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PROSPECTUS

SPB
SINCE 1981

SPB DEVELOPMENT BERHAD

(Registration No. 202201037256 (1482953-X))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING ("IPO") OF 278,400,000 ORDINARY SHARES IN SPB DEVELOPMENT BERHAD ("COMPANY" OR "SPB DEVELOPMENT") ("IPO SHARES") IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED ORDINARY SHARES IN SPB DEVELOPMENT ("SHARE(S)") ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING A PUBLIC ISSUE OF 191,100,000 NEW SHARES AND AN OFFER FOR SALE OF 87,300,000 EXISTING SHARES INVOLVING:

(I) INSTITUTIONAL OFFERING OF 231,399,900 IPO SHARES TO INSTITUTIONAL AND SELECTED INVESTORS, INCLUDING BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY, MALAYSIA AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING ("INSTITUTIONAL PRICE"); AND

(II) RETAIL OFFERING OF 47,000,100 IPO SHARES TO THE MALAYSIAN PUBLIC AND THE ELIGIBLE PERSONS (AS DEFINED IN THIS PROSPECTUS) AT THE RETAIL PRICE OF RM[●] PER IPO SHARE ("RETAIL PRICE"), PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE BETWEEN THE RETAIL PRICE AND THE FINAL RETAIL PRICE (AS DEFINED IN THIS PROSPECTUS) IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE,

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS. THE FINAL RETAIL PRICE WILL BE EQUAL TO THE LOWER OF:

(I) THE RETAIL PRICE OF RM[●] PER IPO SHARE; OR

(II) THE INSTITUTIONAL PRICE

Principal Adviser, Bookrunner and Underwriter

HongLeong Investment Bank

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)

Financial Adviser

sierac
corporate advisers

Sierac Corporate Advisers Sdn Bhd
(Registration No. 200001013247 (515853-A))

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 6 MONTHS FROM THE DATE OF THIS PROSPECTUS.

[THE SECURITIES COMMISSION MALAYSIA ("**SC**") HAS APPROVED THE ISSUE, OFFER OR INVITATION FOR OFFERING UNDER SECTION 214(1) OF THE CAPITAL MARKETS AND SERVICES ACT 2007. THIS PROSPECTUS HAS BEEN REGISTERED BY THE SC.] THE APPROVAL AND REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE OFFERING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR SHARES BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF SPB DEVELOPMENT AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS DOCUMENT, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 172.

THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE OF MALAYSIA.

THIS PROSPECTUS IS DATED [●]

All defined terms used in this Prospectus are defined under "Presentation of Financial and Other Information" and "Definitions" commencing on pages x and xii of this Prospectus respectively.

RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

HLIB, being our Principal Adviser, Bookrunner and Underwriter, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

STATEMENTS OF DISCLAIMER

[Our Company has obtained the approval of Bursa Securities for our Listing.] Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares. The valuation utilised for the purpose of the IPO should not be construed as an endorsement by the SC or Bursa Securities, on the value of the subject assets.

[This Prospectus, together with the Application Form, has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.]

OTHER STATEMENTS

You should note that you may seek recourse under Sections 248, 249 and 357 of the CMSA for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act made in relation to this Prospectus or the conduct of any other person in relation to our Company.

Our Shares are offered to the public on the premise of full and accurate disclosure of all material information concerning our IPO, for which any person set out in Section 236 of the CMSA, is responsible.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith.

Investors should note that any agreement by the Underwriter named in this Prospectus to underwrite our Shares is not to be taken as an indication of the merits of our Shares being offered.

This Prospectus has been prepared and published solely for our IPO under the laws of Malaysia. This Prospectus has not been and will not be made to comply with the laws of jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority of any jurisdiction other than Malaysia.

Our Shares being offered in our IPO are offered solely based on the contents of this Prospectus. Our Company, Directors, Promoters, Selling Shareholder, Principal Adviser, Bookrunner and Underwriter take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. Our Company, Directors, Promoters, Selling Shareholder and Principal Adviser, Bookrunner and Underwriter have not authorised anyone to provide you with information which is not contained in this Prospectus.

It shall be your sole responsibility, if you are or may be subject to the laws of any countries or jurisdictions other than Malaysia, to consult your legal and/or professional advisers as to whether your application for our IPO would result in the contravention of any laws of such countries or jurisdictions. Neither we nor our Principal Adviser nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any such country or jurisdiction.

Further, it shall be your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you have accepted our IPO in Malaysia and will be subject only to the laws of Malaysia in connection therewith.

However, we reserve the right, in our absolute discretion, to treat any acceptances as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

ELECTRONIC PROSPECTUS

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus (as defined in this Prospectus) and the copy of this Prospectus registered by the SC are the same.

You are advised that the internet is not a fully secured medium and that your Internet Share Application may be subject to risks of problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions (as defined in this Prospectus). These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Principal Adviser or the Issuing House, a paper/printed copy of this Prospectus. In the event of any discrepancies arising between the contents of the Electronic Prospectus and the contents of the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered by the SC, shall prevail.

In relation to any reference in this Prospectus to third party internet sites ("**Third Party Internet Sites**") whether by way of hyperlinks or by way of description of the Third Party Internet Sites, you acknowledge and agree that:

(i) we and our Principal Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;

(ii) we and our Principal Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third Party Internet Sites. We and our Principal Adviser are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, information, files or other material provided by such parties; and

(iii) any data, information, files or other material downloaded from the Third Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer systems or loss of data resulting from the downloading of any such data, information, files or other material.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions, you are advised that:

(i) the Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions which may be viewed through web browser or other relevant software. The Internet Participating Financial Institutions shall not be responsible for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions, and subsequently communicated or disseminated in any manner to you or other parties; and

(ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed because the internet is not a fully secured medium.

The Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or cost, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

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Registration No. 202201037256 (1482953-X)

INDICATIVE TIMETABLE

The indicative timetable for our IPO is set out below:

Events	Tentative date
Opening of the Institutional Offering	[●]
Issuance of this Prospectus / Opening of the Retail Offering	10.00 a.m., [●]
Closing of the Retail Offering	5.00 p.m., [●]
Closing of the Institutional Offering	[●]
Price Determination Date	[●]
Balloting of applications for IPO Shares under the Retail Offering	[●]
Allotment / Transfer of IPO Shares to successful Applicants	[●]
Listing on the Main Market of Bursa Securities	[●]

In the event there is any change to the indicative timetable above, we will announce and advertise the notice of the changes on Bursa Securities' website and in a widely circulated English and Bahasa Malaysia daily newspapers in Malaysia respectively.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to the "**Company**" or "**SPB Development**" in this Prospectus are to SPB Development Berhad. All references to the "**Group**" are to our Company and Subsidiaries taken as a whole. References to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company or our Group or any member of our Group, as the context requires.

Unless the context otherwise requires, references to "**Management**" are to our Directors and our Key Senior Management as disclosed in this Prospectus and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

Certain abbreviations, acronyms and technical terms used are defined in the "Definitions" and "Glossary of Technical Terms" sections of this Prospectus. Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include companies and corporations, unless otherwise specified.

In this Prospectus, references to the "**Government**" are to the Government of Malaysia; and references to "**RM**" and "**sen**" are to the lawful currency of Malaysia. The word "**approximately**" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousand or 2 decimal place. Any discrepancies in the tables included in this Prospectus between the amounts listed and the total thereof are due to rounding.

Unless otherwise stated, any reference to dates and times in this Prospectus shall be a reference to dates and times in Malaysia. All references to the "**LPD**" in this Prospectus are referred to 31 August 2024, being the latest practicable date prior to the registration of this Prospectus with the SC.

Any reference to any enactment in this Prospectus shall be a reference to that enactment as for the time being or amended or re-enacted.

Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments. As a result, any discrepancies in the tables or charts between the amounts listed and the totals in this Prospectus are due to rounding. Where information is presented in thousands or millions of units, amounts may have been rounded up or down.

This Prospectus includes statistical data provided by our Management and various third parties. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, it can be assumed that the information originates from our Management or is extracted from Independent Market Research Report prepared by Protégé Associates (as defined in this Prospectus) which is included in **Section 8** of this Prospectus. We have appointed Protégé Associates to provide an Independent Market Research Report. In compiling their data for review, Protégé Associates had relied on its research methodology, industry sources, published materials, their own private databases and direct contacts within the industry. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate.

The information on our website, or any website directly and indirectly linked to such website does not form part of this Prospectus and should not be relied upon.

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements, which include all statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Management for future operations. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other important factors beyond our Group's control that could cause our actual results, performances or achievements to be materially different from future results, performances or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Group's present and future business strategies and the environment in which we operate.

Some of these statements can be identified by words that have a bias towards or are forward-looking such as "**may**", "**will**", "**would**", "**could**", "**believe**", "**expect**", "**anticipate**", "**estimate**", "**aim**", "**plan**", "**forecast**", "**project**" or similar expressions. Such forward-looking statements include, without limitation, statements relating to:

(i) demand of our products;

(ii) our business strategies and future plans;

(iii) our future financial position, earnings, cash flows and liquidity; and

(iv) our ability to pay future dividends.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

(i) COVID-19 and possible similar future outbreak;

(ii) the economic, political and investment environment in Malaysia; and

(iii) government policy, legislation or regulation.

Additional factors that could cause our actual results, performances or achievements to differ materially include, but are not limited to those discussed in **Section 9** - Risk Factors and **Section 12.3** - Management's Discussion and Analysis of Financial Condition and Results of Operations of this Prospectus. We cannot assure you that the forward-looking statements in this Prospectus will be realised.

These forward-looking statements are based on information available to us as at the LPD and are made available only as at the LPD. Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment/transfer of the IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provision of Section 238 of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6: Supplementary and Replacement Prospectus) of the Prospectus Guidelines.

DEFINITIONS

Unless the definitions are defined otherwise or the context requires otherwise, the following abbreviations shall apply throughout this Prospectus:

Acquisitions	:	Collectively, the following acquisitions: (i) Acquisition of Dayang Gemilang; (ii) Acquisition of Debunga Istimewa; (iii) Acquisition of Good Rate; (iv) Acquisition of Hektar Berlian; (v) Acquisition of Jendela Hijau; (vi) Acquisition of Laman Exotika; (vii) Acquisition of Mantap Megajuta; (viii) Acquisition of Naluri Wijaya; (ix) Acquisition of Panglima Juara; (x) Acquisition of Setara Hijau; and (xi) Acquisition of SPBSB
Acquisition of Dayang Gemilang	:	The acquisition by SPB Development of the entire issued share capital of Dayang Gemilang from Datuk Yap and Datin Loh comprising 500,000 ordinary shares in Dayang Gemilang for a purchase consideration of RM26,452,397.12, wholly satisfied by the issuance of 49,058,600 new Shares at an issue price of approximately RM0.54 per Share
Acquisition of Debunga Istimewa	:	The acquisition by SPB Development of the entire issued share capital of Debunga Istimewa from Datuk Yap and Datin Loh comprising 350,000 ordinary shares in Debunga Istimewa for a purchase consideration of RM1,021,622.24, wholly satisfied by the issuance of 1,894,700 new Shares at an issue price of approximately RM0.54 per Share
Acquisition of Good Rate	:	The acquisition by SPB Development of the entire issued share capital of Good Rate from Datuk Yap and Datin Loh comprising 250,002 ordinary shares in Good Rate for a purchase consideration of RM3,917,719.36, wholly satisfied by the issuance of 7,265,800 new Shares at an issue price of approximately RM0.54 per Share
Acquisition of Hektar Berlian	:	The acquisition by SPB Development of the entire issued share capital of Hektar Berlian from Datuk Yap, Datin Loh, Datuk Jacky Yap and Datuk Sean Yap comprising 1,000,000 ordinary shares in Hektar Berlian for a purchase consideration of RM1,875,014.08, wholly satisfied by the issuance of 3,477,400 new Shares at an issue price of approximately RM0.54 per Share
Acquisition of Jendela Hijau	:	The acquisition by SPB Development of the entire issued share capital of Jendela Hijau from Datuk Yap and Datin Loh comprising 3 ordinary shares in Jendela Hijau for a purchase consideration of RM107.84, wholly satisfied by the issuance of 200 new Shares at an issue price of approximately RM0.54 per Share

DEFINITIONS *(Cont'd)*

Acquisition of Laman Exotika	:	The acquisition by SPB Development of the entire issued share capital of Laman Exotika from Datuk Yap and Datin Loh comprising 350,000 ordinary shares in Laman Exotika for a purchase consideration of RM89,854,121.28, wholly satisfied by the issuance of 166,643,400 new Shares at an issue price of approximately RM0.54 per Share
Acquisition of Mantap Megajuta	:	The acquisition by SPB Development of the entire issued share capital of Mantap Megajuta from Datuk Yap comprising 7,500,000 ordinary shares in Mantap Megajuta for a purchase consideration of RM7,457,836.96, wholly satisfied by the issuance of 13,831,300 new Shares at an issue price of approximately RM0.54 per Share
Acquisition of Naluri Wijaya	:	The acquisition by SPB Development of the entire issued share capital of Naluri Wijaya from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap comprising 1,100,000 ordinary shares in Naluri Wijaya for a total purchase consideration of RM107.84, wholly satisfied by the issuance of 200 new Shares at an issue price of approximately RM0.54 per Share
Acquisition of Panglima Juara	:	The acquisition by SPB Development of the entire issued share capital of Panglima Juara from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap comprising 250,000 ordinary shares in Panglima Juara for a purchase consideration of RM6,546,211.52, wholly satisfied by the issuance of 12,140,600 new Shares at an issue price of approximately RM0.54 per Share
Acquisition of Setara Hijau	:	The acquisition by SPB Development of the entire issued share capital of Setara Hijau from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap comprising 750,000 ordinary shares in Setara Hijau for a total purchase consideration of RM107.84, wholly satisfied by the issuance of 200 new Shares at an issue price of approximately RM0.54 per Share
Acquisition of SPBSB	:	The acquisitions by SPB Development of the entire issued share capital of SPBSB from Datuk Yap and Datin Loh comprising 20,000,000 ordinary shares in SPBSB for a purchase consideration of RM260,210,694.72, wholly satisfied by the issuance of 482,586,600 new Shares at an issue price of approximately RM0.54 per Share
Act	:	Companies Act 2016
ADA	:	Authorised Depository Agent
AGM	:	Annual General Meeting
Anjuran Setara	:	Anjuran Setara Sdn Bhd
Applicants	:	Applicants for the subscription of our IPO Shares by way of Application Forms or by way of Electronic Share Application or by way of Internet Share Application
Application(s)	:	The application(s) for the IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application Form	:	The printed application forms for the application of the IPO Shares accompanying this Prospectus
ATM	:	Automated Teller Machine

DEFINITIONS *(Cont'd)*

Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application with respect to payments for our Issue Shares made available for application under the Public Issue
Bitara Niaga	:	Bitara Niaga Development Sdn Bhd
Board	:	Board of Directors of our Company
Bumiputera	:	In the context of: (i) individuals, Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies, a company which fulfils, among others, the following criteria or such other criteria as may be imposed by the MITI; (a) registered under the Act or Companies Act 1965 as a private company; (b) its shareholders are 100.00% Bumiputera; and (c) its board of directors (including its staff) are at least 51.00% Bumiputera; and (iii) cooperatives, a cooperative whose shareholders or cooperative members are at least 95.00% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CAGR	:	Compounded annual growth rate
CDS	:	Central Depository System
CDS Account(s)	:	Account(s) established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and for dealings in such securities by the Depositor
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	The constitution of our Company
COVID-19	:	Novel Coronavirus Disease 2019
Depositor	:	A holder of a CDS Account
Director(s)	:	Director(s) of our Company and within the meaning given in **Section 2** of the CMSA
EBIT	:	Earnings before interest and taxation
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
EIS	:	Employment Insurance System

DEFINITIONS *(Cont'd)*

Electronic Prospectus	:	A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs (compact disc read-only memory)
Electronic Share Application	:	An application for the IPO Shares through Participating Financial Institutions' ATM
Eligible Persons	:	Eligible employees and persons who have contributed to the success of our Group, as further detailed in **Section 4.2.2** of this Prospectus
EMSHAA	:	Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990
EMSHAA Regulations	:	Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020
EPF	:	Employees' Provident Fund
EPS	:	Earnings per Share
Equity Guidelines	:	Equity Guidelines issued by the SC
ESG	:	Environmental, social and governance
Final Retail Price	:	Final price per IPO Share to be paid by the investors under the Retail Offering, equivalent to the Retail Price or the Institutional Price, whichever is lower, to be determined on the Price Determination Date
FYE(s)	:	Financial year(s) ended/ending 31 December, as the case may be
GP	:	Gross profit
HLIB or the Principal Adviser or Bookrunner or Underwriter	:	Hong Leong Investment Bank Berhad
IMR or Protégé Associates	:	Protégé Associates Sdn Bhd, our independent market researcher
IMR Report	:	Independent Market Research Report on the Property Development Industry in Malaysia prepared by Protégé Associates as set out in **Section 8** of this Prospectus
Independent Valuers	:	CBRE WTW Valuation & Advisory Sdn Bhd and Henry Butcher Malaysia (Penang) Sdn Bhd
Initial Kulim Accommodation	:	The employees' accommodation previously provided by SPBSB to employees employed by subcontractors of our Group on a piece of land owned by our Group under HS(D) 80920, PT 9225, Bandar Lunas, District of Kulim, State of Kedah, as set out in **Annexure A** and item (d) of **Annexure D** of this Prospectus

DEFINITIONS *(Cont'd)*

Institutional Offering	:	Institutional offering of 231,399,900 IPO Shares at the Institutional Price, subject to clawback and reallocation provisions, to the institutional and selected investors as well as Bumiputera investors approved by MITI
Institutional Price	:	Price per IPO Share to be paid by investors under the Institutional Offering which will be determined on the Price Determination Date by way of bookbuilding
Internet Participating Financial Institutions	:	Participating financial institutions for the Internet Share Application, as listed in **Section 18** of this Prospectus
Internet Share Application	:	Application for the IPO Shares through an online share application service provided by the Internet Participating Financial Institutions
IPO	:	Our initial public offering of IPO Shares comprising the Public Issue and Offer for Sale
IPO Share(s)	:	Issue Share(s) and Offer Share(s), collectively
IRB	:	Inland Revenue Board
Issue Share(s)	:	191,100,000 new Share(s) to be issued under the Public Issue
IT	:	Information technology
Jubli Astana	:	Jubli Astana Sdn Bhd
Key Senior Management	:	The key senior management of our Company as set out in **Section 5.3** of this Prospectus
Listing	:	The admission to the Official List and the listing of and quotation for the entire enlarged issued share capital of SPB Development on the Main Market of Bursa Securities
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	31 August 2024, being the latest practicable date prior to the registration of this Prospectus by the SC
Malaysian Public	:	Malaysian citizens, and companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
Market Day(s)	:	Any day on which Bursa Securities is open for trading of securities
MCCG	:	Malaysian Code on Corporate Governance issued by the SC
MCO	:	Movement Control Order imposed by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 as a measure to contain the outbreak of COVID-19
MFRS	:	Malaysian Financial Reporting Standards
MIA	:	Malaysian Institute of Accountants
MITI	:	Ministry of Investment, Trade and Industry of Malaysia

DEFINITIONS *(Cont'd)*

Muafakat Seribina	:	Muafakat Seribina Sdn Bhd
MyIPO	:	Intellectual Property Corporation of Malaysia
N/A	:	Not applicable
NA	:	Net assets attributable to owners of our Company
NBV	:	Net book value
New Kulim Accommodation	:	The employees' accommodation provided by SPBSB to employees employed by subcontractors of our Group on a piece of land owned by our Group under HS(D) 80921, PT 9226, Section 11 in Bandar Lunas, District of Kulim, State of Kedah since February 2024, as set out in **Annexure A** and item (d) of **Annexure D** of this Prospectus
NL	:	Net liabilities
Offer for Sale	:	Offer for sale of 87,300,000 IPO Shares by the Selling Shareholder
Offer Share(s)	:	87,300,000 existing Share(s) to be offered by the Selling Shareholder pursuant to the Offer for Sale
Official List	:	A list specifying all securities which have been admitted for listing on the Main Market of Bursa Securities
Pakar Mewah	:	Pakar Mewah Sdn Bhd
Participating Financial Institutions	:	Participating financial institutions for the Electronic Share Application, as listed in **Section 18** of this Prospectus
Participating Securities Firms	:	Participating securities firms for the Internet Share Application, as listed in **Section 18** of this Prospectus
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PE	:	Price-to-earnings
Penang Lands	:	Penang Land 1 and Penang Land 2, collectively

DEFINITIONS *(Cont'd)*

Penang Land 1	:	23 lots of land, all situated in Mukim 13, District of Seberang Perai Utara, State of Penang as more particularly set out as follows: (i) Geran Mukim 56 Lot No. 275; (ii) Geran Mukim 58 Lot No. 1034; (iii) Geran Mukim 59 Lot No. 1257; (iv) Geran Mukim 60 Lot No. 1228; (v) Geran Mukim 63 Lot 1045; (vi) Geran Mukim 64 Lot No. 1032; (vii) Geran Mukim 65 Lot No. 1258; (viii) Geran Mukim 117 Lot No. 1059; (ix) Geran Mukim 118 Lot No. 1060; (x) Geran Mukim 120 Lot No. 1201; (xi) Geran Mukim 121 Lot No. 1061; (xii) Geran Mukim 285 Lot No. 1055; (xiii) Geran Mukim 812 Lot 5835; (xiv) Geran Mukim 813 Lot 5836; (xv) Geran Mukim 814 Lot 5834; (xvi) Geran 20175 Lot No. 1031; (xvii) Geran 20176 Lot No. 1033; (xviii) Geran 20179 Lot No. 1256; (xix) Geran 23701 Lot 1193; (xx) Geran 25661 Lot 1259; (xxi) Geran 25662 Lot 1260; (xxii) Geran 129546 Lot 2333; and (xxiii) Geran 155813 Lot 5837
Penang Land 2	:	1 lot of land situated in Geran Mukim 57 Lot 779, Mukim 13, District of Seberang Perai Utara, State of Penang
Pernara Jaya	:	Pernara Jaya Sdn Bhd
Period Under Review	:	FYE 2021, FYE 2022, and FYE 2023, collectively
Pink Form Allocation	:	28,440,100 Issue Shares made available for application by the Eligible Persons
Pink Application Form	:	Application form for the application of our Issues Shares under the Retail Offering by the Eligible Persons
PKYap Family Capital	:	PKYap Family Capital Sdn Bhd
PKYap Holdings	:	PKYap Holdings Sdn Bhd

DEFINITIONS *(Cont'd)*

Placement Agreement	:	The placement agreement to be entered into by our Company, the Selling Shareholder, and the Bookrunner in respect of such number of IPO Shares to be offered under the Institutional Offering
Plentong Land	:	7 pieces of land, all situated in Mukim of Plentong, District of Johor Bahru, State of Johor as more particularly set out as follows: (i) Geran 293593 Lot 96803; (ii) Geran 293632 Lot 96804; (iii) Geran 293304 Lot 96808; (iv) Geran 293306 Lot 96810; (v) Geran 293635 Lot 121217; (vi) HS(D) 635236 PTD 243927; and (vii) HS(D) 635235 PTD 243926 The land titles for items (vi) and (vii) above are new land titles issued on 1 July 2024 for two pieces of land previously held under Geran 293424 Lot 121218 and Geran 293428 Lot 121220
Plentong JV Land	:	12 pieces of land, all situated in Mukim of Plentong, District of Johor Bahru, State of Johor as more particularly set out as follows: (i) HS(D) 310462 PTD 149718; (ii) Geran 293552 Lot 96785; (iii) Geran 293414 Lot 96802; (iv) Geran 293418 Lot 96805; (v) Geran 293308 Lot 96811; (vi) Geran 293309 Lot 121216; (vii) HS(D) 584340 PTD 235731; (viii) HS(D) 584341 PTD 235734; (ix) HS(D) 584342 PTD 235735; (x) HS(D) 584343 PTD 235737; (xi) HS(D) 636875 PTD 235739 (previously known as HS(D) 584344 PTD 235739); and (xii) HS(D) 636876 PTD 235741 (previously known as HS(D) 584345 PTD 235741)
Prasarana Pesona	:	Prasarana Pesona Sdn Bhd
Prescribed Securities	:	Securities of a company that are prescribed by Bursa Securities to be deposited in the CDS subject to the provision of the SICDA and the Rules of Bursa Depository
Price Determination Date	:	The date on which the Institutional Price and the Final Retail Price will be determined
Promoter(s)	:	PKYap Holdings, PKYap Family Capital, Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan, collectively

DEFINITIONS *(Cont'd)*

Prospectus	:	This Prospectus dated [●] in relation to our IPO
PSRSB	:	P.K. Yap & Sons Realty Sdn Bhd
Public Issue	:	Public issue of 191,100,000 IPO Shares comprising the Retail Offering and Institutional Offering
Retail Offering	:	Retail offering of 47,000,100 Issue Shares at the Retail Price, subject to clawback and reallocation provisions, to the Malaysian Public and Eligible Persons
Retail Price	:	Initial price of RM[●] per IPO Share under the Retail Offering, subject to adjustment as detailed in **Section 4.3** of this Prospectus
Rules of Bursa Depository	:	The rules of Bursa Depository as issued pursuant to the SICDA
SC	:	Securities Commission Malaysia
Selling Shareholder	:	Datuk Yap
Share(s)	:	Ordinary share(s) in SPB Development
Share Transfer	:	The share transfer of 630,990,220 Shares by Datuk Yap to: (i) Datin Loh (spouse), Datuk Jacky Yap (son), Datuk Sean Yap (son) and Yap Lih Shyan (daughter); (ii) PKYap Holdings; and (iii) PKYap Family Capital, during the prescription period, being one day after the launching date of the Prospectus up to a period of 30 days
SICDA	:	Securities Industry (Central Depositories) Act 1991
Sierac or Financial Adviser	:	Sierac Corporate Advisers Sdn Bhd
SOCSO	:	Social Security Organisation
SOP	:	Standard operating procedures
SPB Development or the Company	:	SPB Development Berhad
SPB Group or Group	:	SPB Development and our Subsidiaries
sq. ft.	:	Square feet
sq. m.	:	Square metre
Subsidiaries	:	The companies listed in page xx and each individually referred to as "Subsidiary"
TNB	:	Tenaga Nasional Berhad

DEFINITIONS *(Cont'd)*

Tricor or Issuing House	:	Tricor Investor & Issuing House Services Sdn Bhd
Underwriting Agreement	:	The underwriting agreement dated [●] entered into between our Company and our Underwriter pursuant to our IPO
White Application Form	:	Application form for the application of our Issue Shares by the Malaysian Public
WHO	:	World Health Organisation
Zen Serbajuta	:	Zen Serbajuta Sdn Bhd

OUR SUBSIDIARIES (IN ALPHABETICAL ORDER)

Dayang Gemilang	:	Dayang Gemilang Sdn Bhd
Debunga Istimewa	:	Debunga Istimewa Sdn Bhd
Ekuiti Idaman	:	Ekuiti Idaman Sdn Bhd
Good Rate	:	Good Rate Holdings Sdn Bhd
Hektar Berlian	:	Hektar Berlian Sdn Bhd
Jendela Hijau	:	Jendela Hijau Sdn Bhd
Laman Exotika	:	Laman Exotika Sdn Bhd
Mantap Megajuta	:	Mantap Megajuta Sdn Bhd
Modal Cergas	:	Modal Cergas Lestari Sdn Bhd
Naluri Wijaya	:	Naluri Wijaya Sdn Bhd
Panglima Juara	:	Panglima Juara Sdn Bhd
Rentas Dinamik	:	Rentas Dinamik Sdn Bhd
Setara Hijau	:	Setara Hijau Sdn Bhd
SPBSB	:	Sri Pengkalan Binaan Sdn Bhd

INDIVIDUALS (IN ALPHABETICAL ORDER)

Datin Loh	:	Datin Loh Ngook Chan
Datuk Jacky Yap	:	Datuk Yap Jyh Haur
Datuk Sean Yap	:	Datuk Yap Jyh-Shyong
Datuk Yap	:	Datuk Yap Pit Kian

CURRENCY

RM and sen	:	Ringgit Malaysia and Sen, respectively

GLOSSARY OF TECHNICAL TERMS

This glossary contains explanation of certain terms used throughout this Prospectus in connection with our Group's business. The terminologies and their meanings may not correspond to the standard industry usage of these terms.

