64402
Lot No.	:	PTD 107908, Mukim of Kulai, District of Kulai, Johor
Land Area	:	0.5247 hectare (5,247 square metres / 1.296 acres)
Gross Floor Area	:	3,002 square metres (32,313 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian
Title Status	:	Lot Untuk Bumiputra *

Note :

* The Bumiputra Release Approval Letter issued by Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) bearing ref no. SUKJ.P.606/09-116 dated 14 December 2016 expressly stated that the subject property has been approved for release to public purchaser upon payment of contribution and other terms and conditions set out in the letter thereof.

Following the Johor state practice, no application will be made to the relevant land offices to remove the restriction-in-interest as well as Bumiputra endorsement on the document of title. The Bumiputra units are allow to be transferred to the Non-Bumiputra once the Bumiputra release approval letter is obtained from the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan).

Our enquiries with the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) clarified that the units referred to in the approval letter caters for both vacant lands and developed units.

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 12.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The bin centre is basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls supporting with reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1565 dated 27 July 2017. The buildings are approximately 4 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to Bericap Malaysia Sdn Bhd.

Vide the Lease Agreement dated 23 January 2017 entered between Axis AME IP Sdn Bhd ("the Lessor") and Bericap Malaysia Sdn Bhd ("the Lessee"), the Lessor agreed to grant and the Lessee agreed to accept, a lease of the subject property for a Lease Term of fixed five (5) years and two (2) months.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed five (5) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate to be mutually agreed upon by the parties in writing.

By a Sale and Purchase Agreement and Power of Attorney dated 15 December 2016 entered into between Axis AME IP Sdn Bhd ("the Developer / Donor") and AME Development Sdn Bhd ("the Purchaser / Donee") to attorn, transfer and assign absolutely to the Purchaser all the Vendor's rights, title and interest under the Lease Agreement and the full benefits and advantages granted thereby together with the transfer of all liabilities and obligations and all stipulations therein contained.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.60 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	ipark Development Sdn Bhd	Symphony Square Sdn Bhd	ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, negative factor, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM315 psf	RM297 psf	RM286 psf	RM292 psf

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM286 to RM315 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM290 per square foot over the main floor area for the subject property as a fair representation.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM7,000,000/-
Comparison Approach	RM8,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to sell, lease, transfer and free from all encumbrances at RM7,000,000/- (Ringgit Malaysia : Seven Million Only).

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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11. No. 20, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265S/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 20, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 75859
Lot No.	:	PTD 112746, Mukim of Senai, District of Kulai, Johor
Land Area	:	0.7348 hectare (7,348.3 square metres / 1.816 acres)
Gross Floor Area	:	5,379 square metres (57,899 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	lpark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/2017 dated 15 January 2019. The age of the buildings is approximately 2 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to Mytech & Assembly Sdn Bhd.

Vide the Tenancy Agreement dated 15 October 2018 entered between lpark Development Sdn Bhd ("the Landlord") and Mytech & Assembly Sdn Bhd ("the Tenant"), the Landlord thereby agreed to grant to the Tenant and the Tenant thereby agreed to accept from the Landlord, a tenancy of the subject property for a Tenancy Term of fixed three (3) years.

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for further term of three (3) years ("Renewed Period") and both parties have mutually agreed a further Renewed Period of one (1) year vide a tenancy renewal letter dated 20 July 2020.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.50 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM354 psf	RM297 psf	RM286 psf	RM292 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM286 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM290 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM14,000,000/-
Comparison Approach	RM15,500,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM14,000,000/- (Ringgit Malaysia : Fourteen Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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12. No. 21, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265T/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 21, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 75860
Lot No.	:	PTD 112747, Mukim of Senai, District of Kulai, Johor
Land Area	:	0.7348 hectare (7,348.3 square metres / 1.816 acres)
Gross Floor Area	:	5,379 square metres (57,899 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/2018 dated 15 November 2018. The age of the buildings is approximately 3 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to Mytech & Assembly Sdn Bhd.

Vide the Tenancy Agreement dated 15 October 2018 entered between Ipark Development Sdn Bhd ("the Landlord") and Mytech & Assembly Sdn Bhd ("the Tenant"), the Landlord thereby agreed to grant to the Tenant and the Tenant thereby agreed to accept from the Landlord, a tenancy of the subject property for a Tenancy Term of fixed three (3) years.

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for further term of three (3) years ("Renewed Period") and both parties have mutually agreed a further Renewed Period of one (1) year and two (2) months vide a tenancy renewal letter dated 20 July 2020.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.50 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM354 psf	RM297 psf	RM286 psf	RM292 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM286 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM290 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM14,000,000/-
Comparison Approach	RM15,500,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM14,000,000/- (Ringgit Malaysia : Fourteen Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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13. No. 22, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265U/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 22, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 76888
Lot No.	:	PTD 112829, Mukim of Senai, District of Kulai, Johor
Land Area	:	1.5245 hectares (15,244.9 square metres / 3.767 acres)
Gross Floor Area	:	11,683 square metres (125,755 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a bulk chemical store, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/2050 dated 28 July 2019. The age of the buildings is approximately 2 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to Dyson Manufacturing Sdn Bhd.

Vide the Lease Agreement dated 2 October 2018 entered between Ipark Development Sdn Bhd ("the Lessor") and Dyson Manufacturing Sdn Bhd ("the Lessee"), the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Lessor, a lease of the subject property for a Lease Term of fixed ten (10) years and eighteen (18) weeks.

Subject to the terms and conditions of the agreement and upon request by the Lessee, the Lessor has agreed to provide and install the following facilities at the subject property (collectively "the Systems"):

- (a) HT System; and
- (b) Chilled Water Supply System,

whereby the Lessee has agreed to lease the Systems and the Agreed Rental shall include the monthly rental for the Systems.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate as may be mutually agreed by both Parties in writing with increment of not more than 15% of the Agreed Rental paid during the last Lease Term.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM2.00 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and specification of the building			
Adjusted Value / MFA (RM psf)	RM433 psf	RM363 psf	RM349 psf	RM353 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM349 to RM433 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM355 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM47,000,000/-
Comparison Approach	RM42,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM47,000,000/- (Ringgit Malaysia : Forty Seven Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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14. No. 68, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265V/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 68, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 596298
Lot No.	:	PTD 203569, Mukim of Tebrau, District of Johor Bahru, Johor
Land Area	:	1.0458 hectares (10,457.7 square metres / 2.584 acres)
Gross Floor Area	:	6,662 square metres (71,709 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	lpark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1880 dated 15 January 2019. The age of the buildings is approximately 2 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to Lyreco Office Supplies (Malaysia) Sdn Bhd.

Vide the Lease Agreement dated 25 April 2018 entered between lpark Development Sdn Bhd ("the Lessor") and Lyreco Office Supplies (Malaysia) Sdn Bhd ("the Lessee"), the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Lessor, a lease of the subject property for a Lease Term of fixed six (6) years and three (3) months.

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate as may be mutually agreed by both Parties in writing.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.50 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM335 psf	RM280 psf	RM270 psf	RM276 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM270 to RM335 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM275 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM17,000,000/-
Comparison Approach	RM18,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at RM17,000,000/- (Ringgit Malaysia : Seventeen Million Only).

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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15. No. 69, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265W/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 69, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 604384
Lot No.	:	PTD 204026, Mukim of Tebrau, District of Johor Bahru, Johor
Land Area	:	1.0684 hectares (10,683.7 square metres / 2.640 acres)
Gross Floor Area	:	6,500 square metres (69,965 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1881 dated 25 April 2019. The age of the buildings is approximately 2 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to DHL Express (Malaysia) Sdn Bhd.

Vide the Premises Lease Agreement [Plot 1B1] and Lease Agreement [Plot 1B3-A1] both dated 3 May 2019 entered between Ipark Development Sdn Bhd ("the Lessor") and DHL Express (Malaysia) Sdn Bhd ("the Lessee"), the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Lessor, a lease of the subject property for a Lease Term of fixed ten (10) years and four (4) months.

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least three (3) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate as may be mutually agreed by both Parties in writing.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.50 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value. Besides, we have also adopted the market rental of RM0.50 per square feet per month for the extra vacant land area based on our market rent survey of similar vacant industrial land.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	ipark Development Sdn Bhd	Symphony Square Sdn Bhd	ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM354 psf	RM297 psf	RM286 psf	RM292 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM286 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM290 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)**II. COMPARISON APPROACH (Cont'd)**

Location	Land Area	Consideration	Date
PTD 203568, i-Park @ SAC, Senai	96,482 sq. feet	RM7,718,649/-	06/05/20
PTD 204070, i-Park @ SAC, Senai	259,903 sq. feet	RM18,193,054/-	06/12/19
PTD 112758 & PTD 112759, i-Park @ SAC, Senai	85,056 sq. feet	RM6,804,398/-	27/04/19

Based on our survey and analysis, the vacant industrial lands in the vicinity were transacted in the region of RM70 to RM80 per square foot. Therefore, we have adopted the land value of RM80 per square foot for the extra vacant land after adjustments made for differences in time/market condition and size.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM17,000,000/-
Comparison Approach	RM18,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at RM17,000,000/- (Ringgit Malaysia : Seventeen Million Only).

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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16. No. 66, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
(Our Ref : WTW/04/V/009265X/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 66, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 587217
Lot No.	:	PTD 198653, Mukim of Tebrau, District of Johor Bahru, Johor
Land Area	:	0.9007 hectare (9,006.9 square metres / 2.226 acres)
Gross Floor Area	:	6,983 square metres (75,164 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20 to 50kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/2290 dated 31 December 2020. The age of the buildings is approximately 1 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to AAC Technologies (Malaysia) Sdn Bhd.

Vide the Lease Agreement dated 20 January 2020 entered between Ipark Development Sdn Bhd ("the Lessor") and AAC Technologies (Malaysia) Sdn Bhd ("the Lessee"), the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Lessor, a lease of the subject property for a Lease Term of fixed ten (10) years plus two (2) months rent free period.

Upon request by the Lessee, the Lessor has provided and installed the following additional works at the subject building: -

- Vibration dampener trench;
- 5 ton/m² reinforced concrete flooring;
- Sika floor hardener (Sikafloor®-3 QuartzTop); and
- High Tension (HT) power supply.

Based on the additional works provided by the Lessor and subject to the terms and conditions in the agreement, the Lessee agreed that Agreed Rental shall include the monthly installment for additional works.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate as may be mutually agreed by both Parties in writing.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.80 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	lpark Development Sdn Bhd	Symphony Square Sdn Bhd	lpark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM374 psf	RM346 psf	RM333 psf	RM338 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM333 to RM374 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM340 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM23,000,000/-
Comparison Approach	RM23,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM23,000,000/- (Ringgit Malaysia : Twenty Three Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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17. No. 34, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265Y/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 34, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 75867
Lot No.	:	PTD 112754, Mukim of Senai, District of Kulai, Johor
Land Area	:	0.7897 hectare (7,896.8 square metres / 1.951 acres)
Gross Floor Area	:	5,379 square metres (57,899 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1860 dated 22 May 2018. The age of the buildings is approximately 3 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to TEK Automotive Malaysia Sdn Bhd.

Vide the Lease Agreement dated 2 March 2018 entered between Ipark Development Sdn Bhd ("the Lessor") and TEK Automotive Malaysia Sdn Bhd ("the Lessee"), the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Lessor, a lease of the subject property for a Lease Term of fixed five (5) years and two (2) months.

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate as may be mutually agreed by both Parties in writing.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.50 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	lpark Development Sdn Bhd	Symphony Square Sdn Bhd	lpark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM354 psf	RM297 psf	RM286 psf	RM292 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM286 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM290 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM14,000,000/-
Comparison Approach	RM15,500,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM14,000,000/-** (Ringgit Malaysia : Fourteen Million Only).

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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18. No. 33, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
(Our Ref : WTW/04/V/009265Z/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 33, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 75866
Lot No.	:	PTD 112753, Mukim of Senai, District of Kulai, Johor
Land Area	:	0.7348 hectare (7,348.3 square metres / 1.816 acres)
Gross Floor Area	:	5,379 square metres (57,899 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/2025 dated 29 May 2019. The age of the buildings is approximately 2 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to Weidmuller (Malaysia) Sdn Bhd.

Vide the Tenancy Agreement dated 8 October 2018 entered between Ipark Development Sdn Bhd ("the Landlord") and Weidmuller (Malaysia) Sdn Bhd ("the Tenant"), the Landlord thereby agreed to grant to the Tenant and the Tenant thereby agreed to accept from the Landlord, a tenancy of the subject property for a Tenancy Term of fixed three (3) years.

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for further terms ("Renewed Period") as follows: -

- (a) First Renewed Period - Fixed term of three (3) years
At the prevailing market rate but to be mutually agreed upon by the Parties in writing but any increase shall not exceed 10% of the Agreed Rental paid during the Tenancy Term
- (b) Second Renewed Period - Fixed term of three (3) years
At the prevailing market rate but to be mutually agreed upon by the Parties in writing but any increase shall not exceed 10% of the Agreed Rental paid during the First Renewed Period
- (c) Third Renewed Period - Fixed term of one (1) year
According to the Agreed Rental paid during the Second Renewed Period

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

The option to renew for the First Renewed Period and Second Renewed Period shall be exercised by the Tenant by written notice to the Landlord at least six (6) months prior to the expiry of the Tenancy Term ("First Notice of Renewal") and First Renewed Period ("Second Notice of Renewal") respectively. Upon the Tenant's exercise of the second option to renew, both parties agreed that the Second Renewed Period shall be automatically renewed for further term of one (1) year each ("Third Renewed Period").

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.50 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM354 psf	RM297 psf	RM286 psf	RM292 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM286 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM290 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM14,000,000/-
Comparison Approach	RM15,500,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at RM14,000,000/- (Ringgit Malaysia : Fourteen Million Only).

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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19. No. 7, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265AA/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 7, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 580789
Lot No.	:	PTD 196174, Mukim of Tebrau, District of Johor Bahru, Johor
Land Area	:	0.3999 hectare (3,998.5 square metres / 0.988 acre)
Gross Floor Area	:	2,946 square metres (31,710 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1697 dated 28 May 2018. The age of the buildings is approximately 3 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to Polycore Optical (Malaysia) Sdn Bhd.

Vide the Tenancy Agreement dated 13 June 2018 entered between Ipark Development Sdn Bhd ("the Landlord") and Polycore Optical (Malaysia) Sdn Bhd ("the Tenant"), the Landlord thereby agreed to grant to the Tenant and the Tenant thereby agreed to accept from the Landlord, a tenancy of the subject property for a Tenancy Term of fixed four (4) years.

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for further term of fixed two (2) years ("Renewed Period"). The option to renew shall be exercised by the Tenant by written notice to the Landlord at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate as may be mutually agreed by both Parties in writing.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.60 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM354 psf	RM330 psf	RM317 psf	RM323 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM317 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM325 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM8,000,000/-
Comparison Approach	RM9,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM8,000,000/- (Ringgit Malaysia : Eight Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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20. No. 6, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265AB/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 6, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 580788
Lot No.	:	PTD 196173, Mukim of Tebrau, District of Johor Bahru, Johor
Land Area	:	0.3999 hectare (3,998.5 square metres / 0.988 acre)
Gross Floor Area	:	2,753 square metres (29,633 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office and a guard house.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1903 dated 4 November 2018. The age of the buildings is approximately 3 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to Federal Express Services (M) Sdn Bhd.

Vide the Lease Agreement dated 27 March 2018 entered between Ipark Development Sdn Bhd ("the Lessor") and Federal Express Services (M) Sdn Bhd ("the Lessee"), the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Lessor, a lease of the subject property for a Lease Term of fixed ten (10) years.