3D	:	Three-dimensional. In the context of BIM, 3D refers to a digital representation of a building or infrastructure that includes its geometry and spatial relationships in three dimensions (width, height and depth)
Apartment	:	A multi-storey residential building where each floor contains multiple units, with each unit having strata ownership
BIM	:	Building information modelling, a modelling technology that integrates a set of processes to create, manage, and analyse detailed 3D models of buildings and infrastructure developments
CCC / CFO	:	Certificate of completion and compliance or certificate of fitness of occupation issued by the principal submitting person or the relevant authority under the Street, Drainage and Building Act 1974 and any by-laws made under it or such other relevant legislation applicable at the material time to certify that the building has been constructed and completed in accordance with the relevant laws and approved plans and is safe and fit for occupation
CIDB	:	Construction Industry Development Board of Malaysia
Cluster house	:	A type of residential property where terraced houses are built together in clusters, typically comprising 4 to 6 units, sharing a common wall on at least one side
D&D	:	Design and development
Defect liability period	:	A period of time after a development phase has been completed where the property developer is obliged to remedy any defects found and/or reported within specified period as stipulated in the SPA
Flat	:	A multi-storey residential building where each floor contains multiple units, with each unit having strata ownership. In Malaysia, the term 'flat' commonly used to describe affordable housing, particularly in the context of public housing
Formwork	:	A temporary structure that is erected and assembled to mould and shape concrete into the required dimensions and/or support structural elements. Aluminium formworks are made of aluminium panels with reusable value
GDC	:	Gross development cost, being the estimated total costs to be incurred in the completion of a development phase
GDV	:	Gross development value, being the estimated sales value of the properties within a development phase. GDV comprises total value of units sold based on SPA price and total value of unsold units based on listing price

GLOSSARY OF TECHNICAL TERMS *(Cont'd)*

IBS	:	Industrialised building system, a construction method that utilises techniques, components and building systems which involve off-site prefabricated components and structures and onsite installation. IBS systems (as defined by Construction Industry Standard 24 issued by CIDB) are categorised into precast concrete system, metal framing systems, formwork system, timber framing system, blockwork system and other prefabricated components
LAD	:	Liquidated ascertained damages which are due to a customer at a rate stated in the SPA when the property developer fails to deliver the completed work within the period stipulated in the said SPA
Landbank	:	Land held for future development
QLASSIC	:	Quality Assessment System in Construction, a system or method to measure and evaluate the workmanship quality of a building construction work based on Construction Industry Standard. QLASSIC enables the quality of workmanship between construction projects to be objectively compared through a scoring system
SPA(s)	:	Sale and purchase agreement(s)
Take-up rate	:	The take-up rate which is expressed in percentage term refers to the proportion of the number of units sold out of the total number of units for sale
Townhouse	:	2 individual residential units connected within a 2-storey house, with the lower-level unit having direct ground floor access and the upper-level unit accessible via an external staircase
Vacant possession	:	The delivery of housekeys to home buyers
Villament	:	A type of property design that combines the features of a villa and apartment
Zero lot house	:	A bungalow house with one side of the house built closer to the boundary line of the property lot, often about 5 feet from the boundary

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Registration No. 202201037256 (1482953-X)

1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Designation	Address	Nationality
Datuk Yap	Non-Independent Executive Chairman	Lot 708-1B, Jalan Padang Temu Padang Temu 75050 Melaka	Malaysian
Datuk Jacky Yap	Non-Independent Executive Director / Chief Executive Officer	Lot 708-1C, Jalan Padang Temu Padang Temu 75050 Melaka	Malaysian
Yap Lih Shyan (F)	Non-Independent Executive Director / Chief Operating Officer	Lot 708-1B, Jalan Padang Temu Padang Temu 75050 Melaka	Malaysian
Dato' Asmuni Bin Sudin	Senior Independent Non-Executive Director	43, Jalan Adang U8/18 Bukit Jelutong 40150 Shah Alam Selangor	Malaysian
Dr. Yan Huey Jiuan (F)	Independent Non-Executive Director	B4-1, Tiara Faber Condominium Taman Desa 58100 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Malaysian
Oh Ai Sim (F)	Independent Non-Executive Director	Lot 751, Jalan Seri Pagi Country Heights 43000 Kajang Selangor	Malaysian

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Oh Ai Sim	Chairperson	Independent Non-Executive Director
Dato' Asmuni Bin Sudin	Member	Senior Independent Non-Executive Director
Dr. Yan Huey Jiuan	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Dato' Asmuni Bin Sudin	Chairman	Senior Independent Non-Executive Director
Dr. Yan Huey Jiuan	Member	Independent Non-Executive Director
Oh Ai Sim	Member	Independent Non-Executive Director

NOMINATING COMMITTEE

Name	Designation	Directorship
Dr. Yan Huey Jiuan	Chairperson	Independent Non-Executive Director
Dato' Asmuni Bin Sudin	Member	Senior Independent Non-Executive Director
Oh Ai Sim	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY *(Cont'd)*

COMPANY SECRETARY	:	**Lim Li Fang** (MAICSA 7012923) (SSM Practising Certificate No. 201908001228) Chartered Secretary Associate of the Malaysian Institute of Chartered Secretaries and Administrators 50-1, 52-1 & 54-1, Jalan BPM 2 Taman Bukit Piatu Mutiara 75150 Melaka Telephone No. +606 - 283 2398
REGISTERED OFFICE	:	50-1, 52-1 & 54-1, Jalan BPM 2 Taman Bukit Piatu Mutiara 75150 Melaka Telephone No.: +606 - 283 2398
HEAD OFFICE	:	No. 16 & 17, Plaza Seri Kubu Jalan Tan Chay Yan 75300 Melaka Telephone No.: +606 - 281 0003 Email: info@spb.my Website: www.spb-property.my
SELLING SHAREHOLDER	:	**Datuk Yap Pit Kian** Lot 708-1B, Jalan Padang Temu Padang Temu 75050 Melaka
PRINCIPAL ADVISER, BOOKRUNNER AND UNDERWRITER	:	**Hong Leong Investment Bank Berhad** (Registration No. 197001000928 (10209-W)) Level 28, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Telephone No.: +603 - 2083 1800

1. CORPORATE DIRECTORY *(Cont'd)*

FINANCIAL ADVISER	:	**Sierac Corporate Advisers Sdn Bhd** (Registration No. 200001013247 (515853-A)) Suite 12-07 Menara 1MK Kompleks 1 Mont Kiara No. 1 Jalan Kiara Mont Kiara 50480 Kuala Lumpur Telephone No.: +603 - 2389 3697
		Director : Teh Sew Hong
		Professional qualification : ▪ Malaysian Institute of Certified Public Accountants (Membership No. 2995) ▪ Chartered Accountant, Malaysian Institute of Accountants (Membership No. 9931) ▪ Certified Practising Accountants of Australia (Membership No. 9516651) ▪ Fellow member of the Association of Chartered Certified Accountants (Membership No. 2022862)
SOLICITORS FOR OUR IPO	:	**Tay & Partners** 6th Floor, Plaza See Hoy Chan Jalan Raja Chulan 50200 Kuala Lumpur Telephone No.: +603 - 2050 1888
AUDITORS AND REPORTING ACCOUNTANTS	:	**Grant Thornton Malaysia PLT** (Firm No: 201906003682 (LLP0022494-LCA) & AF 0737) Chartered Accountants Level 11, Sheraton Imperial Court Jalan Sultan Ismail 50250 Kuala Lumpur Telephone No.: +603 - 2692 4022
		Partner : Lee Sheau Wei
		Approval No. : 03539/12/2024 J
		Professional qualification : ▪ Chartered Accountant, Malaysian Institute of Accountants (Membership No. 40672) ▪ Fellow member of the Association of Chartered Certified Accountants (Membership No. 1218199)

1. CORPORATE DIRECTORY *(Cont'd)*

ISSUING HOUSE AND SHARE REGISTRAR : **Tricor Investor & Issuing House Services Sdn Bhd**
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
8, Jalan Kerinchi
59200 Kuala Lumpur
Telephone No.: +603 - 2783 9299

INDEPENDENT MARKET RESEARCHER : **Protégé Associates Sdn Bhd**
(Registration No. 200401037256 (675767-H))
Suite C-09-12
Plaza Mont' Kiara
2 Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur
Telephone No.: +603 - 6201 9301

Person-in-charge : Seow Cheow Seng

Professional qualification :
- Master in Business Administration from Charles Sturt University, Australia
- Bachelor of Business specialising in Marketing from RMIT University, Australia

INDEPENDENT VALUERS : **CBRE WTW Valuation & Advisory Sdn Bhd**
(Registration No. 197401001098 (18149-U))
30.01, 30th Floor, Menara Multi-Purpose @ CapSquare
No. 8, Jalan Munshi Abdullah
P O Box 12157
50100 Kuala Lumpur
Telephone No.: +603 - 2616 8888

Person-in-charge : Sr. Heng Kiang Hai

Professional qualification : Registered Valuer of the Board of Valuers, Appraisers, Estate Agents and Property Managers (Registration No. V-486)

Henry Butcher Malaysia (Penang) Sdn. Bhd.
(Registration No. 198901000192 (177498-P))
142-M, Jalan Burma
10050 Penang
Telephone No.: +604 - 229 8999

Person-in-charge : Sr. Dr. Teoh Poh Huat

Professional qualification : Registered Valuer of the Board of Valuers, Appraisers, Estate Agents and Property Managers (Registration No. V-296)

LISTING SOUGHT : Main Market of Bursa Securities

2. INTRODUCTION

2.1 APPROVALS AND CONDITIONS

2.1.1 SC

The SC had, via its letter dated [●], approved our IPO and Listing under Section 214(1) of the CMSA and the equity requirements for public listed companies, subject to compliance with the following conditions:

Details of conditions imposed	Status of compliance
[●]	[●]

In addition, the SC had, via the same letter approved the resultant equity structure of our Company pursuant to our Listing under the Bumiputera equity requirement for public listed companies.

2.1.2 Bursa Securities

Bursa Securities had, via its letter dated [●], resolved to approve the admission of our Company to the Official List and the listing of and quotation for our entire enlarged issued share capital on the Main Market of Bursa Securities, subject to the following conditions:

Details of conditions imposed	Status of compliance
[●]	[●]

2.1.3 MITI

The MITI had, via its letter dated [●], taken note and has no objection to our Listing.

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2. INTRODUCTION *(Cont'd)*

2.2 MORATORIUM ON OUR SHARES

In accordance with Paragraph 5.29(a), Part II of the Equity Guidelines, our Shares held by the following shareholders are subject to moratorium:

(i) PKYap Holdings, PKYap Family Capital, Datin Loh and Datuk Sean Yap in their capacity as a substantial shareholder and our Promoter;

(ii) Datuk Yap in his capacity as the Non-Independent Executive Chairman, a substantial shareholder and our Promoter; and

(iii) Datuk Jacky Yap and Yap Lih Shyan in their capacity as a Non-Independent Executive Director, a substantial shareholder and our Promoter;

and they are not allowed to sell, transfer or assign any of their holdings in the securities of our Company as at the date of our Listing for six months from the date of our Listing ("**Moratorium Period**").

The details of our Shares which will be held under moratorium are as follows:

	Direct		Indirect	
Name	**No. of Shares to be held under moratorium**	**(1)%**	**No. of Shares to be held under moratorium**	**(1)%**
Promoters and substantial shareholders				
PKYap Holdings(2)	473,280,000	51.00	-	-
PKYap Family Capital(3)	83,520,000	9.00	-	-
Datin Loh	18,560,000	2.00	(4)83,520,000	9.00
Datuk Sean Yap	18,560,000	2.00	(4)83,520,000	9.00
Promoters, Directors and substantial shareholders				
Datuk Yap	18,560,000	2.00	(5)593,920,000	64.00
Datuk Jacky Yap	18,560,000	2.00	(4)83,520,000	9.00
Yap Lih Shyan	18,560,000	2.00	(4)83,520,000	9.00
Total	**649,600,000**	**70.00**		

Notes:

(1) Calculated based on the enlarged number of 928,000,000 Shares after our IPO.

*(2) PKYap Holdings will hold 473,280,000 Shares in SPB Development upon the Listing via the Share Transfer as disclosed in **Section 4.2.4** of this Prospectus.*

*(3) PKYap Family Capital will hold 83,520,000 Shares in SPB Development upon the Listing via the Share Transfer as disclosed in **Section 4.2.4** of this Prospectus.*

(4) Deemed interested by virtue of his/her direct interest in PKYap Family Capital pursuant to Section 8 of the Act.

(5) Deemed interested by virtue of his direct interest in PKYap Holdings and PKYap Family Capital pursuant to Section 8 of the Act and by virtue of his spouse, Datin Loh's and his son, Datuk Sean Yap's interest pursuant to Section 59(11) of the Act.

Our Promoters and substantial shareholders have provided their written undertakings that they are not allowed to sell, transfer or assign any of their holdings in the securities of our Company as at the date of our listing during the Moratorium Period, in accordance with the Equity Guidelines.

2. INTRODUCTION *(Cont'd)*

In accordance, with Paragraph 5.30, Part II of the Equity Guidelines, the shareholders of PKYap Holdings, namely Datuk Yap and Datin Loh and the shareholders of PKYap Family Capital, namely Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan, have also provided their written undertakings that they will not sell, transfer or assign any of their respective holdings in PKYap Holdings and PKYap Family Capital which are not listed, during the Moratorium Period, in accordance with the Equity Guidelines.

The abovementioned moratorium restrictions are specially endorsed on the share certificates representing our Shares held by our Promoters and substantial shareholders which are under moratorium to ensure that our Share Registrar does not register any transfer that contravenes such restrictions. In compliance with the restrictions, Bursa Depository will, on our Share Registrar's instructions in the prescribed forms, ensure that the trading of these Shares is not permitted during the Moratorium Period.

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3. PROSPECTUS SUMMARY

THIS PROSPECTUS SUMMARY ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE PROSPECTUS PRIOR TO DECIDING ON WHETHER TO INVEST IN OUR SHARES.

3.1 PRINCIPAL DETAILS OF OUR IPO

Subject to the terms and conditions of this Prospectus and the clawback and reallocation provisions as set out in **Section 4.2.6** of this Prospectus, our IPO consists of a total of 278,400,000 IPO Shares, representing 30% of our enlarged issued share capital comprising:

(a) the Institutional Offering at the Institutional Price; and

(b) the Retail Offering at the Retail Price subject to adjustment as detailed in **Section 4.3** of this Prospectus.

The Public Issue will increase our issued share capital from RM397,336,941 comprising 736,900,000 Shares to RM[●] comprising 928,000,000 Shares. Based on the Retail Price of RM[●] per IPO Share, the total market capitalisation of our Company will be RM[●] upon Listing. The pro forma combined NA per Share as at 31 December 2023 after the IPO and use of proceeds will be RM[●].
Our IPO Shares will be allocated in the following manner:

	Offer for Sale		**Public Issue**		**Total IPO Shares**	
Category	**No. of Shares**	**(1)%**	**No. of Shares**	**(1)%**	**No. of Shares**	**(1)%**
Institutional Offering:						
- Bumiputera investors approved by MITI	-	-	116,000,000	12.50	116,000,000	12.50
- Institutional and selected investors	87,300,000	9.41	28,099,900	3.03	115,399,900	12.44
Sub-total	**87,300,000**	**9.41**	**144,099,900**	**15.53**	**231,399,900**	**24.94**
Retail Offering:						
Eligible Persons						
- Eligible employees of our Group	-	-	1,823,200	0.20	1,823,200	0.20
- Persons who have contributed to the success of our Group	-	-	26,616,900	2.86	26,616,900	2.86
Malaysian Public (via balloting)						
- Bumiputera	-	-	9,280,000	1.00	9,280,000	1.00
- Non-Bumiputera	-	-	9,280,000	1.00	9,280,000	1.00
Sub-total	**-**	**-**	**47,000,100**	**5.06**	**47,000,100**	**5.06**
Total	**87,300,000**	**9.41**	**191,100,000**	**20.59**	**278,400,000**	**30.00**

Note:

(1) Calculated based on our enlarged number of 928,000,000 Shares after our IPO.

Please refer to **Section 4** of this Prospectus for further details of our IPO.

The entire shareholdings of PKYap Holdings, PKYap Family Capital, Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan will be held under moratorium for a period of six months from the date of our Listing. In addition, the shareholders of PKYap Holdings, namely Datuk Yap and Datin Loh and the shareholders of PKYap Family Capital, namely Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan, have also undertaken that they will not sell, transfer or assign any of their respective holdings in PKYap Holdings and PKYap Family Capital which are not listed respectively for six months from the date of our Listing. Please refer to **Section 2.2** of this Prospectus for further details of the moratorium on our Shares.

3. PROSPECTUS SUMMARY *(Cont'd)*

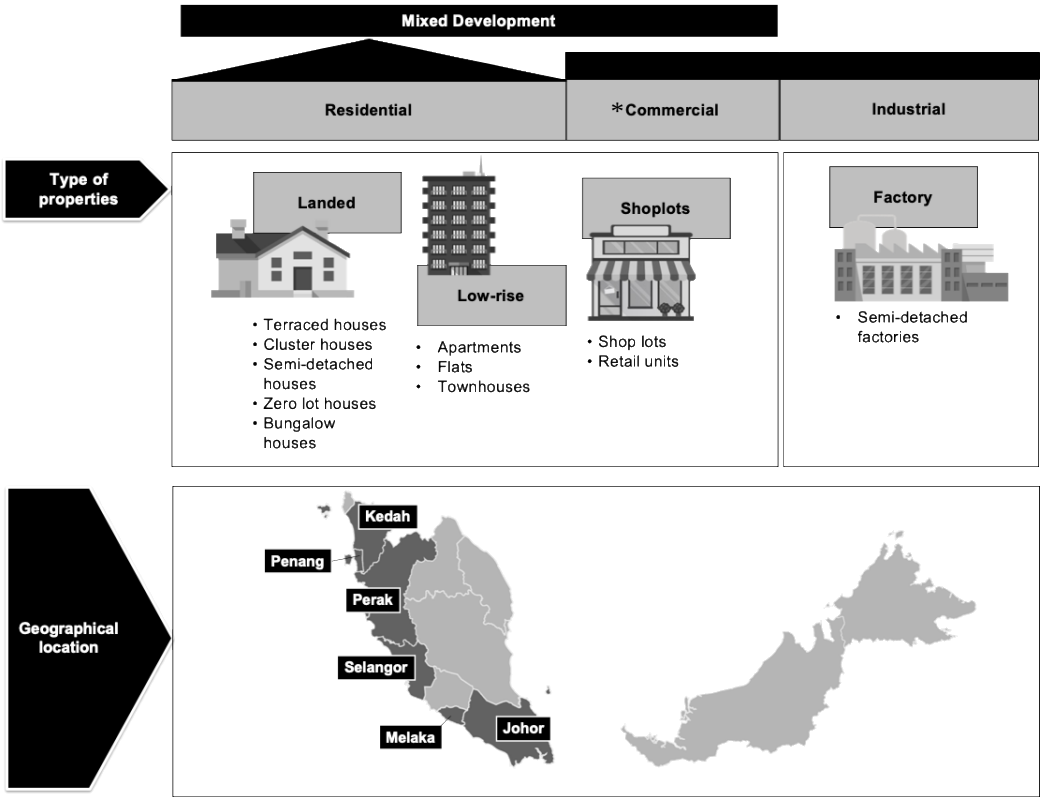
3.2 BACKGROUND AND OVERVIEW

Our Company was incorporated in Malaysia under the Act on 6 October 2022 as a private limited company under the name of SPB Development Sdn Bhd. On 9 August 2024, our Company was converted into a public limited company and assumed its present name, SPB Development Berhad.

Our Company is principally an investment holding company. Through our Subsidiaries, we are primarily involved in the property development business in Malaysia whereby we develop and sell residential, mixed development and industrial properties.

Please refer to **Section 6.5** of this Prospectus for more details of the principal activities of our Subsidiaries.

Our business model is as follows:



Note:

* *We have been involved in the development of residential, mixed development and industrial properties since the commencement of our business. During the Period Under Review, the commercial properties development is to complement the residential development as part of the overall township development strategy of our Group.*

Currently, the type of our developments by location is as follows:

Location	Type of property developments
Melaka	Residential development.
Johor	Mixed development. As at the LPD, our ongoing development for Taman Akasia consists of residential properties and planned commercial properties. We owned landbank measuring approximately 16.43 acres which has been zoned for commercial properties.
Selangor	Residential development.
Kedah	Mixed development. As at the LPD, our ongoing development for Taman La Casa Lunas consists of residential properties. We owned landbank measuring approximately 17.51 acres which has been zoned for commercial properties.

3. PROSPECTUS SUMMARY *(Cont'd)*

Our Group owns landbank in Penang and Perak, and currently we have yet to carry out any development in Penang and Perak.

Moving forward, our plan is to focus on residential and mixed development. The commercial properties development will complement the residential development as part of the overall township development strategy of our Group. Our unique product positioning emphasizes offering affordable homes that cater to the needs of the mass market, providing an attainable path to homeownership. Our only industrial development represents revenue generated from the sale of the completed semi-detached factories in FYE 2021 and FYE 2023, which have been fully sold.

Please refer to **Section 7.3.2** of this Prospectus for further information on our completed developments, on-going developments, future developments and our landbank for future developments.

The breakdown of our Group's revenue by principal activities during the Period Under Review are as follows:

	Audited					
	FYE 2021		**FYE 2022**		**FYE 2023**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**
Property development:						
- Residential	48,069	45.97	40,205	26.77	26,614	13.25
- Industrial	4,570	4.37	-	-	6,170	3.07
- Mixed development						
- Residential	49,259	47.11	97,682	65.05	167,420	83.38
Subtotal	**101,898**	**97.45**	**137,887**	**91.82**	**200,204**	**99.70**
Others:						
- Construction services	2,665	2.55	12,281	8.18	-	-
- Sale of land	-	-	-	-	606	0.30
Subtotal	**2,665**	**2.55**	**12,281**	**8.18**	**606**	**0.30**
Total revenue	**104,563**	**100.00**	**150,168**	**100.00**	**200,810**	**100.00**

Please refer to **Section 12.3.3.1** of this Prospectus for the analysis of our Group's revenue by activities and by geographical locations and developments.

3.3 COMPETITIVE STRENGTHS

Our Directors believe that our business sustainability and future growth is built on the following competitive strengths:

(i) **a sizeable pipeline of on-going and future developments, with an estimated GDV of approximately RM389 million and RM956 million respectively.** Our on-going developments with an estimated GDV of approximately RM389 million are located in Melaka, Kedah and Johor which mainly comprise of residential properties and are expected to sustain our Group for approximately 3 years until 2027 while our future developments with an estimated GDV of approximately RM956 million are located in Melaka, Selangor, Johor and Kedah which also comprise of residential properties and estimated to sustain our Group for approximately 8 years until 2032;

(ii) **our undeveloped landbank of approximately 664 acres as at the LPD reserved for future developments and we are in the process of acquiring the Plentong Land measuring approximately 187 acres.** Our undeveloped landbanks are located in Melaka (39.75 acres), Johor (89.00 acres), Kedah (23.87 acres), Selangor (120.21 acres), Perak (199.96 acres) and Penang (191.51 acres). This is in line with our aim to acquire or develop strategic landbanks located near established industrial area and key economic centres at reasonable prices to increase our landbanks when the opportunity arises;

(iii) a proven track record of approximately 31 years with our ability to attract property buyers. We have been involved in the property development industry in Malaysia for approximately 31 years since 1993 and have established ourselves as a reputable residential property developer in Melaka. Over the years, we have expanded our operations and property development portfolio beyond Melaka, encompassing Selangor, Kedah and Johor. The majority of our completed and ongoing developments have received positive market acceptance from individual buyers or companies as reflected by the take-up rate of our properties in Melaka and Kedah. The positive reception towards our developments is primarily due to our reputation built over the past 31 years as a property developer, unique product positioning offering affordable homes catering to needs of the mass market, design excellence, our extensive experience that instils confidence in prospective buyers and our commitment to deliver quality properties to buyers;

(iv) an experienced and hands-on Non-Independent Executive Chairman, Directors and Key Senior Management to lead and manage the business operations. Our founder and Non-Independent Executive Chairman, Datuk Yap has contributed significantly to our Group's growth and development through his experience, and he is supported by our Key Senior Management who have strong industry and functional expertise. Our Key Senior Management has established networks of business contacts that have assisted us in acquiring landbanks, planning and completing our developments; and

(v) adoption of IBS and engagement of consultants utilising BIM software in our property developments enhance efficiency and quality. We have adopted IBS by incorporating the usage of aluminium formwork in the construction of our property developments which offers several benefits, including rapid assembly and dismantling, reduced labour and material costs due to its lightweight nature, improved quality and consistency in concrete finishing. In addition, we engage third party civil and structural engineers during development planning stage where they utilise BIM software to perform comprehensive analysis on the proposed development concept and to minimise the risk of rework and delays in order to achieve optimised outcomes for our property development.

Please refer to **Section 7.8** of this Prospectus for more details of our competitive strengths.

3.4 BUSINESS STRATEGIES AND FUTURE PLANS

Our Group intends to undertake the following business strategies and future plans:

(i) Expansion through acquisition of landbank(s) and/or joint venture arrangement(s)

We plan to use RM[●] million, representing [●]% of the proceeds to be raised from our Public Issue to expand or replenish our landbank for future development projects, either by direct purchase and/or through joint venture arrangements, where these landbanks may have obtained the necessary planning and development consents. We aim to acquire strategic landbanks located near established industrial areas and key economic centres at reasonable prices to increase our landbanks when the opportunity arises. Subject to outcomes of feasibility studies, our Group will also consider joint venture with potential landowners to develop and/or invest in land, such as in Selangor, Penang, Kedah, Melaka and Johor, where these areas are targeted for potential future residential and mixed development, supported by well-established infrastructure and amenities.

3. PROSPECTUS SUMMARY *(Cont'd)*

(ii) Strengthening our market presence in Melaka, Kedah, Selangor and Johor and expanding our footprint in Penang

Our Group has been primarily involved in the property development in Melaka and we expanded to mixed development projects in other states in 2019. After considering the take-up rate for our properties and our understanding of the property markets in Melaka, Kedah, Selangor and Johor, we are committed to further strengthening our market presence in these states, by completing the development of both on-going and future phases. As mentioned in **Annexure F** and **Section 7.16.1** of this Prospectus, in January 2024, we have completed the land acquisitions in Seberang Perai, Penang and as at the LPD, we are in the midst of submitting the planning permission. As we target to strengthen our presence in Melaka, Kedah, Selangor and Johor as well as expanding our footprint in Penang, we intend to fund our ongoing and future developments in these states through a combination of internally generated funds and/or bank borrowings and/or IPO proceeds.

(iii) Purchase of aluminium formwork

We have allocated RM[●] million, representing [●]% of the proceeds to be raised from our Public Issue to partly fund the purchase of aluminium formwork to support the construction of our future developments in Banting, Selangor and Seberang Perai Utara, Penang. The aluminium formwork serves as a solution that allows all building components including walls, floor slabs, stairs, columns and beams to be cast in a single operation, facilitating the construction process. The use of aluminium formwork in our property developments has benefited us by reducing labour and material costs while improving the quality and consistency of the concrete finishing.

Please refer to **Section 7.16** of this Prospectus for more details of our business strategies and future plans.

3.5 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, the risk factors as set out in **Section 9** of this Prospectus. The key risks relating to our Group's business and operations are summarised as follows:

(i) **We are subject to the prevailing market conditions in the property market in Malaysia.** A downturn in the Malaysian economy could reduce consumer confidence and purchasing power, affecting the overall property demand and market performance. A weak market sentiment may influence our development planning including property types, pricing strategies and project launch timings, potentially affecting our business operations, financial performance and prospects;

(ii) **We are exposed to unexpected interruptions or delays in project completion caused by external factors, including natural disasters or sudden crisis.** The timely completion of our property developments and the progress of construction can be affected by external factors inherent to property development, some of which are beyond our control. These factors include delays in receiving regulatory approvals, licences and permits, availability of labour, equipment and construction materials, availability of financing and the timely appointment of architects, professional consultants and contractors. Any prolonged interruption or delay in completion of a phase of property development may result in LAD claims by property buyers, which may affect our financial performance. In FYE 2023, we have made a provision for LAD of RM10.37 million for Taman La Casa Lunas (Phases 3A, 3B and 2) and Taman Nuri (Phase 3B2) as these phases experienced delays in construction and delivery of vacant possession;

3. PROSPECTUS SUMMARY *(Cont'd)*

(iii) **We may face unanticipated cost increases for property developments.** Any unforeseen spikes or persistent increases in construction costs may strain our contractors' cash flow and their ability to secure the necessary resources. Prolonged situations persisting may affect our contractors' capacity to carry out construction works which could delay the completion of construction works, and impacting our property delivery schedules, billing schedules, market reputation, sales performance and profit margins. Our cash flows and profitability are dependent on accurate cost estimation and management throughout the development period. These costs may be influenced by various factors such as lower quality or delays in construction, unexpected site conditions, higher construction material and labour costs and financing delays. Any cost overrun of the property developments may adversely affect our profitability, cash flows and results of operations;

(iv) **Our capital-intensive business depends on our ability to secure adequate financing.** As a property developer, we rely on internally generated funds and external borrowings such as term loans, bank guarantees and bank overdrafts to fund our working capital requirements and partially finance land acquisitions. Our business is dependent on secure adequate financing at competitive rates. If we are unable to obtain such credit facilities, our cash flows, results of operations, business strategies and future plans may be adversely affected. There is also a risk of simultaneous demand for immediate repayment of short-term credit facilities and tighter loan terms due to unfavourable market conditions or other factors, which may materially affect our cash flows, working capital, and consequently, on our financial performance and prospects;

(v) **We may not be able to identify and acquire suitable landbank to sustain our business operations and financial performance.** As a property developer, we rely on our existing landbank and our ability to identify and acquire land with development potential to ensure sustainable business operations and financial performance. Furthermore, we may face the risk of acquiring land with issues such as ownership conflicts, environmental concerns or feasibility problems. Unforeseen adverse land issues could lead to increased development costs, potentially compelling us to increase our properties' selling prices to maintain our desired returns. If we are unable to increase our properties' selling prices, the increase in our development costs could strain our budget and adversely affect the profitability of our developments. Failure to identify and acquire suitable landbank in strategic locations may affect our ability to launch new developments, which could adversely affect our business operations, results of operations and prospects;

(vi) **We may achieve lower-than-estimated GDV for our property developments.** The GDVs of our on-going and future developments are estimated based on forecasts, projections and market conditions prevailing at the time taking in consideration of factors such as the supply and demand for properties, the economic growth rate and interest rates. We may achieve lower-than estimated GDV for our property developments if unfavorable changes to the assumptions and forecasts underlying these estimates such as changes in township planning by the authorities, construction of a highway that cuts into our development area; or removal or cancellation of proposed amenities and infrastructure. Any such changes could prevent us from realising the projected GDV and could adversely affect our results of operations and financial performance;

(vii) **We rely on contractors for timely completion and quality of our property developments.** We may face risks associated with our contractors such as health and safety practices, potential delays leading to suspension of works, fines from the authorities or LAD claims against us. In addition, if our contractors are unable to meet our quality expectations, it may adversely affect our market reputation and our properties' sales. Any revocation of letters of award or termination of contracts without timely replacement may delay completion and handover of properties to buyers. While we can impose a penalty on our contractors, there can be no assurance that we can fully recover the compensation, and may be required to absorb some or all of the associated losses, which may affect project delivery schedules, profitability and market reputation, and adversely affect our financial performance and prospects;

3. PROSPECTUS SUMMARY *(Cont'd)*

(viii) We may not be able to sustain our growth rate and our financial performance. Our revenue grew by a CAGR of 38.58% in revenue from RM104.56 million in FYE 2021 to RM200.81 million in FYE 2023, while our PAT grew by a CAGR of 36.58% from RM24.67 million in FYE 2021 to RM46.02 million in FYE 2023. If we are unable to maintain adequate revenue and profit growth, our financial position could also be adversely affected. If we fall short in managing our growth effectively, we may not be able to capitalise on market opportunities or execute our business strategies and future plans.

(ix) We may be involved in legal and other proceedings related to our business operations from time to time. We may face disputes with various parties including landowners, joint venture partners, suppliers, contractors, sub-contractors, consultants and customers in the sale of our properties from time to time. These disputes and claims could lead to legal or other proceedings against our Group, with unfavourable rulings potentially resulting in additional costs, delays and/or financial losses. We are unable to give any assurance that disputes and claims will be resolved favourably for our Group and that any resulting litigation, arbitration or other proceeding against us such as judgement, order or award will not adversely affect our business operations, financial condition, prospects and reputation; and

(x) We are subject to the risk of defect liability claims from our property buyers. The defect liability period begins from the delivery date of vacant possession to property buyers. In the event of any defects arise during the defect liability period, we will bear the rectification expenses to repair and make good all identified defects. Any material rectification costs incurred or claims made could adversely affect our financial performance.

(xi) We are dependent on Desa Johan Sdn Bhd, being one of our major suppliers for construction services for our property developments. In the event we appoint other main building contractors that provide similar construction services as Desa Johan Sdn Bhd, it may result in higher construction cost which may lead to lower profit margins.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors are as follows:

Name	Designation
Datuk Yap	Non-Independent Executive Chairman
Datuk Jacky Yap	Non-Independent Executive Director/ Chief Executive Officer
Yap Lih Shyan	Non-Independent Executive Director/ Chief Operating Officer
Dato' Asmuni Bin Sudin	Senior Independent Non-Executive Director
Dr. Yan Huey Jiuan	Independent Non-Executive Director
Oh Ai Sim	Independent Non-Executive Director

Our Key Senior Management are as follows:

Name	Designation
Datuk Jacky Yap	Chief Executive Officer
Datuk Sean Yap	Chief Financial Officer
Yap Lih Shyan	Chief Operation Officer
Umah Jeralene A/P Louis Adaikalasamy	Head of Project Development and Authorities Liaison
Siew Weng Yen	Head of Project Management and Contract
Soh Kok Hwa	Head of Sales, Marketing and Customer Relationship
Siew Li Sum	Head of Finance and Credit Administration

Please refer to **Sections 5.2 and 5.3** of this Prospectus for more details of our Directors and Key Senior Management.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.7 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The details of our Promoters and substantial shareholders, and their respective shareholdings in our Company before our IPO and after the Acquisitions and after the Share Transfer and our IPO are as follows:

		Before our IPO and after the Acquisitions				After the Share Transfer				After our IPO			
		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	Country of incorporation / Nationality	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(3)%	No. of Shares	(3)%
PKYap Family Capital	Malaysia	-	-	-	-	83,520,000	11.33	-	-	83,520,000	9.00	-	-
PKYap Holdings	Malaysia	-	-	-	-	473,280,000	64.22	-	-	473,280,000	51.00	-	-
Datuk Yap	Malaysian	736,850,220	99.99	(4)25,494	*	105,860,000	14.37	(5)593,920,000	80.60	18,560,000	2.00	(5)593,920,000	64.00
Datin Loh	Malaysian	1,208	*	-	-	18,560,000	2.52	(6)83,520,000	11.33	18,560,000	2.00	(6)83,520,000	9.00
Datuk Jacky Yap	Malaysian	24,286	*	-	-	18,560,000	2.52	(6)83,520,000	11.33	18,560,000	2.00	(6)83,520,000	9.00
Datuk Sean Yap	Malaysian	24,286	*	-	-	18,560,000	2.52	(6)83,520,000	11.33	18,560,000	2.00	(6)83,520,000	9.00
Yap Lih Shyan	Malaysian	-	-	-	-	18,560,000	2.52	(6)83,520,000	11.33	18,560,000	2.00	(6)83,520,000	9.00

Notes:

* *Less than 0.01%*

(1) Calculated based on the number of 736,900,000 Shares before our IPO and after the Acquisitions, details of which are set out in ***Section 6.3.1*** *of this Prospectus.*

(2) Calculated based on the number of 736,900,000 Shares before our IPO and after the Acquisitions and Share Transfer.

(3) Calculated based on our enlarged number of 928,000,000 Shares after our IPO.

(4) Deemed interested by virtue of his spouse, Datin Loh's and his son, Datuk Sean Yap's interest pursuant to Section 59(11) of the Act.

(5) Deemed interested by virtue of his shareholdings in PKYap Holdings and PKYap Family Capital pursuant to Section 8 of the Act and by virtue of his spouse, Datin Loh's and his son, Datuk Sean Yap's interest pursuant to Section 59(11) of the Act.

(6) Deemed interested by virtue of his/her shareholdings in PKYap Family Capital pursuant to Section 8 of the Act.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.8 USE OF PROCEEDS

We expect to use the gross proceeds from the Public Issue amounting to approximately RM[●] million(1) in the following manner:

Details of utilisation	Amount	Percentage of gross proceeds	Estimated timeframe for utilisation after the Listing
	RM'000	**%**	
Acquisition of landbank and/or development expenditure^	[●]	[●]	Within 36 months
Working capital for future development projects	[●]	[●]	Within 24 months
Purchase of aluminium formwork	[●]	[●]	Within 24 months
Estimated listing expenses	[●]	[●]	Within 3 months
Total	**[●]**	**100.00**	

Notes:

(1) Based on the assumption that the Institutional Price and the Final Retail Price will be equal to the Retail Price.

^ *We aim to acquire strategic landbanks located near established industrial areas and key economic centres at reasonable prices to increase our landbanks when the opportunity arises.*

Please refer to **Section 4.6** of this Prospectus for further details of the use of proceeds arising from the Public Issue.

3.9 FINANCIAL HIGHLIGHTS

The table below sets out financial highlights based on our audited combined financial statements for the Period Under Review:

	Audited		
	FYE 2021	**FYE 2022**	**FYE 2023**
	RM'000	**RM'000**	**RM'000**
Revenue	104,563	150,168	200,810
GP	42,301	61,436	81,125
Other income	902	2,994	807
PBT	32,556	51,620	61,971
PAT	24,673	39,660	46,017
PAT attributable to owners of our Company	24,673	39,660	46,017
EBITDA(1)	35,196	53,718	66,537
Total assets	454,976	419,411	486,945
Total equity / NA	287,406	329,516	371,209
Total borrowings (including lease liabilities)	14,353	27,524	50,123
Net cash flows generated from operating activities	8,871	11,525	30,166
Cash and cash equivalents at end of the financial year	(3,087)	3,166	(3,798)
GP margin(2) (**%**)	40.46	40.91	40.40
EBITDA margin(3) (**%**)	33.66	35.77	33.13
PBT margin(4) (**%**)	31.14	34.37	30.86
PAT margin(4) (**%**)	23.60	26.41	22.92
Basic and diluted EPS (sen)(5)	2.66	4.27	4.96
Current ratio(6) (**times**)	1.40	2.94	2.46
Gearing ratio(7) (**times**)	0.05	0.08	0.14
Average trade receivables turnover period(8) (**days**)	89	50	29
Average trade payables turnover period(9) (**days**)	40	25	27

Notes:

(1) EBITDA represents earnings before interest, taxation, depreciation and amortisation.
(2) Calculated based on respective GP for the financial years divided by revenue.
(3) Calculated based on EBITDA for the financial years divided by revenue.

3. PROSPECTUS SUMMARY *(Cont'd)*

(4) PBT margin and PAT margin are calculated based on the respective PBT and PAT for the financial years divided by the revenue.
(5) Calculated based on PAT attributable to owners of our Company divided by enlarged issued share capital after the IPO of 928,000,000 Shares. The diluted EPS is equal to the basic EPS as no potential dilutive securities are in issue throughout the Period Under Review.
(6) Computed based on current assets over current liabilities.
(7) Computed based on total borrowings (including lease liabilities) over total equity.
(8) Computed based on the average trade receivables (excluding stakeholders' sums) at the beginning and end of the respective financial year over the total revenue of the respective financial year and multiplied by 365 days.
(9) Computed based on the average trade payables (excluding retention sum and accrued development costs) at the beginning and end of the respective financial year over the total cost of sales of the respective financial year and multiplied by 365 days.

The financial highlights presented above should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" as set out in **Section 12.3** of this Prospectus and the Accountants' Report, together with its related notes, as set out in **Section 13** of this Prospectus.

3.10 DIVIDEND POLICY

It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group. Our Board intends to recommend and distribute a dividend of up to 30.0% of our audited PAT of each financial year on a consolidated basis after taking into consideration anticipated future operating conditions, operating cash flow requirements, financing commitments, subject to any applicable law and contractual obligations and provided that such distribution will not be detrimental to our Group's cash requirements or execution and implementation of our future plans and strategies moving forward.

As we are an investment holding company, our income and ability to pay dividends are dependent upon the dividends received from our subsidiaries. For information purposes, the dividends declared and paid by our Group for the Period Under Review are as follows:

	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000
Dividends declared	[1]2,080	[2]5,028	[3]4,324
Dividends paid	[1]-	[1][2]2,641	[2]4,467
PAT attributable to our shareholders	24,673	39,660	46,017
Dividend payout ratio (%) [4]	8.43	12.68	9.40

Notes:

(1) SPBSB and Rentas Dinamik declared interim dividend totalling RM2.08 million for FYE 2021 which was fully paid in January 2022.
(2) SPBSB, Rentas Dinamik and Laman Exotika declared interim dividends totalling RM5.03 million respectively for FYE 2022, where RM0.56 million was paid in September 2022 and RM4.47 million was fully paid in November 2023.
(3) SPBSB and Rentas Dinamik declared interim dividend totalling RM4.32 million for FYE 2023 which was fully paid in June 2024.
(4) Calculated based on dividends declared divided by PAT attributable to our shareholders of the respective financial year.

SPBSB proposes to declare dividend of up to RM7.00 million to SPBSB's shareholders in respect of FYE 2024 to be paid out from SPBSB's internally generated funds. The dividend is expected to be paid by first quarter of 2025.

Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our future dividends which are subject to modifications (including non-declaration thereof) at our Board's discretion. Actual dividends proposed and declared may vary depending on the future financial performance and cash flows of our Group. Hence, no inference should or can be made from any of the statements above as to our actual future profitability and our ability to pay dividends in the future.

Please refer to **Section 12.18** of this Prospectus for further details of our dividend policy.

4. PARTICULARS OF OUR IPO

4.1 INDICATIVE TIMETABLE

The indicative timetable for our IPO is set out below:

Event	Tentative date
Opening of the Institutional Offering	[●]
Issuance of this Prospectus / Opening of the Retail Offering	10.00 a.m., [●]
Closing of the Retail Offering	5.00 p.m., [●]
Closing of the Institutional Offering	[●]
Price Determination Date	[●]
Balloting of applications for IPO Shares under the Retail Offering	[●]
Allotment / Transfer of IPO Shares to successful Applicants	[●]
Listing on the Main Market of Bursa Securities	[●]

In the event there is any change to the indicative timetable above, we will announce and advertise the notice of changes on Bursa Securities' website and in widely circulated English and Bahasa Malaysia daily newspapers in Malaysia respectively.

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4. PARTICULARS OF OUR IPO *(Cont'd)*

4.2 DETAILS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus. Upon acceptance, our IPO Shares are expected to be allocated in the manner described below, subject to the clawback and reallocation provisions as set out in **Section 4.2.6** of this Prospectus.

Our IPO consists of the Institutional Offering and the Retail Offering for a total of 278,400,000 IPO Shares, representing 30.00% of our enlarged issued share capital.

In summary, subject to the clawback and reallocation provisions as set out in **Section 4.2.6** of this Prospectus, our IPO Shares will be allocated in the following manner:

	Offer for Sale		**Public Issue**		**Total IPO Shares**	
Category	**No. of Shares**	**(1)%**	**No. of Shares**	**(1)%**	**No. of Shares**	**(1)%**
Institutional Offering:						
- Bumiputera investors approved by MITI	-	-	116,000,000	12.50	116,000,000	12.50
- Institutional and selected investors	87,300,000	9.41	28,099,900	3.03	115,399,900	12.44
Sub-total	**87,300,000**	**9.41**	**144,099,900**	**15.53**	**231,399,900**	**24.94**
Retail Offering:						
Eligible Persons						
- Eligible employees of our Group	-	-	1,823,200	0.20	1,823,200	0.20
- Persons who have contributed to the success of our Group	-	-	26,616,900	2.86	26,616,900	2.86
Malaysian Public (via balloting)						
- Bumiputera	-	-	9,280,000	1.00	9,280,000	1.00
- Non-Bumiputera	-	-	9,280,000	1.00	9,280,000	1.00
Sub-total	**-**	**-**	**47,000,100**	**5.06**	**47,000,100**	**5.06**
Total	**87,300,000**	**9.41**	**191,100,000**	**20.59**	**278,400,000**	**30.00**

Note:

(1) Calculated based on our enlarged number of 928,000,000 Shares after our IPO.

The completion of the Institutional Offering and the Retail Offering below are inter-conditional. Our IPO is also subject to the public shareholding spread requirement under the Listing Requirements as set out in **Section 4.2.7** of this Prospectus.

4. PARTICULARS OF OUR IPO *(Cont'd)*

4.2.1 Institutional Offering

The Institutional Offering is at the Institutional Price, which is payable in full upon allocation and determined by way of book-building.

The Institutional Offering involves the offering of 231,399,900 IPO Shares, representing 24.94% of our enlarged issued share capital, subject to the clawback and reallocation provisions as set out in **Section 4.2.6** of this Prospectus, at the Institutional Price to be allocated in the following manner:

(i) 116,000,000 IPO Shares, representing 12.50% of our enlarged issued share capital to Bumiputera investors approved by the MITI; and

(ii) 115,399,900 IPO Shares, representing 12.44% of our enlarged issued share capital to institutional and selected investors.

4.2.2 Retail Offering

The Retail Offering is at the Retail Price of RM[●] per IPO Share, which is payable in full upon application. If the Final Retail Price is less than the Retail Price, the difference will be refunded to the investors.

The Retail Offering involves the offering of 47,000,100 IPO Shares, representing 5.06% of our enlarged issued share capital, subject to the clawback and reallocation provisions as set out in **Section 4.2.6** of this Prospectus, at the Retail Price in the following manner:

(i) Allocation to Eligible Persons

28,440,100 IPO Shares, representing 3.06% of our enlarged issued share capital are reserved for application by the Eligible Persons as follows:

Category of Eligible Persons	Number of Eligible Persons	Aggregate number of IPO Shares allocated
Eligible employees of our Group[(1)]	Up to 80	1,823,200
Persons who have contributed to the success of our Group[(2)]	Up to 50	26,616,900
Total	**Up to 130**	**28,440,100**

Notes:

(1) The allocation to eligible employees of our Group is based on, among others, the following:

(a) the eligible employee must be employed on full time basis and who has been confirmed in service;

(b) the eligible employee has not submitted his/her resignation as at the LPD;

(c) the eligible employee is of at least 18 years of age; and

(d) the length of service, job grade, job responsibility, performance and past contribution to our Group.

Our Directors have opted not to participate in the allocation to the Eligible Persons.

4. PARTICULARS OF OUR IPO *(Cont'd)*

The number of IPO Shares to be allocated to our Key Senior Management is as follows:

Name	***Designation***	***Aggregate number of IPO Shares allocated***
Datuk Jacky Yap	*Chief Executive Officer*	**-*
Datuk Sean Yap	*Chief Financial Officer*	**-*
Yap Lih Shyan	*Chief Operating Officer*	**-*
Umah Jeralene A/P Louis Adaikalasamy	*Head of Project Development and Authorities Liaison*	*154,000*
Soh Kok Hwa	*Head of Sales, Marketing and Customer Relationship*	*154,000*
Siew Weng Yen	*Head of Project Management and Contract*	*154,000*
Siew Li Sum	*Head of Finance and Credit Administration*	*154,000*
Total		***616,000***

Note:

* *Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan have opted not to participate in the Pink Form Allocation.*

(2) The allocation to persons who have contributed to the success of our Group is based on, among others, length of business relationship with our Group, the nature and terms of their business relationship with our Group and their level of contribution and support to the success of our Group.

(ii) Allocation via balloting to the Malaysian Public

18,560,000 IPO Shares, representing 2.00% of our enlarged issued share capital, will be made available for application by the Malaysian Public investors through a balloting process, of which 9,280,000 IPO Shares representing 1.00% shall be set aside for Bumiputera citizens, companies, societies, co-operatives and institutions.

As at the LPD, to the extent known to our Company:

(i) there are no substantial shareholders, Directors or Key Senior Management of our Company who have indicated to us that they intend to subscribe for our IPO Shares, save for the IPO Shares made available for application under the Pink Form Allocation; and

(ii) there is no person who have indicated to us that they intend to subscribe for more than 5.00% of our IPO Shares.

4. PARTICULARS OF OUR IPO *(Cont'd)*

4.2.3 Selling Shareholder

Concurrent with the Public Issue, our Selling Shareholder will offer 87,300,000 Offer Shares representing 9.41% of our enlarged number of issued Shares to institutional and selected investors. The Offer Shares to be offered by the Selling Shareholder and his shareholding in our Company before and after our IPO and his material relationship with our Group within the past 3 years are as follows:

			Shareholding after the Acquisitions and as at the LPD		Shareholding after the Share Transfer[3]		Shares offered under the Offer for Sale		Shareholding after our IPO	
Name	**Address**	**Material relationship with our Group within the past 3 years up to the LPD**	**No. of Shares**	**[1]%**	**No. of Shares**	**[1]%**	**No. of Shares**	**[2]%**	**No. of Shares**	**[2]%**
Datuk Yap	Lot 708-1B, Jalan Padang Temu, Padang Temu, Melaka	Our Promoter, Non-Independent Executive Chairman and substantial shareholder	736,850,220	99.99	105,860,000	14.37	87,300,000	9.41%	18,560,000	2.00

Notes:

(1) Calculated based on the number of 736,900,000 Shares before our IPO and after the Acquisitions.

(2) Calculated based on our enlarged number of 928,000,000 Shares after our IPO.

*(3) Please refer to **Section 4.2.4** for further information in respect of the Share Transfer.*

The proceeds of approximately RM[●] million arising from the Offer for Sale will accrue entirely to the Selling Shareholder. All expenses relating to the Offer for Sale will be fully borne by the Selling Shareholder.

4. PARTICULARS OF OUR IPO *(Cont'd)*

4.2.4 Share Transfer

During the prescription period (one day after the launching date of the Prospectus up to a period of 30 days), Datuk Yap will transfer a total of 630,990,220 Shares in conjunction with the IPO, the breakdown of which is as follows:

(i) 74,190,220 Shares to his family members, details of which are as follows:

Name of family members	Relationship	No. of Shares
Datin Loh	Spouse	18,558,792
Datuk Jacky Yap	Son	18,535,714
Datuk Sean Yap	Son	18,535,714
Yap Lih Shyan	Daughter	18,560,000
Total		**74,190,220**

The purpose of the above Share transfer by Datuk Yap to his family members are as gift to his spouse and children out of love and affection.

(ii) 556,800,000 Shares to PKYap Holdings and PKYap Family Capital for a purchase consideration of RM[●], details of which are as follows:

Name	No. of Shares
PKYap Holdings	473,280,000
PKYap Family Capital	83,520,000
Total	**556,800,000**

The purpose of the above Share transfer by Datuk Yap to PKYap Holdings and PKYap Family Capital is to consolidate 60% of equity interest in SPB Development to be held under the investment holding companies after the IPO.

As at the LPD, the directors of PKYap Holdings are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan. The shareholders of PKYap Holdings are Datuk Yap who is holding 99.9% equity interest in the company while Datin Loh is holding 0.1% equity interest in the company.

As at the LPD, the directors of PKYap Family Capital are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan. The shareholders of PKYap Family Capital are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan, each holding 20% equity interest in the company.

The Share Transfer is subject to completion of the Acquisitions.

4. PARTICULARS OF OUR IPO *(Cont'd)*

A summary of the Share Transfer is set out below:

Name	No. of Shares held before the IPO and after the Acquisitions	%(1)	No. of Shares to be transferred under Share Transfer	%(1)	No. of Shares held after Share Transfer	%(1)
Datuk Yap	736,850,220	99.99	(630,990,220)	(85.63)	105,860,000	14.37
Datin Loh	1,208	*	-	-	18,560,000	2.52
Datuk Jacky Yap	24,286	*	-	-	18,560,000	2.52
Datuk Sean Yap	24,286	*	-	-	18,560,000	2.52
Yap Lih Shyan	-	-	-	-	18,560,000	2.52
PKYap Holdings	-	-	-	-	473,280,000	64.22
PKYap Family Capital	-	-	-	-	83,520,000	11.33

Notes:

* *Less than 0.01%.*

(1) Calculated based on the number of 736,900,000 Shares before our IPO and after the Acquisitions.

The Share Transfer is expected to complete within 30 days after the launching date of the Prospectus.

Further information on PKYap Holdings, PKYap Family Capital, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan including their profiles and their shareholdings after the Share Transfer and after our IPO are set out in **Sections 5.1.2** and **5.1.3** of this Prospectus.

4.2.5 Underwriting and placement arrangement

Our Underwriter has fully underwritten the following:

(i) 18,560,000 Issue Shares which are to be subscribed by the Malaysian Public; and

(ii) 28,440,100 Issue Shares which are to be subscribed by the Eligible Persons by way of Pink Application Form.

Please refer to **Section 4.8** of this Prospectus for the salient terms of the Underwriting Agreement.

The following IPO Shares which will be allocated by way of placement and will not be underwritten as irrevocable written undertakings from the respective investors will be obtained by our Bookrunner:

(i) 28,099,900 Issue Shares and 87,300,000 Offer Shares to be subscribed by institutional and selected investors; and

(ii) 116,000,000 Issue Shares to be subscribed by Bumiputera investors approved by MITI.

4. PARTICULARS OF OUR IPO *(Cont'd)*

4.2.6 Clawback and reallocation

The Institutional Offering and the Retail Offering will be subject to the following clawback and reallocation provisions:

(i) if any of the IPO Shares allocated to Bumiputera investors approved by MITI ("**MITI Tranche**") are under-subscribed, such IPO Shares will be allocated to Bumiputera public investors under the Retail Offering;

After the reallocation described above, if the MITI Tranche is still under-subscribed under the Institutional Offering, the IPO Shares may be clawed back from the MITI Tranche and reallocated to the Malaysian institutional investors and selected investors under the Institutional Offering and/or to the other Malaysian Public under the Retail Offering;

(ii) subject to items (i), (iv), (v) and (vi), if there is an over-subscription in the Retail Offering and an under-subscription in the Institutional Offering, the IPO Shares may be clawed back from the Institutional Offering and allocated to the Retail Offering;

(iii) subject to items (i), (iv), (v) and (vi), if there is an over-subscription in the Institutional Offering and an under-subscription in the Retail Offering, the IPO Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering;

(iv) any IPO Shares allocated to the Bumiputera public investors under the Retail Offering but not taken up by them will first be made available for application by the Malaysian Public and thereafter be offered to other institutional and selected investors under the Institutional Offering;

(v) any IPO Shares allocated to the Malaysian Public but not taken up by them will first be made available for application by Bumiputera public investors under the Retail Offering and thereafter be offered to other institutional and selected investors under the Institutional Offering;

(vi) any IPO Shares allocated to the Eligible Persons but not taken up by them will be made available for application by other Eligible Persons who have applied for excess IPO Shares ("**Excess Shares**") and allocated on a fair and equitable basis and in the following priority:

(a) firstly, allocation on a pro-rata basis to the Eligible Persons who have applied for the Excess Shares based on the number of Excess Shares applied for; and

(b) secondly, to minimise odd lots.

Our Board reserves the right to allocate Excess Shares applied in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (a) and (b) above is achieved. Our Board also reserves the right to accept or reject any Excess Shares application, in full or in part, without assigning any reason.

Thereafter, any Excess Shares which are not fully taken up by or allocated to the Eligible Persons will first be made available for application by the Malaysian Public under the Retail Offering, and subsequently offered to other institutional and selected investors under the Institutional Offering. Thereafter, any remaining IPO Shares will be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

There will be no clawback and reallocation if there is an over-subscription or under-subscription in both the Institutional Offering and the Retail Offering or an under-subscription in either the Institutional Offering or Retail Offering but no over-subscription in the other.

4. PARTICULARS OF OUR IPO *(Cont'd)*

The allocation of our IPO Shares shall be on a fair and equitable manner and shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view:

(i) to broaden our Company's shareholding base to meet the public shareholding spread requirements of Bursa Securities; and

(ii) to establish a liquid market for our Shares.

4.2.7 Minimum level of subscription

There is no minimum subscription level in terms of the proceeds to be raised from our IPO. However, in order to comply with the public shareholding spread requirements under the Listing Requirements or as approved by Bursa Securities, the minimum subscription level (in terms of the number of IPO Shares) will be the number of Shares required to be held by public shareholders of our Company.

Under the Listing Requirements, we are required to have at least 25% of our Shares held by at least 1,000 public shareholders, each holding not less than 100 Shares at the point of Listing.

If the above requirement is not met, we may not be able to proceed with our Listing. Please refer to **Section 9.3.6** of this Prospectus for details in the event there is a delay in or termination of our Listing.

4.2.8 Price stabilisation mechanism

The number of IPO Shares offered under the Public Issue will not be increased via any over-allotment or "greenshoe" option.

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4. PARTICULARS OF OUR IPO *(Cont'd)*

4.2.9 Share Capital

Upon completion of our IPO, our share capital will be as follows:

	No. of Shares	RM
Existing issued share capital after the Acquisitions	736,900,000	397,336,941
Number of new Shares to be issued upon the Public Issue	191,100,000	(1)(2)[●]
Enlarged number of Shares upon the Listing	**928,000,000**	**[●]**
Number of existing Shares to be offered under the Offer for Sale	87,300,000	(1)[●]
Retail Price (RM)		**[●]**
Market capitalisation upon the Listing (Based on the Indicative IPO Price and the enlarged number of issued Shares upon the Listing)		[●]

Notes:

(1) Calculated based on the Retail Price.

(2) After deducting the estimated listing expenses for the IPO of approximately RM[●] *million which is assumed to be directly attributable to the Public Issue which are allowed under Malaysian Financial Reporting Standards 132.*

The Offer for Sale would not have any effect on our issued share capital as the Offer Shares are already in existence prior to our IPO.

4.2.10 Classes of Shares and ranking

As at the date of this Prospectus, we only have one class of shares, being ordinary shares.

Our Issue Shares will, upon allotment and issue, rank equally in all respects with our existing issued Shares including voting rights and will be entitled to all rights, dividends and other distributions that may be declared subsequent to the date of allotment of the Issue Shares, subject to any applicable Rules of Bursa Depository.

The Offer Shares will rank equally in all respects with our other existing issued Shares including voting rights and will be entitled to all rights, dividends and other distributions that may be declared subsequent to the date of transfer of the Offer Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attaching to any Shares we may issue in the future, our shareholders will, in proportion to the number of Shares held by them, be entitled to share the profits paid out by us in the form of dividends and other distributions. Similarly, if our Company is liquidated, our shareholders will be entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

At every general meeting of our Company, each of our shareholders will be entitled to vote in person, by proxy or by attorney or by other duly authorised representative. Any resolution set out in the notice of any general meeting or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, will be voted by poll. On a poll, each shareholder presents either in person, by proxy, by attorney or by other duly authorised representative will have one vote for each Share held or represented. A proxy may but need not be a member of our Company.

4. PARTICULARS OF OUR IPO *(Cont'd)*

4.3 BASIS OF ARRIVING AT THE PRICE OF OUR IPO SHARES AND REFUND MECHANISM

4.3.1 Retail Price

The Retail Price of RM[●] was determined and agreed upon between our Directors, Promoters, Selling Shareholder, in consultation with the Bookrunner and Underwriter, after taking into consideration the following factors:

(i) PE multiple of approximately [●] times based on our EPS of 4.96 sen calculated based on our Group's PAT of approximately RM46.02 million for the FYE 31 December 2023 and our enlarged number of 928,000,000 Shares upon Listing;

(ii) our pro forma combined NA per Share of RM[●] as at 31 December 2023 based on our enlarged number of 928,000,000 Shares after our IPO and subsequent to the use of proceeds from our IPO;

(iii) our competitive strengths as follows:

(a) a sizeable pipeline of on-going and future developments;

(b) a sizeable landbank for future developments;

(c) a proven track record with our ability to attract property buyers;

(d) experienced and hands-on Non-Independent Executive Chairman, Directors and Key Senior Management to lead and manage the business operations; and

(e) adoption of IBS and engagement of consultants who use BIM software in our property developments which enhance efficiency and quality;

(iv) our business strategies and future plans as follows:

(a) expansion through acquisition of landbank(s) and/or joint venture arrangement(s);

(b) strengthening our market presence in Kedah, Selangor, Melaka, Johor and expanding our footprint in Penang; and

(c) purchase of aluminium formwork to strategically shorten our construction period;

(v) our operating historical financial track record as summarised below:

	Audited		
	FYE 2021	**FYE 2022**	**FYE 2023**
	RM'000	**RM'000**	**RM'000**
Revenue	104,563	150,168	200,810
GP	42,301	61,436	81,125
PAT	24,673	39,660	46,017

The Final Retail Price will be determined after the Institutional Price is fixed on the Price Determination Date and will be the lower of:

(i) the Institutional Price; or

(ii) the Retail Price.

4. PARTICULARS OF OUR IPO *(Cont'd)*

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. Please refer to **Section 4.3.3** of this Prospectus for details of the refund mechanism.

The Institutional Price and Final Retail Price will be announced within 2 Market Days from the Price Determination Date via Bursa Listing Information Network. In addition, all successful Applicants will be given written notice of the Institutional Price and Final Retail Price, together with the notices of allotment for our IPO Shares.

4.3.2 Institutional Price

The Institutional Price will be determined by way of a book-building process where the prospective institutional and selected investors will be invited to bid for the portion of the Institutional Offering by specifying the number of IPO Shares that they would be prepared to acquire and the price that they would be prepared to pay for our IPO Shares in respect of the Institutional Offering. This book-building process will commence on [●] and will end on [●], or such other date or dates as our Directors and Selling Shareholder in consultation with the Bookrunner in their absolute discretion may decide. Upon the completion of the book-building process, the Institutional Price will be fixed by our Board and Selling Shareholder in consultation with the Bookrunner on the Price Determination Date.

4.3.3 Refund Mechanism

If 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. The refund will be made:

(i) by crediting into the accounts of the successful Applicants or in the form of cheques to be despatched by ordinary post to the address maintained with Bursa Depository for applications made via the Application Form; or

(ii) by crediting into the accounts of the successful Applicants with the Electronic Participating Financial Institutions for Applications made via the Electronic Share Application; or

(iii) by crediting into the accounts of the successful Applicants with the Internet Participating Financial Institutions or Participating Securities Firms for Applications made via the Internet Share Application,

within 10 Market Days from the date of final ballot of applications, at the successful Applicants' own risk.

For further details on the refund mechanism, please refer to **Section 18.9** of this Prospectus.

YOU SHOULD NOTE THAT OUR MARKET PRICE UPON LISTING IS SUBJECT TO THE VAGARIES OF MARKET FORCES AND OTHER UNCERTAINTIES THAT MAY AFFECT THE PRICE OF OUR SHARES. YOU SHOULD FORM YOUR OWN VIEWS ON THE VALUATION OF OUR IPO SHARES BEFORE DECIDING TO INVEST IN THEM. YOU ARE REMINDED TO CAREFULLY CONSIDER THE RISK FACTORS AS SET OUT IN SECTION 9 OF THIS PROSPECTUS BEFORE DECIDING TO INVEST IN OUR SHARES.

4. PARTICULARS OF OUR IPO *(Cont'd)*

4.4 PURPOSE OF LISTING

The purpose of our Listing is as follows:

(i) to enhance our Group's corporate profile and stature by gaining recognition through our listing status which is expected to enhance our Group's reputation and market credibility and ability to attract and retain talents;

(ii) to provide our Group after the Listing with financial flexibility to access the capital market after our Listing, allowing for fund-raising to support our future business expansion and growth, as and when they arise;

(iii) to enable our Group to raise funds for the purposes set out in **Section 4.6** of this Prospectus; and

(iv) to allow the investing community, including the Malaysian Public and Eligible Persons to participate in our Group's ongoing growth through equity participation.

4.5 DILUTION

4.5.1 NA per Share

Dilution is the amount by which our pro forma combined NA per Share after our IPO is less than the price paid by the retail, institutional and selected investors for our Shares.

The following table illustrates the dilution on a per Share basis assuming the Retail Price is equal to the Institutional Price and the Final Retail Price:

	RM
Institutional Price / Final Retail Price	[●]
Pro forma combined NA per Share as at 31 December 2023 after the Acquisitions but before our IPO	0.50
Pro forma combined NA per Share as at 31 December 2023 after the IPO and use of proceeds	[●]
Increase in the pro forma combined NA per Share after our IPO and use of proceeds to the existing shareholders	[●]
(Decrease) in the pro forma combined NA per Share after our IPO and use of proceeds to new investors	[●]
(Decrease) in the pro forma combined NA per Share after our IPO and use of proceeds to new investors as a percentage to the Institutional Price / Retail Price	[●]%

Further details of our pro forma NA per share as at 31 December 2023 is set out in **Section 14** of this Prospectus.

4. PARTICULARS OF OUR IPO *(Cont'd)*

4.5.2 Effective cost per Share

The average effective cost per Share paid by our existing shareholders for our Shares since incorporation up to the LPD is as follows:

Name	No. of Shares after the Acquisitions	Total consideration	Effective cost per Share
		RM	RM
Datuk Yap	[(1)]736,850,220	32,048,990	0.0435
Datin Loh	[(2)]1,208	9	0.0075
Datuk Jacky Yap	24,286	503	0.0207
Datuk Sean Yap	24,286	503	0.0207

Notes:

(1) Comprising 2 subscribers' Shares issued on 6 October 2022, 997 Shares issued on 2 November 2022 and 736,849,221 Shares issued pursuant to the Acquisitions.

(2) Comprising 1 Share issued on 2 November 2022 and 1,207 Shares issued pursuant to the Acquisitions.

Save for the above, there has been no acquisitions or subscription of any of our Shares by our Directors, Promoters, Key Senior Management, substantial shareholders or persons connected with them, or any transaction entered into by them which grants them the rights to acquire any of our existing Shares in the past 3 years up to the LPD.

4. PARTICULARS OF OUR IPO *(Cont'd)*

4.6 USE OF PROCEEDS

The estimated gross proceeds to be raised from our Public Issue amounting to approximately RM[●] million[(1)] and we plan to use in the following manner:

Details of utilisation	Section	Amount	Percentage of gross proceeds	Estimated timeframe for utilisation after Listing
		RM'000	**%**	
Acquisition of landbank and/or development expenditure	4.6.1	[●]	[●]	Within 36 months
Working capital for future development projects	4.6.2	[●]	[●]	Within 24 months
Purchase of aluminium formwork	4.6.3	[●]	[●]	Within 24 months
Estimated listing expenses	4.6.4	[●]	[●]	Within 3 months
Total		**[●]**	**100.00**	

Note:

(1) Based on the assumption that the Institutional Price and the Final Retail Price will be equal to the Retail Price.

Further details of the utilisation are set out below whilst our business strategies and future plans are set out in **Section 7.16** of this Prospectus.