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate as may be mutually agreed by both Parties in writing.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.60 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM354 psf	RM330 psf	RM317 psf	RM323 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM317 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM325 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM7,000,000/-
Comparison Approach	RM8,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM7,000,000/- (Ringgit Malaysia : Seven Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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21. No. 13, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265AC/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 13, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 580795
Lot No.	:	PTD 196180, Mukim of Tebrau, District of Johor Bahru, Johor
Land Area	:	0.3999 hectare (3,998.5 square metres / 0.988 acre)
Gross Floor Area	:	2,946 square metres (31,710 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1862 dated 31 May 2018. The age of the buildings is approximately 3 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to PPC Moulding Services (Malaysia) Sdn Bhd.

Vide the Lease Agreement dated 23 December 2019 entered between Ipark Development Sdn Bhd ("the Lessor") and PPC Moulding Services (Malaysia) Sdn Bhd ("the Lessee"), the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Lessor, a lease of the subject property for a Lease Term of fixed six (6) years.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.60 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	lpark Development Sdn Bhd	Symphony Square Sdn Bhd	lpark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM354 psf	RM330 psf	RM317 psf	RM323 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM317 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM325 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM8,000,000/-
Comparison Approach	RM9,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM8,000,000/- (Ringgit Malaysia : Eight Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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22. No. 40, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265AD/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 40, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 75873
Lot No.	:	PTD 112760, Mukim of Senai, District of Kulai, Johor
Land Area	:	0.3951 hectare (3,950.9 square metres / 0.9763 acre)
Gross Floor Area	:	2,891 square metres (31,118 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian
Title Status	:	Lot Untuk Bumiputra *

Note :

* *The Bumiputra Release Approval Letter issued by Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) bearing ref no. SUKJ.P.606/09/163 dated 20 January 2021 expressly stated that the subject property has been approved for release to public purchaser upon payment of contribution and other terms and conditions set out in the letter thereof.*

Following the Johor state practice, no application will be made to the relevant land offices to remove the restriction-in-interest as well as Bumiputra endorsement on the document of title. The Bumiputra units are allow to be transferred to the Non-Bumiputra once the Bumiputra release approval letter is obtained from the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan).

Our enquiries with the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) clarified that the units referred to in the approval letter caters for both vacant lands and developed units.

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/2329 dated 25 November 2020. The age of the buildings is approximately 1 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to Hochuen Medical Sdn Bhd.

Vide the Lease Agreement dated 25 February 2021 entered between Ipark Development Sdn Bhd ("the Lessor") and Hochuen Medical Sdn Bhd ("the Lessee"), the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Lessor, a lease of the subject property for a Lease Term of fixed twelve (12) years and three (3) months.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate as may be mutually agreed by both Parties in writing.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.60 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	lpark Development Sdn Bhd	Symphony Square Sdn Bhd	lpark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchnaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM354 psf	RM330 psf	RM317 psf	RM323 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM317 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM325 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM8,000,000/-
Comparison Approach	RM9,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to sell, lease, transfer and free from all encumbrances at **RM8,000,000/- (Ringgit Malaysia : Eight Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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23. Nos. 23 & 25, Jalan Bioteknologi 3, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor
 (Our Ref : WTW/04/V/009265B/21/GKN)

PROPERTY IDENTIFICATION

The Subject Property	:	Two (2) contiguous units of single storey detached factory with 3-storey office and other ancillary buildings
Address	:	Nos. 23 & 25, Jalan Bioteknologi 3, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor
Title Nos.	:	HSD 535650 & HSD 535652 respectively
Lot Nos.	:	PTD 7669 & PTD 7670, Mukim of Jelutong, District of Johor Bahru, Johor
Land Area	:	0.504 hectare (5,040 square metres / 1.245 acres) each
Gross Floor Area	:	4,249 square metres (45,736 square feet) each
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietors	:	PTD 7669 Symphony Square Sdn Bhd
		PTD 7670 Twin Sunrich Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises two (2) contiguous units of single storey detached factory with 3-storey office and other ancillary buildings.

The single storey detached factory with 3-storey office are basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. The buildings have ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m², 10kN/m² and 2.5kN/m² for the factory, production and office areas respectively.

Other ancillary buildings include a TNB sub-station and a guard house. These buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial Nos. LJM/J/1114 and LJM/J/1177 dated 31 May 2015 and 30 August 2015 respectively. The age of the buildings is approximately 6 years old.

OCCUPATION

At the time of our inspection, the subject property was leased to Westrock Coffee & Tea Malaysia Sdn Bhd.

Vide the Agreement to Lease both dated 21 January 2021 entered between Symphony Square Sdn Bhd & Twin Sunrich Sdn Bhd ("the Proprietors"), AME Development Sdn Bhd ("the Lessor") and Westrock Coffee & Tea Malaysia Sdn Bhd ("the Lessee"), the Proprietor and the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Proprietor and the Lessor, a lease of the subject property for a lease term of fixed five (5) years and two (2) months.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

Subject to the Lessee being in compliance with all its covenants, obligations, responsibilities and/or liabilities therein and not being in breach of any provisions therein, the Lessor thereby agreed to grant to the Lessee an option to renew the Lease Term for two (2) further term for a fixed period of five (5) years each ("Renewed Period").

The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date and if the option to renew is exercised by the Lessee in the time and manner, the Agreed Rental for the Renewed Period shall be at follows: -

- (a) Year 6 to 10 at the prevailing market rate to be mutually agreed upon by the Parties but any increase shall not exceed 15% of the Agreed Rental paid during Year 3 to 5; and
- (b) Year 11 to 15 at the prevailing market rate to be mutually agreed upon by the Parties but any increase shall not exceed 15% of the Agreed Rental paid during Year 6 to 10.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.70 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation & Property Services Department			
Lot No., Town, District and State	Lot 150565, Mukim of Pulai, District of Johor Bahru, Johor	PTD 4487, PTD 4486 & PTD 4485, Mukim of Tanjung Kupang, District of Johor Bahru, Johor	PTD 4475, Mukim of Tanjung Kupang, District of Johor Bahru, Johor	PTD 7668, Mukim of Jelutong, District of Johor Bahru, Johor
Address	No. 5, Jalan Mega 1/9, Taman Perindustrian Nusa Cemerlang	Nos. 1, 3 & 5, Jalan Teknologi Perintis 1, Taman Teknologi Nusajaya	No. 14, Jalan Teknologi Perintis 1/3, Taman Teknologi Nusajaya	No. 21, Jalan Bioteknologi 3, Kawasan Perindustrian SiLC
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	5,719 sqm	14,674 sqm	6,585 sqm	5,040 sqm
Main Floor Area	3,214 sqm	9,726 sqm	3,908 sqm	4,009 sqm
Date	11/05/2020	13/08/2019	13/08/2019	31/07/2019
Vendor	AME Manufacturing Sdn Bhd	Nusajaya Tech Park Sdn Bhd	Nusajaya Tech Park Sdn Bhd	Symphony Square Sdn Bhd
Purchaser	Intec Precision Engineering Sdn Bhd	RHB Trustees Berhad	RHB Trustees Berhad	Owen Mumford Sdn Bhd
Consideration	RM10,200,000/-	RM42,000,000/-	RM13,800,000/-	RM14,300,000/-
Analysis Value / MFA (RM psm)	RM3,174 psm	RM4,318 psm	RM3,531 psm	RM3,567 psm
Analysis Value / MFA (RM psf)	RM295 psf	RM401 psf	RM328 psf	RM331 psf
Adjustments	Adjustments are made on time/market condition, location/accessibility, size, age & condition of the building			
Adjusted Value / MFA (RM psf)	RM324 psf	RM343 psf	RM265 psf	RM315 psf

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)**II. COMPARISON APPROACH (Cont'd)**

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM265 to RM343 per square foot. We have placed greater emphasis on Comparable Nos. 1, 2 and 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM330 per square foot over the main floor area for the subject property as a fair representation.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM24,000,000/-
Comparison Approach	RM28,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM24,000,000/-** (Ringgit Malaysia : Twenty Four Million Only).

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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24. No. 12, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
(Our Ref : WTW/04/V/009265C/21/JTZ)

TERMS OF REFERENCE

Vide the Sale and Purchase Agreement to be entered between AME Development Sdn Bhd ("Vendor") and RHB Trustees Berhad ("Purchaser"), the Purchaser is desirous of acquiring the AME Properties, which include amongst others, the subject property from the Vendor upon the terms therein in conjunction with the establishment of AME REIT.

Pursuant to the agreement, the parties thereby agree that the Vendor shall sell to the Purchaser and the Purchaser shall purchase from the Vendor, on the basis that the subject property is:

- (i) subject to the existing restrictions-in-interest, conditions (whether express or implied) and the category of land use endorsed on the Title;
- (ii) completed in accordance with the building plans and specifications as approved by the relevant local authority as annexed thereto as Annexure B ("Approved Building Plans") and with CCC obtained;
- (iii) without vacant possession on the basis that the Subject Property is built in accordance with the specifications and requirements as agreed upon in the Tenancy between the Vendor and the Tenant;
- (iv) to be occupied by the Tenant with all its rights, benefits and obligations remaining intact;
- (v) free from Encumbrances save for the Tenancy and such Encumbrances which the Parties acknowledge shall continue to subsist after Completion and as disclosed in Section 1 of Schedule 2 thereto; and
- (vi) acquired by the Purchaser acting in its capacity as trustee for and on behalf of AME REIT and accordingly, the rights of the Purchaser pursuant to that Agreement is solely for the benefit of AME REIT.

As at the date of valuation, the subject property is under construction and we were made to understand that it is scheduled to be completed with Certificate of Completion and Compliance ("CCC") issued by end December 2021.

Notwithstanding the above, as instructed, the valuation is carried out based on the following **BASIS(S)**: -

THE SUBJECT BUILDING HAS BEEN CONSTRUCTED / COMPLETED IN ACCORDANCE WITH THE APPROVED BUILDING PLANS AND SPECIFICATIONS AND ISSUED WITH CCC BY THE RELEVANT AUTHORITIES.

IF ANY PARTY WISHES TO RELY ON THE VALUATION BASED ON THE ADDITIONAL ASSUMPTIONS AS STATED ABOVE, THEN APPROPRIATE PROFESSIONAL ADVICE SHOULD BE SOUGHT SINCE THE VALUE REPORTED IS BASED ON THE ASSUMPTIONS THAT ARE NOT YET OR FULLY REALISED.

(This paragraph is required in accordance with Standard 9 of the Malaysian Valuation Standards.)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 12, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	GRN 580207 (Formerly HSD 62252)
Lot No.	:	Lot 98834 (Formerly PTD 106938), Mukim of Kulai, District of Kulai, Johor
Land Area	:	1.2665 hectares (12,665 square metres or 3.130 acres)
Gross Floor Area	:	8,472 square metres (91,192 square feet)
Tenure	:	Freehold / Term In Perpetuity

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PROPERTY IDENTIFICATION (Cont'd)

Registered Proprietor : AME Development Sdn Bhd
 Category of Land Use : Perusahaan / Perindustrian
 Title Status : Lot Untuk Bumiputra *

Note :

* The Bumiputra Release Approval Letter issued by Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) bearing ref no. SUKJ.P.606/09-87 dated 9 August 2017 expressly stated that the subject property has been approved for release to public purchaser upon payment of contribution and other terms and conditions set out in the letter thereof.

Following the Johor state practice, no application will be made to the relevant land offices to remove the restriction-in-interest as well as Bumiputra endorsement on the document of title. The Bumiputra units are allow to be transferred to the Non-Bumiputra once the Bumiputra release approval letter is obtained from the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan).

Our enquiries with the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) clarified that the units referred to in the approval letter caters for both vacant lands and developed units.

GENERAL DESCRIPTION

The subject property will comprise a single storey detached factory with mezzanine office, a TNB sub-station, a guard house and a bin centre.

The single storey detached factory with mezzanine office will be constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It will have a ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings will be constructed of reinforced concrete framework with concrete floor, plastered brickwalls supporting a concrete flat roof / metal pitched roof.

At the time of our inspection, we noted that the subject site was undergoing building construction works. We further noted that a TNB sub-station was erected at the south-western edge of the subject site.

OCCUPATION

Vide the Lease Agreement dated 27 July 2021 entered between AME Development Sdn Bhd ("the Lessor") and Bericap Malaysia Sdn Bhd ("the Lessee"), the Lessor agreed to grant and the Lessee agreed to accept, a lease of the subject property for a Lease Term of fixed six (6) years.

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed three (3) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate to be mutually agreed upon by the Parties in writing.

PLANNING PROVISION

The subject property is designated for light industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.45 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent and estimated expenses for assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	ipark Development Sdn Bhd	Symphony Square Sdn Bhd	ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, land use, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM236 psf	RM231 psf	RM222 psf	RM230 psf

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM222 to RM236 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM230 per square foot over the main floor area for the subject property as a fair representation.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM21,000,000/-
Comparison Approach	RM21,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property **ON THE BASIS / ADDITIONAL ASSUMPTIONS AND PROVISIO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to sell, lease, transfer and free from all encumbrances at **RM21,000,000/- (Ringgit Malaysia : Twenty One Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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25. No. 29, Jalan Bioteknologi 3, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor
 (Our Ref : WTW/04/V/009265D/21/GKN)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with 3-storey office and other ancillary buildings
Address	:	No. 29, Jalan Bioteknologi 3, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor
Title No.	:	HSD 535654
Lot No.	:	PTD 7672, Mukim of Jelutong, District of Johor Bahru, Johor
Land Area	:	0.524 hectare (5,040 square metres / 1.245 acres)
Gross Floor Area	:	4,249 square metres (45,736 square feet) each
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Twin Sunrich Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with 3-storey office and other ancillary buildings.

The single storey detached factory with 3-storey office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. The building has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m², 10kN/m² and 2.5kN/m² for the factory, production and office areas respectively.

Other ancillary buildings include a TNB sub-station and a guard house. These buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/1177 dated 30 August 2015 respectively. The age of the buildings is approximately 6 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to Ametalin Sdn Bhd.

Vide the Tenancy Agreement dated 13 August 2015 entered between Twin Sunrich Sdn Bhd ("the Landlord") and Ametalin Sdn Bhd ("the Tenant"), the Landlord thereby agreed to grant to the Tenant and the Tenant thereby agreed to accept from the Landlord, a tenancy of the subject property for a Tenancy Term of fixed three (3) years.

By a tenancy renewal letter dated 21 September 2018, both parties have mutually agreed among others the Tenancy Term shall be renewed for further term of fixed three (3) years ("Renewed Period").

Subsequently vide another letter dated 16 January 2021, the Landlord thereby agreed to grant to the Tenant a further option to renew the First Renewed Period and revised the Tenancy Agreement to incorporate the following: -

- (a) Second Option To Renew for a fixed term of one (1) year ("Second Renewed Period");
- (b) Third Option To Renew for a fixed term of one (1) year ("Third Renewed Period"); and
- (c) Fourth Option To Renew for a fixed term of one (1) year ("Fourth Renewed Period").