Upon completion of our Listing, if we propose to change any of the utilisation of proceeds above that deviates by 5% or more from the total proceeds raised, we will make immediate announcement in compliance with Paragraph 9.19(32) of the Listing Requirements. If the proposed change of the utilisation of proceeds is 25% or more of the total proceeds, we will issue a circular to shareholders and seek our shareholders' approval in compliance with Paragraph 8.22(1) of the Listing Requirements.

The gross proceeds to be raised from our Public Issue of approximately RM[●] million are expected to be utilised for the following purposes:

4.6.1 Acquisition of landbank and/or development expenditure

Our Group plans to use RM[●] million, representing [●]% of the estimated gross proceeds from the Public Issue, to expand or replenish its landbank for future development projects. This will be achieved either through direct purchase or joint ventures with landowners, where these landbanks may have obtained the necessary planning and development consents. The allocated gross proceeds will also include the amount to be used for development expenditure such as development charges, conversion premium, construction cost and professional fees.

Subject to outcomes of feasibility studies, our Group will also consider joint ventures with potential landowners to develop and/or invest in land, such as in Selangor, Penang, Kedah, Melaka and Johor. These areas are targeted for potential future residential and mixed development, supported by well-established infrastructure and amenities.

As at the LPD, our Company is in the midst of conducting feasibility studies to expand or replenish its land bank for future development in Selangor, Penang, Kedah, Melaka and Johor. However, as at the LPD, our Group has not entered into any negotiations with any parties and has not committed to any acquisitions or any joint venture arrangements as it is still subject to the outcome of our Group's feasibility studies.

4. PARTICULARS OF OUR IPO *(Cont'd)*

We aim to acquire strategic landbanks located near established industrial areas and key economic centres at reasonable prices to increase our landbanks when the opportunity arises.

The allocated gross proceeds for acquisition of landbank and/or development expenditure will not be used to fund the acquisition of Plentong Land or to fund the joint venture price for the Plentong JV Land. The acquisition of the Plentong Land and the joint venture price for the Plentong JV Land will be funded through internally generated funds and/or bank borrowings.

Based on the above, in the event of shortfall, we shall finance the shortfall from internally generated funds and/or bank borrowings. However, if there are any unutilised amount or if there are no suitable landbank to be acquired after the listing and beyond the estimated timeframe of utilisation, it will be allocated for our Group's working capital purposes.

4.6.2 Working capital for future development projects

We intend to allocate RM[●] million, representing [●]% of the estimated gross proceeds to be raised from our Public Issue as working capital for upcoming residential development phases in Lunas, Kedah and Banting, Selangor which have estimated total GDC (excluding land cost) of approximately RM210 million. The allocated working capital will partially fund the total earthwork and piling costs totalling RM[●] million and RM[●] million for preliminary expenses such as costs for preliminary feasibility studies, ground survey analysis and development briefs that outline the proposed development's type, design and site layout constraint.

In the event of shortfall, we shall finance the shortfall from internally generated funds and/or bank borrowings. Conversely, any excess will be used for our Group's general working capital.

4.6.3 Purchase of aluminium formwork

We intend to allocate RM[●] million, representing [●]% of the estimated gross proceeds to be raised from our Public Issue for the purchase of aluminium formwork for our Group's upcoming development projects in Banting, Selangor and Seberang Perai Utara, Penang.

The aluminium formwork allows for simultaneous casting of building components, including walls, floor slabs, columns and beams and stairs, in a single operation, thereby streamlining the construction process.

Should the actual costs for the new aluminium formworks exceed RM[●] million, the shortfall will be funded by our Group's internally generated funds. Conversely, any excess will be used for our Group's general working capital.

4.6.4 Estimated listing expenses

We intend to allocate approximately RM[●] million, representing approximately [●]% of the estimated gross proceeds to be raised from our Public Issue to meet the estimated cost of our Listing, details of which are as follows:

	RM'000
Professional fees[(1)]	[●]
Fees payable to authorities	[●]
Brokerage fees, underwriting commission and placement fees	[●]
Printing, advertising and other miscellaneous expenses[(2)]	[●]
Total	**[●]**

Notes:

(1) Comprising advisory fees for, among others, our Principal Adviser, Financial Advisers, Solicitors, Reporting Accountants, IMR, Independent Valuers, Issuing House and Share Registrar and other professional advisers.

(2) Comprising other incidental or related expenses in connection with our IPO.

4. PARTICULARS OF OUR IPO *(Cont'd)*

If the actual listing expenses are higher than anticipated, the deficit will be funded from internally generated funds. If the actual listing expenses are lower than anticipated, the excess will be used for our Group's general working capital.

Pending the eventual use of proceeds to be raised from our Public Issue for the above intended purposes, we intend to place the proceeds in interest bearing short-term deposits or money market instruments with licensed financial institutions.

4.6.5 Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale. The gross proceeds from the Offer for Sale amounting to RM[●] million will accrue entirely to the Selling Shareholder. The Selling Shareholder will bear his own placement fee in respect of the Offer for Sale, which is estimated to be approximately RM[●] million.

4.7 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.7.1 Brokerage fee

We will pay brokerage fee in respect of our Issue Shares under the Retail Offering, at the rate of [●]% (exclusive of applicable tax) on the Final Retail Price in respect of successful Applicants which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

The Bookrunner is entitled to charge brokerage commission to successful Applicants under the Institutional Offering. For avoidance of doubt, such brokerage commission under the Institutional Offering will not be payable by us or the Selling Shareholder.

4.7.2 Underwriting commission

Our Underwriter has agreed to underwrite for a total of 47,000,100 IPO Shares which are made available for application by the Malaysian Public and our Eligible Persons ("**Underwritten Shares**") subject to the clawback and reallocation provision as set out in **Section 4.2.6** of this Prospectus. We are obliged to pay our Underwriter the underwriting commission at the rate of [●]% (exclusive of applicable tax) of the total value of the Underwritten Shares at the Final Retail Price.

4.7.3 Placement fee

Our Bookrunner has agreed to place out 231,399,900 IPO Shares, comprising 144,099,900 Issue Shares and 87,300,000 Offer Shares as set out in **Section 4.2.5** of this Prospectus. We will pay our Bookrunner a placement fee at the rate of up to [●]% of the Institutional Price multiplied by the number of IPO Shares sold to Bumiputera investors approved by MITI and institutional and selected investors in accordance with the terms of the Placement Agreement.

The placement fee incurred by the Selling Shareholder will be paid by the Selling Shareholder to our Bookrunner vide proceeds raised from the Offer for Sale.

4.8 UNDERWRITING AGREEMENT

Pursuant to the Underwriting Agreement, our Underwriter has agreed to underwrite 47,000,100 IPO Shares as set out in **Section 4.2.5** of this Prospectus and upon the terms of the Underwriting Agreement.

The salient terms of the Underwriting Agreement are extracted as follows. The terms and numbering references used herein shall have the respective meanings and numbering references as ascribed thereto in the Underwriting Agreement:

[●]

4. PARTICULARS OF OUR IPO *(Cont'd)*

4.9 PLACEMENT

We and the Selling Shareholder expect to enter into the Placement Agreement with the Bookrunner in relation to placement of 231,399,900 IPO Shares under the Institutional Offering, subject to the clawback and reallocation provisions set out in **Section 4.2.6** of this Prospectus. We and the Selling Shareholder will be requested to give various representations, warranties and undertakings, and to indemnify the Bookrunner against certain liabilities in connection with our IPO. The terms of the Placement Agreement are subject to negotiations and may include termination events that are different from those under the Underwriting Agreement as set out in **Section 4.8** of this Prospectus.

4.10 TRADING AND SETTLEMENT IN SECONDARY MARKET

Upon our Listing, our Shares will be traded through Bursa Securities and settled by book-entry settlement through the CDS, which is operated by Bursa Depository. This will be effected in accordance with the Rules of Bursa Depository and the provisions of the SICDA. Accordingly, we will not deliver share certificates to subscribers or purchasers of our IPO Shares.

Beneficial owners of our Shares are required under the Rules of Bursa Depository to maintain our Shares in CDS Accounts, either directly in their names or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as our shareholders in respect of the number of Shares credited to their respective CDS Accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS Account being debited with the number of Shares sold and the buyer's CDS Account being credited with the number of Shares acquired.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares are required to trade under the odd lot board. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the second Market Day following the transaction date, and payment for the securities is generally settled on the second Market Day following the transaction date.

It is expected that our Shares will commence trading on Bursa Securities approximately 10 Market Days after the close of the Application for our IPO. Subscribers of our Shares will not be able to sell or otherwise deal in our Shares (except by way of book-entry transfer to other CDS Accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholders' shareholdings

The shareholdings of our Promoters and substantial shareholders before our IPO and after the Acquisitions, after the Share Transfer, and after our IPO are as follows:

		Before our IPO and after the Acquisitions				After the Share Transfer				After our IPO			
		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	Country of incorporation / Nationality	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(3)%	No. of Shares	(3)%
PKYap Family Capital	Malaysia	-	-	-	-	83,520,000	11.33	-	-	83,520,000	9.00	-	-
PKYap Holdings	Malaysia	-	-	-	-	473,280,000	64.22	-	-	473,280,000	51.00	-	-
Datuk Yap	Malaysian	736,850,220	99.99	(4) 25,494	*	105,860,000	14.37	(5) 593,920,000	80.60	18,560,000	2.00	(5)593,920,000	64.00
Datin Loh	Malaysian	1,208	*	-	-	18,560,000	2.52	(6)83,520,000	11.33	18,560,000	2.00	(6)83,520,000	9.00
Datuk Jacky Yap	Malaysian	24,286	*	-	-	18,560,000	2.52	(6)83,520,000	11.33	18,560,000	2.00	(6)83,520,000	9.00
Datuk Sean Yap	Malaysian	24,286	*	-	-	18,560,000	2.52	(6)83,520,000	11.33	18,560,000	2.00	(6)83,520,000	9.00
Yap Lih Shyan	Malaysian	-	-	-	-	18,560,000	2.52	(6)83,520,000	11.33	18,560,000	2.00	(6)83,520,000	9.00

Notes:

* *Less than 0.01%*

(1) *Calculated based on the number of 736,900,000 Shares before our IPO and after the Acquisitions, details of which are set out in* ***Section 6.3.1*** *of this Prospectus.*

(2) *Calculated based on the number of 736,900,000 Shares before our IPO and after the Acquisitions and Share Transfer.*

(3) *Calculated based on our enlarged number of 928,000,000 Shares after our IPO.*

(4) *Deemed interested by virtue of his spouse, Datin Loh's and his son, Datuk Sean Yap's interest pursuant to Section 59(11) of the Act.*

(5) *Deemed interested by virtue of his shareholdings in PKYap Holdings and PKYap Family Capital pursuant to Section 8 of the Act and by virtue of his spouse, Datin Loh's and his son, Datuk Sean Yap's interest pursuant to Section 59(11) of the Act.*

(6) *Deemed interested by virtue of his/her shareholdings in PKYap Family Capital pursuant to Section 8 of the Act.*

The Shares held by our Promoters and substantial shareholders do not have different voting rights from our other shareholders. Save for the above, there are no other persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, there is no arrangement between our Company and our Promoters and our substantial shareholders with any third party which may result in a change in control of our Company at a date subsequent to our IPO and our Listing.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.1.2 Profiles of Promoters and substantial shareholders

The profiles of our Promoters and substantial shareholders are as follows:

(i) PKYap Family Capital
Promoter and substantial shareholder

PKYap Family Capital, our Promoter and substantial shareholder, was incorporated as a private limited company in Malaysia on 15 September 2023 under the Act. As at the LPD, PKYap Family Capital's share capital is RM5 comprising 5 ordinary shares. The principal activity of PKYap Family Capital is investment holding and the investment objective is to hold shares in SPB Development. As at the LPD, the directors of PKYap Family Capital are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan. The shareholders of PKYap Family Capital are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan, each holding 20% equity interest in the company.

(ii) PKYap Holdings
Promoter and substantial shareholder

PKYap Holdings, our Promoter and substantial shareholder, was incorporated as a private limited company in Malaysia on 6 March 2023 under the Act. As at the LPD, PKYap Holdings' share capital is RM1,000 comprising 1,000 ordinary shares. The principal activity of PKYap Holdings is investment holding and the investment objective is to hold shares in SPB Development. As at the LPD, the directors of PKYap Holdings are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan. The shareholders of PKYap Holdings are Datuk Yap who holds 99.9% equity interest in the company while Datin Loh holds 0.1% equity interest in the company.

(iii) Datuk Yap
Promoter, substantial shareholder and Non-Independent Executive Chairman

Datuk Yap, a Malaysian aged 76, is our Promoter, substantial shareholder and Non-Independent Executive Chairman. He was appointed to our Board on 6 October 2022. He is responsible for our Group's overall business plans and strategies, market development activities, providing strategic guidance and direction to our Board. He has 43 years of experience in the construction and property development industry.

He is also an active life member of the Malaysia-China Chamber of Commerce (Malacca Branch) since 2001 and currently serves as the Deputy Treasurer for the 13th term (2022-2025) of the Malaysia-China Chamber of Commerce (Malacca Branch).

He left Sekolah Menengah Jenis Kebangsaan Katholik in 1961 before graduating and has since ventured into food and beverage business such as selling of drinks and poultry. Between 1976 to 1980, he established multiple sole proprietorships. These businesses were primarily involved in the trading of batteries and various general construction works.

In 1981, Datuk Yap founded SPBSB and served as an Executive Director. He was actively involved in the day-to-day business operations including tendering of construction works and site operations.

In 1990, Datuk Yap became a Director of Desa Johan Sdn Bhd, where he was involved in day-to-day business operations including the operations at construction site. Desa Johan Sdn Bhd was primarily engaged in subcontracting all construction works from SPBSB. However, in 1999, he made the decision to sell off all his shares in Desa Johan Sdn Bhd and subsequently left the company. His departure was driven by his intention to redirect SPBSB's focus towards property development.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

In 1992, he was re-designated as the Managing Director of SPBSB. He continued to oversee the company's overall day-to-day operations, business development activities and strategic planning. He also leads and motivates employees. In 2022, he was appointed as our Non-Independent Executive Chairman, assuming his current responsibilities.

(iv) Datin Loh

Promoter and substantial shareholder

Datin Loh, a Malaysian aged 73, is our Promoter and substantial shareholder.

She completed her secondary education at Sekolah Menengah Kebangsaan Sultan Abdul Samad, Selangor in 1968. She graduated with a Diploma in Accountancy (London Chamber of Commerce and Industry) from the Goon Institute (now known as Goon International College), Selangor in 1972.

She began her career in 1972 as an Accounts Clerk at Lim Tan and Sons Sdn Bhd where she was responsible for maintaining accounts transactions, filing and documents processing. She left the company in 1976 and joined Chong Kok Lim & Sons (Holdings) Sdn Bhd as an Accounts Executive, where she had similar responsibilities including maintaining accounts transactions, filing and document processing.

She left the company in 1981 and joined SPBSB as an Office Manager in 1982 where she was responsible for maintaining accounts transactions, credit control, payment processing, filing and documents processing. In 2000, she was appointed as a Director of SPBSB where she was responsible for sales administration, credit control and cash flow budgeting. Thereafter, in 2022, her responsibilities are mainly involved in SPBSB's day-to-day operational matters to ensure that they are carried out efficiently and effectively. She has held this position to-date.

(v) Datuk Jacky Yap

Promoter, substantial shareholder, Non-Independent Executive Director and Chief Executive Officer

Datuk Jacky Yap, a Malaysian aged 43, is our Promoter, substantial shareholder, Non-Independent Executive Director and Chief Executive Officer. He was appointed to our Board on 6 October 2022. He is responsible for the day-to-day operations of our Group including leading and overseeing matters related to project concept development, project budgeting, development planning, project negotiation, awarding project tenders, project implementation and overseeing the liaison activities with professionals and authorities to acquire permits and approval for development projects. He also ensures the effective and efficient business operation of our Group. He has 18 years of experience in construction and property development industry.

He graduated with a Bachelor of Engineering (with 1st Class Honours) in Electronic and Communication Engineering from the University of Warwick, United Kingdom in 2004. He subsequently obtained a Master of Science in Engineering (by Research) from the University of Warwick, United Kingdom in 2006. During his employment with our Group, he pursued a part time Master of Business Administration at the University of Manchester in 2012, which he completed in 2015.

He received the Ten Outstanding Young Malaysians (TOYM) Award from the Junior Chamber International (JCI) Malaysia for the category of Business, Economic and/or Entrepreneurial Accomplishment in 2020. He was appointed as the Vice President of the Malacca Builders Association in 2022.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

He began serving as the Vice President of the Malacca Builders Association in June 2022 and will continue in this position until 2025.

He began his career in 2006 with S P Setia Project Management Sdn Bhd as a Sales Executive where he was involved in identifying new sales prospects and developing sales strategies.

He left the company in 2008 and joined our Group as a Business Development Manager in the same year where he was responsible for the execution of property development projects. In 2022, he was promoted to Chief Executive Officer of our Company, assuming his current responsibilities.

(vi) Datuk Sean Yap
Promoter, substantial shareholder and Chief Financial Officer

Datuk Sean Yap, a Malaysian aged 40, is our Promoter, substantial shareholder and Chief Financial Officer. He is responsible for managing and overseeing the overall accounting and finance functions of our Group including reviewing management accounts, overseeing project financing and taxation, managing cash flow and reviewing payments for our Group. He has 18 years of experience in audit, accounting and finance.

He graduated with a Bachelor of Science (with Honours) in Accounting and Finance from the University of Warwick, United Kingdom in 2006. He is a member of the Association of Chartered Certified Accountants ("**ACCA**") since 2011. He is a Chartered Accountant by profession and a member of the MIA since 2011.

He began his career in 2006 with PricewaterhouseCoopers in Malaysia (now known as PricewaterhouseCoopers PLT) ("**PwC Malaysia**") as an Associate in Assurance Services. He was subsequently promoted to Executive Senior in 2011, where he was responsible for audit planning, resolving audit issues and reviewing statutory accounts for companies from various industries such as property development, construction, manufacturing and distribution.

He left PwC Malaysia in 2011 and joined our Group as an Accountant where he was responsible for all accounting and finance matters of our Group. In 2022, he was promoted to Chief Financial Officer, assuming his current responsibilities.

(vii) Yap Lih Shyan
Promoter, substantial shareholder, Non-Independent Executive Director and Chief Operating Officer

Yap Lih Shyan, a Malaysian aged 37, is our Promoter, substantial shareholder, Non-Independent Executive Director and Chief Operating Officer. She was appointed to our Board on 6 October 2022. She is responsible for overseeing the overall sales and marketing activities of our Group including setting sales targets, monitoring sales performance and building relationships with real property sales agencies. She is also responsible for overseeing the overall branding and marketing fuctions of our Group which includes formulating and implementing brand and marketing strategies for our residential projects and keeping abreast with the market supply and demand. In addition, she oversees the human resources and administration function, as well as IT-related activities within our Group. She has 9 years of experience in construction and property development industry.

She graduated with a Bachelor of Science in Economics from the University College London, United Kingdom in 2009. She subsequently obtained a Master of Science in Management from London Business School in 2010.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

She began her career in 2010 with Accenture Solutions Sdn Bhd, a company principally involved in management consulting, as an Analyst where she was responsible for driving financial and market analysis in terms of expansion strategy for clients. Subsequently in 2012, she was promoted to Consultant where she was involved in business strategy consulting with various clients in the fast-moving consumer goods, logistics, oil & gas and heavy machinery industry for private companies, public listed companies and multinational companies in Malaysia, Singapore and Indonesia.

She left the company in 2014 and joined our Group as an Office Manager in 2015, where she was responsible for overseeing our Group's overall sales and marketing activities including sales and marketing plan for project launches, business development and human resources. In 2022, she was promoted to Chief Operating Officer, assuming her current responsibilities.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.1.3 Changes in Promoters' and substantial shareholders' shareholdings

The changes in the shareholdings of our Promoters and substantial shareholders in our Company since incorporation are as follows:

	As at 6 October 2022 (date of incorporation)				As at the LPD				After the Acquisitions			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(3)%	No. of Shares	(3)%
Promoters and substantial shareholders												
PKYap Family Capital	-	-	-	-	-	-	-	-	-	-	-	-
PKYap Holdings	-	-	-	-	-	-	-	-	-	-	-	-
Datuk Yap	2	100.00	-	-	999	99.90	(6)1	0.10	736,850,220	99.99	(7)25,494	*
Datin Loh	-	-	-	-	1	0.10	-	-	1,208	*	-	-
Datuk Jacky Yap	-	-	-	-	-	-	-	-	24,286	*	-	-
Datuk Sean Yap	-	-	-	-	-	-	-	-	24,286	*	-	-
Yap Lih Shyan	-	-	-	-	-	-	-	-	-	-	-	-

	After the Share Transfer				After our IPO			
	Direct		Indirect		Direct		Indirect	
Name	No. of Shares	(4)%	No. of Shares	(4)%	No. of Shares	(5)%	No. of Shares	(5)%
Promoters and substantial shareholders								
PKYap Family Capital	83,520,000	11.33	-	-	83,520,000	9.00	-	-
PKYap Holdings	473,280,000	64.22	-	-	473,280,000	51.00	-	-
Datuk Yap	105,860,000	14.37	(8)593,920,000	80.60	18,560,000	2.00	(8)593,920,000	64.00
Datin Loh	18,560,000	2.52	(9)83,520,000	11.33	18,560,000	2.00	(9)83,520,000	9.00
Datuk Jacky Yap	18,560,000	2.52	(9)83,520,000	11.33	18,560,000	2.00	(9)83,520,000	9.00
Datuk Sean Yap	18,560,000	2.52	(9)83,520,000	11.33	18,560,000	2.00	(9)83,520,000	9.00
Yap Lih Shyan	18,560,000	2.52	(9)83,520,000	11.33	18,560,000	2.00	(9)83,520,000	9.00

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Notes:

* *Less than 0.01%.*

(1) Calculated based on the total number of 2 Shares.

(2) Calculated based on the total number of 1,000 Shares. On 2 November 2022, the allotment of 998 Shares was to include Datin Loh as a shareholder while Datuk Yap remains as the major shareholder of SPB Development before the IPO.

(3) Calculated based on the number of 736,900,000 Shares before our IPO and after the Acquisitions, details of which are set out in ***Section 6.3.1*** *of this Prospectus.*

(4) Calculated based on the number of 736,900,000 Shares before our IPO and after the Acquisitions and Share Transfer.

(5) Calculated based on our enlarged number of 928,000,000 Shares after our IPO.

(6) Deemed interested by virtue of his spouse, Datin Loh's interest pursuant to Section 59(11) of the Act.

(7) Deemed interested by virtue of his spouse, Datin Loh's and his son, Datuk Sean Yap's interest pursuant to Section 59(11) of the Act.

(8) Deemed interested by virtue of his shareholdings in PKYap Holdings and PKYap Family Capital pursuant to Section 8 of the Act and by virtue of his spouse, Datin Loh's and his son, Datuk Sean Yap's interest pursuant to Section 59(11) of the Act.

(9) Deemed interested by virtue of his/her shareholdings in PKYap Family Capital pursuant to Section 8 of the Act.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.1.4 Amounts or benefits paid or intended to be paid or given to our Promoters and substantial shareholders

Save as disclosed below, there are no other amounts and benefits that have been paid or intended to be paid or given to our Promoters and substantial shareholders within the 2 years preceding the date of this Prospectus:

(i) issuance of our Shares as consideration for the Acquisitions;

(ii) the dividends declared and paid and intended to be declared and paid by our Group as set out in **Section 12.18** of this Prospectus; and

(iii) the aggregate amounts or benefits paid or intended to be paid or given to:

(a) our Promoter and substantial shareholder, Datuk Yap, who is also our Non-Independent Executive Chairman, for services rendered to our Group in all capacities as set out in **Section 5.2.4** of this Prospectus;

(b) our Promoter and substantial shareholder, Datin Loh, who is also a director of some of our Subsidiaries, for services rendered to our Group as set out below:

	Salary	[(1)]Other emoluments	Bonus	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
FYE 2023 (Paid)	195	38	-	21	254
FYE 2024 (Proposed)	420	73	-	21	514

Note:

(1) Includes employer's contribution to EPF, SOCSO and EIS (where applicable).

(c) our Promoter and substantial shareholder, Datuk Jacky Yap, who is also our Non-Independent Executive Director and Chief Executive Officer, for services rendered to our Group in all capacities for the FYE 2023 and FYE 2024 as set out in **Section 5.2.4** of this Prospectus;

(d) our Promoter, Datuk Sean Yap, who is also our Chief Financial Officer, for services rendered to our Group in all capacities for the FYE 2023 and FYE 2024 are as set out in **Section 5.3.4** of this Prospectus; and

(e) our Promoter, Yap Lih Shyan, who is also our Non-Independent Executive Director and Chief Operating Officer, for services rendered to our Group in all capacities for the FYE 2023 and FYE 2024 as set out in **Section 5.2.4** of this Prospectus.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2 BOARD OF DIRECTORS

Our Board as at the LPD and the details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in that office as at the LPD are as follows:

Name	Designation	Age	Date of appointment as Director	Date of expiration of the current term of office[(1)]	Duration in office up to the LPD
Datuk Yap	Non-Independent Executive Chairman	76	6 October 2022	Subject to retirement by rotation at the AGM 2025	1 year 10 months
Datuk Jacky Yap	Non-Independent Executive Director / Chief Executive Officer	43	6 October 2022	Subject to retirement by rotation at the AGM 2025	1 year 10 months
Yap Lih Shyan	Non-Independent Executive Director / Chief Operating Officer	37	6 October 2022	Subject to retirement by rotation at the AGM in 2026	1 year 10 months
Dato' Asmuni Bin Sudin	Senior Independent Non-Executive Director	67	13 July 2023	Subject to retirement by rotation at the AGM in 2026	1 year 1 month
Oh Ai Sim	Independent Non-Executive Director	66	13 July 2023	Subject to retirement by rotation at the AGM in 2027	1 year 1 month
Dr. Yan Huey Jiuan	Independent Non-Executive Director	61	13 July 2023	Subject to retirement by rotation at the AGM in 2027	1 year 1 month

Note:

(1) In accordance with our Constitution, an election of Directors shall take place each year. At the first AGM of our Company all our Directors shall retire from office, and at the AGM in every subsequent year, one-third (1/3) of our Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office. All Directors shall retire from office once at least in each 3 years and shall be eligible for re-election. A retiring director shall retain office until the close of the meeting at which he / she retires.

Our Board notes and takes into account the MCCG, which contains recommendations to improve upon or to enhance corporate governance as a fundamental part of the business activities and culture of our Company. Our Board is also committed to achieving and fostering high standards of corporate governance. We have commenced the adoption of the practices as recommended by the MCCG in July 2024 and our Group has fully adopted all the recommended practices in the MCCG. We will provide a statement on the extent of compliance with the MCCG in our first annual report after Listing.

For details on the association of family relationship between our substantial shareholders, Promoters, Directors and Key Senior Management, please refer to **Section 5.6** of this Prospectus.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.1 Profiles of Directors

Save for the profiles of Datuk Yap who is our Non-Independent Executive Chairman and Datuk Jacky Yap and Yap Lih Shyan who are our Non-Independent Executive Directors, as set out in **Section 5.1.2** of this Prospectus, the profiles of our other Directors are as follows:

(i) Dato' Asmuni Bin Sudin
Senior Independent Non-Executive Director and Remuneration Committee Chairman

Dato' Asmuni Bin Sudin, a Malaysian aged 67, is our Senior Independent Non-Executive Director. He was appointed to our Board on 13 July 2023. He is also the Chairman of our Remuneration Committee and member of our Nominating Committee and Audit and Risk Management Committee.

He obtained his Bachelor of Economics from the University of Malaya in 1980 and he has been a Chartered Member of the Chartered Institute of Islamic Finance Professionals (CIIF).

He began his career in 1981 at Malayan Banking Berhad ("**Maybank**") as a Trainee Officer. He rose through the ranks to become a Branch Manager in 1990. He was promoted to the Head of Regional Enterprise Financial Services of Maybank for the Northern Region of Peninsular Malaysia in 2005 and subsequently for the Federal Territory of Kuala Lumpur as the Head of Regional Business Banking Federal Territory in 2009.

That same year, he was appointed as the General Manager/Country Head of Maybank Brunei Operations, where he was responsible for the overall business in Brunei and ensuring regulatory compliance. Upon his return in 2010 he was appointed as the Regional Director of Selangor/Negeri Sembilan, Community Distribution, Community Financial Services of Maybank in Selangor.

After leaving Maybank in 2011, he joined Bank Pertanian Malaysia Berhad ("**AgroBank**") as the Chief Operations Officer, where he was responsible for overseeing the overall operations of the bank. He was later redesignated as the Chief Financial Services Officer in 2013, where he was responsible for managing the overall business activities of AgroBank.

In 2017, he joined Bank Kerjasama Rakyat Malaysia Berhad ("**Bank Rakyat**") as the Chief Operating Officer of the Banking Operation, where he was responsible for overseeing the overall operations of the bank. He retired from Bank Rakyat in 2019.

He currently sits on the board of Malaysia Debt Ventures Berhad since 2020.He is an Independent Non-Executive Director of PT Resources Holdings Berhad since 2020. In addition, he was an Independent Non-Executive Director of One Glove Group Berhad (formerly known as Gets Global Berhad) since 2021 until his redesignation as the Independent Non-Executive Chairman in November 2022.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(ii) Oh Ai Sim

Independent Non-Executive Director and Audit and Risk Management Committee Chairperson

Oh Ai Sim, a Malaysian aged 66, is our Independent Non-Executive Director. She was appointed to our Board on 13 July 2023. She is also the Chairperson of our Audit and Risk Management Committee and a member of our Nominating Committee and Remuneration Committee.

She obtained her Bachelor of Social Sciences (Hons) from the Universiti Sains Malaysia in 1982. She is a Member of The Malaysian Institute of Certified Public Accountants ("**MICPA**") and a member of the MIA since 1988.

She began her career in 1983 as an Audit Assistant at Coopers & Lybrand in Malaysia (now known as PricewaterhouseCoopers PLT) ("**PwC Malaysia**"). She was responsible for supporting the audit process, by performing audit procedures, analyzing financial statements, verifying documentation, as well as assisting in the planning and preparation of audits and audit reports. She was promoted to Audit Senior in 1985, where her responsibilities include planning and preparing for audits, leading and managing audit engagements, executing audit procedures, supervising audit teams, assessing risks, and ensuring compliance with professional standards.

She left PwC Malaysia in 1988 and joined Price Waterhouse in Singapore (now known as PricewaterhouseCoopers Singapore) ("**PwC Singapore**") as an Audit Senior, where her responsibilities remained largely similar to her role as Audit Senior in PwC Malaysia. Later she was promoted to Supervising Senior, where she was responsible in managing, reviewing, and supervising various audit engagements. She left the company after a five-year tenure with the company.

In 1993, she returned to join PwC Malaysia as an Audit Manager where she was responsible in managing a portfolio of audit engagements. She was promoted to Executive Director in 2002, where she was responsible in overseeing the technical aspects of her audit engagements, building and maintaining relationships with audit clients, managing resources such as staffing, budgeting and collection of fees effectively, and providing training programs that are relevant to the needs of the audit juniors in carrying out audit activities. She held this position until 2011.

She left PwC Malaysia in 2011 and since then, she is self-employed as a freelance lecturer for professional exams conducted by CPA Australia and Chartered Accountants of Australia and New Zealand. She is also a Trainer for participants enrolled in Certified Professional Education (CPE) Programmes conducted by MIA, MICPA, Institute of Singapore Chartered Accountants (ISCA) and ACCA Malaysia. As a freelance trainer and lecturer, she is responsible for developing supplementary course notes for the teaching material, and conducts in-house and client training covering financial reporting standards and audit related topics.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(iii) Dr. Yan Huey Jiuan

Independent Non-Executive Director and Nominating Committee Chairperson

Dr. Yan Huey Jiuan, a Malaysian aged 61, is our Independent Non-Executive Director. She was appointed to our Board on 13 July 2023. She is the Chairperson of our Nominating Committee and a member of our Remuneration Committee and Audit and Risk Management Committee.

She obtained her Bachelor of Accountancy (Honours) from Universiti Utara Malaysia in 1988, and Master of Business Administration (Finance) ("**MBA**") from the University of Hull in 1995. In 2018, she was awarded the Doctor of Business Administration ("**DBA**") from HELP University. She is a member of the MIA since 1991 and a Certified Financial Planner of the Financial Planning Association of Malaysia since 2003. She is also a Chartered Global Management Accountant and an Associate of the Chartered Institute of Management Accountants since 2019. She became a Fundamentals of Sustainability Accounting (FSA) credential holder with the International Financial Reporting Standards (IFRS) Foundation in 2023.

She began her career in 1988 as an Audit Assistant at Price Waterhouse in Malaysia (now known as PricewaterhouseCoopers PLT) in 1988 where she was involved in providing financial audit services. She was promoted to Audit Senior in 1991, where she was responsible in leading audit teams to perform financial audits. She left the firm in 1991 and joined Organizational Resources Sdn Bhd as an Accounting Teacher for Prime College in 1992. After a brief stint as an Accounting Teacher at Prime College, she left to pursue her MBA in 1993.

Upon completing her MBA in 1995, she joined Learning Dynamics Sdn Bhd as an Accountant, where she was responsible for the accounting operations including setting up accounting system of the company and credit control. In the same year, she was promoted to Finance Manager, where she was responsible for the improvement on policies and processes, taxation, financing and statutory reporting.

She left Learning Dynamics Sdn Bhd in 1996 and joined Tenggara Cement Manufacturing Sdn Bhd as a Senior Accountant where she was responsible for monitoring and managing financial and accounting functions of the group, overseeing financial statements, providing accurate and timely financial information. In 1999, she was transferred to Tenggara Capital Berhad (now known as Tenggara Oil Berhad), the holding company of Tenggara Cement Manufacturing Sdn Bhd, and was involved in corporate reporting and handling various corporate exercises.

She left Tenggara Oil Berhad in 2000 and joined Brunsfield Development Sdn Bhd as Senior Accountant and subsequently as Finance Manager in 2001. She was responsible for the financial management of the company including securing financing, cost optimisation and ensuring regulatory compliance.

In the same year, she resigned from Brunsfield Development Sdn Bhd and returned to Tenggara Oil Berhad as Finance Manager. She was promoted to the position of General Manager, Finance in 2002, where she took charge of corporate reporting and corporate exercises of the group. She left Tenggara Oil Berhad in 2005 and joined Wawasan TKH Sdn Bhd as the General Manager, Finance in the same year. Subsequently, she was transferred to the same position in Wawasan TKH Holdings Berhad in 2007. During her tenure with the company, she oversaw corporate reporting and handled various corporate exercises for the group.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

From 2009 to 2011, she pursued her doctorate with HELP University on a part time basis while she was working in Wawasan TKH Holdings Berhad. She left Wawasan TKH Holdings Berhad in 2012 and joined HELP University Sdn Bhd as Financial Controller where she was responsible for managing financial aspects of construction projects for HELP University and HELP International School, implementing SAP II ERP systems, and handling policy documentation and statutory reporting. She went on sabbatical leave from 2015 to 2016 for her DBA dissertation research. In 2016, she was appointed as a Senior Lecturer cum Senior Manager in HELP University Sdn Bhd, where she was responsible for quality assurance and accreditation of business programmes in its graduate school. She also served as the Secretary of the Academic Board and Industry Advisory Board for the graduate school.

After leaving HELP University Sdn Bhd in 2022, she co-founded the Malaysian Association of Public Advocacy for Nature (MAPAN), a non-governmental and non-profit organization.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.2 Directors' shareholdings

The shareholdings of our Directors in our Company before our IPO and after the Acquisitions and after Share Transfer and our IPO are as follows:

	Before our IPO and after the Acquisitions				After the Share Transfer				After our IPO			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(3)%	No. of Shares	(3)%
Datuk Yap	736,850,220	99.99	(4)25,494	*	105,860,000	14.37	(5)593,920,000	80.60	18,560,000	2.00	(5)593,920,000	64.00
Datuk Jacky Yap	24,286	*	-	-	18,560,000	2.52	(6)83,520,000	11.33	18,560,000	2.00	(6)83,520,000	9.00
Yap Lih Shyan	-	-	-	-	18,560,000	2.52	(6)83,520,000	11.33	18,560,000	2.00	(6)83,520,000	9.00
Dato' Asmuni Bin Sudin	-	-	-	-	-	-	-	-	-	-	-	-
Oh Ai Sim	-	-	-	-	-	-	-	-	-	-	-	-
Dr. Yan Huey Jiuan	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

* *Less than 0.01%.*

(1) *Calculated based on the number of 736,900,000 Shares before our IPO of and after the Acquisitions, details of which are set out in* ***Section 6.3.1*** *of this Prospectus.*

(2) *Calculated based on the number of 736,900,000 Shares before our IPO and after the Acquisitions and Share Transfer.*

(3) *Calculated based on our enlarged number of 928,000,000 Shares after our IPO.*

(4) *Deemed interested by virtue of his spouse, Datin Loh's and his son, Datuk Sean Yap's interest pursuant to Section 59(11) of the Act.*

(5) *Deemed interested by virtue of his shareholdings in PKYap Holdings and PKYap Family Capital pursuant to Section 8 of the Act and by virtue of his spouse, Datin Loh's and his son, Datuk Sean Yap's interest pursuant to Section 59(11) of the Act.*

(6) *Deemed interested by virtue of his/her shareholdings in PKYap Family Capital pursuant to Section 8 of the Act.*

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.3 Principal business activities and directorships outside of our Group

Save as disclosed below, none of our Directors have any other principal business activities performed outside our Group (including principal directorship and shareholding in the past 5 years and up to the LPD) as at the LPD:

(i) Datuk Yap

Company	Principal business activities	Involvement in business activities	Date of appointment as director	Date of resignation as director	Equity interest held	
					Direct	Indirect
					%	%
Present directorships / shareholdings / other business involvement outside our Group						
Pakar Mewah	Property owner(1)	Director / Shareholder	28 February 1992	-	20.00	-
PKYap Family Capital	Investment holding(2)	Director / Shareholder	15 September 2023	-	20.00	-
PKYap Holdings	Investment holding(2)	Director / Shareholder	6 March 2023	-	99.90	-
PSRSB	Properties letting and office management service	Director / Shareholder	5 January 1996	-	51.00	-
Past directorships / shareholdings outside our Group						
Anjuran Setara	Wound up(3)	Director / Shareholder	23 February 2015	29 December 2022	100.00	-
Estet Pkhs Sdn Bhd	Dissolved(4)	Director / Shareholder	8 May 2009	4 January 2021	40.00	-
Fusion Link (MM2H) Sdn Bhd	Dissolved**(5)**	Director / Shareholder	23 January 1984	14 March 2022	100.00	-
Jubli Astana	Dissolved**(6)**	Director / Shareholder	17 August 2015	8 August 2023	80.00	-
Muafakat Seribina	Dissolved**(7)**	Director / Shareholder	15 December 2020	29 July 2022	70.00	-
Pernara Jaya	Dissolved**(8)**	Director / Shareholder	30 October 1986	30 December 2022	100.00	-
Prasarana Pesona(9)	Building contractor	Director / Shareholder	14 October 2014	30 December 2022	100.00	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Notes:

(1) Pakar Mewah's principal activity is property owner where it only owns the private residential property occupied by Datuk Yap and his family for their own stay.

(2) The investment objective of PKYap Family Capital and PKYap Holdings is to hold shares in SPB Development.

(3) Anjuran Setara was wound up on 20 April 2023. Prior to winding up, the principal business activity of Anjuran Setara was management consultant.

(4) Estet Pkhs Sdn Bhd was dissolved on 4 January 2021. Prior to dissolution, Estet Pkhs Sdn Bhd was dormant.

(5) Fusion Link (MM2H) Sdn Bhd was dissolved on 14 March 2022. Prior to dissolution, Fusion Link (MM2H) Sdn Bhd was dormant.

(6) Jubli Astana was dissolved on 21 December 2023, Prior to dissolution, Jubli Astana was dormant.

(7) Muafakat Seribina was dissolved on 9 June 2023. Prior to dissolution, the principal business activity of Muafakat Seribina was management consultant.

(8) Pernara Jaya was dissolved on 30 December 2022. Prior to dissolution, the principal business activity of Pernara Jaya was buying, selling, renting and operating of self-owned or leased real estate - residential buildings.

(9) Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap had disposed their entire equity interest in Prasarana Pesona on 16 January 2023. Prior to the disposal, Prasarana Pesona was principally involved in the construction of affordable housing projects.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(ii) Datuk Jacky Yap

Company	Principal business activities	Involvement in business activities	Date of appointment as director	Date of resignation as director	Equity interest held	
					Direct	Indirect
					%	%
Present directorships / shareholdings / other business involvement outside our Group						
Pakar Mewah	Property owner[1]	Director / Shareholder	10 August 2011	-	20.00	-
PKYap Family Capital	Investment holding[2]	Director / Shareholder	15 September 2023	-	20.00	-
PKYap Holdings	Investment holding[2]	Director	6 March 2023	-	-	-
PSRSB	Properties letting and office management service	Director	17 April 2007	-	-	-
Past directorships / shareholdings outside our Group						
Anjuran Setara	Wound up[3]	Director / Shareholder	23 February 2015	29 December 2022	[4]-	-
Bitara Niaga	Property development	Director / Shareholder	24 October 2018	11 October 2023	20.00	-
Estet Pkhs Sdn Bhd	Dissolved[5]	Director / Shareholder	8 May 2009	4 January 2021	30.00	-
Fusion Link (MM2H) Sdn Bhd	Dissolved[6]	Director	10 August 2011	14 March 2022	-	-
Jubli Astana	Dissolved[7]	Director / Shareholder	17 August 2015	8 August 2023	10.00	-
Pernara Jaya	Dissolved[8]	Director	10 August 2011	30 December 2022	-	-
Prasarana Pesona[9]	Building contractor	Director / Shareholder	22 September 2014	30 December 2022	[4]-	-

Notes:

(1) Pakar Mewah's principal activity is property owner where it only owns the private residential property occupied by Datuk Jacky Yap and his family for their own stay.

(2) The investment objective of PKYap Family Capital and PKYap Holdings is to hold shares in SPB Development.

(3) Anjuran Setara was wound up on 20 April 2023. Prior to winding up, the principal business activity of Anjuran Setara was management consultant.

(4) The number of shares held is negligible and less than 0.01%.

(5) Estet Pkhs Sdn Bhd was dissolved on 4 January 2021. Prior to dissolution, Estet Pkhs Sdn Bhd was dormant.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(6) Fusion Link (MM2H) Sdn Bhd was dissolved on 14 March 2022. Prior to dissolution, Fusion Link (MM2H) Sdn Bhd was dormant.

(7) Jubli Astana was dissolved on 21 December 2023, Prior to dissolution, Jubli Astana was dormant.

(8) Pernara Jaya was dissolved on 30 December 2022. Prior to dissolution, the principal business activity of Pernara Jaya was buying, selling, renting and operating of self-owned or leased real estate - residential buildings.

(9) Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap had disposed their entire equity interest in Prasarana Pesona on 16 January 2023. Prior to the disposal, Prasarana Pesona was principally involved in the construction of affordable housing projects.

(iii) Yap Lih Shyan

Company	Principal business activities	Involvement in business activities	Date of appointment as director	Date of resignation as director	Equity interest held	
					Direct	Indirect
					%	%
Present directorships / shareholdings / other business involvement outside our Group						
Pakar Mewah	Property owner(1)	Director / Shareholder	22 May 2020	-	20.00	-
PKYap Family Capital	Investment holding(2)	Director / Shareholder	15 September 2023	-	20.00	-
PKYap Holdings	Investment holding(2)	Director	6 March 2023	-	-	-
PSRSB	Properties letting and office management service	Director	14 May 2018	-	-	-
Past directorships / shareholdings outside our Group						
Anjuran Setara	Wound up(3)	Director	14 May 2018	29 December 2022	-	-
Zen Serbajuta	Wound up(4)	Director / Shareholder	24 October 2019	8 August 2022	50.00	-

Notes:

(1) Pakar Mewah's principal activity is property owner where it only owns the private residential property occupied by Yap Lih Shyan and her family for their own stay.

(2) The investment objective of PKYap Family Capital and PKYap Holdings is to hold shares in SPB Development.

(3) Anjuran Setara was wound up on 20 April 2023. Prior to winding up, the principal business activity of Anjuran Setara was management consultant.

(4) Zen Serbajuta was wound up on 20 April 2023. Prior to winding up, the principal business activity of Zen Serbajuta was providing business management consultants services in various fields.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(iv) Dato' Asmuni Bin Sudin

Company	Principal business activities	Involvement in business activities	Date of appointment as director	Date of resignation as director	Equity interest held	
					Direct	Indirect
					%	%
Present directorships / shareholdings / other business involvement outside our Group						
MDV Startup Accelerator Sdn Bhd	Dormant(1)	Director	5 October 2022	-	-	-
Malaysia Debt Ventures Berhad	Engaged in the provision of financing facilities to the information and communication technology (ICT), biotechnology and other emerging technology sectors as mandated by the Government of Malaysia to spur the development of the ICT and biotechnology sectors in Malaysia	Independent Non-Executive Director	13 August 2020	-	-	-
One Glove Group Berhad	Investment holding company with its active subsidiary principally involved in the manufacturing, sales and marketing of gloves and other related activities	Independent Non-Executive Chairman / Shareholder	24 February 2021	-	0.06	-
PT Resources Holdings Berhad	Investment holding and provision of management services with its subsidiaries principally involved in the processing and trading of frozen seafood products as well as retail trading of meat and non-meat products	Independent Non-Executive Director / Shareholder	11 November 2020	-	0.02	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Company	Principal business activities	Involvement in business activities	Date of appointment as director	Date of resignation as director	Equity interest held	
					Direct	Indirect
YPJ Golf Resort Berhad	To establish, maintain, and provide golf course and recreational facilities	Shareholder	-	-	(2)-	-
Past directorships / shareholdings outside our Group						
IAP Integrated Sdn Bhd	In the process of winding up(3)	Director	31 October 2019	20 November 2019	-	-
Raeed Holdings Sdn Bhd	In the process of winding up(4)	Director	31 October 2019	20 November 2019	-	-

Notes:

(1) The intended principal activity of the entity will be to serve as a special purpose vehicle for Malaysia Debt Ventures Berhad and its group of companies that will raise fund from potential investors. As at the LPD, the company has not commenced the intended business activities.

(2) The number of shares held is negligible and less than 0.01%.

(3) Prior to winding up, IAP Integrated Sdn Bhd was principally involved in the provision of multi-bank platform that facilitates in channeling of funds from investors to finance viable ventures and projects; advisory and consultancy.

(4) Prior to winding up, Raeed Holdings Sdn Bhd was an investment holding company, which held the entire issued share capital of IAP Integrated Sdn Bhd.

(v) Oh Ai Sim

Sole proprietorship	Principal business activities	Involvement in business activities	Date of appointment as director	Date of resignation as director	Equity interest held	
					Direct	Indirect
					%	%
Present directorships / shareholdings / other business involvement outside our Group						
CPE Strategy Services	Training in auditing and accounting	Sole Proprietor	-	-	100.00	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(vi) Dr. Yan Huey Jiuan

Dr. Yan Huey Jiuan does not have any principal directorship, shareholding, and / or principal business activities performed outside our Group (including principal directorships in the past 5 years prior to the LPD) as at the LPD

The involvement of our Directors mentioned above in the other principal business activities outside our Group does not preclude them from allocating or committing their time and effort to our Group in their respective roles as our Directors, as:

(i) our Independent Non-Executive Directors are not involved in the day-to-day operations of our Group; and

(ii) our Non-Independent Executive Directors are not involved in the management and day-to-day operations of these businesses, other than attending meetings of the board of directors on which they serve. Such businesses do not require their involvement on a daily basis as these businesses are managed by their respective management. Our Non-Independent Executive Directors are of the view that although they are involved in other businesses outside our Group, they are able to devote sufficient time and attention to the affairs of our Group to carry out their respective duties.

There is no conflict of interest or potential conflict of interest based on our Directors' (i) present involvement in principal business activities outside of our Group in view that these business activities are not similar to our Group's business; and (ii) past directorships in companies outside of our Group as set out above as our Directors have ceased to be involved in those companies.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.4 Directors' remuneration and material benefits in-kind

The details of the remuneration and material benefits in-kind paid in the FYE 2023 and proposed to be paid in the FYE 2024 to our Directors for services rendered to our Group in all capacities are as follows:

Paid for the FYE 2023	Salary	Directors' Fee	Bonus	[(1)]Statutory Contributions	Allowances	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Datuk Yap	285	-	-	55	-	-	340
Datuk Jacky Yap	485	-	13	99	-	51	648
Yap Lih Shyan	360	-	-	71	-	10	441
Dato' Asmuni Bin Sudin	-	-	-	-	-	-	-
Oh Ai Sim	-	-	-	-	-	-	-
Dr. Yan Huey Jiuan	-	-	-	-	-	-	-

Note:

(1) Includes employer's contribution to EPF, SOCSO and EIS (where applicable).

Proposed for the FYE 2024	Salary	Directors' Fee	Bonus	[(1)]Statutory Contributions	Allowances	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Datuk Yap	420	-	-	18	-	-	438
Datuk Jacky Yap	660	-	-	128	-	25	813
Yap Lih Shyan	360	-	-	71	-	11	442
Dato' Asmuni Bin Sudin	-	-	-	-	-	-	-
Oh Ai Sim	-	-	-	-	-	-	-
Dr. Yan Huey Jiuan	-	-	-	-	-	-	-

Note:

(1) Includes employer's contribution to EPF, SOCSO and EIS (where applicable).

The remuneration of our Directors, which includes our Directors' salaries, emoluments, bonuses and other benefits, must be considered and recommended by our Remuneration Committee and subsequently be approved by our Board. Our Directors' fees and/or benefits must be further approved by our shareholders at a general meeting.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.5 Board practices

(i) Responsibility of our Board

Subject to the limitations of our Constitution, our Board has adopted a charter ("**Board Charter**"), which sets out, among others the following responsibilities of our Board for effective discharge of its functions:

(a) to review and approve strategies, business plans and key policies for our Group and monitor senior management's performance in implementing them, taking into account the sustainability and long-term value creation of our Group's business and strategic direction, with attention given to the ESG considerations underpinning sustainability and governance aspects of the business;

(b) to set corporate values and clear lines of responsibility and accountability, including governance systems and processes that are communicated throughout our Group;

(c) to ensure full compliance and to carry out the duties of our Board in accordance with the relevant provisions of the Listing Requirements, the CMSA, the Act, the MCCG and all applicable laws, regulations and guidelines;

(d) to adopt a sustainability policy as oversight on ESG strategy of our Group and strategic management of material ESG-related risks and opportunities in order to ensure our Group remains resilient and is able to meet sustainability goals and maintain the confidence of our stakeholders;

(e) to ensure that the tax corporate governance framework is effective and implemented in order to manage tax matters systematically, promote tax compliance and reduce the incidents of non-compliance on tax matters;

(f) to ensure that there shall be unrestricted access to independent advice or expert advice at our Company's expense in furtherance of our Board's duties;

(g) to formalise the ethical standards through a code of conduct which will be applicable throughout our Group and ensure compliance with our Board Charter;

(h) to ensure that our Company has a proper and robust succession plan for our senior management and Directors. Succession planning refers to the process of selecting, training, appointing, monitoring, evaluating and if warranted, replacing any senior management and Directors to ensure succession;

(i) to review and approve proposals for the allocation of capital and other resources within our Group;

(j) to ensure that our Board has adequate procedures in place to receive reports from our senior management periodically and / or on a timely manner, so that our Board has reasonable grounds to make proper judgement on financial matters and business prospects of our Group on an ongoing basis;

(k) to approve our Company's annual reports and unaudited periodic financial statements as required by the relevant regulators and authorities including, but not limited to, other published financials and materials as well as significant statements issued to shareholders;

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(l) to establish procedures to assess any related party transactions or conflict of interest situations that may arise within our Company or our Group, including any transaction, procedure or course of conduct that raises questions of management integrity;

(m) to establish and ensure the effective functioning and monitoring of our Board Committees then to delegate appropriate authority and terms of reference to such committees established by our Board;

(n) to strive to achieve an optimum balance and dynamic mix of competent and diverse skillsets amongst the members of our Board;

(o) together with our senior management, promote good corporate governance culture within our Group which reinforces ethical, prudent and professional behaviour; and

(p) to ensure that our Group has in place procedures to enable effective communication with stakeholders.

(ii) Audit and Risk Management Committee

Our Audit and Risk Management Committee comprises the following members:

Name	Designation	Directorship
Oh Ai Sim	Chairperson	Independent Non-Executive Director
Dr. Yan Huey Jiuan	Member	Independent Non-Executive Director
Dato' Asmuni Bin Sudin	Member	Senior Independent Non-Executive Director

The Audit and Risk Management Committee's duties and responsibilities as stated in its terms of reference include, among others, the following:

(a) the Chairman together with other members should ensure, amongst others, that:

(aa) the Audit and Risk Management Committee is fully informed about significant matters related to our Group's audit and its financial statements and address these matters;

(bb) the Audit and Risk Management Committee appropriately communicates its insights, views and concerns about the relevant transactions and events to the internal and external auditors;

(cc) the Audit and Risk Management Committee's concerns on matters that may have an effect on the financial audit of our Group are communicated to the external auditors; and

(dd) there is co-ordination between internal and external auditors.

(b) to review with the external auditors, our Group's quarterly results and year-end financial statements, before submission to our Board;

(c) to consider and recommend the appointment or re-appointment of external auditors and their audit fees;

(d) to review and discuss with the external auditors on the following and report the same to our Board:

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(aa) audit plan, audit report and evaluation of the system of internal controls;

(bb) the assistance given by the employees of our Company to the external auditors; and

(cc) external auditors' report of deficiencies in internal control and management's response thereto;

(e) to review with the internal auditors on the following and report the same to our Board:

(aa) annual audit plan which is risk-based and focused on significant risk areas to ensure adequate scope and comprehensive coverage over the activities of our Group; and

(bb) effectiveness of the internal audit processes as well as the adequacy of resources, competency and the necessary authority for the internal audit function;

(f) to review the terms of any related party transactions, conflict of interest situations, recurrent related party transactions and non-recurring corporate proposals involving related parties that may arise within our Company or our Group;

(g) to review and assess the adequacy and effectiveness of risk management policies and framework in identifying, measuring, monitoring and controlling risk and the extent to which these are operating effectively;

(h) to review and recommend risk management strategies, policies and level of risk tolerance for our Board's approval;

(i) to review the Annual Statement of Risk Management and Internal Control to be published in the Annual Report of our Company;

(j) to investigate any activity within its term of reference and seek any information it requires from any employee of our Group for the purpose of discharging its functions and responsibilities; and

(k) to undertake such other assignments as requested by our Board from time to time or as the Audit and Risk Management Committee considers appropriate.

(iii) Nominating Committee

Our Nominating Committee comprises the following members:

Name	Designation	Directorship
Dr. Yan Huey Jiuan	Chairperson	Independent Non-Executive Director
Oh Ai Sim	Member	Independent Non-Executive Director
Dato' Asmuni Bin Sudin	Member	Senior Independent Non-Executive Director

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

The Nominating Committee's duties and responsibilities as stated in its terms of reference include, among others, the following:

(a) to consider and recommend to our Board, candidates for any directorships proposed to be filled by our shareholders, our Board or other sources such as independent recruitment firms, taking into consideration the relevant criteria;

(b) to assess and evaluate, on an annual basis, or as and when required, the desirability of the overall composition of our Board and the balance amongst Executive, Non-Executive and Independent Directors and to ensure our Board composition is in compliance with the provision of the guidelines as prescribed by the relevant authorities;

(c) to establish a mechanism for annual assessment on the performance and effectiveness of our Board as a whole, our Board Committees (comprising Audit and Risk Management Committee, Nominating Committee and Remuneration Committee) and the contribution of each Director to the performance of our Company. Such annual assessment should be based on objective performance criteria, which is in line with established key performance indicators as approved by our Board;

(d) to review and recommend to our Board the required mix of skills and experience, and other qualities our Board requires in order to function completely and efficiently;

(e) to review on an annual basis, the tenure of each Director and ensure that the annual re-election of a Director is based on satisfactory evaluation of the Director's performance and contribution to our Board;

(f) to conduct the fit and proper assessment prior to the appointment of any candidate as a Director or making recommendation for re-election of an existing director;

(g) to ensure that every Director is subject to retirement at least once in every 3 years and that a retiring Director shall be eligible for re-election;

(h) to consider and recommend the Independent Directors who have served beyond 9 years for continuation in office, taking into consideration their performance and ability to continue to contribute to our Board;

(i) to ensure our Board meets the requirement for women Directors and to review the participation of women in senior management to ensure there is gender equality and healthy mix in talent pipeline;

(j) to integrate ESG considerations into nomination processes such as training criteria and ESG experience in order to recruit Directors that will bring ESG expertise to our Board;

(k) to consider and recommend to our Board for approval, the appropriate size of our Board and Board Committees to facilitate effective decision-making after taking into consideration the scope and nature of the operations of our Group;

(l) to identify suitable educational and training programmes for continuous development of Directors to ensure our Directors keep abreast with development in the industry, regulatory changes and board business trends;

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(m) to review and recommend to our Board, a formal succession plan for key personnel, taking into account the challenges and opportunities of our Group and the skills as well as expertise needed on our Board in the future;

(n) to review the leadership of our Company, both executives and non-executives, with a view to ensure the continued ability of our Company to compete effectively in the marketplace;

(o) to oversee the development of induction program for new Directors;

(p) to carry out other responsibilities, functions or assignments as may be defined by our Board Charter from time to time; and

(q) to review annually, the term of office, competency and performance of the Audit and Risk Management Committee and each of its members to determine whether such Audit and Risk Management Committee and its members carried out their duties in accordance with their terms of reference.

(iv) Remuneration Committee

Our Remuneration Committee comprises the following members:

Name	Designation	Directorship
Dato' Asmuni Bin Sudin	Chairman	Senior Independent Non-Executive Director
Oh Ai Sim	Member	Independent Non-Executive Director
Dr. Yan Huey Jiuan	Member	Independent Non-Executive Director

The Remuneration Committee's duties and responsibilities as stated in its terms of reference include, among others, the following:

(a) to review and recommend to our Board the remuneration package of our Directors and senior management, which should be aligned with the business strategies and long-term objectives of our Group, and drawing advice from experts, if necessary;

(b) to review annually the performance of our Directors and senior management, and recommend to our Board specific adjustments in remuneration and/or reward payments;

(c) to formulate policies, guidelines and set criteria for remuneration packages for our Directors and senior management, and to ensure that our Directors and senior management are fairly and appropriately remunerated according to the general market sentiments or conditions;

(d) to review and recommend to our Board the compensation payable to our Directors and senior management in connection with any loss or termination of their office or appointment or arrangements relating to dismissal or removal for misconduct and to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for our Company;

(e) when recommending the fee and other benefits for our Independent Directors, the Remuneration Committee shall ensure it does not conflict with the Independent Directors' obligation to bring objectivity and independent judgment on matters discussed at Board meetings;

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(f) to establish frequent communication with other board committees, namely (1) Nominating Committee to align remuneration policies and procedures to succession plans and talent management of executives; and (2) Audit and Risk Management Committee to ensure risk outcomes are adequately considered in the design of remuneration policies and procedures; and

(g) to consider and review any renewal of service contracts of our Directors and senior management as and when due, as well as any service contracts and remuneration package for newly appointed Directors and senior management prior to their appointment.

5.3 KEY SENIOR MANAGEMENT

There are no key technical personnels of our Group. However, our Group has a team of experienced Key Senior Management to support and report to the Chief Executive Officer.

Our Key Senior Management comprises the following:

Name	Designation
Datuk Jacky Yap	Non-Independent Executive Director and Chief Executive Officer
Datuk Sean Yap	Chief Financial Officer
Yap Lih Shyan	Non-Independent Executive Director and Chief Operating Officer
Umah Jeralene A/P Louis Adaikalasamy	Head of Project Development and Authorities Liaison
Siew Weng Yen	Head of Project Management and Contract
Soh Kok Hwa	Head of Sales, Marketing and Customer Relationship
Siew Li Sum	Head of Finance and Credit Administration

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3.1 Key Senior Management's shareholdings

The direct and indirect shareholdings of our Key Senior Management before our IPO and after the Acquisitions, Share Transfer and our IPO, and assuming some of our Key Senior Management fully subscribe for their respective allocations under the Pink Form Allocation are as follows:

	Before our IPO and after the Acquisitions				After the Share Transfer				After our IPO			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%	No. of Shares	(3)%	No. of Shares	(3)%
Datuk Jacky Yap	24,286	*	-	-	18,560,000	2.52	(4)83,520,000	11.33	18,560,000	2.00	(4)83,520,000	9.00
Datuk Sean Yap	24,286	*	-	-	18,560,000	2.52	(4)83,520,000	11.33	18,560,000	2.00	(4)83,520,000	9.00
Yap Lih Shyan	-	-	-	-	18,560,000	2.52	(4)83,520,000	11.33	18,560,000	2.00	(4)83,520,000	9.00
Umah Jeralene A/P Louis Adaikalasamy	-	-	-	-	-	-	-	-	154,000	0.02	-	-
Siew Weng Yen	-	-	-	-	-	-	-	-	154,000	0.02	-	-
Soh Kok Hwa	-	-	-	-	-	-	-	-	154,000	0.02	-	-
Siew Li Sum	-	-	-	-	-	-	-	-	154,000	0.02	-	-

Notes:

* *Less than 0.01%.*

(1) Calculated based on the number of 736,900,000 Shares before our IPO of and after the Acquisitions, details of which are set out in ***Section 6.3.1*** *of this Prospectus.*

(2) Calculated based on the number of 736,900,000 Shares before our IPO and after the Acquisitions and Share Transfer.

(3) Calculated based on our enlarged number of 928,000,000 Shares after our IPO.

(4) Deemed interested by virtue of his/her shareholdings in PKYap Family Capital pursuant to Section 8 of the Act.

Save for Datuk Sean Yap, who is the representative of our corporate shareholders, PKYap Holdings and PKYap Family Capital, none of our Key Senior Management are representatives of any corporate shareholders.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3.2 Profiles of Key Senior Management

Save for the profiles of Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan as set out in **Sections 5.1.2(v), 5.1.2(vi) and 5.1.2(vii)** of this Prospectus respectively, the profiles of our other Key Senior Management are as follows:

(i) Umah Jeralene A/P Louis Adaikalasamy
Head of Project Development and Authorities Liaison

Umah Jeralene a/p Louis Adaikalasamy, a Malaysian aged 58, is our Head of Project Development and Authorities Liaison. She leads the team on development processes such as preparing project development brief by setting out the estimation of development cost, local authority policies and requirements, liaising with professionals and authorities to obtain permits and approvals for our development projects. She has approximately 31 years of experience in managing development processes and on liaison activities with authorities for obtaining permits and approvals.

She obtained her Diploma in Marketing & Business from the Stamford College Malacca in 1995. In 2014, she graduated with Executive Master in Management (General) from Asia e University, Malaysia. She received the Women Dream Builder Award from the Women Icon, in association with Times Women in 2023.

In 1985, she began her career with Tadika Twinkle, Negeri Sembilan as a teacher, where she was responsible for teaching and child development. She left Tadika Twinkle in 1988 and relocated to Melaka. She joined Butterfly Garment Mfg Corp Sdn Bhd in 1989 as a Purchasing Clerk, where she was involved in a clerical job on purchasing. She left the company and joined Hypak Sdn Bhd as a Junior Confidential Secretary in 1990 where her responsibilities were mainly secretarial duties. In 1992, she left the company and joined Wingsdove (M) Sdn Bhd, a company principally involved in office media supplies, as Administration and Business Support Executive, where she was involved in administrative and marketing work of the company.