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

Whereby the Second, Third and Fourth Option To Renew shall be deemed as exercised by the Tenant and automatically renewed unless a written notice of non-renewal is issued by the Tenant and received by the Landlord at least six (6) months prior to the expiry of the Second, Third and Fourth Renewed Period respectively.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.70 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation & Property Services Department			
Lot No., Town, District and State	Lot 150565, Mukim of Pulau, District of Johor Bahru, Johor	PTD 4487, PTD 4486 & PTD 4485, Mukim of Tanjung Kupang, District of Johor Bahru, Johor	PTD 4475, Mukim of Tanjung Kupang, District of Johor Bahru, Johor	PTD 7668, Mukim of Jelutong, District of Johor Bahru, Johor
Address	No. 5, Jalan Mega 1/9, Taman Perindustrian Nusa Cemerlang	Nos. 1, 3 & 5, Jalan Teknologi Perintis 1, Taman Teknologi Nusajaya	No. 14, Jalan Teknologi Perintis 1/3, Taman Teknologi Nusajaya	No. 21, Jalan Bioteknologi 3, Kawasan Perindustrian SiLC
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	5,719 sqm	14,674 sqm	6,585 sqm	5,040 sqm
Main Floor Area	3,214 sqm	9,726 sqm	3,908 sqm	4,009 sqm
Date	11/05/2020	13/08/2019	13/08/2019	31/07/2019
Vendor	AME Manufacturing Sdn Bhd	Nusajaya Tech Park Sdn Bhd	Nusajaya Tech Park Sdn Bhd	Symphony Square Sdn Bhd
Purchaser	Intec Precision Engineering Sdn Bhd	RHB Trustees Berhad	RHB Trustees Berhad	Owen Mumford Sdn Bhd
Consideration	RM10,200,000/-	RM42,000,000/-	RM13,800,000/-	RM14,300,000/-
Analysis Value / MFA (RM psm)	RM3,174 psm	RM4,318 psm	RM3,531 psm	RM3,567 psm
Analysis Value / MFA (RM psf)	RM295 psf	RM401 psf	RM328 psf	RM331 psf
Adjustments	Adjustments are made on time/market condition, location/accessibility, size, age & condition of the building			
Adjusted Value / MFA (RM psf)	RM324 psf	RM343 psf	RM265 psf	RM315 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM265 to RM343 per square foot. We have placed greater emphasis on Comparable Nos. 1, 2 and 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM330 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM13,000,000/-
Comparison Approach	RM14,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM13,000,000/- (Ringgit Malaysia : Thirteen Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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26. No. 18, Jalan Kargo 2, Senai Airport City, 81400 Senai, Johor
 (Our Ref : WTW/04/V/009265E/21/MNH)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory together with an office annex and other ancillary buildings
Address	:	No. 18, Jalan Kargo 2, Senai Airport City, 814000 Senai, Johor
Title No.	:	HSD 569755
Lot No.	:	PTD 195470, Mukim of Tebrau, District of Johor Bahru, Johor
Land Area	:	1.978 hectares (19,776.797 square metres / 4.887 acres)
Gross Floor Area	:	12,084 square metres (130,071 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory together with an office annex, a guard house, a TNB sub-station, a bin centre and a pump room.

The single storey detached factory together with an office annex is basically constructed of steel portal framework with concrete floors, plastered brickwalls topped with metal cladding supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 12.0-metre whilst the warehouse floor load is 30kN/m².

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls supporting a reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/2148 dated 5 July 2020. The buildings are approximately 1 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted/leased to Agility Logistics Sdn Bhd and GN Resound (Malaysia) Sdn Bhd.

a. Agility Logistics Sdn Bhd

Vide the Tenancy Agreement dated 15 April 2021 entered between AME Development Sdn Bhd ("the Landlord") and Agility Logistics Sdn Bhd ("the Tenant"), the Landlord thereby agreed to grant to the Tenant and the Tenant thereby agreed to accept from the Landlord, a tenancy of the subject property as more particularly identified as Plot B in the Layout Plan for a Tenancy Term of fixed three (3) years from the Tenancy Commencement Date (upon the Vacant Possession Date).

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for for further term of not less than two (2) years and up to three (3) years ("Renewed Period").

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

b. GN Resound (Malaysia) Sdn Bhd

Vide the Lease Agreement dated 11 November 2019 entered between AME Development Sdn Bhd ("the Lessor") and GN Resound (Malaysia) Sdn Bhd ("the Lessee"), the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Lessor, a lease of the subject property as more particularly identified as Plot C for Lease Term is for fixed ten (10) years from the Lease Commencement Date (upon the Vacant Possession Date).

The Lessor agreed to grant to the Lessee an option to renew the Lessee Term for further term of three (3) years ("Renewed Period").

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.80 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM335 psf	RM313 psf	RM301 psf	RM307 psf

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM301 to RM335 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM305 per square foot over the main floor area for the subject property as a fair representation.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM38,000,000/-
Comparison Approach	RM40,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at **RM38,000,000/- (Ringgit Malaysia : Thirty Eight Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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27. Lot 98833, Jalan Seroja 28/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
(Our Ref : WTW/04/V/009265F/21/JTZ)

TERMS OF REFERENCE

Vide the Sale and Purchase Agreement to be entered between AME Development Sdn Bhd ("Vendor") and RHB Trustees Berhad ("Purchaser"), the Purchaser is desirous of acquiring the AME Properties, which include amongst others, the subject property from the Vendor upon the terms therein in conjunction with the establishment of AME REIT.

Pursuant to the agreement, the parties thereby agree that the Vendor shall sell to the Purchaser and the Purchaser shall purchase from the Vendor, on the basis that the subject property is:

- (i) subject to the existing restrictions-in-interest, conditions (whether express or implied) and the category of land use endorsed on the Title;
- (ii) completed in accordance with the building plans and specifications as approved by the relevant local authority as annexed thereto as Annexure B ("Approved Building Plans") and with CCC obtained;
- (iii) without vacant possession on the basis that the Subject Property is built in accordance with the specifications and requirements as agreed upon in the Tenancy between the Vendor and the Tenant;
- (iv) to be occupied by the Tenant with all its rights, benefits and obligations remaining intact;
- (v) free from Encumbrances save for the Tenancy and such Encumbrances which the Parties acknowledge shall continue to subsist after Completion and as disclosed in Section 1 of Schedule 2 thereto; and
- (vi) acquired by the Purchaser acting in its capacity as trustee for and on behalf of AME REIT and accordingly, the rights of the Purchaser pursuant to that Agreement is solely for the benefit of AME REIT.

As at the date of valuation, the subject property is under construction and we were made to understand that it is scheduled to be completed with Certificate of Completion and Compliance ("CCC") issued in May 2022.

Notwithstanding the above, as instructed, the valuation is carried out based on the following BASIS(S): -

THE SUBJECT BUILDING HAS BEEN CONSTRUCTED / COMPLETED IN ACCORDANCE WITH THE APPROVED BUILDING PLANS AND SPECIFICATIONS AND ISSUED WITH CCC BY THE RELEVANT AUTHORITIES.

IF ANY PARTY WISHES TO RELY ON THE VALUATION BASED ON THE ADDITIONAL ASSUMPTIONS AS STATED ABOVE, THEN APPROPRIATE PROFESSIONAL ADVICE SHOULD BE SOUGHT SINCE THE VALUE REPORTED IS BASED ON THE ASSUMPTIONS THAT ARE NOT YET OR FULLY REALISED.

(This paragraph is required in accordance with Standard 9 of the Malaysian Valuation Standards.)

PROPERTY IDENTIFICATION

The Subject Property	:	A parcel of building land built upon with two (2) blocks of 5-storey walk-up workers' dormitory, a 2-storey facilities block and other ancillary buildings
Location	:	Along Jalan Seroja 28/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
Title No.	:	GRN 580206 (Formerly HSD 62251)
Lot No.	:	Lot 98833 (Formerly PTD 106937), Mukim of Kulai, District of Kulai, Johor
Land Area	:	12,864 square metres (138,467 square feet or 3.179 acres)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Building

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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GENERAL DESCRIPTION

The subject property will comprise two (2) blocks of 5-storey walk-up workers' dormitory, a 2-storey facilities block and other ancillary buildings, i.e. a guard house, a TNB sub-station, two (2) bin centres and a police pit.

The 5-storey walk-up workers' dormitory and 2-storey facilities block will be constructed of reinforced concrete framework with concrete floors, plastered brickwalls supporting steel purlins / metal pitched roof covered over with metal roofing sheets.

Each dorm unit has an approximate gross floor area of 97 square metres and 77 square metres for Type A/A1 and Type B/B1 respectively. The number of dorms unit and gross floor area of each block are summarised as follows: -

Block	No. of Dorms Unit		Gross Floor Area (square metre)
	Type A / A1	Type B / B1	
A1	39	8	10,357
A2	39	9	
B1	50	-	10,858
B2	50	-	
Total	195		21,215

The ancillary buildings will be constructed of reinforced concrete framework with concrete floor, plastered brickwalls supporting a concrete flat roof / metal pitched roof.

At the time of our inspection, we noted that the subject site was undergoing building construction works. We further noted that the southern edge of the subject site has been improved and erected upon a police pit.

OCCUPATION

Vide the Tenancy Agreement dated 23 July 2021 entered between AME Development Sdn Bhd ("the Landlord") and I-Stay Management Sdn Bhd ("the Tenant"), the Landlord agreed to grant and the Tenant agreed to accept, a tenancy of the subject property for a Tenancy Term of three (3) years.

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for further term as follows: -

- (i) Three (3) years from expiration of the Tenancy Term ("First Renewed Period");
- (ii) Three (3) years from expiration of the First Renewed Period ("Second Renewed Period"); and
- (iii) Three (3) years from expiration of the Second Renewed Period ("Third Renewed Period").

The option to renew shall be exercised by the Tenant by written notice to the Landlord at least six (6) months prior to the Expiration Date Provided Always the Agreed Rental for the Renewed Period shall be renegotiated and mutually agreed upon at least three (3) months prior to the Expiration Date.

PLANNING PROVISION

The subject property is designated for commercial / workers' dormitory use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach and Cost Approach are used as a check.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	Vide the Tenancy Agreement dated 23 July 2021 entered between AME Development Sdn Bhd ("Landlord") and I-Stay Management Sdn Bhd ("Tenant"), the Landlord thereby agrees to grant to the Tenant and the Tenant thereby agrees to accept from the Landlord, a tenancy of the Premises (as defined therein all those buildings identified as Blocks A and B comprising 2 blocks of dormitories and retail stores together with common areas and facilities constructed or to be constructed thereon on the land), upon the terms and conditions therein contained, which include amongst others, to pay the Agreed Rental. The rental adopted for term valuation is based on the contracted rental (master lease arrangement) as stipulated thereto in the abovementioned Tenancy Agreement dated 23 July 2021.
Reversionary Rental	We have adopted a gross market rental rate of RM130 per bed (master lease arrangement) which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent and estimated expenses for assessment and fire insurance premium whilst for the costs of repair as well as maintenance and property management fees are based on 5% and 2% of gross annual rental respectively which is in line with the market analysis.
Void	We have adopted 10% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the above and other relevant factors including current market condition, location and accessibility, tenure, building characteristics, usage, age, size and quality of the building, we have adopted the reversionary yield of 6.50% whilst the adopted term yield is 6.00% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Lot No., Mukim, District and State	Lot 46767(M1/3/13), Mukim of Senai, District of Kulai, Johor	Lot 46767(M3/3/114), Mukim of Senai, District of Kulai, Johor	Lot 31961(M4/5/347), Mukim of Kulai, District of Kulai, Johor
Address	Unit A-2-7, Jalan Meranti 7, Sri Putra Apartment, Bandar Putra	Unit C-2-132, Jalan Meranti 7, Sri Putra Apartment, Bandar Putra	Unit E4-09, Jalan Sri Putri 11/6, Rosevilla Apartment, Taman Puteri Kulai
Type	5-storey walk-up apartment		
Tenure	Freehold / Term in perpetuity		
Built-Up Area (sq. m)	82 sqm		
Built-Up Area (sq. ft)	883 sq ft		
Date	22/12/2020	22/09/2020	05/01/2021
Vendor	Chin Li Shan	Yu Chin Hui	Low Siau Yun
Purchaser	Dayana Zubaidah Bt Mohd Zin	Mohammad Firdaus Bin Nor Arifin + 1	Ho Qi Yang
Consideration	RM180,000/-	RM190,000/-	RM160,000/-
Analysis Value (RM psm)	RM2,195 psm	RM2,317 psm	RM1,951 psm
Analysis Value (RM psf)	RM204 psf	RM215 psf	RM181 psf
Adjustments	Adjustments are made on location/accessibility and amenities provided		
Adjusted Value (RM psf)	RM224 psf	RM237 psf	RM236 psf

The ancillary buildings, i.e., TNB sub-station, bin centres and guard house are considered as supporting infrastructures to the main development, viz. workers' dormitory. Therefore, these buildings have been valued as part and parcel of the main development and no separate values are attached.

Whilst for the 2-storey facilities block, treatment room and quarantine room, these buildings have been considered as features and amenities provided within the development. Upward adjustment was made to all the comparables with no additional features and amenities available within their respective development.

The adjusted values over built-up area derived from the above comparables range from RM224 to RM237 per square foot. We have placed greater emphasis on Comparable Nos. 1 and 2 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM230 per square foot over the built-up area or RM210,000/- per unit for the subject property, i.e., 195 dorm units with an average built-up area of 87 square metres (935 square feet) each, as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)

III. COST APPROACH

We have also considered the Cost Approach in our valuation by virtue of the subject property, i.e., a purpose-built workers' dormitory is a property that is rarely if ever sold in the market as well as the non-availability of similar workers' dormitory sale comparables.

In assessing the market value of the subject land, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation and Property Services Department (JPPH)			
Lot No., Mukim, District and State	PTD 113813, Mukim of Kulai, District of Kulai, Johor	PTD 203568, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 107905 & PTD 107906, Mukim of Kulai, District of Kulai, Johor	PTD 112758 & PTD 112759, Mukim of Senai, District of Kulai, Johor
Address	Along Jalan i-Park 1/10, Kawasan Perindustrian i-Park, Bandar Indahpura	Along Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC	Along Jalan i-Park 1/10, Kawasan Perindustrian i-Park, Bandar Indahpura	Along Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC
Type	Vacant industrial land			
Tenure	Freehold / Term in perpetuity			
Land Area (sq. m)	42,412.50 sqm	8,963.50 sqm	33,770.00 sqm	7,902.00 sqm
Land Area (sq. ft)	456,524 sq ft	96,482 sq ft	363,497 sq ft	85,056 sq ft
Date	23/09/2020	06/05/2020	06/09/2019	27/04/2019
Vendor	AME Industrial Park Sdn Bhd	Ipark Development Sdn Bhd	Axis AME IP Sdn Bhd	Ipark Development Sdn Bhd
Purchaser	United Kotak Berhad	Vulcan Access Solutions Sdn Bhd	Jstar Motion Sdn Bhd	YKK (Malaysia) Sdn Bhd
Consideration	RM27,390,528/-	RM7,718,649/-	RM19,569,117/-	RM6,804,398/-
Analysis Value (RM psm)	RM646 psm	RM861 psm	RM579 psm	RM861 psm
Analysis Value (RM psf)	RM60 psf	RM80 psf	RM54 psf	RM80 psf
Adjustments	Adjustments are made on time/market condition, size and land use			
Adjusted Value (RM psf)	RM75 psf	RM88 psf	RM61 psf	RM84 psf

There is a dearth of recent transactions of workers' dormitory land in and around the subject locality. In arriving at the value of the subject land, we have considered the vacant industrial land located within the subject locality.

Followed by the recent amendment to Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446), the act gives the companies no leeway but to solve the issue of workers' accommodation. In the process of rectifying these issues, it is expected to be a boon for property developers and construction industry players.

We are of the view that with more employers looking into better accommodation for the workers, there will be higher rental demand for workers' dormitories in the short and medium term. We also expect that there will be more developers or employers heading to this space to provide workers' dormitories to meet the new requirements.

Having regard to the above, an upward adjustment of 10% was made on the land use for the comparables to reflect the surging demand of workers' dormitory land in the market.

The adjusted land values derived from the above comparables range from RM61 to RM88 per square foot. We have placed greater emphasis on Comparable Nos. 1 and 2 as they are among the latest transactions.

We have adopted the land value at RM80 per square foot for the subject property as a fair representation.