In 1993, she left the company and joined BCOM Holdings Sdn Bhd, a company principally involved in property development, as Personal Assistant to the executive director where she first started to be involved in liaising with professionals and authorities for property development projects.

In 1995, she left the company and joined Selayang Indah Sdn Bhd, a company principally involved in property development, as Sales Administration Manager where she was involved in project planning, liaising with authorities, sales administrative documentation, overseeing the marketing department and liaising with professionals.

She left the company and joined Suechi Industries Sdn Bhd, a company principally involved in property development in 1997 as Branch Manager, where she was involved in heading the sales and marketing team, project team and the finance team at branch level, reporting to the directors. She also liaised with professionals and authorities to obtain permits and approvals.

In 2005, she left the company and joined Agibs Revenue Sdn Bhd, a company principally involved in property development, as Sales and Marketing cum Administration Manager and was promoted to Chief Operation Officer cum Head of Sales and Marketing in 2007, where she was involved in heading the sales and marketing team, project team and the finance team at branch level, reporting to the directors of the company as well as liaising with professionals and authorities to obtain permits and approvals.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

In 2012, she left the company and joined Melaka Holidays Sdn Bhd, a company principally involved in tourism, as General Manager where she was involved in engaging with travel agencies for the state government of Melaka, as well as administrative-related task, financial planning, marketing planning, heading liaison activities with Civil Aviation Authority of Malaysia (CAAM) for obtaining permits and aviation approvals as well as communicating with airline companies and Malaysian Association of Tour and Travel Agents (MATTA).

In 2013, she left the company and joined KAJ Development Sdn Bhd, as Group Administration cum Development Manager, where she was involved in heading the sales and marketing team, project team and development and planning team. She was also responsible to liaise with professionals and authorities to obtain permits and approvals.

In 2018, she left the company and joined our Group as Development Senior Manager where she was responsible for business planning and development. She was also involved in liaison activities with professionals and authorities to obtain permits and approvals.

In 2022, she was re-designated as Head of Project Development and Authorities Liaison, where she assumed her current responsibilities.

(ii) Siew Weng Yen
Head of Project Management and Contract

Siew Weng Yen, a Malaysian aged 47, is our Head of Project Management and Contract. He leads the Project Management and Contract Department of our Group which undertakes project management activities, including project planning and management of construction activities undertaken by sub-contractors. He is also responsible for strategic planning, coordinating and monitoring at site. He has approximately 27 years of experience in quantity survey and project management.

He obtained his Diploma in Quantity Surveying from Institut Teknologi Pertama in 1997. In 2005, he graduated with Executive Diploma in Engineering Business Management-Project Management from Universiti Teknologi Malaysia.

In 1997, he began his career with Ceratrade (M) Sdn Bhd as an Assistant Quantity Surveyor where he was responsible for taking off quantity, which involved preparation of list of construction material necessary to complete development projects and estimation of labour cost. He was also responsible for preparing progress claims and issuing billings to clients and subcontractors.

He left the company in 1998 and joined SCL Tiling and General Construction Sdn Bhd as a Project Quantity Surveyor, where he was responsible in participating in contract preparation work, supervising work for site tiling until completion, site measurement work and evaluation and claim for variation work order.

In 2000, he left the company and joined Pembinaan Gurun Cahaya Sdn Bhd as a Site Supervisor cum Quantity Surveyor, where he was in charge of cost control, quality assurance and timely completion of projects.

In 2003, he left the company and joined Pembinaan Zawaki Sdn Bhd as a Project Manager. Subsequently, he left the company and joined Kao Jia Engineering Sdn Bhd, as a Project Manager in 2005. In both the companies, he was responsible in administrative functions which included preparing scope of work for appointment of contractors, resolving site technical issues and ensuring smooth implementation of project and quality of work.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

In 2009, he left the company and joined Zamrans Sdn Bhd as an Assistant Project Manager where he took over the remaining construction work such as infrastructure, architecture, defects and testing and commissioning work until issuance of the CCC for the project. In 2010, he left the company and joined Pima Pembangunan Sdn Bhd as an Assistant Project Manager, where he was responsible in managing and maintaining a commercial building which include sourcing for quotations from contractors for general contracting work, preparing maintenance work schedule for mechanical and engineering equipment, facilities and security services, collecting maintenance fund and maintaining house rules.

He left the company in the same year and joined Caspio Bina Sdn Bhd as a Project Manager where he was responsible in cost control, quality assurance and timely completion of projects.

In 2011, he joined Purcon (M) Sdn Bhd as a Site Manager where he was responsible in managing cost, quality, safety and environmental compliance of construction site and timely completion of projects.

He left the company in 2013 and joined Solid Compliment Sdn Bhd as a Project Manager where he was responsible in project execution and management of a mixed development project which included monitoring construction progress to ensure timely completion.

Subsequently, in 2014, he joined Dakota Engineering Sdn Bhd as a Project Manager. He was responsible in cost control, quality assurance and timely completion of the project until issuance of the CCC for the project.

In 2017, he left the company and joined MITC Engineering Sdn Bhd (which subsequently changed its name to MGB Construction & Engineering Sdn Bhd), as a Project Manager where he was involved in several landed and high-rise residential construction projects in Selangor. He was responsible in project planning, project execution, cost control, quality assurance, providing training and development to the worker at the construction site, and handling contractual and sites disputes. He was promoted to the Head of Department of Construction in the same year where he led and managed the construction division. His responsibilities include project budgeting, achieving Quality Assessment System in Construction (QLASSIC) scoring, succession planning for staff, training and development. He was promoted to General Manager, Project, in 2019 where he was involved in managing the project team, cost control, quality assurance and ensuring the completion of projects on timely basis.

In 2022, he left the company and joined our Group as Senior Project Manager and was subsequently redesignated as Head of Project Management and Contract in the same year where he assumed his current responsibilities.

(iii) Soh Kok Hwa
Head of Sales, Marketing and Customer Relationship

Soh Kok Hwa, a Malaysian aged 35, is our Head of Sales, Marketing and Customer Relationship. He is responsible for the sales and marketing activities of our Group to promote sales of our property products to prospective buyers and build and foster relationships with property sales agencies. He is involved in developing sales and marketing strategies, planning and developing market intelligence strategies to keep abreast with homebuyers purchasing trends and competitive landscape, and identifying new sales and marketing channels. In addition, he is also in charge of planning the delivery of vacant possession of the properties developed by our Group to ensure smooth sale process and provides after-sales service, which includes attending to enquiries from buyers. He has approximately 12 years of experience in sales, marketing, credit control and customer relationship.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

He obtained his Bachelor of Economics (Honours) from Universiti Utara Malaysia in 2012.

In 2012, he began his career with our Group as a Sales and Marketing Management Trainee. As a trainee, he assisted in sale and marketing activities, project launching, credit administration and customer relationship.

He was promoted to Credit Control Assistant Manager in 2016 where he was responsible in overseeing the overall credit administration such as the preparation and checking of sales and purchase agreement, tracking of progressive billing and payments. He also handled delivery of vacant possession of the properties developed by our Group and provided after-sales service, which includes attending to enquiries from buyers.

He was promoted to Sales & Marketing and Credit Manager in 2017 and subsequently redesignated to Head of Sales, Marketing and Customer Relationship of our Group in 2022 where he assumed his current responsibilities.

(iv) Siew Li Sum
Head of Finance and Credit Administration

Siew Li Sum, a Malaysian aged 40, is our Head of Finance and Credit Administration. She is responsible for the overall finance and accounting matters of our Group. She also oversees the credit administration of our Group, which includes tracking of progressive billings and payments as well as monitoring the recoverability of any overdue trade receivables on regular basis.

She obtained Bachelor of Accountancy (Honours) from Universiti Putra Malaysia in 2008. She is a Chartered Accountant by profession and a member of MIA since 2012. She has approximately 16 years of experience in audit, accounting and finance.

She began her career in 2008 with Sim & Teo as an Audit Associate and was promoted to an Audit Senior Associate in 2010. She was involved in the audit of companies in construction, property development, manufacturing, retail and trading sectors. Her responsibilities included reviewing accounting records, internal control and tax records as well as ensuring that accounting provisions comply with the accounting standards. She left the firm in 2010 and took a career break due to personal reason. In 2011, she re-joined Sim & Teo as an Audit Senior Associate, where she resumed her responsibilities as mentioned above.

Subsequently, she left the firm in 2013 and joined SmartClass Solution Sdn Bhd as an Administration and Account Executive. She was responsible for preparing and maintaining accounts, preparing monthly financial and management reports, data entry as well as Goods and Services Tax (GST) filings.

She left the company in 2015 and joined our Group in 2016 as an Account Executive where she was responsible in preparing monthly financial statements and management accounts, liaising with external auditors, bankers, company secretary and tax agents. In 2017, she was promoted to Accountant where she was involved in preparing, examining and analysing accounting records, financial statements and other financial reports to ensure accuracy, completeness, compliance with reporting and procedural standards as well as handling tax matters. Thereafter in 2022, she was promoted to Accounts Manager and was subsequently redesignated to Head of Finance and Credit Administration in 2022, where she assumed her current responsibilities.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3.3 Principal business activities and directorships outside of our Group

As at the LPD, save as disclosed below and **Sections 5.2.3(ii)** and **5.2.3(iii)** of this Prospectus for Datuk Jacky Yap and Yap Lih Shyan respectively, none of our Key Senior Management have any other principal business activities performed outside our Group (including principal directorship and shareholding) in the past 5 years and up to the LPD) as at the LPD:

(i) Datuk Sean Yap

Company	Principal business activities	Involvement in business activities	Date of appointment as director	Date of resignation as director	Equity interest held	
					Direct	Indirect
					%	%
Present directorships / shareholdings / other business involvement outside our Group						
Pakar Mewah	Property owner[1]	Director / Shareholder	10 August 2011	-	20.00	-
PKYap Family Capital	Investment holding[2]	Director / Shareholder	15 September 2023	-	20.00	-
PKYap Holdings	Investment holding[2]	Director	6 March 2023	-	-	-
PSRSB	Properties letting and office management service	Director	17 April 2007	-	-	-
Past directorships / shareholdings outside our Group						
Anjuran Setara	Wound up[3]	Director / Shareholder	23 February 2015	29 December 2022	[4]-	-
Estet Pkhs Sdn Bhd	Dissolved[5]	Director / Shareholder	8 May 2009	4 January 2021	30.00	-
Fusion Link (MM2H) Sdn Bhd	Dissolved[6]	Director	10 August 2011	14 March 2022	-	-
Jubli Astana	Dissolved[7]	Director / Shareholder	17 August 2015	8 August 2023	10.00	-
Pernara Jaya	Dissolved[8]	Director	10 August 2011	30 December 2022	-	-
Prasarana Pesona[9]	Building contractor	Director / Shareholder	22 September 2014	30 December 2022	[4]-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Notes:

(1) *Pakar Mewah's principal activity is property owner where it only owns the private residential property occupied by Datuk Sean Yap and his family for their own stay.*

(2) *The investment objective of PKYap Family Capital and PKYap Holdings is to hold shares in SPB Development.*

(3) *Anjuran Setara was wound up on 20 April 2023. Prior to winding up, the principal business activity of Anjuran Setara was management consultant.*

(4) *The number of shares held is negligible and less than 0.01%.*

(5) *Estet Pkhs Sdn Bhd was dissolved on 4 January 2021. Prior to dissolution, Estet Pkhs Sdn Bhd was dormant.*

(6) *Fusion Link (MM2H) Sdn Bhd was dissolved on 14 March 2022. Prior to dissolution, Fusion Link (MM2H) Sdn Bhd was dormant.*

(7) *Jubli Astana was dissolved on 21 December 2023. Prior to dissolution, Jubli Astana was dormant.*

(8) *Pernara Jaya was dissolved on 30 December 2022. Prior to dissolution, the principal business activity of Pernara Jaya was buying, selling, renting and operating of self-owned or leased real estate - residential buildings.*

(9) *Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap had disposed their entire equity interest in Prasarana Pesona on 16 January 2023. Prior to the disposal, Prasarana Pesona was principally involved in the construction of affordable housing projects.*

(ii) Umah Jeralene A/P Louis Adaikalasamy

Company	Principal business activities	Involvement in business activities	Date of appointment as director	Date of resignation as director	Equity interest held	
					Direct	Indirect
					%	%
Past directorships / shareholdings outside our Group						
Lovely Ray Travel & Tours Sdn Bhd	Dissolved(1)	Director / Shareholder	15 August 2013	30 April 2021	40.00	-
Sri Yantra Project Sdn Bhd	Dissolved(2)	Director / Shareholder	10 November 2001	26 November 2019	100.00	-

Notes:

(1) *Lovely Ray Travel & Tours Sdn Bhd was dissolved on 30 April 2021. Prior to dissolution, the principal business activities of Lovely Ray Travel & Tours Sdn Bhd were to carry on business as tourists and travel agents, ticketing, to facilitate tourism and travelling and to provide for tourists, travelers, holiday makers and vacationers.*

(2) *Sri Yantra Project Sdn Bhd was dissolved on 26 November 2019. Prior to dissolution, Sri Yantra Project Sdn Bhd was dormant.*

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(iii) Siew Weng Yen

Company	Principal business activities	Involvement in business activities	Date of appointment as director	Date of resignation as director	Equity interest held	
					Direct	Indirect
					%	%
Present directorships / shareholdings / other business involvement outside our Group						
Kao Jia Engineering Sdn Bhd	Other management consultancy activities	Director / Shareholder	22 April 2005	-	95.00	-
LS Fresh Supply	Trading & processing and preserving of poultry and poultry products	Partner	-	-	N/A	N/A

(iv) Soh Kok Hwa

Soh Kok Hwa does not have any principal directorship, shareholding, and / or principal business activities performed outside our Group (including principal directorships in the past 5 years prior to the LPD) as at the LPD.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(v) Siew Li Sum

Company	Principal business activities	Involvement in business activities	Date of appointment as director	Date of resignation as director	Equity interest held	
					Direct	Indirect
					%	%
Present directorships / shareholdings / other business involvement outside our Group						
The Atlas Ice Company Bhd	Coldrooms rental, oil palm cultivation, investment holding and manufacturing and sale of tube ice	Shareholder	--	--	(1)-	-

Note:

(1) The number of shares held is negligible and less than 0.01%.

The involvement of our Key Senior Management mentioned above in the other principal business activities outside our Group does not preclude them from allocating or committing their time and effort to our Group in their respective roles as our Key Senior Management. These businesses outside our Group do not require their involvement on a daily basis as these businesses are managed by their respective management.

There is no conflict of interest or potential conflict of interest based on our Key Senior Management's (i) present involvement in principal business activities outside our Group in view that these business activities are not similar to our Group's business; and (ii) past directorships in companies outside our Group as set out above in view that our Key Senior Management has ceased to be involved in those companies.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3.4 Key Senior Management's remuneration and material benefits in-kind

The aggregate remuneration and material benefits-in-kind (including contingent or deferred remuneration) paid and proposed to be paid to Datuk Jacky Yap and Yap Lih Shyan, who are also our Key Senior Management, for the FYE 2023 and FYE 2024 are set out in **Section 5.2.4** of this Prospectus.

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred compensation) paid or proposed to be paid to our other Key Senior Management for services rendered in all capacities to our Group for the FYE 2023 and FYE 2024 are as follows:

	Remuneration band[1]	
Key Senior Management	**Paid in the FYE 2023**	**Proposed for the FYE 2024**
	RM	**RM**
Datuk Sean Yap	450,000 - 500,000	450,000 - 500,000
Umah Jeralene A/P Louis Adaikalasamy	250,000 - 300,000	300,000 - 350,000
Siew Weng Yen	250,000 - 300,000	300,000 - 350,000
Soh Kok Hwa	150,000 - 200,000	200,000 - 250,000
Siew Li Sum	100,000 - 150,000	100,000 - 150,000

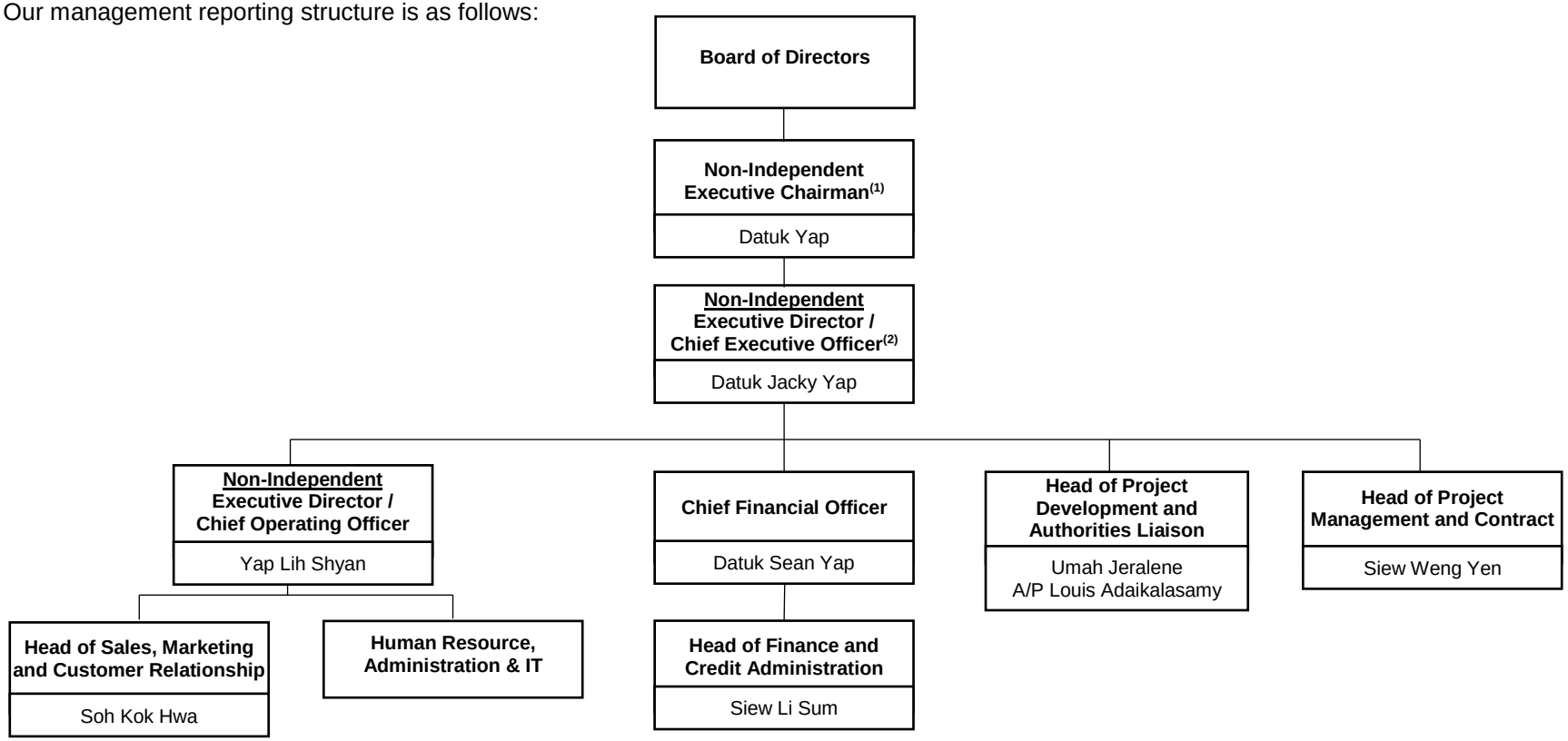
Note:

(1) Includes salaries, bonus, allowances and statutory contributions to EPF, SOCSO and EIS as well as other benefits.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.4 MANAGEMENT REPORTING STRUCTURE

Our management reporting structure is as follows:



Notes:

(1) Our Non-Independent Executive Chairman is responsible for our Group's overall business plans and strategies, market development activities, providing strategic guidance and direction to our Board.

(2) Our Chief Executive Officer is responsible for the day-to-day operations of our Group including leading and overseeing matters related to project concept development, project budgeting, development planning, project negotiation, awarding project tenders, project implementation and overseeing the liaison activities with professionals and authorities to obtain permits and approval for development projects. He also ensures the effective and efficient business operation of our Group.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.5 DECLARATIONS BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoters, Directors and Key Senior Management is or was involved in any of the following events (whether within or outside Malaysia):

(i) in the last 10 years, a petition under any bankruptcy or insolvency law was filed (and not struck out) against such person or any partnership in which he/she was a partner or any corporation of which he/she was a director or member of key senior management;

(ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;

(iii) in the last 10 years, charged or convicted in a criminal proceeding, or is a named subject of a pending criminal proceeding;

(iv) in the last 10 years, any judgment that was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his/her part, involving a breach of any law or regulatory requirement that relates to the capital market;

(v) in the last 10 years, the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his or her part that relates to the capital market;

(vi) being the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining him/her from engaging in any type of business practice or activity;

(vii) in the last 10 years, has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and

(viii) any unsatisfied judgment against him/her.

5.6 FAMILY RELATIONSHIPS AND ASSOCIATIONS

Save as disclosed below, there are no family relationships and associations among our Promoters, substantial shareholders, Directors and Key Senior Management as at the LPD.

Name	Position / Capacity in our Company	Relationship / Association
PKYap Holdings	Promoter and substantial shareholder	▪ Datuk Yap is a director and substantial shareholder of PKYap Holdings ▪ Datin Loh is a director and shareholder of PKYap Holdings ▪ Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan are directors of PKYap Holdings
PKYap Family Capital	Promoter and substantial shareholder	▪ Directors and substantial shareholders of PKYap Family Capital are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Name	Position / Capacity in our Company	Relationship / Association
Datuk Yap	Promoter, substantial shareholder and Non-Independent Executive Chairman	▪ Director and substantial shareholder of PKYap Holdings ▪ Director and substantial shareholder of PKYap Family Capital ▪ Spouse of Datin Loh ▪ Father of Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan
Datin Loh	Promoter and substantial shareholder	▪ Director and shareholder of PKYap Holdings ▪ Director and substantial shareholder of PKYap Family Capital ▪ Spouse of Datuk Yap ▪ Mother of Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan
Datuk Jacky Yap	Promoter, substantial shareholder, Non-Independent Executive Director and Chief Executive Officer	▪ Director of PKYap Holdings ▪ Director and substantial shareholder of PKYap Family Capital ▪ Son of Datuk Yap and Datin Loh ▪ Brother of Datuk Sean Yap and Yap Lih Shyan
Datuk Sean Yap	Promoter, substantial shareholder and Chief Financial Officer	▪ Director of PKYap Holdings ▪ Director and substantial shareholder of PKYap Family Capital ▪ Son of Datuk Yap and Datin Loh ▪ Brother of Datuk Jacky Yap and Yap Lih Shyan
Yap Lih Shyan	Promoter, substantial shareholder, Non-Independent Executive Director and Chief Operating Officer	▪ Director of PKYap Holdings ▪ Director and substantial shareholder of PKYap Family Capital ▪ Daughter of Datuk Yap and Datin Loh ▪ Sister of Datuk Jacky Yap and Datuk Sean Yap

5.7 SERVICE CONTRACTS

As at the LPD, none of our Directors and/or Key Senior Management has any existing or proposed service contract which provides for benefits upon termination of employment with our Group.

6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR COMPANY

Our Company was incorporated in Malaysia under the Act on 6 October 2022 as a private limited company under the name of SPB Development Sdn Bhd. On 9 August 2024, our Company was converted into a public limited company and assumed its present name, SPB Development Berhad.

Our Company is principally an investment holding company. Through our Subsidiaries, we are involved in the property development business.

Please refer to **Section 6.5** of this Prospectus for more details of the principal activities of our Subsidiaries.

6.2 SHARE CAPITAL

As at the LPD, issued share capital is RM1,000 comprising 1,000 Shares.

The changes in our issued share capital since the date of our incorporation up to the LPD are as follows:

Date of allotment	No. of Shares allotted	Consideration	Nature of transaction	Cumulative issued share capital	
				No. of Shares	RM
6 October 2022	2	Cash	Subscribers' Shares	2	2
2 November 2022	998	Cash	Allotment of Shares	1,000	1,000

Upon the completion of our IPO, our enlarged issued share capital will increase to RM[●] comprising 928,000,000 Shares.

As at the LPD, we do not have any outstanding warrants, options, convertible securities or uncalled capital. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

6.3 PRE-IPO RESTRUCTURING EXERCISE

6.3.1 Acquisitions

To formalise our listing group in preparation for our Listing, we have undertaken the Acquisitions. Our Group had on 8 August 2024 entered into 11 conditional share sale and purchase agreements as follows:

(i) SPB Development entered into 6 conditional share sale and purchase agreements with Datuk Yap and Datin Loh to acquire the entire issued share capital of Dayang Gemilang, Debunga Istimewa, Good Rate, Jendela Hijau, Laman Exotika and SPBSB respectively for an aggregate consideration of RM381,456,662.56, wholly satisfied by the issuance of 707,449,300 new Shares at an issue price of approximately RM0.54 per Share;

(ii) SPB Development entered into a conditional share sale and purchase agreement with Datuk Yap, Datin Loh, Datuk Jacky Yap and Datuk Sean Yap to acquire the entire issued share capital of Hektar Berlian for an aggregate consideration of RM1,875,014.08, wholly satisfied by the issuance of 3,477,400 new Shares at an issue price of approximately RM0.54 per Share;

6. INFORMATION ON OUR GROUP *(Cont'd)*

(iii) SPB Development entered into 3 conditional share sale and purchase agreements with Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap to acquire the entire issued share capital of Naluri Wijaya, Panglima Juara and Setara Hijau respectively for an aggregate consideration of RM6,546,427.20, wholly satisfied by the issuance of 12,141,000 new Shares at an issue price of approximately RM0.54 per Share; and

(iv) SPB Development entered into a conditional share sale and purchase agreement with Datuk Yap to acquire the entire issued share capital of Mantap Megajuta for an aggregate consideration of RM7,457,836.96, wholly satisfied by the issuance of 13,831,300 new Shares at an issue price of approximately RM0.54 per Share.

The Acquisitions were completed on [●].

Thereafter, SPBSB, Ekuiti Idaman (held through SPBSB), Modal Cergas (held through SPBSB), Rentas Dinamik (held through SPBSB), Dayang Gemilang, Debunga Istimewa, Good Rate, Hektar Berlian, Jendela Hijau, Laman Exotika, Mantap Megajuta, Naluri Wijaya, Panglima Juara and Setara Hijau became our wholly-owned subsidiaries.

Please refer to **Section 6.4** of this Prospectus for details on our Group structure.

Further details of the Acquisitions are as follows:

(i) Acquisition of Dayang Gemilang

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of Dayang Gemilang from Datuk Yap and Datin Loh comprising 500,000 ordinary shares in Dayang Gemilang for a purchase consideration of RM26,452,397.12. The Acquisition of Dayang Gemilang was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Dayang Gemilang as at 31 December 2023 of RM26,449,977.

The purchase consideration was wholly satisfied by the allotment and issuance of 49,058,600 Shares at an issue price of approximately RM0.54 per Share to Datuk Yap and Datin Loh as follows:

Vendors	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	499,999	100.00	26,452,344.28	49,058,502
Datin Loh	1	*	52.84	98
Total	**500,000**	**100.00**	**26,452,397.12**	**49,058,600**

Note:

* *Negligible.*

(ii) Acquisition of Debunga Istimewa

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of Debunga Istimewa from Datuk Yap and Datin Loh comprising 350,000 ordinary shares in Debunga Istimewa for a purchase consideration of RM1,021,622.24. The Acquisition of Debunga Istimewa was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Debunga Istimewa as at 31 December 2023 of RM1,021,538.

The purchase consideration was wholly satisfied by the allotment and issuance of 1,894,700 Shares at an issue price of approximately RM0.54 per Share to Datuk Yap and Datin Loh as follows:

6. INFORMATION ON OUR GROUP *(Cont'd)*

Vendors	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	349,999	100.00	1,021,619.54	1,894,695
Datin Loh	1	*-	2.70	5
Total	**350,000**	**100.00**	**1,021,622.24**	**1,894,700**

Note:

* *Negligible.*

(iii) Acquisition of Good Rate

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of Good Rate from Datuk Yap and Datin Loh comprising 250,002 ordinary shares in Good Rate for a purchase consideration of RM3,917,719.36. The Acquisition of Good Rate was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Good Rate as at 31 December 2023 of RM3,917,378.

The purchase consideration was wholly satisfied by the allotment and issuance of 7,265,800 Shares at an issue price of approximately RM0.54 per Share to Datuk Yap and Datin Loh as follows:

Vendors	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	250,000	100.00	3,917,688.09	7,265,742
Datin Loh	2	*-	31.27	58
Total	**250,002**	**100.00**	**3,917,719.36**	**7,265,800**

Note:

* *Negligible.*

(iv) Acquisition of Hektar Berlian

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of Hektar Berlian from Datuk Yap, Datin Loh, Datuk Jacky Yap and Datuk Sean Yap comprising 1,000,000 ordinary shares in Hektar Berlian for a purchase consideration of RM1,875,014.08. The Acquisition of Hektar Berlian was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Hektar Berlian as at 31 December 2023 of RM1,874,862.

The purchase consideration was wholly satisfied by the allotment and issuance of 3,477,400 Shares at an issue price of approximately RM0.54 per Share to Datuk Yap, Datin Loh, Datuk Jacky Yap and Datuk Sean Yap as follows:

Vendors	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	999,997	100.00	1,875,009.22	3,477,391
Datin Loh	1	*-	1.62	3
Datuk Jacky Yap	1	*-	1.62	3
Datuk Sean Yap	1	*-	1.62	3
Total	**1,000,000**	**100.00**	**1,875,014.08**	**3,477,400**

Note:

* *Negligible.*

6. INFORMATION ON OUR GROUP *(Cont'd)*

(v) Acquisition of Jendela Hijau

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of Jendela Hijau from Datuk Yap and Datin Loh comprising 3 ordinary shares in Jendela Hijau for a purchase consideration of RM107.84. The Acquisition of Jendela Hijau was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NL of Jendela Hijau as at 31 December 2023 of RM96,432.

The purchase consideration was wholly satisfied by the allotment and issuance of 200 Shares at an issue price of approximately RM0.54 per Share to Datuk Yap and Datin Loh as follows:

Vendors	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	2	66.67	71.71	133
Datin Loh	1	33.33	36.13	67
Total	**3**	**100.00**	**107.84**	**200**

(vi) Acquisition of Laman Exotika

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of Laman Exotika from Datuk Yap and Datin Loh comprising 350,000 ordinary shares in Laman Exotika for a purchase consideration of RM89,854,121.28. The Acquisition of Laman Exotika was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Laman Exotika as at 31 December 2023 of RM89,845,838.

The purchase consideration was wholly satisfied by the allotment and issuance of 166,643,400 Shares at an issue price of approximately RM0.54 per Share to Datuk Yap and Datin Loh as follows:

Vendors	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	349,998	100.00	89,853,607.96	166,642,448
Datin Loh	2	*-	513.32	952
Total	**350,000**	**100.00**	**89,854,121.28**	**166,643,400**

Note:

* *Negligible.*

(vii) Acquisition of Mantap Megajuta

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of Mantap Megajuta from Datuk Yap comprising 7,500,000 ordinary shares in Mantap Megajuta for a purchase consideration of RM7,457,836.96. The Acquisition of Mantap Megajuta was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Mantap Megajuta as at 31 December 2023 of RM7,457,126.

The purchase consideration was wholly satisfied via the allotment and issuance of 13,831,300 Shares at an issue price of approximately RM0.54 per Share to Datuk Yap as follows:

6. INFORMATION ON OUR GROUP *(Cont'd)*

Vendor	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	7,500,000	100.00	7,457,836.96	13,831,300
Total	**7,500,000**	**100.00**	**7,457,836.96**	**13,831,300**

(viii) Acquisition of Naluri Wijaya

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of Naluri Wijaya from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap comprising 1,100,000 ordinary shares in Naluri Wijaya for a total purchase consideration of RM107.84. The Acquisition of Naluri Wijaya was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NL of Naluri Wijaya as at 31 December 2023 of RM11,074,541.