The building component is arrived at by the Depreciated Replacement Cost method, which is defined as the current cost of replacing an asset with a modern equivalent asset less deductions for the accrued depreciation comprising physical deterioration and all relevant obsolescence and optimisation. The original development cost of the subject property as provided by AME Development Sdn Bhd is RM23,353,666/- (analysed at the rate of about RM102 per square foot over the total floor area of the dorm unit).

The replacement cost new adopted for the main building at RM140 per square foot is arrived at based on the total construction cost over the area of the main building, and after having made reference to all the contracts awarded (for all the components of the dormitory complex), enquiries with the contractors and quantity surveyors and made reference to JUBM & Arcadis Construction Cost Handbook Malaysia 2021 compiled by JUBM Sdn Bhd, Arcadis (Malaysia) Sdn Bhd and Arcadis Projek Sdn Bhd.

The ancillary buildings have been valued as part and parcel of the main development, viz. workers' dormitory.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method), Comparison Approach and Cost Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM45,000,000/-
Comparison Approach	RM40,950,000/-
Cost Approach	RM43,000,000/-

Taking into consideration that the subject property is an income generating property (a purpose-built workers' dormitory), we have adopted the market value as derived from the Income Approach (Investment Method) as a more reliable and appropriate method of valuation. Notwithstanding, the Comparison Approach and Cost Approach are adopted as guide and supportive methods to ascertain the reasonability of the market value derived from the Income Approach (Investment Method).

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property **ON THE BASIS / ADDITIONAL ASSUMPTIONS AND PROVISIO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to sell, transfer and free from all encumbrances at **RM45,000,000/- (Ringgit Malaysia : Forty Five Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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28. PTD 106941, Jalan Seroja 28, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor
(Our Ref : WTW/04/V/009265G/21/JTZ)

PROPERTY IDENTIFICATION

The Subject Property : A parcel of building land built upon with five (5) blocks of 5-storey walk-up workers' dormitory and other ancillary buildings

Address : PTD 106941, Jalan Seroja 28, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor

Title No. : GRN 580210 (Formerly HSD 62255)

Lot No. : Lot 98837 (Formerly PTD 106941), Mukim of Kulai, District of Kulai, Johor

Land Area : 12,461 square metres (134,129 square feet / 3.079 acres)

Tenure : Freehold / Term In Perpetuity

Registered Proprietor : AME Development Sdn Bhd

Category of Land Use : Building

GENERAL DESCRIPTION

The subject property comprises five (5) blocks of 5-storey walk-up workers' dormitory, a guard house, three (3) bin centres and two (2) pump rooms.

The 5-storey walk-up workers' dormitory is basically constructed of reinforced concrete framework with concrete floors, plastered brickwalls supporting steel purlins covered over with metal roofing sheets.

Each dorm unit has an approximate gross floor area of 82 square metres. The number of dorms unit and gross floor area of each block are summarised as follows: -

Block	No. of Dorms Unit	Gross Floor Area (square metre)
Block A	50	4,760.30
Block B	44	4,760.30
Block C	45	4,266.48
Block D	45	4,266.48
Block E	45	4,266.48
Total	229	22,320.04

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls supporting a reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a fairly good state of repairs and maintenance.

The buildings have been issued with Certificates of Completion and Compliance ("CCC") bearing LJM/J/4534 and LJM/J/4537 dated 31 December 2013 and 15 April 2015 respectively. The buildings are approximately 6 to 8 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to I-Stay Management Sdn Bhd.

Vide the Tenancy Agreement dated 13 June 2020 entered between AME Development Sdn Bhd ("the Landlord") and I-Stay Management Sdn Bhd ("the Tenant"), the Landlord agreed to grant and the Tenant agreed to accept, a tenancy of the subject property for a Tenancy Term of two (2) years.

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for further term as follows: -

- (iii) Three (3) years from expiration of the Tenancy Term ("First Renewed Period");
- (iv) Three (3) years from expiration of the First Renewed Period ("Second Renewed Period"); and

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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OCCUPATION (Cont'd)

(v) Three (3) years from expiration of the Second Renewed Period ("Third Renewed Period").

The option to renew shall be exercised by the Tenant by written notice to the Landlord at least six (6) months prior to the Expiration Date Provided Always the Agreed Rental for the Renewed Period shall be renegotiated and mutually agreed upon at least three (3) months prior to the Expiration Date.

PLANNING PROVISION

The subject property is designated for workers' dormitory use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach and Cost Approach are used as a check.

VALUE CONSIDERATION

I. INCOME APPROACH (INVESTMENT METHOD)

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	Vide the Tenancy Agreement dated 13 June 2020 entered between AME Development Sdn Bhd ("Landlord") and I-Stay Management Sdn Bhd ("Tenant"), the Landlord thereby agrees to grant to the Tenant and the Tenant thereby agrees to accept from the Landlord, a tenancy of the Premises (as defined therein all those buildings identified as Blocks A, B, C, D and E comprising 5 blocks of dormitories and convenient stores together with common areas and facilities constructed or to be constructed thereon), upon the terms and conditions therein contained, which include amongst others, to pay the Agreed Rental. The rental adopted for term valuation is based on the contracted rental (master lease arrangement) as stipulated thereto in the abovementioned Tenancy Agreement dated 13 June 2020.
Reversionary Rental	We have adopted a gross market rental rate of RM130 per bed (master lease arrangement) which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of repair as well as maintenance and property management fees are based on 5% and 2% of gross annual rental respectively which is in line with the market analysis.
Void	We have adopted 10% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the above and other relevant factors including current market condition, location and accessibility, tenure, building characteristics, usage, age, size and quality of the building, we have adopted the reversionary yield of 6.50% whilst the adopted term yield is 6.00% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Lot No., Mukim, District and State	Lot 46767(M1/3/13), Mukim of Senai, District of Kulai, Johor	Lot 46767(M3/3/114), Mukim of Senai, District of Kulai, Johor	Lot 31961(M4/5/347), Mukim of Kulai, District of Kulai, Johor
Address	Unit A-2-7, Jalan Meranti 7, Sri Putra Apartment, Bandar Putra	Unit C-2-132, Jalan Meranti 7, Sri Putra Apartment, Bandar Putra	Unit E4-09, Jalan Sri Putri 11/6, Rosevilla Apartment, Taman Puteri Kulai
Type	5-storey walk-up apartment		
Tenure	Freehold / Term in perpetuity		
Built-Up Area (sq. m)	82 sqm		
Built-Up Area (sq. ft)	883 sq ft		
Date	22/12/2020	22/09/2020	05/01/2021
Vendor	Chin Li Shan	Yu Chin Hui	Low Siau Yun
Purchaser	Dayana Zubaidah Bt Mohd Zin	Mohammad Firdaus Bin Nor Arifin + 1	Ho Qi Yang
Consideration	RM180,000/-	RM190,000/-	RM160,000/-
Analysis Value (RM psm)	RM2,195 psm	RM2,317 psm	RM1,951 psm
Analysis Value (RM psf)	RM204 psf	RM215 psf	RM181 psf
Adjustments	Adjustments are made on location/accessibility and amenities provided		
Adjusted Value (RM psf)	RM224 psf	RM237 psf	RM236 psf

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)

The ancillary buildings, i.e., pump rooms, bin centres and guard house are considered as supporting infrastructures to the main development, viz. workers' dormitory. Therefore, these buildings have been valued as part and parcel of the main development and no separate values are attached.

Whilst for the retail units and First-Aid room, these buildings have been considered as features and amenities provided within the development. Upward adjustment was made to all the comparables with no additional features and amenities available within their respective development.

The adjusted values over built-up area derived from the above comparables range from RM224 to RM237 per square foot. We have placed greater emphasis on Comparable Nos. 1 and 2 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM230 per square foot over the built-up area or RM200,000/- per unit for the subject property, i.e., 229 dorm units with built-up area of 82 square metres (883 square feet) each, as a fair representation.

III. COST APPROACH

We have also considered the Cost Approach in our valuation by virtue of the subject property, i.e., a purpose-built workers' dormitory is a property that is rarely if ever sold in the market as well as the non-availability of similar workers' dormitory sale comparables.

In assessing the market value of the subject land, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation and Property Services Department (JPPH)			
Lot No., Mukim, District and State	PTD 113813, Mukim of Kulai, District of Kulai, Johor	PTD 203568, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 107905 & PTD 107906, Mukim of Kulai, District of Kulai, Johor	PTD 112758 & PTD 112759, Mukim of Senai, District of Kulai, Johor
Address	Along Jalan i-Park 1/10, Kawasan Perindustrian i-Park, Bandar Indahpura	Along Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC	Along Jalan i-Park 1/10, Kawasan Perindustrian i-Park, Bandar Indahpura	Along Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC
Type	Vacant industrial land			
Tenure	Freehold / Term in perpetuity			
Land Area (sq. m)	42,412.50 sqm	8,963.50 sqm	33,770.00 sqm	7,902.00 sqm
Land Area (sq. ft)	456,524 sq ft	96,482 sq ft	363,497 sq ft	85,056 sq ft
Date	23/09/2020	06/05/2020	06/09/2019	27/04/2019
Vendor	AME Industrial Park Sdn Bhd	lpark Development Sdn Bhd	Axis AME IP Sdn Bhd	lpark Development Sdn Bhd
Purchaser	United Kotak Berhad	Vulcan Access Solutions Sdn Bhd	Jstar Motion Sdn Bhd	YKK (Malaysia) Sdn Bhd
Consideration	RM27,390,528/-	RM7,718,649/-	RM19,569,117/-	RM6,804,398/-
Analysis Value (RM psm)	RM646 psm	RM861 psm	RM579 psm	RM861 psm
Analysis Value (RM psf)	RM60 psf	RM80 psf	RM54 psf	RM80 psf
Adjustments	Adjustments are made on time/market condition, size and land use			
Adjusted Value (RM psf)	RM75 psf	RM88 psf	RM61 psf	RM84 psf

There is a dearth of recent transactions of workers' dormitory land in and around the subject locality. In arriving at the value of the subject land, we have considered the vacant industrial land located within the subject locality.

Followed by the recent amendment to Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446), the act gives the companies no leeway but to solve the issue of workers' accommodation. In the process of rectifying these issues, it is expected to be a boon for property developers and construction industry players.

We are of the view that with more employers looking into better accommodation for the workers, there will be higher rental demand for workers' dormitories in the short and medium term. We also expect that there will be more developers or employers heading to this space to provide workers' dormitories to meet the new requirements.

Having regard to the above, an upward adjustment of 10% was made on the land use for the comparables to reflect the surging demand of workers' dormitory land in the market.

The adjusted land values derived from the above comparables range from RM61 to RM88 per square foot. We have placed greater emphasis on Comparable Nos. 1 and 2 as they are among the latest transactions.

We have adopted the land value at RM80 per square foot for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

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VALUE CONSIDERATION (Cont'd)

The building component is arrived at by the Depreciated Replacement Cost method, which is defined as the current cost of replacing an asset with a modern equivalent asset less deductions for the accrued depreciation comprising physical deterioration and all relevant obsolescence and optimisation. The original development cost of the subject property which was completed in 2013 and 2015 as provided by AME Development Sdn Bhd is RM20,160,323/- (analysed at the rate of about RM90 per square foot over the total floor area of the dorm unit).

The replacement cost new adopted for the main building at RM140 per square foot is arrived at based on the total construction cost over the area of the main building, and after having made reference to all the contracts awarded (for all the components of the dormitory complex), enquiries with the contractors and quantity surveyors and made reference to JUBM & Arcadis Construction Cost Handbook Malaysia 2021 compiled by JUBM Sdn Bhd, Arcadis (Malaysia) Sdn Bhd and Arcadis Projek Sdn Bhd.

The ancillary buildings have been valued as part and parcel of the main development, viz. workers' dormitory.

We have adopted the straightline depreciation at a rate of 2% per annum taking into consideration estimated life span of the building of 60 years as per the practise in the industry for similar type of properties, which is fair representation.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method), Comparison Approach and Cost Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM45,000,000/-
Comparison Approach	RM45,800,000/-
Cost Approach	RM39,000,000/-

Taking into consideration that the subject property is an income generating property (a purpose-built workers' dormitory), we have adopted the market value as derived from the Income Approach (Investment Method) as a more reliable and appropriate method of valuation. Notwithstanding, the Comparison Approach and Cost Approach are adopted as guide and supportive methods to ascertain the reasonability of the market value derived from the Income Approach (Investment Method).

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to sell, transfer and free from all encumbrances at **RM45,000,000/- (Ringgit Malaysia : Forty Five Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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29. No. 91, Jalan SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
(Our Ref : WTW/04/V/009265AE/21/JTZ)

PROPERTY IDENTIFICATION

The Subject Property	:	A parcel of building land built upon with five (5) blocks of 5-storey walk-up workers' dormitory, a 2-storey shop and other ancillary buildings
Address	:	No. 91, Jalan SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
Title No.	:	HSD 75887
Lot No.	:	PTD 112778, Mukim of Senai, District of Kulai, Johor
Land Area	:	11,945.4 square metres (128,579 square feet or 2.952 acres)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	AME Development Sdn Bhd
Category of Land Use	:	Building

GENERAL DESCRIPTION

The subject property comprises five (5) blocks of 5-storey walk-up workers' dormitory, a 2-storey shop, a TNB substation, a pump house, a bin centre, a guard house and a first-aid room.

The 5-storey walk-up workers' dormitory is basically constructed of reinforced concrete framework with concrete floors, plastered brickwalls supporting steel purlins covered over with metal deck roofing sheets.

Each dorm unit has an approximate gross floor area of 86 square metres. The number of dorms unit and gross floor area of each block are summarised as follows: -

Block	No. of Dorms Unit	Gross Floor Area (square metre)
Block A	38	4,334.94
Block B	39	4,324.83
Block C	39	4,324.83
Block D	39	4,324.83
Block E	30	3,414.00
Total	185	20,723.43

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls supporting a reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repairs and maintenance.

The buildings have been issued with Certificates of Completion and Compliance ("CCC") bearing LAM/J/Nos. 12174 and 12189 dated 7 March 2019 and 18 June 2019 respectively. The buildings are approximately 2 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to I-Stay Management Sdn Bhd.

Vide the Tenancy Agreement dated 28 May 2018 and Tenancy Renewal Letter dated 30 December 2020 entered between AME Development Sdn Bhd ("the Landlord") and I-Stay Management Sdn Bhd ("the Tenant"), the Landlord agreed to grant and the Tenant agreed to accept, a tenancy of the subject property for a Tenancy Term of one (1) year and nine (9) months.

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for further term as follows: -

- (iv) Three (3) years from expiration of the Tenancy Term ("First Renewed Period");
- (v) Three (3) years from expiration of the First Renewed Period ("Second Renewed Period"); and

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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OCCUPATION (Cont'd)

(vi) Three (3) years from expiration of the Second Renewed Period ("Third Renewed Period").

The option to renew for the First Renewed Period shall deemed to be automatically exercised by the Tenant.

The option to renew for the Second Renewed Period and Third Renewed Period shall be exercised by the Tenant by written notice to the Landlord at least three (3) months prior to the Expiration Date of the First Renewed Period ("Renewal Notice") and Second Renewed Period ("the Subsequent Renewal Notice") respectively. The Agreed Rental for the Second Renewed Period and Third Renewed Period shall be at the prevailing market rate as may be agreed upon by both Parties in writing and shall not be less than the Agreed Rental for the First Renewed Period.

PLANNING PROVISION

The subject property is designated for workers' dormitory use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach and Cost Approach are used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	Vide the Tenancy Agreement dated 28 May 2018 entered between AME Development Sdn Bhd ("Landlord") and I-Stay Management Sdn Bhd ("Tenant"), the Landlord thereby agrees to grant to the Tenant and the Tenant thereby agrees to accept from the Landlord, a tenancy of the Premises (as defined therein all those buildings identified as Blocks A, B, C, D and E comprising 5 blocks of dormitories and convenient store together with common areas and facilities constructed or to be constructed thereon on the land), upon the terms and conditions therein contained, which include amongst others, to pay the Agreed Rental. The rental adopted for term valuation is based on the contracted rental (master lease arrangement) as stipulated thereto in the Tenancy Renewal Letter dated 30 December 2020 entered between AME Development Sdn Bhd ("the Landlord") and I-Stay Management Sdn Bhd ("the Tenant").
Reversionary Rental	We have adopted a gross market rental rate of RM145 per bed (master lease arrangement) which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of repair as well as maintenance and property management fees are based on 5% and 2% of gross annual rental respectively which is in line with the market analysis.
Void	We have adopted 10% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the above and other relevant factors including current market condition, location and accessibility, tenure, building characteristics, usage, age, size and quality of the building, we have adopted the reversionary yield of 6.50% whilst the adopted term yield is 6.00% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Lot No., Mukim, District and State	Lot 46767(M1/3/13), Mukim of Senai, District of Kulai, Johor	Lot 46767(M3/3/114), Mukim of Senai, District of Kulai, Johor	Lot 31961(M4/5/347), Mukim of Kulai, District of Kulai, Johor
Address	Unit A-2-7, Jalan Meranti 7, Sri Putra Apartment, Bandar Putra	Unit C-2-132, Jalan Meranti 7, Sri Putra Apartment, Bandar Putra	Unit E4-09, Jalan Sri Putri 11/6, Rosevilla Apartment, Taman Puteri Kulai
Type	5-storey walk-up apartment		
Tenure	Freehold / Term in perpetuity		
Built-Up Area (sq. m)	82 sqm		
Built-Up Area (sq. ft)	883 sq ft		
Date	22/12/2020	22/09/2020	05/01/2021
Vendor	Chin Li Shan	Yu Chin Hui	Low Siau Yun
Purchaser	Dayana Zubaidah Bt Mohd Zin	Mohammad Firdaus Bin Nor Arifin + 1	Ho Qi Yang
Consideration	RM180,000/-	RM190,000/-	RM160,000/-
Analysis Value (RM psm)	RM2,195 psm	RM2,317 psm	RM1,951 psm
Analysis Value (RM psf)	RM204 psf	RM215 psf	RM181 psf
Adjustments	Adjustments are made on location/accessibility and amenities provided		
Adjusted Value (RM psf)	RM235 psf	RM248 psf	RM245 psf

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)

The ancillary buildings, i.e., TNB sub-station, pump room, bin centre and guard house are considered as supporting infrastructures to the main development, viz. workers' dormitory. Therefore, these buildings have been valued as part and parcel of the main development and no separate values are attached.

Whilst for the 2-storey shop and First-Aid room, these buildings have been considered as features and amenities provided within the development. Upward adjustment was made to all the comparables with no additional features and amenities available within their respective development.

The adjusted values over built-up area derived from the above comparables range from RM235 to RM248 per square foot. We have placed greater emphasis on Comparable Nos. 1 and 2 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM240 per square foot over the built-up area or RM220,000/- per unit for the subject property, i.e., 185 dorm units with built-up area of 86 square metres (926 square feet) each, as a fair representation.

III. COST APPROACH

We have also considered the Cost Approach in our valuation by virtue of the subject property, i.e., a purpose-built workers' dormitory is a property that is rarely if ever sold in the market as well as the non-availability of similar workers' dormitory sale comparables.

In assessing the market value of the subject land, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation and Property Services Department (JPPH)			
Lot No., Mukim, District and State	PTD 113813, Mukim of Kulai, District of Kulai, Johor	PTD 203568, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 107905 & PTD 107906, Mukim of Kulai, District of Kulai, Johor	PTD 112758 & PTD 112759, Mukim of Senai, District of Kulai, Johor
Address	Along Jalan i-Park 1/10, Kawasan Perindustrian i-Park, Bandar Indahpura	Along Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC	Along Jalan i-Park 1/10, Kawasan Perindustrian i-Park, Bandar Indahpura	Along Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC
Type	Vacant industrial land			
Tenure	Freehold / Term in perpetuity			
Land Area (sq. m)	42,412.50 sqm	8,963.50 sqm	33,770.00 sqm	7,902.00 sqm
Land Area (sq. ft)	456,524 sq ft	96,482 sq ft	363,497 sq ft	85,056 sq ft
Date	23/09/2020	06/05/2020	06/09/2019	27/04/2019
Vendor	AME Industrial Park Sdn Bhd	Ipark Development Sdn Bhd	Axis AME IP Sdn Bhd	Ipark Development Sdn Bhd
Purchaser	United Kotak Berhad	Vulcan Access Solutions Sdn Bhd	Jstar Motion Sdn Bhd	YKK (Malaysia) Sdn Bhd
Consideration	RM27,390,528/-	RM7,718,649/-	RM19,569,117/-	RM6,804,398/-
Analysis Value (RM psm)	RM646 psm	RM861 psm	RM579 psm	RM861 psm
Analysis Value (RM psf)	RM60 psf	RM80 psf	RM54 psf	RM80 psf
Adjustments	Adjustments are made on time/market condition, size and land use			
Adjusted Value (RM psf)	RM75 psf	RM88 psf	RM61 psf	RM84 psf

There is a dearth of recent transactions of workers' dormitory land in and around the subject locality. In arriving at the value of the subject land, we have considered the vacant industrial land located within the subject locality.

Followed by the recent amendment to Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446), the act gives the companies no leeway but to solve the issue of workers' accommodation. In the process of rectifying these issues, it is expected to be a boon for property developers and construction industry players.

We are of the view that with more employers looking into better accommodation for the workers, there will be higher rental demand for workers' dormitories in the short and medium term. We also expect that there will be more developers or employers heading to this space to provide workers' dormitories to meet the new requirements.

Having regard to the above, an upward adjustment of 10% was made on the land use for the comparables to reflect the surging demand of workers' dormitory land in the market.

The adjusted land values derived from the above comparables range from RM61 to RM88 per square foot. We have placed greater emphasis on Comparable Nos. 1 and 2 as they are among the latest transactions.

We have adopted the land value at RM80 per square foot for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)

The building component is arrived at by the Depreciated Replacement Cost method, which is defined as the current cost of replacing an asset with a modern equivalent asset less deductions for the accrued depreciation comprising physical deterioration and all relevant obsolescence and optimisation. The original development cost of the subject property which was completed in 2019 as provided by AME Development Sdn Bhd is RM24,636,875/- (analysed at the rate of about RM110 per square foot over the total floor area of the dorm unit).

The replacement cost new adopted for the main building at RM140 per square foot is arrived at based on the total construction cost over the area of the main building, and after having made reference to all the contracts awarded (for all the components of the dormitory complex), enquiries with the contractors and quantity surveyors and made reference to JUBM & Arcadis Construction Cost Handbook Malaysia 2021 compiled by JUBM Sdn Bhd, Arcadis (Malaysia) Sdn Bhd and Arcadis Projeks Sdn Bhd.

The ancillary buildings have been valued as part and parcel of the main development, viz. workers' dormitory.

We have adopted the straightline depreciation at a rate of 2% per annum taking into consideration estimated life span of the building of 60 years as per the practise in the industry for similar type of properties, which is fair representation.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method), Comparison Approach and Cost Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM45,000,000/-
Comparison Approach	RM40,700,000/-
Cost Approach	RM40,000,000/-

Taking into consideration that the subject property is an income generating property (a purpose-built workers' dormitory), we have adopted the market value as derived from the Income Approach (Investment Method) as a more reliable and appropriate method of valuation. Notwithstanding, the Comparison Approach and Cost Approach are adopted as guide and supportive methods to ascertain the reasonability of the market value derived from the Income Approach (Investment Method).

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to sell, transfer and free from all encumbrances at **RM45,000,000/- (Ringgit Malaysia : Forty Five Million Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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30. No. 48, Jalan i-Park SAC 7, Taman Perindustrian i-Park SAC, 81400 Senai, Johor
(Our Ref : WTW/04/V/009265AF/21/ABL)

PROPERTY IDENTIFICATION

The Subject Property	:	A single storey detached factory with mezzanine office and other ancillary buildings
Address	:	No. 48, Jalan i-Park SAC 7, Taman Perindustrian i-Park SAC, 814000 Senai, Johor
Title No.	:	HSD 77659
Lot No.	:	PTD 112781, Mukim of Senai, District of Kulai, Johor
Land Area	:	1.2748 hectares (12,748 square metres / 3.15 acres)
Gross Floor Area	:	7,610 square metres (81,913 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	Ipark Development Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian

GENERAL DESCRIPTION

The subject property comprises a single storey detached factory with mezzanine office, a guard house, a TNB sub-station and a bin centre.

The single storey detached factory with mezzanine office is basically constructed of steel portal framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with translucent sheet on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

The ancillary buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a good state of repair and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/2294 dated 15 March 2021. The buildings are newly completed.

OCCUPATION

At the time of our inspection, the subject property was leased to a Malaysian subsidiary of a foreign multinational electronics manufacturing services company.

Vide the Lease Agreement dated 16 June 2020 entered between Ipark Development Sdn Bhd ("the Lessor") and the foreign multinational electronics manufacturing services company ("the Lessee"), the Lessor thereby agreed to grant to the Lessee and the Lessee thereby agreed to accept from the Lessor, a lease of the subject property for a Lease Term is of fixed five (5) years.

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further terms ("Renewed Period") as follows: -

- (a) First Renewed Period - Fixed three (3) years
To be mutually agreed upon by the parties in writing at the prevailing market rate but any increase shall not exceed 10% of the Agreed Rental paid during the Lease Term; and
- (b) Second Renewed Period - Fixed three (3) years
To be mutually agreed upon by the parties in writing at the prevailing market rate but any increase shall not exceed 10% of the Agreed Rental paid during the First Renewed Period.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date.

Vide the Deed of Novation dated 27 November 2020 entered between Ipark Development Sdn Bhd ("the Lessor"), the foreign multinational electronics manufacturing services company ("the Lessee") and the Malaysian subsidiary of the foreign multinational electronics manufacturing services company ("the New Lessee"), the Lessee with consent of the Lessor, is desirous to novate, transfer and assign to the New Lessee all the rights, title, interest, benefits, liabilities and obligations in the Lease and under the Lease Agreement upon the terms and conditions as set out thereafter.

PLANNING PROVISION

The subject property is designated for medium industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.50 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value. Besides, we have also adopted the market rental of RM0.50 per square feet per month for the extra vacant land area based on our market rent survey of similar vacant industrial land.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)


C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)**II. COMPARISON APPROACH**

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Sale & Purchase Agreement	Valuation & Property Services Department	Sale & Purchase Agreement	Valuation & Property Services Department
Lot No., Town, District and State	PTD 196205, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196172, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 196183, Mukim of Tebrau, District of Johor Bahru, Johor	PTD 106945, Mukim of Kulai, District of Kulai, Johor
Address	Plot 65, Taman Perindustrian i-Park SAC	No. 5, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC	No. 16, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC	No. 20, Jalan i-Park 1/2, Kawasan Perindustrian i-Park
Type	Single storey detached factory with 2-storey office annex			
Tenure	Freehold / Term in perpetuity			
Land Area	6,481.80 sqm	4,360.00 sqm	3,998.30 sqm	4,050.00 sqm
Main Floor Area	3,728 sqm	2,603 sqm	2,603 sqm	2,442 sqm
Date	28/08/2020	09/01/2020	03/04/2019	03/04/2019
Vendor	Ipark Development Sdn Bhd	Symphony Square Sdn Bhd	Ipark Development Sdn Bhd	Juang Kuang Holdings Sdn Bhd
Purchaser	V.S. Industry Berhad	Top Brilliance Asia Holdings Sdn Bhd	Union Well Asia Holdings Sdn Bhd	Oriental Inchaway Sdn Bhd
Consideration	RM15,800,000/-	RM9,733,151/-	RM9,360,600/-	RM8,500,000/-
Analysis Value / MFA (RM psm)	RM4,239 psm	RM3,739 psm	RM3,596 psm	RM3,481 psm
Analysis Value / MFA (RM psf)	RM394 psf	RM347 psf	RM334 psf	RM323 psf
Adjustments	Adjustments are made on time/market condition, size, age & condition and design of the building			
Adjusted Value / MFA (RM psf)	RM335 psf	RM280 psf	RM270 psf	RM276 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM270 to RM335 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM275 per square foot over the main floor area for the subject property as a fair representation.

Location	Land Area	Consideration	Date
PTD 203568, i-Park @ SAC, Senai	96,482 sq. feet	RM7,718,649/-	06/05/20
PTD 204070, i-Park @ SAC, Senai	259,903 sq. feet	RM18,193,054/-	06/12/19
PTD 112758 & PTD 112759, i-Park @ SAC, Senai	85,056 sq. feet	RM6,804,398/-	27/04/19

Based on our survey and analysis, the vacant industrial lands in the vicinity were transacted in the region of RM70 to RM80 per square foot. Therefore, we have adopted the land value of RM80 per square foot for the extra vacant land after adjustments made for differences in time/market condition and size.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM21,000,000/-
Comparison Approach	RM21,000,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer and free from all encumbrances at RM21,000,000/- (Ringgit Malaysia : Twenty One Million Only).

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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31. No. 6 & 8, Jalan SiLC 1/6, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor
(Our Ref : WTW/04/V/009265AG/21/GKN)

PROPERTY IDENTIFICATION

The Subject Property	:	Two (2) adjoining units of 1½ storey semi-detached factory									
Address	:	Nos. 6 & 8, Jalan SiLC 1/6, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor									
Title Nos., Lot Nos. & Land Area	:	<table border="1"> <thead> <tr> <th>Title No.</th> <th>Lot No.</th> <th>Land Area (hectare)</th> </tr> </thead> <tbody> <tr> <td>HSD 516443</td> <td>PTD 7376</td> <td>0.1825</td> </tr> <tr> <td>HSD 516444</td> <td>PTD 7377</td> <td>0.2003</td> </tr> </tbody> </table>	Title No.	Lot No.	Land Area (hectare)	HSD 516443	PTD 7376	0.1825	HSD 516444	PTD 7377	0.2003
Title No.	Lot No.	Land Area (hectare)									
HSD 516443	PTD 7376	0.1825									
HSD 516444	PTD 7377	0.2003									
		Mukim of Jelutong, District of Johor Bahru, Johor									
Gross Floor Area	:	1,130 square metres (12,163 square feet) each									
Tenure	:	Freehold / Term In Perpetuity									
Registered Proprietor	:	AME Development Sdn Bhd									
Category of Land Use	:	Perusahaan / Perindustrian									
Title Status	:	Lot Untuk Bumiputra *									

Note:

* The Bumiputra Release Approval Letter issued by Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) bearing ref no. SUKJ.P.606/0108(10) dated 20 February 2014 expressly stated that the subject property has been approved for release to public purchaser upon payment of contribution and other terms and conditions set out in the letter thereof.

GENERAL DESCRIPTION

The subject property comprises two (2) adjoining units of 1½ storey semi-detached factory.

The buildings are basically constructed of reinforced concrete framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

Other ancillary buildings include a TNB sub-station and a guard house. These buildings are basically constructed of reinforced concrete framework with concrete floor, plastered brickwalls and covered with metal deck roofing sheets / reinforced concrete flat roof.

At the time of our inspection, the buildings were generally in a fairly good state of repairs and maintenance.

The buildings have been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/0765 dated 17 May 2013. The buildings are approximately 8 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to Lightpack Food Industries Sdn Bhd.