The purchase consideration was partly satisfied by the allotment and issuance of 200 Shares at an issue price of approximately RM0.54 per Share to Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap as follows:

Vendors	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	1,099,998	100.00	106.76	198
Datuk Jacky Yap	1	*-	0.54	1
Datuk Sean Yap	1	*-	0.54	1
Total	**1,100,000**	**100.00**	**107.84**	**200**

Note:

* *Negligible.*

(ix) Acquisition of Panglima Juara

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of Panglima Juara from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap comprising 250,000 ordinary shares in Panglima Juara for a purchase consideration of RM6,546,211.52. The Acquisition of Panglima Juara was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Panglima Juara as at 31 December 2023 of RM6,545,597.

The purchase consideration was wholly satisfied by the allotment and issuance of 12,140,600 Shares at an issue price of approximately RM0.54 per Share to Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap as follows:

Vendors	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	249,000	99.60	6,520,026.88	12,092,038
Datuk Jacky Yap	500	0.20	13,092.32	24,281
Datuk Sean Yap	500	0.20	13,092.32	24,281
Total	**250,000**	**100.00**	**6,546,211.52**	**12,140,600**

6. INFORMATION ON OUR GROUP *(Cont'd)*

(x) Acquisition of Setara Hijau

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of Setara Hijau from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap comprising 750,000 ordinary shares in Setara Hijau for a total purchase consideration of RM107.84. The Acquisition of Setara Hijau was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NL of Setara Hijau as at 31 December 2023 of RM1,148,519.

The purchase consideration was partly satisfied by the allotment and issuance of 200 Shares at an issue price of approximately RM0.54 per Share to Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap as follows:

Vendors	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	749,998	100.00	106.76	198
Datuk Jacky Yap	1	*-	0.54	1
Datuk Sean Yap	1	*-	0.54	1
Total	**750,000**	**100.00**	**107.84**	**200**

Note:

* *Negligible.*

(xi) Acquisition of SPBSB

On 8 August 2024, SPB Development had entered into a conditional agreement to acquire the entire issued share capital of SPBSB from Datuk Yap and Datin Loh comprising 20,000,000 ordinary shares in SPBSB for a purchase consideration of RM260,210,694.72. The Acquisition of SPBSB was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of SPBSB as at 31 December 2023 of RM260,277,295.

The purchase consideration was wholly satisfied by the allotment and issuance of 482,586,600 Shares at an issue price of RM0.54 per Share to Datuk Yap and Datin Loh as follows:

Vendors	No. of shares acquired	%	Purchase consideration	No. of Shares issued
			RM	
Datuk Yap	19,999,999	100.00	260,210,681.78	482,586,576
Datin Loh	1	*-	12.94	24
Total	**20,000,000**	**100.00**	**260,210,694.72**	**482,586,600**

Note:

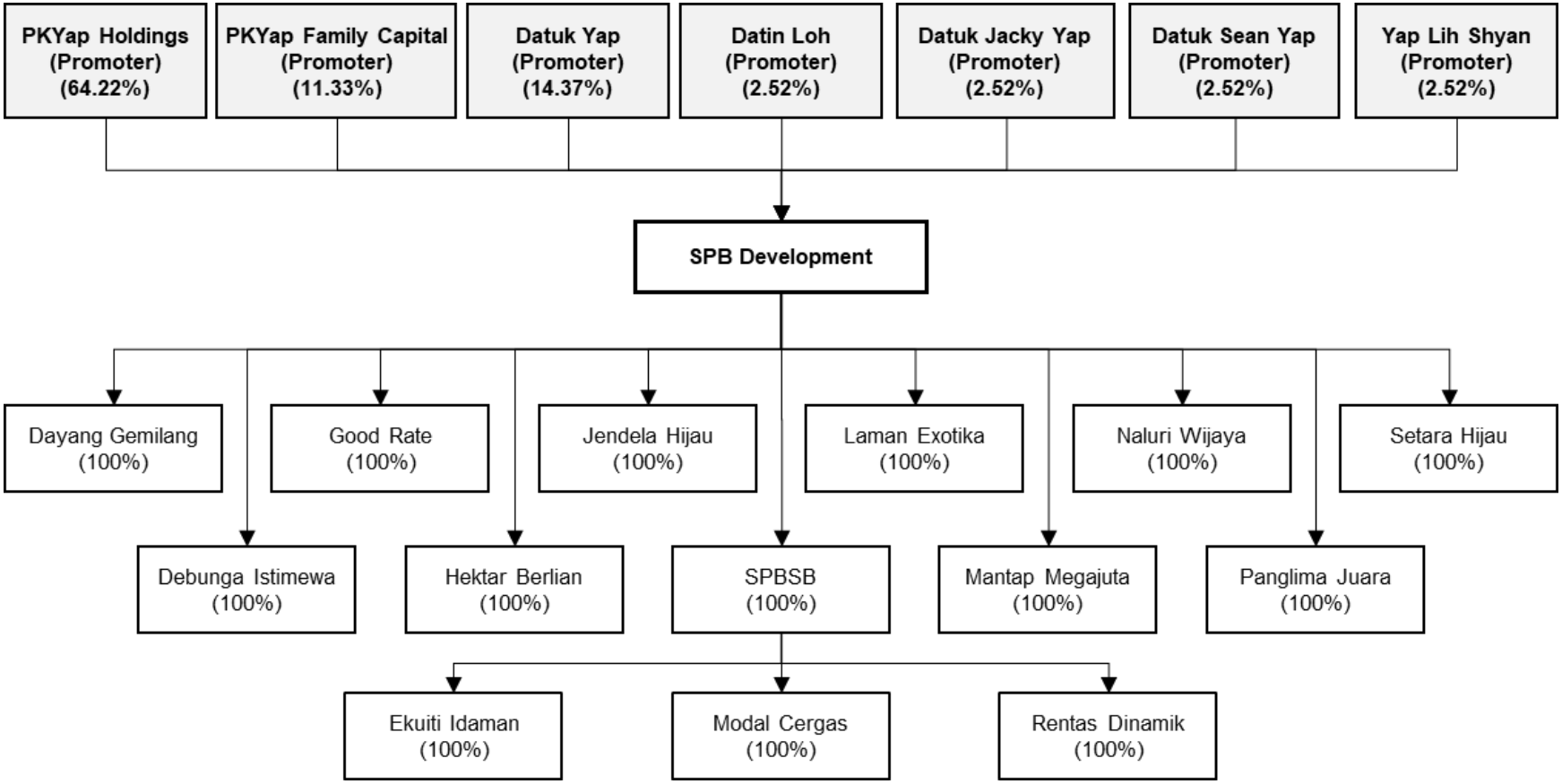
* *Negligible.*

6. INFORMATION ON OUR GROUP *(Cont'd)*

6.4 GROUP STRUCTURE

Before our IPO

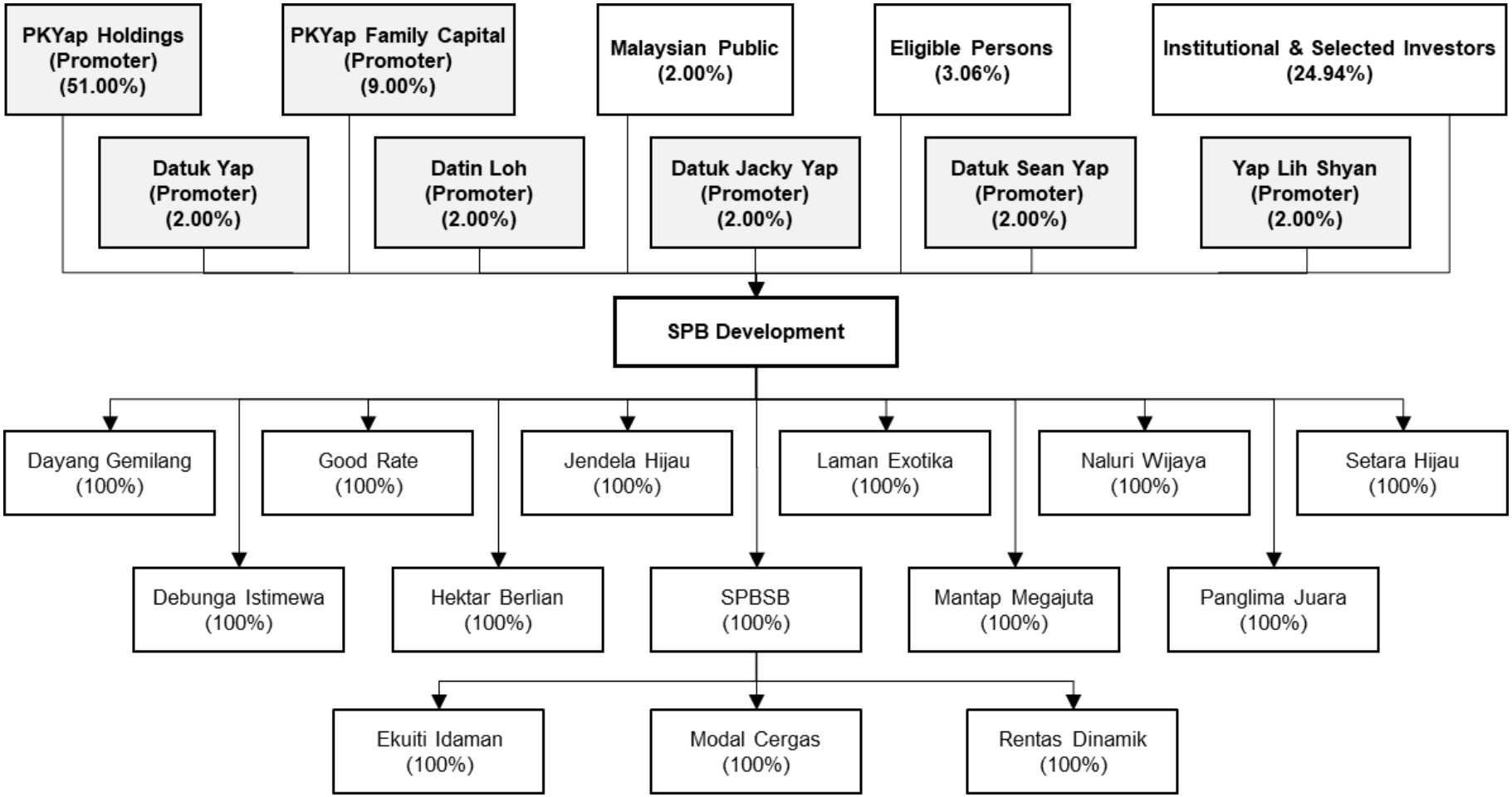
The corporate and shareholding structure of SPB Group before the IPO and after the Share Transfer is as follows:



6. INFORMATION ON OUR GROUP *(Cont'd)*

After our IPO

The corporate and shareholding structure of SPB Group after our IPO is as follows:



6. INFORMATION ON OUR GROUP *(Cont'd)*

6.5 SUBSIDIARIES

The details of our Subsidiaries are summarised as follows:

Name / Registration No.	Date / Place of incorporation	Principal place of business	Issued share capital	Equity interest	Principal activities
			RM	%	
Our Subsidiaries					
Dayang Gemilang 201701005564 (1219729-H)	24 February 2017 / Malaysia	Malaysia	500,000	100	Property owner
Debunga Istimewa 199501008268 (337466-W)	27 March 1995 / Malaysia	Malaysia	350,000	100	Property development
Good Rate 199201020067 (251571-H)	24 October 1992 / Malaysia	Malaysia	250,002	100	Property owner
Hektar Berlian 201501006549 (1131881-X)	16 February 2015 / Malaysia	Malaysia	1,000,000	100	Property development and property owner
Jendela Hijau 201001027201 (911120-D)	10 August 2010 / Malaysia	Malaysia	3	100	Property owner
Laman Exotika 200701013529 (771534-K)	30 April 2007 / Malaysia	Malaysia	350,000	100	Property development
Mantap Megajuta 201801001566 (1263579-P)	11 January 2018 / Malaysia	Malaysia	7,500,000	100	Property development
Naluri Wijaya 201501006123 (1131455-M)	12 February 2015 / Malaysia	Malaysia	1,100,000	100	Property development and property owner
Panglima Juara 201601029384 (1200325-T)	1 September 2016 / Malaysia	Malaysia	250,000	100	Property development
Setara Hijau 201401006628 (1082711-P)	28 February 2014 / Malaysia	Malaysia	750,000	100	Property development and property owners
SPBSB 198101011145 (77272-P)	24 October 1981 / Malaysia	Malaysia	20,000,000	100	Building contractors, property development and investment holding

6. INFORMATION ON OUR GROUP *(Cont'd)*

Name	Date / Place of incorporation	Principal place of business	Issued share capital	Equity interest	Principal activities
			RM	%	
Our subsidiaries held through SPBSB					
Ekuiti Idaman 200101012961 (548718-U)	26 May 2001 / Malaysia	Malaysia	3,000,000	100	Property development
Modal Cergas 199901012664 (487564-U)	7 July 1999 / Malaysia	Malaysia	17,259,546	100	Property owner
Rentas Dinamik 200501032729 (714869-P)	14 November 2005 / Malaysia	Malaysia	9,200,000	100	Property owner

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6. INFORMATION ON OUR GROUP *(Cont'd)*

Further details of our Subsidiaries as at the LPD are set out below:

6.5.1 Dayang Gemilang

Dayang Gemilang was incorporated in Malaysia as a private limited company under the Act on 24 February 2017. It is principally involved as a property owner.

As at the LPD, the issued share capital of Dayang Gemilang is RM500,000 comprising 500,000 ordinary shares in Dayang Gemilang. There were no changes in the issued share capital of Dayang Gemilang during the Period Under Review and up to the LPD.

None of Dayang Gemilang's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Dayang Gemilang does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Dayang Gemilang is a wholly-owned subsidiary of our Company.

As at the LPD, the Directors of Dayang Gemilang are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan.

As at the LPD, Dayang Gemilang does not have any subsidiary, joint venture or associated company.

6.5.2 Debunga Istimewa

Debunga Istimewa was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 27 March 1995 and is deemed registered under the Act. It is principally involved in property development.

As at the LPD, the issued share capital of Debunga Istimewa is RM350,000 comprising 350,000 ordinary shares in Debunga Istimewa. There were no changes in the issued share capital of Debunga Istimewa during the Period Under Review and up to the LPD.

None of Debunga Istimewa's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Debunga Istimewa does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Debunga Istimewa is a wholly-owned subsidiary of our Company.

As at the LPD, the Directors of Debunga Istimewa are Datuk Yap, Datin Loh, Datuk Jacky Yap and Datuk Sean Yap.

As at the LPD, Debunga Istimewa does not have any subsidiary, joint venture or associated company.

6.5.3 Good Rate

Good Rate was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 24 October 1992 and is deemed registered under the Act. It is principally involved as a property owner.

As at the LPD, the issued share capital of Good Rate is RM250,002 comprising 250,002 ordinary shares in Good Rate. There were no changes in the issued share capital of Good Rate during the Period Under Review and up to the LPD.

None of Good Rate's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Good Rate does not have any outstanding warrants, options, convertibles securities or uncalled capital.

6. INFORMATION ON OUR GROUP *(Cont'd)*

Good Rate is a wholly-owned subsidiary of our Company.

As at the LPD, the Directors of Good Rate are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan.

As at the LPD, Good Rate does not have any subsidiary, joint venture or associated company.

6.5.4 Hektar Berlian

Hektar Berlian was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 16 February 2015 and is deemed registered under the Act. It is principally involved as a property developer and property owner.

As at the LPD, the issued share capital of Hektar Berlian is RM1,000,000 comprising 1,000,000 ordinary shares in Hektar Berlian. There were no changes in the issued share capital of Hektar Berlian during the Period Under Review and up to the LPD.

None of Hektar Berlian's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Hektar Berlian does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Hektar Berlian is a wholly-owned subsidiary of our Company.

As at the LPD, the Directors of Hektar Berlian are Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap.

As at the LPD, Hektar Berlian does not have any subsidiary, joint venture or associated company.

6.5.5 Jendela Hijau

Jendela Hijau was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 10 August 2010 and is deemed registered under the Act. It is principally involved as a property owner.

As at the LPD, the issued share capital of Jendela Hijau is RM3 comprising 3 ordinary shares in Jendela Hijau. There were no changes in the issued share capital of Jendela Hijau during the Period Under Review and up to the LPD.

None of Jendela Hijau's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Jendela Hijau does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Jendela Hijau is a wholly-owned subsidiary of our Company.

As at the LPD, the Directors of Jendela Hijau are Datuk Yap, Datin Loh, Datuk Jacky Yap and Datuk Sean Yap.

As at the LPD, Jendela Hijau does not have any subsidiary, joint venture or associated company.

6.5.6 Laman Exotika

Laman Exotika was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 30 April 2007 and is deemed registered under the Act. It is principally involved in property development.

6. INFORMATION ON OUR GROUP *(Cont'd)*

As at the LPD, the issued share capital of Laman Exotika is RM350,000 comprising 350,000 ordinary shares in Laman Exotika. There were no changes in the issued share capital of Laman Exotika during the Period Under Review and up to the LPD.

None of Laman Exotika's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Laman Exotika does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Laman Exotika is a wholly-owned subsidiary of our Company.

As at the LPD, the Directors of Laman Exotika are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan.

As at the LPD, Laman Exotika does not have any subsidiary, joint venture or associated company.

6.5.7 Mantap Megajuta

Mantap Megajuta was incorporated in Malaysia as a private limited company under the Act on 11 January 2018. It is principally involved in property development.

As at the LPD, the issued share capital of Mantap Megajuta is RM7,500,000 comprising 7,500,000 ordinary shares in Mantap Megajuta. The changes in the issued share capital of Mantap Megajuta during the Period Under Review and up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	Nature of transaction	Cumulative issued share capital	
				No. of shares	RM
13 April 2022	7,499,998	Cash	Allotment of shares	7,500,000	7,500,000

None of Mantap Megajuta's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Mantap Megajuta does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Mantap Megajuta is a wholly-owned subsidiary of our Company.

As at the LPD, the Directors of Mantap Megajuta are Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap.

As at the LPD, Mantap Megajuta does not have any subsidiary, joint venture or associated company.

6.5.8 Naluri Wijaya

Naluri Wijaya was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 12 February 2015 and is deemed registered under the Act. It is principally involved as a property developer and property owner.

As at the LPD, the issued share capital of Naluri Wijaya is RM1,100,000 comprising 1,100,000 ordinary shares in Naluri Wijaya. There were no changes in the issued share capital of Naluri Wijaya during the Period Under Review and up to the LPD.
None of Naluri Wijaya's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Naluri Wijaya does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Naluri Wijaya is a wholly-owned subsidiary of our Company.
As at the LPD, the Directors of Naluri Wijaya are Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap.

6. INFORMATION ON OUR GROUP *(Cont'd)*

As at the LPD, Naluri Wijaya does not have any subsidiary, joint venture or associated company.

6.5.9 Panglima Juara

Panglima Juara was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 1 September 2016 and is deemed registered under the Act. It is principally involved in property development.

As at the LPD, the issued share capital of Panglima Juara is RM250,000 comprising 250,000 ordinary shares in Panglima Juara. There were no changes in the issued share capital of Panglima Juara during the Period Under Review and up to the LPD.

None of Panglima Juara's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Panglima Juara does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Panglima Juara is a wholly-owned subsidiary of our Company.

As at the LPD, the Directors of Panglima Juara are Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap.

As at the LPD, Panglima Juara does not have any subsidiary, joint venture or associated company.

6.5.10 Setara Hijau

Setara Hijau was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 28 February 2014 and is deemed registered under the Act. It is principally involved in property development and as property owners.

As at the LPD, the issued share capital of Setara Hijau is RM750,000 comprising 750,000 ordinary shares in Setara Hijau. There were no changes in the issued share capital of Setara Hijau during the Period Under Review and up to the LPD.

None of Setara Hijau's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Setara Hijau does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Setara Hijau is a wholly-owned subsidiary of our Company.

As at the LPD, the Directors of Setara Hijau are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan.

As at the LPD, Setara Hijau does not have any subsidiary, joint venture or associated company.

6.5.11 SPBSB

SPBSB was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 24 October 1981 and is deemed registered under the Act. It is principally involved as building contractors and in property development and investment holding.

As at the LPD, the issued share capital of SPBSB is RM20,000,000 comprising 20,000,000 ordinary shares in SPBSB. There were no changes in the issued share capital of SPBSB during the Period Under Review and up to the LPD.

None of SPBSB's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, SPBSB does not have any outstanding warrants, options, convertibles securities or uncalled capital.

6. INFORMATION ON OUR GROUP *(Cont'd)*

SPBSB is a wholly-owned subsidiary of our Company.

As at the LPD, the Directors of SPBSB are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan.

As at the LPD, the subsidiaries of SPBSB are Ekuiti Idaman, Modal Cergas and Rentas Dinamik. Further details of SPBSB's subsidiaries are set out in **Sections 6.5.12, 6.5.13 and 6.5.14** of this Prospectus. As at the LPD, SPBSB does not have any joint venture or associated company.

6.5.12 Ekuiti Idaman

Ekuiti Idaman was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 26 May 2001 and is deemed registered under the Act. It is principally involved in property development.

As at the LPD, the issued share capital of Ekuiti Idaman is RM3,000,000 comprising 3,000,000 ordinary shares in Ekuiti Idaman. There were no changes in the issued share capital of Ekuiti Idaman during the Period Under Review and up to the LPD.

None of Ekuiti Idaman's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Ekuiti Idaman does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Ekuiti Idaman is a wholly-owned subsidiary of SPBSB.

As at the LPD, the Directors of Ekuiti Idaman are Datuk Yap, Datin Loh, Datuk Jacky Yap and Datuk Sean Yap.

As at the LPD, Ekuiti Idaman does not have any subsidiary, joint venture or associated company.

6.5.13 Modal Cergas

Modal Cergas was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 7 July 1999 and is deemed registered under the Act. It is principally involved as a property owner.

As at the LPD, the issued share capital of Modal Cergas is RM17,259,546 comprising 17,259,546 ordinary shares in Modal Cergas. There were no changes in the issued share capital of Modal Cergas during the Period Under Review and up to the LPD.

None of Modal Cergas' ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Modal Cergas does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Modal Cergas is a wholly-owned subsidiary of SPBSB.
As at the LPD, the Directors of Modal Cergas are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan.

As at the LPD, Modal Cergas does not have any subsidiary, joint venture or associated company.

6.5.14 Rentas Dinamik

Rentas Dinamik was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 14 November 2005 and is deemed registered under the Act. It is principally involved as a property owner.

6. INFORMATION ON OUR GROUP *(Cont'd)*

As at the LPD, the issued share capital of Rentas Dinamik is RM9,200,000 comprising 9,200,000 ordinary shares in Rentas Dinamik. There were no changes in the issued share capital of Rentas Dinamik during the Period Under Review and up to the LPD.

None of Rentas Dinamik's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Rentas Dinamik does not have any outstanding warrants, options, convertibles securities or uncalled capital.

Rentas Dinamik is a wholly-owned subsidiary of SPBSB.

As at the LPD, the Directors of Rentas Dinamik are Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan.

As at the LPD, Rentas Dinamik does not have any subsidiary, joint venture or associated company.

6.6 PUBLIC TAKE-OVERS

During the FYE 2023 up to the LPD, there were:

(i) no public take-over offers by third parties in respect of our Shares; and

(ii) no public take-over offers by our Company in respect of other companies' shares.

6.7 MATERIAL INVESTMENTS AND MATERIAL DIVESTITURES

Save as disclosed below, there were no other material investments incurred by our Group for the Period Under Review and up to the LPD:

Description	FYE 2021	FYE 2022	FYE 2023	Between 1 January 2024 and up to the LPD
	RM'000	RM'000	RM'000	RM'000
Material Investments:				
Site equipment[(1)]	3,247	2,019	8,959	-
Land in Penang[(2)]	-	-	-	37,643
Total	**3,247**	**2,019**	**8,959**	**37,643**

Notes:

(1) The site equipment includes formwork for the IBS.

(2) Our Group completed land acquisitions in Penang in 2024 where RM37.64 million was classified under investing activities under the statement of cash flows.

Our material investments were primarily funded via a combination of bank borrowings and internally generated funds.

We do not have any material capital divestitures during the Period Under Review and as at the LPD.

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7. BUSINESS OVERVIEW

7.1 HISTORY AND MILESTONES

Incorporation of our Group

Our Company was incorporated in Malaysia under the Act on 6 October 2022 as a private limited company under the name of SPB Development Sdn Bhd. On 9 August 2024, we were converted to a public limited company and assumed our present name, SPB Development Berhad.

Our Company is an investment holding company and through our Subsidiaries, we are primarily involved in property development business in Malaysia.

Commencement of our property development business in Melaka

Our Group's history can be traced back to the incorporation of SPBSB in 1981 as a building contractor, where we began providing construction services for various residential, commercial and industrial properties.

With the intention to position our Group as a property developer, we embarked on our first property development in Melaka which was completed in 1993, where we were involved in the development of low-rise flats of Pangsapuri Kubu (which was designated for use as a residential house or shop) through a joint development with the Perbadanan Kemajuan Negeri Melaka.

In 1996, we completed the construction of Plaza Seri Kubu, where we set up our head office, which remains as our head office till today. In the same year, we developed Bandar Baru Masjid Tanah, which was also a joint development with the Perbadanan Kemajuan Negeri Melaka. Bandar Baru Masjid Tanah is a township development comprises commercial, industrial and residential properties, that was developed over a span of 12 years from 1996 to 2007.

Over the years, we have completed various landed residential developments in Melaka, such as, among others, Taman Makmur in 2003, Taman Merlimau Emas in 2011, Taman Maju Jasin in 2013, Taman Debunga Merlimau in 2014 and Taman Kasa Heights in 2016. For clarification purpose, Bandar Baru Masjid Tanah, Taman Makmur and Taman Merlimau Emas were developed under Pernara Jaya with Datuk Yap as the major shareholder and director. The company was dissolved on 30 December 2022.

In 2012, we launched Taman Nuri, a residential development situated on an approximately 152 acres freehold land. As at the LPD, Taman Nuri has 11 completed phases with a GDV of approximately RM350 million and 4 on-going phases with an estimated GDV of approximately RM43 million.

In 2019, we introduced the Villament design layout in our property development, marking a new milestone in our innovative approach by combining the luxury and privacy that a villa offers along with the convenience and cosiness of an apartment. This design layout was first launched in one of our completed phases in Taman Nuri development, namely Taman Nuri Sentosa. Please refer to **Section 7.15 (i)** for further details on our prototype house designs.

In the same year, we have achieved a significant milestone in our journey towards enhancing the quality and efficiency of our property development through the adoption of IBS. The use of IBS was incorporated in one of our completed phases in Taman Nuri development, namely Taman Nuri Sentosa, which comprise affordable residential properties priced below RM180,000 under the *Rumah Mampu Milik programme*.

The integration of IBS in our construction approach has yielded several benefits, including reduced construction time, improved workers' safety, cost-effectiveness, and improved the overall quality of the constructed buildings. Moreover, our adoption of IBS aligns with our commitment to environmentally sustainable practices by minimising or avoiding environmental damages. As we continue to progress, IBS has become an integral part of our on-going developments, namely Taman Nuri in Melaka, Taman La Casa Lunas in Kedah and Taman Akasia in Johor.

7. BUSINESS OVERVIEW *(Cont'd)*

In 2020, we further ensured the quality of our developments by participating in the QLASSIC, a certification scheme developed by CIDB that measures and evaluates the workmanship quality of building construction according to the requirements of the Construction Industry Standard (CIS 7:2006) through a scoring system. This is in line with our management's emphasis and commitment on providing quality developments to the market. As at the LPD, we have 3 phases of residential developments that have been assessed and received QLASSIC scores, namely, Taman Nuri (Phases 3A2 and 3B2) both with a score of 72% and Taman Bukit Cheng (Phase 2) with a score of 78%. Please refer to **Section 7.11** of this Prospectus on details of our participation in QLASSIC certification.

Geographical expansion of our property portfolio to Selangor, Kedah and Johor

Building on our expertise in landed residential property development in Melaka, we expand our property portfolio beyond Melaka. In 2011, we launched Twin Park, a freehold industrial development in USJ 19, Subang, Selangor with a total GDV of approximately RM39 million.

In 2019, we launched Taman La Casa Lunas in Lunas, Kedah, further diversifying our geographical location. Taman La Casa Lunas is a mixed development spanning across approximately 215 acres freehold land located in proximity to Kulim Hi-Tech Park. As at the LPD, Taman La Casa Lunas has 3 completed phases with a GDV of approximately RM290 million and 4 on-going phases with an estimated GDV of approximately RM232 million.

Continuing our expansion, in 2023, we launched Taman Akasia in Kluang, Johor, a mixed development situated on an approximately 183 acres freehold land. As at the LPD, Taman Akasia has 2 on-going phases with an estimated GDV of approximately RM113 million.

Future development and expansion through acquisition of landbank

Going forward, we intend to continue growing our presence in industrial areas, starting with our forthcoming Banting development in Selangor, which we believe has growth potential. The freehold residential development will cover approximately 167 acres and is situated within the proximity of industrial areas such as the Compass Industrial Park and IOI Industrial Park. Additionally, the development benefits from the ease of accessibility via the West Coast Expressway (WCE) Interchange enhances its connectivity and appeal. This development represents our commitment to providing quality living in burgeoning areas.

As at the LPD, our Banting development has 7 future phases with an estimated GDV of approximately RM332 million. Please refer to **Section 7.3.2(iii)** of this Prospectus on further details on our future phases in Banting.

In line with our expansion strategy, we are actively pursuing land acquisition opportunities in surrounding areas of established industrial hubs with diverse industries in Penang and Johor. These strategic acquisitions will bolster our land portfolio in key industrial zones, positioning us to meet the increasing demand for residential properties driven by rising investment and employment opportunities in these regions. Please refer to **Section 7.16.1** of this Prospectus on further details on our strategic land acquisition in high-value industrial areas in Penang and Johor.