Vide the Agreement to Lease dated 30 July 2013 entered between AME Development Sdn Bhd ("the Lessor") and Lightpack Food Industries Sdn Bhd ("the Lessee"), the Lessor agreed to grant and the Lessee agreed to accept, a lease of the subject property for a Lease Term of fixed five (5) years.

By a lease renewal letter dated 2 May 2018, the Lessor and the Lessee have mutually agreed amongst others whereby a further term of fixed five (5) years ("Renewed Period").

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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PLANNING PROVISION

The subject property is designated for light industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.65 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation & Property Services Department			
Lot No., Town, District and State	PTD 200725, Mukim of Pulai, District of Johor Bahru, Johor	PTD 200765, Mukim of Pulai, District of Johor Bahru, Johor	PTD 7380, Mukim of Jelutong, District of Johor Bahru, Johor	PTD 189094, Mukim of Pulai, District of Johor Bahru, Johor
Address	No. 35, Jalan SiLC 2/3, Kawasan Perindustrian SiLC	No. 29, Jalan SiLC 2/19, Kawasan Perindustrian SiLC	No. 14, Jalan SiLC 1/6, Kawasan Perindustrian SiLC	No. 15, Jalan SiLC 2/7, Kawasan Perindustrian SiLC
Type	1 ½ storey semi-detached factory			
Tenure	Freehold / Term in perpetuity			
Land Area	890 sqm	790 sqm	1,830 sqm	1,760 sqm
Main Floor Area	823 sqm	784 sqm	1,186 sqm	1,017 sqm
Date	02/11/2020	26/08/2019	01/07/2019	15/03/2019
Vendor	Soh Chye Guan	Yeoh Boon Kang	BHG Capital Sdn Bhd	Hydro Sealing Technology Sdn Bhd
Purchaser	Jekirk Design Sdn Bhd	Ecolite Vision Sdn Bhd	Litan Titan Sdn Bhd	Bengkel Kenderaan Song Lim Sdn Bhd
Consideration	RM3,300,000/-	RM2,800,000/-	RM3,660,000/-	RM3,150,000/-
Analysis Value / MFA (RM psm)	RM4,012 psm	RM3,570 psm	RM3,086 psm	RM3,098 psm
Analysis Value / MFA (RM psf)	RM373 psf	RM332 psf	RM287 psf	RM288 psf
Adjustments	Adjustments are made on time/market condition and size			
Adjusted Value / MFA (RM psf)	RM354 psf	RM299 psf	RM272 psf	RM273 psf

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM272 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM280 per square foot over the main floor area for the subject property as a fair representation.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM6,500,000/-
Comparison Approach	RM6,500,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to sell, lease, transfer and free from all encumbrances at **RM6,500,000/- (Ringgit Malaysia : Six Million And Five Hundred Thousand Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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32. No. 12, Jalan SiLC 1/6, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor
(Our Ref : WTW/04/V/009265AI/21/GKN)

PROPERTY IDENTIFICATION

The Subject Property	:	A 1½ storey semi-detached factory
Address	:	No. 12, Jalan SiLC 1/6, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor
Title No.	:	HSD 516446
Lot No.	:	PTD 7379, Mukim of Jelutong, District of Johor Bahru, Johor
Land Area	:	0.1825 hectare (1,825.2 square metres / 0.451 acre)
Gross Floor Area	:	1,205 square metres (12,970 square feet)
Tenure	:	Freehold / Term In Perpetuity
Registered Proprietor	:	LKL Industries Sdn. Bhd.
Category of Land Use	:	Perusahaan / Perindustrian
Title Status	:	Lot Untuk Bumiputra *

Note:

* The Bumiputra Release Approval Letter issued by Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) bearing ref no. SUKJ.P.606/02-2108(10) dated 31 December 2013 expressly stated that the subject property has been approved for release to public purchaser upon payment of contribution and other terms and conditions set out in the letter thereof.

GENERAL DESCRIPTION

The building is basically constructed of reinforced concrete framework with concrete floors, plastered brickwalls supporting steel trussed roofwork covered over with metal deck roofing sheets insulated with fibreglass wool on aluminium foil and wire mesh. It has ground to eaves height of about 9.0-metre whilst the floor loads are 20kN/m² and 2.5kN/m² for the factory and office areas respectively.

At the time of our inspection, the building was generally in a fairly good state of repair and maintenance.

The building has been issued with a Certificate of Completion and Compliance ("CCC") bearing Serial No. LJM/J/0765 dated 17 May 2013. The building is approximately 8 years old.

OCCUPATION

At the time of our inspection, the subject property was tenanted to Lightpack Food Industries Sdn Bhd.

Vide the Tenancy Agreement dated 3 November 2014 entered between AME Development Sdn Bhd ("the Landlord") and Lightpack Food Industries Sdn Bhd ("the Tenant"), the Landlord agreed to grant and the Tenant agreed to accept, a tenancy of the subject property for a Tenancy Term of fixed two (2) years.

Subject to the Tenant being in compliance with all its covenants, obligations, responsibilities and/or liabilities therein and not being in breach of any provisions therein, the Landlord thereby agreed to grant to the Tenant an option to renew the Tenancy Term for a further term of three (3) years.

Vide the Novation Agreement dated 22 January 2016 entered between AME Development Sdn Bhd ("the Vendor"), Lightpack Food Industries Sdn Bhd ("the Tenant") and LKL Industries Sdn Bhd ("the Purchaser"), the Vendor agreed to novate absolutely to the Purchaser all the Vendor's right, title and interest under the Tenancy Agreement and the full benefits and advantages granted thereby together with all liabilities and obligations and all stipulations therein contained and all remedies for enforcing the same as if the Purchaser was the person named in place of the Vendor under the Tenancy Agreement.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION (Cont'd)

Based on the Supplementary Letter dated 8 September 2016, the Tenant and New Landlord were agreed to renew the Tenancy Term for a revised Renewed Period of 1 year and 10 months ("Revised Renewed Period") and upon the same terms and conditions of the Tenancy Agreement.

By a tenancy renewal letter dated 28 April 2018, the Landlord and the Tenant have mutually agreed amongst others whereby: -

- (a) upon expiry of the Revised Renewed Period, a further Renewed Period of two (2) years (Second Renewed Period");
- (b) upon expiry of the Second Renewed Period, a further Renewed Period of three (3) years ("Third Renewed Period").

PLANNING PROVISION

The subject property is designated for light industrial use as per the Express Condition in the document of title.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Investment Method). The Comparison Approach is used as a check.

VALUE CONSIDERATION**I. INCOME APPROACH (INVESTMENT METHOD)**

The following outlines the parameters adopted in undertaking our assessment: -

Item	Remarks
Term Rental	We have adopted the current passing rent.
Reversionary Rental	We have adopted a gross market rental rate of RM1.65 per square foot per month exclusive of the Gated Development Service Charges which in our opinion to be fair after taking into consideration market rental comparison and made diligent adjustments for the factors which affecting value.
Monthly Outgoings	We have adopted the actual expenses for quit rent, assessment and fire insurance premium whilst for the costs of upkeep and maintenance as well as property management fees are based on 2% of gross annual rental which is in line with the market standard.
Void	We have adopted 5% void for the vacancy period between rent reviews, rent free period and risk of vacancy and uncertainty.
Capitalisation Rate	Based on the past and recent sales of industrial premise, the yields range from 5.2% to 6.8%. Having considered the relevant factors including current market condition, location and accessibility, tenure, building characteristics, age, size and quality of the building, we have adopted the reversionary yield of 6.25% whilst the adopted term yield is 5.75% to reflect the security of the existing lease/tenancy, certain and fixed rental income.

II. COMPARISON APPROACH

In arriving at the market value of the subject property, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation & Property Services Department			
Lot No., Town, District and State	PTD 200725, Mukim of Pulai, District of Johor Bahru, Johor	PTD 200765, Mukim of Pulai, District of Johor Bahru, Johor	PTD 7380, Mukim of Jelutong, District of Johor Bahru, Johor	PTD 189094, Mukim of Pulai, District of Johor Bahru, Johor
Address	No. 35, Jalan SiLC 2/3, Kawasan Perindustrian SiLC	No. 29, Jalan SiLC 2/19, Kawasan Perindustrian SiLC	No. 14, Jalan SiLC 1/6, Kawasan Perindustrian SiLC	No. 15, Jalan SiLC 2/7, Kawasan Perindustrian SiLC
Type	1½ storey semi-detached factory			
Tenure	Freehold / Term in perpetuity			
Land Area	890 sqm	790 sqm	1,830 sqm	1,760 sqm
Main Floor Area	823 sqm	784 sqm	1,186 sqm	1,017 sqm
Date	02/11/2020	26/08/2019	01/07/2019	15/03/2019
Vendor	Soh Chye Guan	Yeoh Boon Kang	BHG Capital Sdn Bhd	Hydro Sealing Technology Sdn Bhd
Purchaser	Jekirk Design Sdn Bhd	Ecolite Vision Sdn Bhd	Litan Titan Sdn Bhd	Bengkel Kenderaan Song Lim Sdn Bhd
Consideration	RM3,300,000/-	RM2,800,000/-	RM3,660,000/-	RM3,150,000/-
Analysis Value / MFA (RM psm)	RM4,012 psm	RM3,570 psm	RM3,086 psm	RM3,098 psm
Analysis Value / MFA (RM psf)	RM373 psf	RM332 psf	RM287 psf	RM288 psf
Adjustments	Adjustments are made on time/market condition and size			
Adjusted Value / MFA (RM psf)	RM354 psf	RM299 psf	RM272 psf	RM273 psf

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUE CONSIDERATION (Cont'd)

The adjusted values over main floor area ("MFA") derived from the above comparables range from RM272 to RM354 per square foot. We have placed greater emphasis on Comparable Nos. 2 to 4 as they are among the latest transactions and located in close vicinity to the subject property.

We have adopted RM280 per square foot over the main floor area for the subject property as a fair representation.

RECONCILIATION OF VALUE

We have arrived the market value of the subject property using the Income Approach (Investment Method) and Comparison Approach as tabulated below: -

Valuation Approach	Derivation of Value
Income Approach (Investment Method)	RM3,500,000/-
Comparison Approach	RM3,500,000/-

We have adopted the market value derived from the Income Approach (Investment Method) as a fair representation, considering the legal owner of the subject property has entered into a long-term lease/tenancy with the lessee/tenant, and gives them the right to use or occupy the subject property for a periodic income. The reasonability of this method is subsequently counter-checked with the value generated by the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to sell, lease, transfer and free from all encumbrances at **RM3,500,000/- (Ringgit Malaysia : Three Million And Five Hundred Thousand Only)**.

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VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (197401001098)
 Unit 15B Level 15 Menara Ansar
 65 Jalan Trus P O Box 320
 80000 Johor Bahru
 Johor Darul Takzim
 Malaysia

Report and Valuation

3 March 2022

PRIVATE & CONFIDENTIAL

The Board of Directors
AME ELITE CONSORTIUM BERHAD
 No. 2, Jalan i-Park SAC 1/1
 Taman Perindustrian i-Park SAC
 81400 Senai
 Johor

T +(6 07) 224 3388
 F +(6 07) 224 9769
 E johorbahru@cbre-wtw.com.my
 W www.cbre-wtw.com.my

Dear Sirs

**UPDATE CERTIFICATE OF VALUATION OF THIRTY-FOUR (34) PROPERTIES IN
 RELATION TO THE PROPOSED DISPOSALS OF 34 PROPERTIES BY THE
 5 SUBSIDIARIES OF AME ELITE CONSORTIUM BERHAD ("AME") INTO
 AME REAL ESTATE INVESTMENT TRUST ("AME REIT")
 ("PROPOSED DISPOSALS")**

We refer to your instructions to review our valuation on the above captioned for the purpose of submission to Bursa Malaysia Securities Berhad in relation to the Proposed Disposals.

For all intents and purposes, this Update Valuation Certificate should be read in conjunction with the full Reports and Valuation and Master Valuation Certificate dated 16 August 2021 with a material date of valuation of 2 August 2021. We have relied on the legal and building details as described in the respective full Reports and Valuation bearing reference nos. WTW/04/V/009265A/21 to WTW/04/V/009265AG/21 and have updated the valuation computation under the Income Approach (Investment Method) based on the updated lease/tenancy status. For Comparison and Cost Approaches, being the cross-checked method, we have adopted the same comparables as per our previous valuation reports as there were no new transactions of equivalent type of property.

We have re-inspected all the properties on 28 February 2022 and the material date of valuation for this update valuation exercise is taken as 7 February 2022.

We have prepared and provided this Update Valuation which outlines key factors that have been considered in arriving at our opinion of Market Value and reflects all information known by us and based on present market conditions.

The valuation has been prepared in accordance with the requirements stipulated in the Asset Valuation Guidelines issued by the Securities Commission Malaysia and Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

The basis of the valuation is Market Value which is defined by the Malaysian Valuation Standards (MVS) to be "the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion".

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)

C H Williams Talhar & Wong Sdn Bhd (18149-U)

Page 2

Based on our valuation reports, there are no changes in terms of physical conditions, legal status and ownership of the properties. There is also no significant change in the market condition of industrial sector since our last date of valuation. The changes in valuation computation of the subject properties are mainly due to the movement of lessee/tenant and lease/tenancy period which is common, from the passage of time.

Having considered the above, the followings parameters have remained unchanged for the purpose of this update valuation: -

- Reversionary rental rate;
- Outgoing rate;
- Void factor;
- Capitalisation rate; and
- Comparison Approach as shown in the previous valuation reports are still being taken as valid, where the analysed rate is maintained and no change to the market value derived from the Comparison Approach.

Brief update summary of the properties is as follows: -

PROPERTY & LEGAL IDENTIFICATION

Based on the Private Title Searches conducted at the Registry of Lands and Mines, Kota Iskandar, Iskandar Puteri, Johor on 28 February 2022, we noted that the property and legal identification of the subject properties remained unchanged since our previous valuation reports save for the following information constitute the variations from our previous report for Property No. 10, Property No. 15 and PTD 7669 of Property No. 23: -

Property No. 10

Title No. : GRN 601912
 Lot No. : Lot 101609, Mukim of Kulai, District of Kulai, Johor
 Land Area : 5,242 square metres

Property No. 15

Endorsed with charged to AmBank (M) Berhad vide the Presentation No. 11403/2022 registered on 21 February 2022.

PTD 7669 of Property No. 23

Endorsed with Leased of Entire Land to Westrock Coffee & Tea Malaysia Sdn Bhd for a period of five (5) years and two (2) months commenced on 21 January 2021 and expiring on 20 March 2026 vide Presentation No. 86958/2021 registered on 27 December 2021.

GENERAL DESCRIPTION

As at the date of re-inspection, the physical state of the subject properties has remained unchanged as at the date of our previous valuation reports except for Property Nos. 24 and 27, viz. the building of Property No. 24 has been constructed/completed in accordance with the Approved Amended Building Plans and issued with a Certificate of Completion and Compliance bearing Serial No. LJM/J/2576 dated 13 January 2022; based on the Valuation for Interim Certificate No. 13, the value of workdone certified by the consultant for Property No. 27 is at RM12,259,477.61 for the period ending 31 January 2022. We were made to understand the building of Property No. 27 is scheduled to be completed with Certificate of Completion and Compliance issued on May 2022.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

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OCCUPATION

As at the date of valuation, the lease/tenancy status of the subject properties remains unchanged since our previous valuation reports, except for the following: -

Property No. 5

Vide the Tenancy Agreement dated 16 November 2021 entered between AME Development Sdn Bhd ("the Landlord") and W & S Plastics (Malaysia) Sdn Bhd ("the Tenant"), the Landlord agreed to grant and the Tenant agreed to accept, a tenancy of the subject property for a Tenancy Term of fixed three (3) years.

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for further term of fixed one (1) year ("Renewed Period"). The option to renew shall be deemed to have been automatically exercised by the Tenant.

Property No. 6

By a letter dated 9 June 2020, the Lessor and the Lessee have mutually agreed among others the revised Agreed Rental for Year 6 to Year 7.

Property No. 10

By a letter dated 24 January 2022, the Lessor and the Lessee have mutually agreed to terminate the Lease Agreement therein referred to on 18 March 2022.

Vide the unexecuted Lease Agreement to be made between AME Development Sdn Bhd ("the Lessor") and W & S Plastics (Malaysia) Sdn Bhd ("the Lessee"), the Lessor agree to grant and the Lessee agree to accept, a lease of the subject property for a Lease Term of fixed four (4) years and two (2) months inclusive of the rent free period of one (1) month from the Lease Commencement Date, i.e., 1 April 2022.

The Lessor agreed to grant to the Lessee an option to renew the Lease Term for further term of fixed four (4) years ("Renewed Period"). The option to renew shall be exercised by the Lessee by written notice to the Lessor at least six (6) months prior to the Expiration Date and the Agreed Rental for the Renewed Period shall be at the prevailing market rate as may be mutually agreed by both Parties in writing.

Property No. 18

By a tenancy renewal letter dated 7 February 2022, both parties have mutually agreed among others the Tenancy Term shall be renewed for further term of fixed three (3) years ("First Renewed Period").

Property No. 19

By a tenancy renewal letter dated 17 November 2021, the Landlord agreed to revise the Renewed Period to a fixed term of one (1) year.

Property No. 26

Vide the Tenancy Agreement dated 8 February 2022 entered between AME Development Sdn Bhd ("the Landlord") and GWIP Sdn Bhd ("the Tenant"), the Landlord thereby agreed to grant to the Tenant and the Tenant thereby agreed to accept from the Landlord, a tenancy of the subject property as more particularly identified as Plot A in the Layout Plan for a Tenancy Term of fixed three (3) years from the Tenancy Commencement Date (upon the Vacant Possession Date).

The Landlord agreed to grant to the Tenant an option to renew the Tenancy Term for further term of three (3) years ("Renewed Period"). The option to renew shall be exercised by the Tenant by written notice to the Landlord at least three (3) months prior to the Expiration Date.

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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PLANNING PROVISION

The status of the planning provision as stated in our previous valuation reports remains unchanged.

METHOD OF VALUATION

We have adopted the same method of valuation as stated in our previous valuation reports.

MARKET COMMENTARY

The Malaysian economy registered a positive growth of 3.6% in the fourth quarter of 2021 (3Q 2021: -4.5%). Growth was supported mainly by an improvement in domestic demand as economic activity normalised following the easing of containment measures under the National Recovery Plan (NRP). The improvement also reflected recovery in the labour market as well as continued policy support. In addition, strong external demand amid the continued upcycle in global technology provided a further lift to growth. On the supply side, all economic sectors recorded improvements in growth, led by the services and manufacturing sectors. On the demand side, growth was driven by higher consumption and trade activity. All economic sectors recorded an improvement in the fourth quarter of 2021. Growth in the manufacturing sector recorded a marked improvement of 9.1% (3Q 2021: -0.8%). This was driven by continued strength in export-oriented industries such as E&E and primary-related clusters, and recovery in domestic-oriented industries such as consumer- and construction-related clusters. (Source: *Economic and Financial Developments in the Malaysia Economy in the Fourth Quarter of 2021, Central Bank of Malaysia*)

We observed that the industrial sector in Johor particularly Iskandar Malaysia is generally remained stable since our previous valuation.

MARKET VALUE**i. Income Approach (Investment Method)**

We have reassessed the market value of the subject properties with the updated lease/tenancy status due to the movement of lessee/tenant as well as lease/tenancy period and have adopted the same parameters as per our previous valuation.

ii. Comparison Approach

We have adopted the same comparables as per our previous valuation report dated 16 August 2021 as generally industrial property prices have remained stable since our previous valuation.

iii. Cost Approach

We have adopted the same parameters as per our previous valuation.

RECONCILIATION OF VALUE

We have adopted the same valuation approaches, i.e., Income Approach (Investment Method), Comparison Approach and Cost Approach, and relied on the updated Income Approach (Investment Method) computation to arrive at the respective Market Value of the properties. Notwithstanding, the Comparison Approach and Cost Approach are adopted as guide and supportive methods to ascertain the reasonability of the market value derived from the Income Approach (Investment Method).

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



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VALUATION

No.	Property Details	Market Value
1	Lot 98840 (Formerly PTD 106944), Mukim of Kulai, District of Kulai, Johor [No. 21, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM7,000,000/-
2	Lot 98842 (Formerly PTD 106946), Mukim of Kulai, District of Kulai, Johor [No. 19, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM7,000,000/-
3	Lot 98843 (Formerly PTD 106947), Mukim of Kulai, District of Kulai, Johor [No. 18, Jalan i-Park 1/2, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM7,000,000/-
4	Lot 98856 (Formerly PTD 106960), Mukim of Kulai, District of Kulai, Johor [No. 27, Jalan i-Park 1/3, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM7,000,000/-
5	Lot No. PTD 107695, Mukim of Kulai, District of Kulai, Johor [No. 62, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM7,000,000/-
6	Lot No. PTD 107694, Mukim of Kulai, District of Kulai, Johor [No. 60, Jalan i-Park 1/5, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM17,000,000/-
7	PTD 107697, Mukim of Kulai, District of Kulai, Johor [No. 64, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM17,000,000/-
8	Lot 98828 (Formerly PTD 106932), Mukim of Kulai, District of Kulai, Johor [No. 5, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM14,000,000/-
9	Lot 98827 (Formerly PTD 106931), Mukim of Kulai, District of Kulai, Johor [No. 6, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM14,000,000/-
10	Lot 101609 (Formerly PTD 107908), Mukim of Kulai, District of Kulai, Johor [No. 65, Jalan i-Park 1/6, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM7,000,000/-
11	PTD 112746, Mukim of Senai, District of Kulai, Johor [No. 20, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM14,000,000/-
12	PTD 112747, Mukim of Senai, District of Kulai, Johor [No. 21, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM14,000,000/-
13	PTD 112829, Mukim of Senai, District of Kulai, Johor [No. 22, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM47,000,000/-
14	PTD 203569, Mukim of Tebrau, District of Johor Bahru, Johor [No. 68, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM17,000,000/-
15	PTD 204026, Mukim of Tebrau, District of Johor Bahru, Johor [No. 69, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM17,000,000/-
16	PTD 198653, Mukim of Tebrau, District of Johor Bahru, Johor [No. 66, Jalan i-Park SAC 8, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM23,000,000/-
17	PTD 112754, Mukim of Senai, District of Kulai, Johor [No. 34, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM14,000,000/-
18	PTD 112753, Mukim of Senai, District of Kulai, Johor [No. 33, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM14,000,000/-
19	PTD 196174, Mukim of Tebrau, District of Johor Bahru, Johor [No. 7, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM8,000,000/-
20	PTD 196173, Mukim of Tebrau, District of Johor Bahru, Johor [No. 6, Jalan i-Park SAC 2, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM7,000,000/-
21	PTD 196180, Mukim of Tebrau, District of Johor Bahru, Johor [No. 13, Jalan i-Park SAC 3, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM8,000,000/-

VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)




C H Williams Talhar & Wong Sdn Bhd (18149-U)

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VALUATION (Cont'd)

No.	Property Details	Market Value
22	PTD 112760, Mukim of Senai, District of Kulai, Johor [No. 40, Jalan i-Park SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM8,000,000/-
23	Lot Nos. PTD 7669 and PTD 7670, Mukim of Jelutong, District of Johor Bahru, Johor [Nos. 23 & 25, Jalan Bioteknologi 3, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor]	RM24,000,000/-
24	Lot 98834 (Formerly PTD 106938), Mukim of Kulai, District of Kulai, Johor [No. 12, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM21,000,000/-
25	Lot No. PTD 7672, Mukim of Jelutong, District of Johor Bahru, Johor [No. 29, Jalan Bioteknologi 3, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor]	RM13,000,000/-
26	PTD 195470, Mukim of Tebrau, District of Johor Bahru, Johor [No. 18, Jalan Kargo 2, Senai Airport City, 81400 Senai, Johor]	RM38,000,000/-
27	Lot 98833 (Formerly PTD 106937), Mukim of Kulai, District of Kulai, Johor [Along Jalan Seroja 28/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM45,000,000/-
28	Lot 98837 (Formerly PTD 106941), Mukim of Kulai, District of Kulai, Johor [PTD 106941, Jalan Seroja 28, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor]	RM45,000,000/-
29	PTD 112778, Mukim of Senai, District of Kulai, Johor [No. 91, Jalan SAC 4, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM45,000,000/-
30	PTD 112781, Mukim of Senai, District of Kulai, Johor [No. 48, Jalan i-Park SAC 7, Taman Perindustrian i-Park SAC, 81400 Senai, Johor]	RM21,000,000/-
31	Lot Nos. PTD 7376 and PTD 7377, Mukim of Jelutong, District of Johor Bahru, Johor [Nos. 6 & 8, Jalan SiLC 1/6, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor]	RM6,500,000/-
32	Lot No. PTD 7379, Mukim of Jelutong, District of Johor Bahru, Johor [No. 12, Jalan SiLC 1/6, Kawasan Perindustrian SiLC, 79200 Iskandar Puteri, Johor]	RM3,500,000/-
Grand Total		RM557,000,000/-

Yours faithfully
for and on behalf of
C H Williams Talhar & Wong Sdn Bhd


 Sr LO KIN WENG
 B. (Hons) Estate Mgt. MRICS, MRISM, MPEPS
 RICS Registered Valuer
 Registered Valuer (V-917)

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

The Board has seen and approved this Circular, and the Board collectively and individually accepts full responsibility for the accuracy of the information given in this Circular and confirms that, after making all reasonable enquiries to the best of its knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular misleading.

2. CONSENTS AND CONFLICT OF INTEREST**2.1 HLIB**

HLIB, being the Principal Adviser for the Proposed REIT Establishment and Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in the Circular.

In addition to HLIB's role as Principal Adviser to the Company for the Proposed REIT Establishment and the Proposals, HLIB is also the:

- (i) Principal Adviser to I REIT Managers for the Proposed REIT Establishment and the proposed acquisition from the respective Vendors of the Subject Properties by the Proposed trustee (on behalf of AME REIT) ("**Proposed Acquisitions**"), Proposed Offering and Proposed Listing;
- (ii) Bookrunner in respect of the Proposed Institutional Offering; and
- (iii) Managing Underwriter for the Proposed Restricted Pink Form Offering and Proposed Public Offering under the Proposed Retail Offering.

HLIB, its subsidiaries and associated companies as well as its penultimate holding company, namely Hong Leong Financial Group Berhad ("**Hong Leong Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, insurance, assets and funds management and credit transaction services businesses.

The Hong Leong Group has engaged, and may in the future, engage in transactions with and perform services for AME Group, AME REIT, I REIT Managers and/or its affiliates. In addition, in the ordinary course of business, any member of the Hong Leong Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of AME Group, AME REIT, I REIT Managers and/or its affiliates, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of AME Group, AME REIT, I REIT Managers and/or its affiliates.

As at the LPD, the Hong Leong Group has extended various credit facilities with a combined limit of up to an aggregate amount of approximately RM88.0 million to AME Group and/or its affiliates. In addition, the Company is in discussion with Hong Leong Group for an Islamic financing facility for the amount of RM50.0 million, consisting of RM47.0 million Islamic revolving credit facility to part finance the Proposed Acquisition by AME REIT as well as to fund the Proposed Listing expenses and for working capital expenses, and Islamic bank guarantee facility of RM3.0 million.

FURTHER INFORMATION (Cont'd)

Notwithstanding the above, HLIB is of the view that the aforesaid relationship would not give rise to a conflict of interest situation in its capacity as Principal Adviser to the Company for the Proposed REIT Establishment and the Proposals, Principal Adviser to I REIT Managers for the Proposed REIT Establishment, Proposed Acquisitions, Proposed Offering and Proposed Listing, Bookrunner for the Proposed Institutional Offering and Managing Underwriter for the Proposed Restricted Pink Form Offering and Proposed Public Offering as:

- (i) HLIB is a licensed investment bank and its appointment as the Company's Principal Adviser for the Proposed REIT Establishment and the Proposals, Principal Adviser to I REIT Managers for the Proposed REIT Establishment, Proposed Acquisitions, Proposed Offering and Proposed Listing, Bookrunner for the Proposed Institutional Offering and Managing Underwriter for the Proposed Restricted Pink Form Offering and Proposed Public Offering arose in its ordinary course of business;
- (ii) the conduct of the Hong Leong Group in its banking business is strictly regulated by the Financial Services Act 2013, Islamic Financial Services Act 2013 and, where applicable, the CMSA, as well as the Hong Leong Group's own internal controls and checks; and
- (iii) the aggregate exposure by the Hong Leong Group of approximately RM88.0 million, is not material when compared to the latest audited consolidated NA of the Hong Leong Financial Group Berhad as at 30 June 2021 of approximately RM22.8 billion.

Save as disclosed above, HLIB has confirmed that it is not aware of any other circumstance which would or is likely to give rise to a possible conflict of interest situation in HLIB's capacity as (i) Principal Adviser to the Company for the Proposed REIT Establishment and the Proposals, (ii) Principal Adviser to I REIT Managers for the Proposed REIT Establishment, Proposed Acquisition, Proposed Offering and Proposed Listing, (iii) Bookrunner for the Proposed Institutional Offering and (iv) Managing Underwriter for the Proposed Restricted Pink Form Offering and Proposed Public Offering.

2.2 CBRE WTW

CBRE WTW has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

CBRE WTW has confirmed that no conflict of interest exists or is likely to exist in its capacity as the Independent Property Valuer in respect of the valuations of all the Subject Properties for the Proposed Disposals.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**3.1 Material Commitments**

As at the LPD, save as disclosed below, the Board is not aware of any other material commitments incurred or known to be incurred which may have a material impact on the profits or NA of AME Group.

	RM'000
Approved and contracted for:	
Development land	304,437 ⁽¹⁾
Property, plant and equipment	8,084 ⁽²⁾
Total	312,521

FURTHER INFORMATION (Cont'd)

Notes:

- (1) As at LPD, RM304.4 million will be payable on a staggered basis over the next 36 months.
- (2) This figure is based on the progress billing from the sub-contractor as at 28 February 2022 as the progress billing as at LPD is not currently available.

3.2 Contingent Liabilities

Save as disclosed below, as at the LPD, there is no contingent liability incurred or known to be incurred by AME Group which, upon becoming enforceable, may have a material impact on the financial results/position of AME Group.

AME Development had been served a Notice of Additional Assessment, dated 30 June 2021, by the Inland Revenue Board of Malaysia ("**IRB**"), for additional income tax and penalty amounting to RM7,162,159.10 for the year of assessment 2018 ("**Notice of Additional Assessment**"). The Notice of Additional Assessment was raised mainly pursuant to the dispute by the IRB on the withdrawal by AME Development, of stocks as investment properties.

AME Development had on 14 July 2021 filed an application for judicial review to the High Court of Malaya at Kuala Lumpur against the Notice of Additional Assessment raised by the IRB, via its tax solicitors.

The Board is of the view that there will not be any imminent financial effects on the Company pending the outcome of the appeal.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at LPD, there is no material litigation, claims or arbitration involving the Subject Properties.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at AME's registered office at Suite 9D, Level 9, Menara Ansar, 65 Jalan Trus, Johor Bahru, 80000 Johor, Malaysia during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the EGM:

- (i) the Constitution of AME;
- (ii) the draft Deed and Property Management Agreement as referred to in **Sections 2.1.1.1** and **Sections 2.1.1.4** of this Circular;
- (iii) the audited financial statements of AME for the FYEs 31 March 2021 and 2020, and the latest unaudited quarterly results of AME for the financial period ended 31 December 2021;
- (iv) the letters of consent and conflict of interests referred to in **Section 2 of Appendix VII** of this Circular;
- (v) the draft SPAs pursuant to the Proposed Disposals;
- (vi) the Subject Properties' valuation reports dated 16 August 2021, update valuation letters dated 3 March 2022, valuation certificate dated 16 August 2021, and updated valuation certificate dated 3 March 2022 referred to in **Appendix VI** of this Circular; and
- (vii) the letter of undertakings from the substantial shareholders of AME as referred to in **Section 2.3.9** of this Circular.



AME ELITE CONSORTIUM BERHAD

(Registration No. 201801030789 (1292815-W))
(Incorporated in Malaysia under the Companies Act, 2016)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("**EGM**") of AME Elite Consortium Berhad ("**AME**" or the "**Company**") will be conducted on a fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("**RPEV**") facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Wednesday, 11 May 2022 at 10.00am or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED DISPOSALS OF 31 INDUSTRIAL PROPERTIES AND 3 INDUSTRIAL-RELATED PROPERTIES (COLLECTIVELY "SUBJECT PROPERTIES") BY 5 SUBSIDIARIES OF AME ("VENDORS") INTO AME REAL ESTATE INVESTMENT TRUST ("AME REIT"), A REAL ESTATE INVESTMENT TRUST TO BE ESTABLISHED BY AME, THE SPONSOR, FOR A TOTAL CONSIDERATION OF RM557.0 MILLION TO BE SATISFIED VIA THE PROPOSED ISSUANCE OF 520.0 MILLION UNDIVIDED INTEREST IN AME REIT ("CONSIDERATION UNITS" OR "UNITS") AND CASH CONSIDERATION OF RM37.0 MILLION ("PROPOSED DISPOSALS")

"THAT, subject to the passing of Ordinary Resolutions 2 and 3 as well as contingent upon the approvals of the relevant authorities and/or parties to be obtained (where required), approval be and is hereby given, for the disposals of the Subject Properties by the respective Vendors to AME REIT, upon the terms and conditions set out in the respective sale and purchase agreements to be entered into by the respective Vendors and RHB Trustees Berhad, the trustee of AME REIT (on behalf of AME REIT) ("**Proposed Trustee**") ("**SPAs**"), for a total consideration of RM557.0 million to be satisfied via the proposed issuance of 520.0 million Consideration Units and cash consideration of RM37.0 million;

THAT, the board of directors of AME ("**Board**") be and is hereby empowered and authorised to determine and at any time following determination, vary, if deemed fit, necessary and/or expedient, any adjustments to be made to the total consideration for any or all of the Subject Properties and the number of Consideration Units and/or composition of cash/Consideration Units to be received in connection with the Proposed Disposals, in such manner as the Board shall in its absolute discretion deem fit or expedient or in the best interests of the Company;

AND THAT, the Board be and is hereby authorised and empowered to give full effect to the Proposed Disposals with full power to negotiate, approve, agree and/or assent to any conditions, variations, revaluations, modifications, adjustments and/or amendments in any manner as may be required/permitted by the relevant authorities or deemed necessary by the Board, to deal with all matters incidental, ancillary to and/or relating thereto, to take all such steps to execute and deliver and/or cause to be executed and delivered the SPAs, memorandum of transfer in favour of the Proposed Trustee, the application(s) for the approval of the state authority in respect of the restriction-in-interest for the disposals of the Subject Properties to the Proposed Trustee (if applicable), licensing and other arrangements in connection with the proposed listing of the Consideration Units and all such other agreements, arrangements, undertakings, indemnities, transfers, extensions, assignments, deeds, confirmations, declarations and/or guarantees to any party or parties as may be deemed necessary and to do all such acts and matters as it may consider necessary to implement, finalise and give full effect to and complete the Proposed Disposals."

ORDINARY RESOLUTION 2

PROPOSED OFFERING OF A TOTAL OF 254.8 MILLION CONSIDERATION UNITS BY AME'S SUBSIDIARIES COMPRISING:

- I. PROPOSED RETAIL OFFERING OF UP TO APPROXIMATELY 174.8 MILLION UNITS AT A RETAIL PRICE TO BE DETERMINED LATER, CONSISTING OF THE FOLLOWING:
 - A. UP TO APPROXIMATELY 156.6 MILLION RESTRICTED OFFER FOR SALE ("ROFS") UNITS TO THE SHAREHOLDERS WHOSE NAMES APPEAR ON THE RECORD OF DEPOSITORS AT THE CLOSE OF BUSINESS ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER BY THE BOARD ("ENTITLEMENT DATE") ON THE BASIS OF 1 ROFS UNITS FOR EVERY 5 ORDINARY SHARES HELD IN AME ON THE ENTITLEMENT DATE ("PROPOSED ROFS");
 - B. UP TO 7.8 MILLION UNITS TO THE ELIGIBLE DIRECTORS AND EMPLOYEES OF AME AND ITS SUBSIDIARIES ("PROPOSED RESTRICTED PINK FORM OFFERING"); AND
 - C. 10.4 MILLION UNITS FOR APPLICATION BY THE MALAYSIAN PUBLIC, OF WHICH 5.2 MILLION UNITS ARE RESERVED FOR THE BUMIPUTERA PUBLIC ("PROPOSED PUBLIC OFFERING"); AND
- II. PROPOSED INSTITUTIONAL OFFERING OF AT LEAST APPROXIMATELY 80.0 MILLION UNITS TO MALAYSIAN INSTITUTIONAL INVESTORS AND SELECTED INVESTORS, INCLUDING BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY, AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING ("PROPOSED INSTITUTIONAL OFFERING"),

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS. ("PROPOSED OFFERING")

"**THAT**, subject to the passing of Ordinary Resolutions 1 and 3 as well as contingent upon the approvals of the relevant authorities/parties to be obtained (where required), approval be and is hereby given for AME to undertake and implement the Proposed Offering in the manner set out in **Section 2.3** of the circular to shareholders of AME dated 26 April 2022 ("**Circular**");

THAT, the Board be and is hereby empowered and authorised to deal with any fractional entitlements, if any, that may arise from the Proposed ROFS in such manner and on such terms and conditions as the Board shall in its absolute discretion deem fit, necessary and/or expedient or in the best interests of AME (including, without limitation to disregard such fractional entitlements);

THAT, the Board be and is hereby empowered and authorised to appoint Hong Leong Investment Bank Berhad ("**HLIB**") as the Managing Underwriter for the Proposed Restricted Pink Form Offering and the Proposed Public Offering;

THAT, the Board be and is hereby empowered and authorised to make available for subscription by the institutional investors and selected investors such Units under the Proposed Institutional Offering and to appoint HLIB as the Bookrunner;

THAT, the proceeds from the Proposed Disposals and the Proposed Offering of up to approximately 254.8 million Consideration Units be used for the purposes as set out in **Section 4** of the Circular, and the Board be authorised with full powers to vary the manner and/or purpose of use of such proceeds in such manner as the Board may deem fit, necessary and/or expedient or in the best interests of the Company, subject to the approval of the relevant authorities (where required);

AND THAT, the Board be and is hereby authorised and empowered to take all such steps and to do all acts, deeds and things to execute, enter into, sign and deliver for and on behalf of AME, all such documents as it may deem necessary, expedient and/or appropriate to implement and give full power to fix and vary the entitlement date and time, payment date and/or effective date for the Proposed Offering and assent to and accept any conditions, modifications, variations, arrangements and/or amendments as may be required or imposed or permitted by the relevant authorities/parties and with full power to make any amendments, variations or modifications to the terms and/or conditions of the Proposed Offering, including any amendments to the number of Units to be offered under the Proposed Offering, in any manner as the Board may in its absolute discretion deem fit, necessary, expedient and/or appropriate in the best interests of the Company."

ORDINARY RESOLUTION 3

PROPOSED ADMISSION OF AME REIT TO THE OFFICIAL LIST OF BURSA SECURITIES AND THE PROPOSED LISTING OF AND QUOTATION FOR 520.0 MILLION UNITS ON THE MAIN MARKET OF BURSA SECURITIES (“PROPOSED LISTING”)

“**THAT**, subject to the passing of Ordinary Resolutions 1 and 2 as well as contingent upon the approvals of the relevant authorities/parties to be obtained (where required), approval be and is hereby given to AME for the listing of and quotation for 520.0 million Consideration Units on the Main Market of Bursa Securities;

AND THAT, the Board be and is hereby authorised and empowered to complete and to do all such steps and to do all acts, deeds and things (including approving, modifying and executing all documents) as it may consider necessary, expedient and/or appropriate in connection with the Proposed Listing with full power to give effect or assent to any conditions, modifications, variations and/or amendments in any manner as may be required/permitted by the relevant authorities/parties or otherwise deemed by the Board to be in the best interests of the Company.”

By Order of the Board

LEONG SIEW FOONG (MAICSA 7007572) (SSM PC No. 202008001117)

SANTHI A/P SAMINATHAN (MAICSA 7069709) (SSM PC No. 201908002933)

Company Secretaries

Johor Bahru

26 April 2022

Notes:

1. *As part of the initiatives to curb the spread of COVID-19 and Government of Malaysia's official guidance on social distancing, the EGM of the Company will be conducted on a fully virtual basis where shareholders are only allowed to participate remotely through live streaming and online remote voting using Remote Participation and Electronic Voting (“RPEV”) facilities via online meeting platform available at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657). Please follow the procedures provided in the Administrative Guide for the EGM in order to register, participate, speak and vote remotely via RPEV facilities.*
2. *According to the Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers revised by the Securities Commission Malaysia on 7 April 2022, an online meeting platform can be recognised as the meeting venue or place under Section 327 (2) of the Companies Act 2016 provided that the online platform is located in Malaysia and all meeting participants including the Chairman of the meeting, Board members, senior management and shareholders shall participate the meeting online.*
3. *Every member including authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991 (“SICDA”), and exempt authorised nominees which holds ordinary shares in the Company for multiple owners in one securities account (“omnibus account”), is entitled to appoint another person as his proxy to exercise all or any of his rights to participate, speak and vote instead of him at the EGM, and that such proxy need not be a member.*
4. *Where a member appoints more than 1 proxy (subject always to a maximum of 2 proxies at each meeting), the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.*
5. *Where a member of the Company is an exempt authorised nominee as defined under the SICDA which holds ordinary shares in the Company for multiple beneficial owners in an omnibus account, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a member is an authorised nominee as defined under SICDA, it may appoint 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
6. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its officer or attorney.*
7. *The instrument appointing a proxy must be deposited with the Share Registrar of the Company situated at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or deposit the Form(s) of Proxy by electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than 48 hours before the time set for holding the EGM.*
8. *If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in the electronic EGM by yourself, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy(ies) at least 48 hours before this meeting.*
9. *Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out in this Notice will be put to vote on a poll.*
10. *Only a depositor whose name appears in the Record of Depositors as at 5 May 2022 shall be entitled to participate, speak and vote at this meeting or appoints a proxy or proxies to participate, speak and vote on his behalf.*
11. *In view of the constant evolving COVID-19 situation in Malaysia, we may be required to change the arrangements of our EGM at short notice. Kindly check Bursa Malaysia Securities Berhad's website and the Company's website at <http://www.ame-elite.com> for the latest updates on the status of the EGM.*



AME ELITE CONSORTIUM BERHAD
(Registration No.201801030789 (1292815-W))
(Incorporated in Malaysia under the Companies Act, 2016)

FORM OF PROXY

No. of shares held	
CDS account no.	

I/ We _____ *NRIC/ Passport / Company No. _____
(FULL NAME IN BLOCK CAPITAL)

of _____
(FULL ADDRESS)

and telephone no./ email address _____ being *a member/ members

of **AME Elite Consortium Berhad (201801030789 (1292815-W))** hereby appoint:

Full Name and Address (in Block Letters) (First Proxy)	NRIC / Passport No.	No. of Shares	% of Shareholding
Email:	Contact No.:		

*and/or

Full Name and Address (in Block Letters) (Second Proxy)	NRIC / Passport No.	No. of Shares	% of Shareholding
Email:	Contact No.:		

or failing *him/ her the Chairperson of the Meeting as *my/ our proxy/ proxies to participate, speak and vote for *me/ us on *my/ our behalf at the Extraordinary General Meeting ("**EGM**") of AME Elite Consortium Berhad ("**Company**") which will be conducted on a fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("**RPEV**") facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Wednesday, 11 May 2022 at 10.00am or at any adjournment thereof.

*My/ our proxy is to vote as indicated below:

ORDINARY RESOLUTIONS		FOR	AGAINST
1	PROPOSED DISPOSALS		
2	PROPOSED OFFERING		
3	PROPOSED LISTING		

Please mark with "X" in either box if you wish to direct the proxy how to vote. If no mark is made the proxy may vote on the resolutions or abstain from voting as the proxy thinks fit.

* *Strike out whichever is not desired*

Signature of Member(s)/ Common Seal

Date: _____

Notes:

- As part of the initiatives to curb the spread of COVID-19 and Government of Malaysia's official guidance on social distancing, the EGM of the Company will be conducted on a fully virtual basis where shareholders are only allowed to participate remotely through live streaming and online remote voting using Remote Participation and Electronic Voting ("**RPEV**") facilities via online meeting platform available at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657). Please follow the procedures provided in the Administrative Guide for the EGM in order to register, participate, speak and vote remotely via RPEV facilities.
- According to the Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers revised by the Securities Commission Malaysia on 7 April 2022, an online meeting platform can be recognised as the meeting venue or place under Section 327 (2) of the Companies Act 2016 provided that the online platform is located in Malaysia and all meeting participants including the Chairman of the meeting, Board members, senior management and shareholders shall participate the meeting online.
- Every member including authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), and exempt authorised nominees which holds ordinary shares in the Company for multiple owners in one securities account ("**omnibus account**"), is entitled to appoint another person as his proxy to exercise all or any of his rights to participate, speak and vote instead of him at the EGM, and that such proxy need not be a member.
- Where a member appoints more than 1 proxy (subject always to a maximum of 2 proxies at each meeting), the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee as defined under the SICDA which holds ordinary shares in the Company for multiple beneficial owners in an omnibus account, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a member is an authorised nominee as defined under SICDA, it may appoint 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.



Notes (cont'd):

6. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its officer or attorney.*
7. *The instrument appointing a proxy must be deposited with the Share Registrar of the Company situated at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or deposit the Form(s) of Proxy by electronic means through the Boardroom Smart Investor Portal at [https:// investor.boardroomlimited.com](https://investor.boardroomlimited.com) not less than 48 hours before the time set for holding the EGM.*
8. *If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in the electronic EGM by yourself, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy(ies) at least 48 hours before this meeting. The last date and time for lodgement of Form(s) of Proxy is 9 May 2022 at 10.00am.*
9. *Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out in the Notice of EGM will be put to vote on a poll.*
10. *Only a depositor whose name appears in the Record of Depositors as at 5 May 2022 shall be entitled to participate, speak and vote at this meeting or appoints a proxy or proxies to participate, speak and vote on his behalf.*
11. *In view of the constant evolving COVID-19 situation in Malaysia, we may be required to change the arrangements of our EGM at short notice. Kindly check Bursa Malaysia Securities Berhad's website and the Company's website at <http://www.ame-elite.com> for the latest updates on the status of the EGM.*

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AFFIX
STAMP

**The Share Registrar
AME ELITE CONSORTIUM BERHAD
(Registration No. 201801030789 (1292815-W))
c/o Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Khim,
Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan,
Malaysia.**

2nd Fold Here

Fold This Flap For Sealing