7. BUSINESS OVERVIEW *(Cont'd)*

7.2 KEY ACHIEVEMENTS, MILESTONES AND AWARDS

During the Period Under Review and up to the LPD, we have obtained the following awards and recognitions:

Year	Award	Category	Property Development	Awarding Body
2021	iProperty Development Excellence Awards 2021	Best Value Landed Development	Taman Akasia	iProperty.com Malaysia Sdn Bhd
2021	StarProperty Awards 2021 - Real Estate Developer	Southern Star Award (Excellence)	Taman Akasia	Star Media Group Berhad
2021	StarProperty Awards 2021 - Real Estate Developer	Cornerstone Award (Honours)	Taman Nuri	Star Media Group Berhad
2022	StarProperty Awards 2022 - Real Estate Developer	All-Stars Award (Excellence)	-	Star Media Group Berhad
2022	StarProperty Awards 2022 - Real Estate Developer	Northern Star Award (Excellence)	Taman La Casa Lunas	Star Media Group Berhad
2022	The Star Outstanding Business Awards (SOBA)	The Best Employer (Gold Award)	-	Star Media Group Berhad
2022	The Star Outstanding Business Awards (SOBA)	The Best in CSR (Platinum Award)	-	Star Media Group Berhad
2022	The Star Outstanding Business Awards (SOBA)	The Best Innovation (Platinum Award)	-	Star Media Group Berhad
2022	MIHRM Malaysia HR Award	SME Best Employer (Gold Award)	-	Malaysian Institute of Human Resource Management
2022	MIHRM Malaysia HR Award	Best Employer CSR Award	-	Malaysian Institute of Human Resource Management
2023	StarProperty Awards 2023 - Real Estate Developer	Family-friendly Award (Landed) Beyond Greater KL (Excellence)	Taman La Casa Lunas	Star Media Group Berhad
2023	StarProperty Awards 2023 - Real Estate Developer	Cornerstone Award (Excellence)	Taman Akasia	Star Media Group Berhad
2023	StarProperty Awards 2023 - Real Estate Developer	All-Stars Award (Top 5 Non-listed companies)	-	Star Media Group Berhad
2023	The Edge Property Excellence Awards 2023	Affordable Urban Housing Excellence Award	Taman Nuri Sentosa	The Edge Media Group

7. BUSINESS OVERVIEW *(Cont'd)*

Year	Award	Category	Property Development	Awarding Body
2023	HR Asia Best Companies to Work for in Asia 2023	-	-	Business Media International
2023	Malaysia Property Award™ 2023	Affordable Housing Category	Taman Nuri Sentosa	International real Estate Federation (FIABCI), Malaysian Chapter
2024	2024 FIABCI World Prix d'Excellence Awards	Affordable Housing Category (World Silver Winner)	Taman Nuri Sentosa	International real Estate Federation (FIABCI)
2024	StarProperty Awards 2024 - Real Estate Developer	All-Stars Award (Top 5 Non-listed companies)	-	Star Media Group Berhad
2024	StarProperty Awards 2024 - Real Estate Developer	Family-friendly Award (Landed) Beyond Greater KL (Excellence)	Taman Akasia	Star Media Group Berhad
2024	StarProperty Awards 2024 - Real Estate Developer	The Starter Home Award (Landed) - Beyond Greater KL (Excellence)	Taman Nuri Botani	Star Media Group Berhad

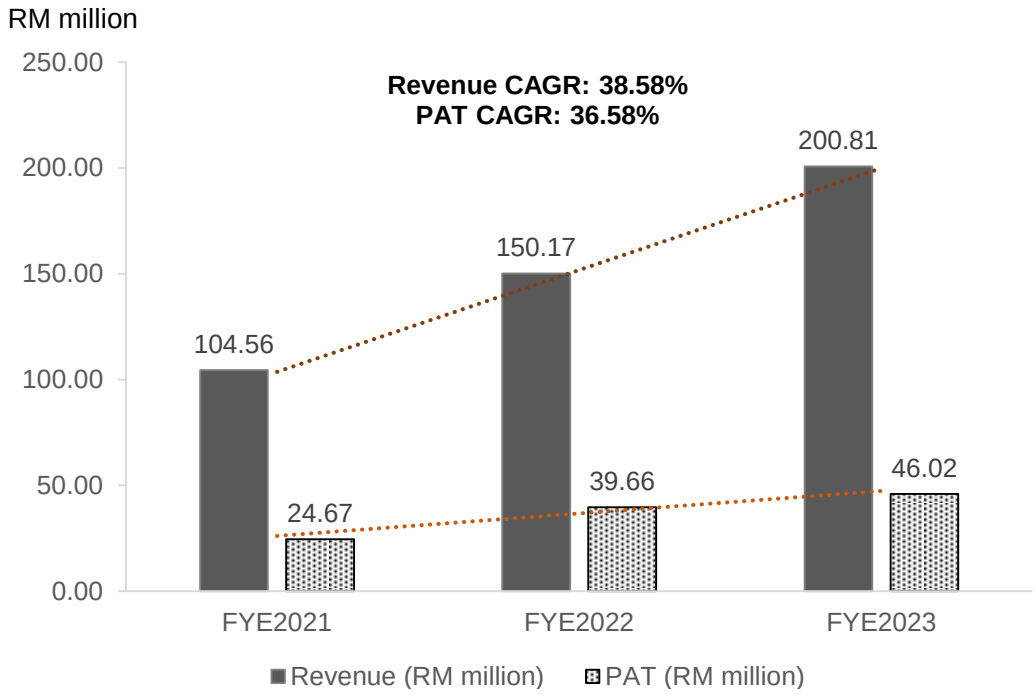
We have been involved in the property development industry in Malaysia for approximately 31 years since 1993 and have established ourselves as a reputable residential property developer in Melaka. Over the years, we have expanded our operations and property development portfolio beyond Melaka, encompassing Selangor, Kedah and Johor. Since 2010 and up to the LPD, we have completed property developments (including completed phases of on-going developments) with a total GDV of approximately RM976 million.

As at the LPD, we have 3 on-going developments, namely Taman Nuri with 4 on-going phases, Taman La Casa Lunas with 4 on-going phases and Taman Akasia with 2 on-going phases. Please refer to **Section 7.3.2** of this Prospectus for further details on our completed, on-going and future property development.

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7. BUSINESS OVERVIEW *(Cont'd)*

During the Period Under Review, our Group has recorded revenue and PAT growth as illustrated below, reflecting our robust market position and the efficacy of our business strategies. Our revenue grew by a CAGR of 38.58% in revenue from RM104.56 million in FYE 2021 to RM200.81 million in FYE 2023, while our PAT increased by a CAGR of 36.58% from RM24.67 million in FYE 2021 to RM46.02 million in FYE 2023. Please refer to **Section 7.7** of this Prospectus for further details on our revenue segment.



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7. BUSINESS OVERVIEW *(Cont'd)*

7.3 DESCRIPTION OF OUR BUSINESS

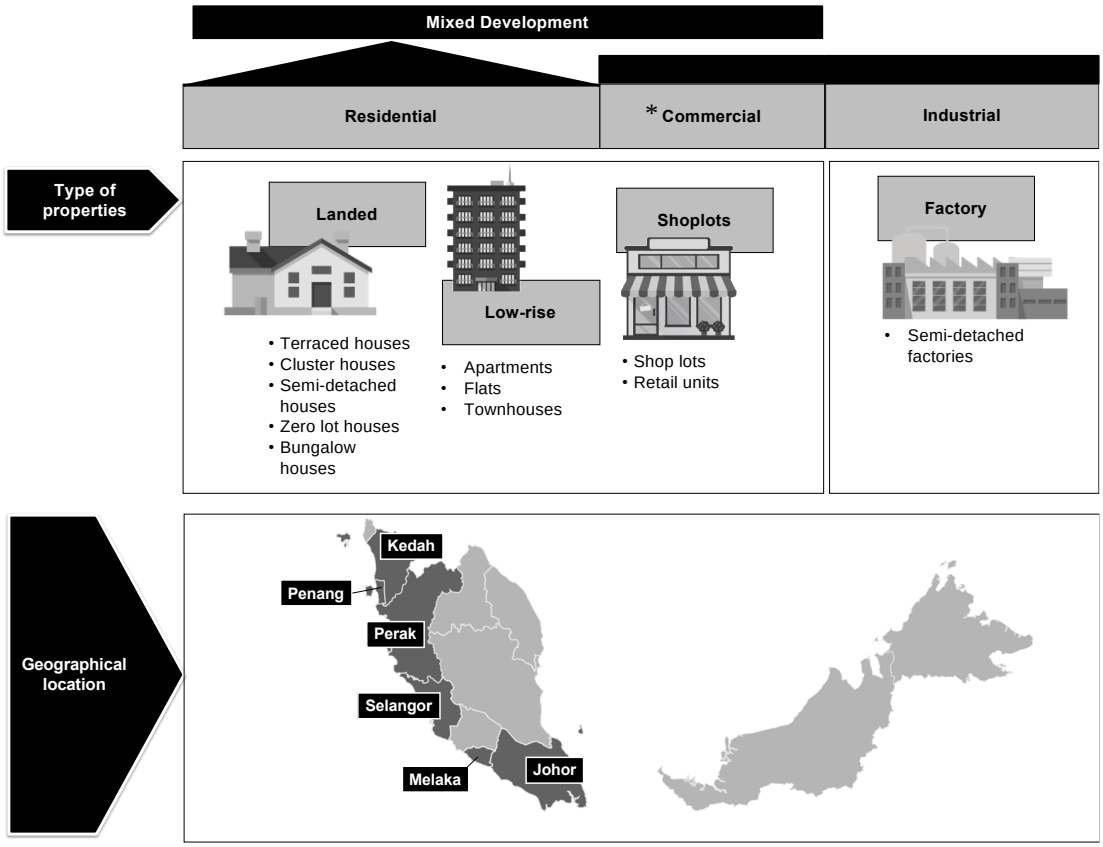
We are principally involved in the property development business in Malaysia whereby we develop and sell residential, mixed development and industrial properties.

One of our subsidiaries, SPBSB, holds a CIDB Grade 7 certificate of registration enabling us to undertake the role of a main contractor for our property developments, where we are responsible for overseeing and managing the construction including project management, engaging and coordinating suppliers and sub-contractors for specialised construction works, monitoring of site progress, cost control and quality assurance.

Since 2010 and up to the LPD, we completed 3 residential developments and 1 industrial development. Currently, we have 3 on-going developments. Please refer to **Section 7.3.2** of this Prospectus for further information on our completed developments, on-going developments, future developments and our landbank for future developments.

7.3.1 Business model

Our business model is illustrated in the diagram below:



Note:

* *We have been involved in the development of residential, mixed development and industrial properties since the commencement of our business. During the Period Under Review, the commercial properties development is to complement the residential development as part of the overall township development strategy of our Group.*

7. BUSINESS OVERVIEW *(Cont'd)*

(i) Residential

Our residential developments include landed and low-rise residential properties. Our landed residential properties comprise terraced houses, cluster houses, semi-detached houses, zero lot houses and bungalow houses. Our low rise-residential properties comprise apartments, flats and townhouses.

(ii) Mixed Development

Our mixed developments comprise landed residential properties and commercial properties such as shop lots and retail units.

(iii) Industrial

Our industrial development comprises semi-detached factories.

Currently, the type of our developments by location is as follows:

Location	Type of property developments
Melaka	Residential development.
Johor	Mixed development(1).
Selangor	Residential development.
Kedah	Mixed development(2).

Notes:

(1) As at the LPD, our ongoing development for Taman Akasia consists of residential properties and planned commercial properties. We owned landbank measuring approximately 16.43 acres which has been zoned for commercial properties.

(2) As at the LPD, our ongoing development for Taman La Casa Lunas consists of residential properties. We owned landbank measuring approximately 17.51 acres which has been zoned for commercial properties.

Our Group owns landbank in Penang and Perak, and currently we have yet to carry out any development in Penang and Perak.

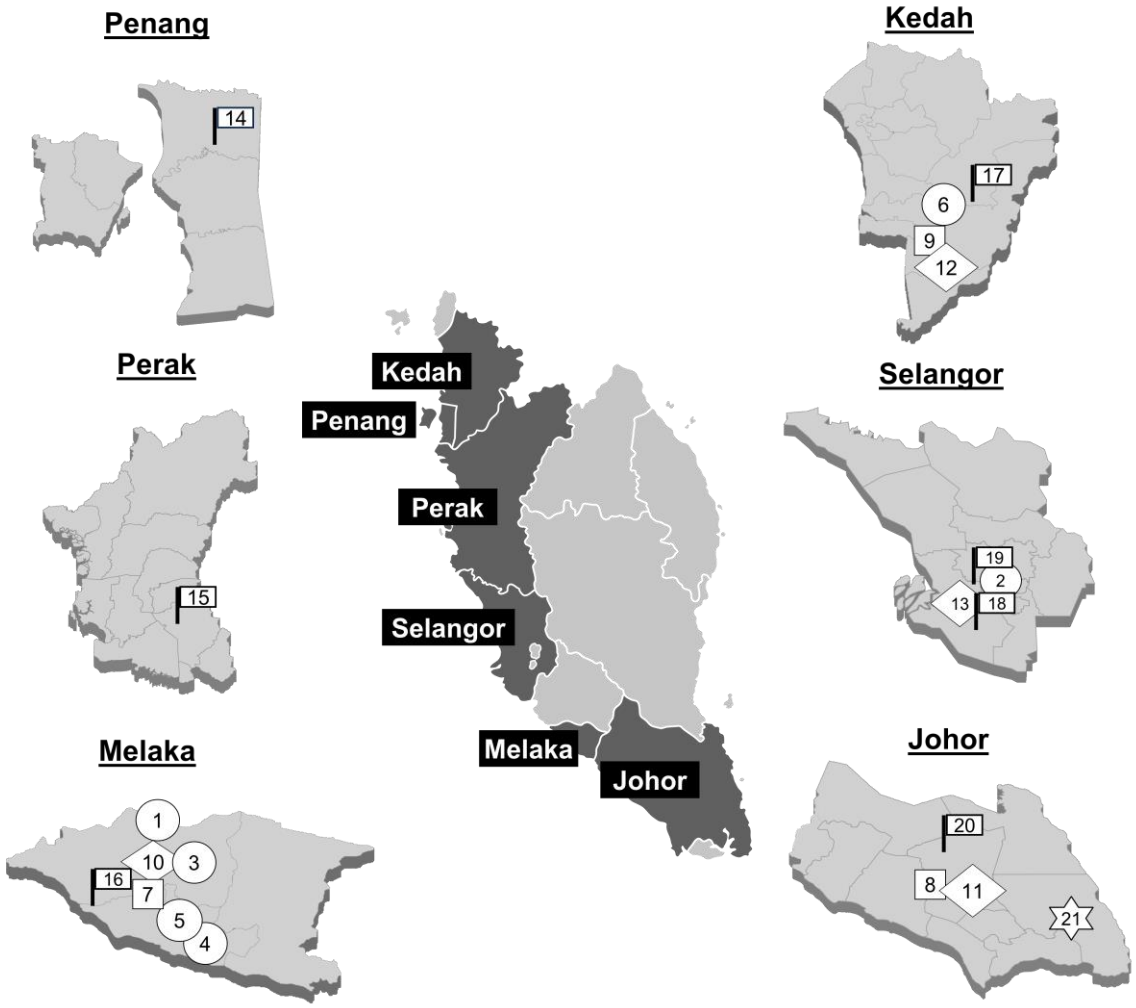
Moving forward, our plan is to focus on residential and mixed development. The commercial properties development will complement the residential development as part of the overall township development strategy of our Group. Our unique product positioning emphasizes offering affordable homes that cater to the needs of the mass market, providing an attainable path to homeownership. Our only industrial development represents revenue generated from the sale of the completed semi-detached factories in FYE 2021 and FYE 2023, which have been fully sold. Our only industrial development namely Twin Park in Subang, Selangor, is a one-off initiative undertaken by our Group.

Please refer to **Section 7.3.2** of this Prospectus for further information on our completed developments, on-going developments, future developments and our landbank for future developments.

7. BUSINESS OVERVIEW *(Cont'd)*

7.3.2 Property developments and landbank details

The diagram below depicts the approximate locations of our Group's property developments and landbank in Melaka, Kedah, Selangor, Johor, Perak, and Penang.



Development status:

- ◯ Completed developments / phases (2010-2024)
- □ On-going developments / phases
- ◇ Future developments / phases
- ⚑ Land held for future development
- ☆ Joint venture land

7. BUSINESS OVERVIEW *(Cont'd)*

Symbol	Development / Phase	Symbol	Development / Phase
	Completed developments / phases		
1	Taman Kasa Heights, Alor Gajah, Melaka	2	Twin Park, USJ 19, Subang, Selangor
3	Taman Nuri, Durian Tunggal, Melaka (Phases 1A, 1B, 2, 3A1, 3A2, 3A3, 3B1, 3B2, 3B3, 3B4 and Sentosa)	4	Taman Bertam Perdana, Pulau Gadong, Melaka
5	Taman Bukit Cheng, Cheng, Melaka	6	Taman La Casa Lunas, Kedah (Phases 2, 3A and 3B)
	On-going developments / phases		
7	Taman Nuri, Durian Tunggal, Melaka (Taman Nuri Botani (Phases 1 and 2), Taman Nuri Heights (Phases 1A and 1B))	8	Taman Akasia, Kluang, Johor (Phases 1A and 1B)
9	Taman La Casa Lunas, Kedah (Phases 4A, 4B, 4C and 4D)		
	Future developments		
10	Taman Nuri, Durian Tunggal, Melaka (Phases 2 and 3 (Taman Nuri Heights), Phases 3 and 4 (Taman Nuri Botani), Phases 3B5, 4B, 4C and 7)	11	Taman Akasia, Kluang, Johor (Phases 2A, 2B, 3A, 3B and 4)
12	Taman La Casa Lunas, Kedah (Phases 1A, 1B, 4E, 4F and 5)	13	Banting, Kota Seri Langat, Selangor (Phases 1, 2, 3, 4, 5, 6 and 7)
	Land held for future development		
14	Landbanks in Seberang Perai Utara, Penang (191.51 acres)	15	Landbanks in Bidor, Perak (199.96 acres)
16	Landbanks in Alor Gajah and Melaka Tengah, Melaka (39.75 acres)	17	Landbanks in Lunas, Kedah (23.87 acres)
18	Landbanks in Kuala Langat, Selangor (117.27 acres)	19	Landbanks in Petaling, Selangor (2.95 acres)
20	Landbanks in Kluang, Johor (89 acres)		
	Land to be developed pursuant to joint venture agreement		
21	Landbanks in Johor Bahru, Johor (189.21 acres) (1)		

Note:

*(1) Ekuiti Idaman entered into a joint venture agreement on 18 April 2024 with Malaysia Pacific Corporation Berhad, Oriental Pearl City Properties Sdn Bhd, Lakehill Resort Development Sdn Bhd and Taman Bandar Baru Masai Sdn Bhd to develop Plentong JV Land registered under Taman Bandar Baru Masai Sdn Bhd's name. The joint venture agreement is subject to fulfilment of conditions precedent. Please refer to **Annexure F** of this Prospectus for further details on the joint venture agreement in respect of the Plentong JV Land.*

We classify our developments status into 4 categories based on their respective development stages:

(i) Completed developments / phases

Properties of which construction of all the constituents of the buildings have been completed and CCC has been obtained.

7. BUSINESS OVERVIEW *(Cont'd)*

(ii) On-going developments / phases

Developments with all necessary approvals and permits for construction and sales obtained and the first SPA executed.

(iii) Future developments

Developments with planning permissions obtained but construction works have not commenced.

(iv) Land held for future developments

Landbanks which are owned by us, but we have not applied for approvals and permits to develop as at the LPD.

The details of our developments are set out below:

(i) Completed developments / phases

Details of our Group's completed developments/ phases are as follows:

(a) Taman Kasa Heights, Alor Gajah, Melaka



Development type	:	Residential / Freehold
Year launched	:	2008
Year completed	:	2016
Number of completed phases	:	9
Number of units	:	926
GDV (RM million)	:	215

Taman Kasa Heights is a freehold residential development located in Alor Gajah, Melaka. The residential development is situated approximately 3.0km to / from Alor Gajah town and approximately 5.4km to / from Alor Gajah Industrial Estate. Taman Kasa Heights is surrounded by various amenities, such as educational institutions, mosques, supermarkets, restaurants and cafes to provide convenience to the residents. The residential development has a total of 9 completed phases comprising 926 units of residential houses with a total GDV of approximately RM215 million. In November 2021, Taman Kasa Heights was recognised as "Taman Perumahan Bersih Peringkat Negeri Melaka" by the Majlis Perbandaran Alor Gajah, in recognition of its clean and litter free environment.

(b) Twin Park, USJ 19, Subang, Selangor

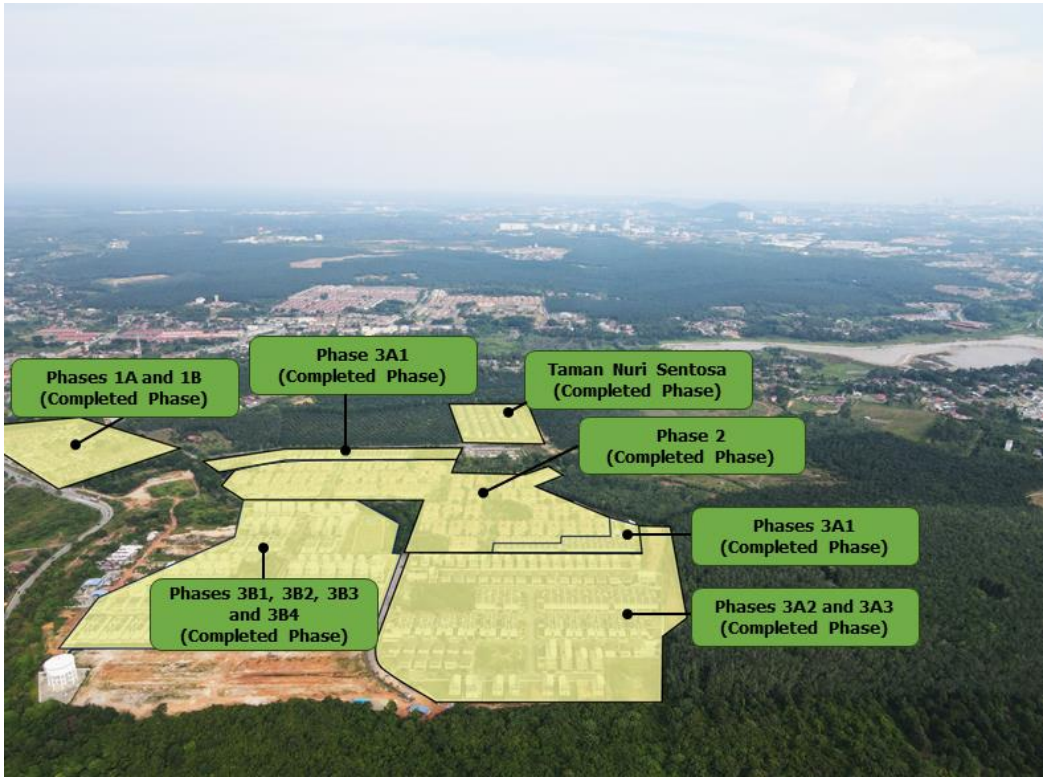


Development type	:	Industrial / Freehold
Year launched	:	2011
Year completed	:	2013
Number of completed phases	:	-
Number of units	:	8
GDV (RM million)	:	39

7. BUSINESS OVERVIEW *(Cont'd)*

Twin Park is a freehold industrial development located in USJ, Subang, Selangor with a total GDV of approximately RM39 million. The development consists of 8 units of semi-detached factories and surrounded by courier, e-commerce, and warehousing companies and is easily accessible via 3 major expressways namely, North-South Expressway Central Link (ELITE), Shah Alam Expressway (KESAS) and Damansara-Puchong Expressway (LDP).

(c) Taman Nuri, Durian Tunggal, Melaka



Drone shot of Taman Nuri

Development type	:	Residential / Freehold
Year launched	:	2012
Year completed	:	-
Number of completed phases	:	11
Number of units	:	880
GDV (RM million)	:	350

Taman Nuri is a freehold residential development located at Durian Tunggal, Melaka and is situated within approximately 10km to / from the Ayer Keroh toll that exits to the North-South Expressway (connecting Johor to Kedah), as well as approximately 22km to / from Melaka town.

In addition, Taman Nuri is also located in proximity to various amenities such as Melaka International Airport (approximately 11km), Melaka International Trade Centre (approximately 12km), Ayeh Keroh Country Club (approximately 12km), attraction spots such as Melaka Butterfly & Reptile Sanctuary (approximately 7km), Skytrex Adventure Melaka (approximately 10km) and Lake Ayer Keroh (approximately 10km). The residential development has been awarded with the "Cornerstone Award (Honours)" at the Star Property Award 2021.

7. BUSINESS OVERVIEW *(Cont'd)*

As at the LPD, Taman Nuri has 11 completed phases, 4 on-going phases and 8 futures phases. The completed phases comprise a total of 880 residential properties with a total GDV of approximately RM350 million. Please refer to **Section 7.3.2(ii)** of this Prospectus for details on on-going phases and **Section 7.3.2(iii)** of this Prospectus for details on future phases of Taman Nuri.

(d) Taman Bertam Perdana, Pulau Gadong, Melaka



Development type	:	Residential / Freehold
Year launched	:	2014
Year completed	:	2016
Number of completed phases	:	-
Number of units	:	81
GDV (RM million)	:	28

Taman Bertam Perdana is a freehold residential development located in Pulau Gadong, Melaka. The development is situated within approximately 10km to / from Melaka town.

Taman Bertam Perdana comprises a total of 81 units of residential properties with a total GDV of approximately RM28 million. The development is surrounded with amenities, such as, amongst others, educational institution and convenience stores, and petrol station.

(e) Taman Bukit Cheng, Cheng, Melaka

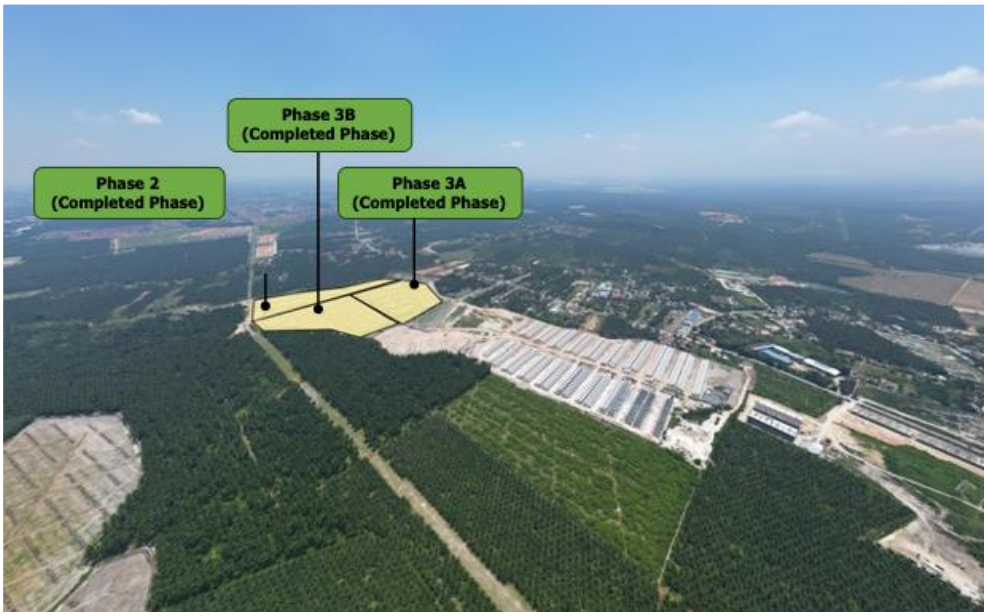


Development type	:	Residential / Freehold
Year launched	:	2019
Year completed	:	2023
Number of completed phases	:	2
Number of units	:	112
GDV (RM million)	:	53

Taman Bukit Cheng is a residential development located in Cheng, Melaka. The development is situated within approximately 12km to / from Melaka town.
Taman Bukit Cheng comprises a total of 112 units of residential properties with a total GDV of approximately RM53 million. The houses are designed with an open concept, seamlessly connecting the living and dining rooms for a spacious and cohesive living experience. The surrounding area is well-equipped with a variety of amenities and facilities, including banks, courier offices, supermarkets, and convenience stores.

7. BUSINESS OVERVIEW *(Cont'd)*

(f) Taman La Casa Lunas, Kedah



Drone shot of Taman La Casa Lunas, Kedah



Aerial view of Taman La Casa Lunas, Kedah

Development type	:	Residential/ Freehold
Year launched	:	2019
Year completed	:	-
Number of completed phases	:	3
Number of units	:	777
GDV (RM million)	:	290

Taman La Casa Lunas is our first mixed development in the state of Kedah, northern region of Peninsular Malaysia. The residential development is situated within approximately 19km to the Butterworth-Kulim Expressway connecting Penang and Kulim, Kedah and approximately 11km to the Kulim Hi-Tech Park, an industrial park developed to promote high-tech industries, research and development, and advanced

7. BUSINESS OVERVIEW *(Cont'd)*

manufacturing activities. The residential development has been awarded with the "Cornerstone Award (Honours)" at the Star Property Awards 2020, the "Northern Star Award (Excellence)" at the Star Property Awards 2022 and the "Family-friendly Award (Landed) Beyond Greater KL (Excellence)" at the Star Property Awards 2023.

As at the LPD, Taman La Casa Lunas has 3 completed phases, 4 on-going phases and 5 future phases. The completed phases comprise a total of 777 units of residential properties, with a total GDV of approximately RM290 million. Please refer to **Section 7.3.2(ii)** of this Prospectus for details on on-going phases and **Section 7.3.2(iii)** of this Prospectus for details on future phases of Taman La Casa Lunas.

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7. BUSINESS OVERVIEW *(Cont'd)*

Below is a list of our Group's completed developments / phases.

Development name / Location	Type of development	Developed by	Commencement period[1]	Completion period[2]	Description	Unit price range	Total units launched	Total units sold as at the LPD	% units sold as at the LPD	GDV
						RM'000				RM million
Taman Kasa Heights, Alor Gajah, Melaka										
▪ Phase 1	Residential / Freehold	SPBSB	December 2009	April 2010	▪ 55 units of 1 ½ storey terraced house	161 to 270	55	55	100.00	11.09
▪ Phase 2	Residential / Freehold	SPBSB	April 2009	April 2010	▪ 60 units of 1 ½ storey terraced house	171 to 268	60	60	100.00	9.53
▪ Phase 3	Residential / Freehold	SPBSB	November 2009	August 2011	▪ 79 units of 1 ½ storey terraced house	132 to 259	79	79	100.00	12.41
▪ Phase 4	Residential / Freehold	SPBSB	August 2010	July 2012	▪ 4 units of single storey semi-detached house ▪ 12 units of double storey semi-detached house ▪ 4 units of double storey bungalow house	253 to 393	20	20	100.00	4.82
▪ Phase 5 - 1A	Residential / Freehold	SPBSB	February 2012	October 2013	▪ 12 units of single storey semi-detached house ▪ 26 units of double storey semi-detached house	166 to 336	38	38	100.00	9.74
▪ Phase 5 - 1B	Residential / Freehold	SPBSB	February 2012	February 2014	▪ 25 units of 1 ½ storey terraced house	166 to 336	25	25	100.00	4.53
▪ Phase 2A	Residential / Freehold	Laman Exotika	March 2013	August 2015	▪ 86 units of double - storey cluster house	240 to 380	86	86	100.00	23.09
▪ Phase 2B	Residential / Freehold	Laman Exotika	December 2013	April 2016	▪ 118 units of double storey cluster house	241 to 463	118	117	99.15	35.50

7. BUSINESS OVERVIEW *(Cont'd)*

Development name / Location	Type of development	Developed by	Commencement period[1]	Completion period[2]	Description	Unit price range	Total units launched	Total units sold as at the LPD	% units sold as at the LPD	GDV
						RM'000				RM million
▪ Phase 2C	Residential / Freehold	Laman Exotika	September 2014	November 2016	▪ 144 lot (288 units) of double storey townhouse (*Rumah Mampu Milik*)	133 to 199	445	444	99.78	104.48
					▪ 150 units of double storey cluster house	298 to 580				
					▪ 3 units of double storey triplex					
								Subtotal GDV		**215.19**
Twin Park, USJ 19, Subang, Selangor										
-	Industrial / Freehold	SPBSB	May 2011	November 2013	▪ 4 units of double storey semi-detached factory	3,600 to 6,200	8	8	100.00	39.42
					▪ 4 units of triple storey semi-detached factory					
								Subtotal GDV		**39.42**
Taman Nuri, Durian Tunggal, Melaka[3]										
▪ Phase 1A	Residential / Freehold	SPBSB	October 2012	April 2015	▪ 51 units of double storey terraced house	185 to 385	80	80	100.00	19.21
					▪ 28 units of single storey semi-detached house					
					▪ 1 unit of single storey bungalow house					

7. BUSINESS OVERVIEW *(Cont'd)*

Development name / Location	Type of development	Developed by	Commencement period[1]	Completion period[2]	Description	Unit price range	Total units launched	Total units sold as at the LPD	% units sold as at the LPD	GDV
						RM'000				RM million
▪ Phase 1B	Residential / Freehold	SPBSB	August 2016	April 2016	▪ 12 lot (24 units) of double storey terraced townhouse (*Rumah Mampu Milik*)	150 to 176	24	23	95.83	3.76
▪ Phase 2	Residential / Freehold	Laman Exotika	June 2013	January 2016	▪ 76 units of double storey terraced house ▪ 72 units of double storey cluster house ▪ 70 units of double storey semi-detached house ▪ 29 units of double storey bungalow house	246 to 889	247	241	97.57	90.82
▪ Phase 3A1	Residential / Freehold	Laman Exotika	August 2017	July 2017	▪ 82 units of double storey terraced house ▪ 16 units of double storey cluster house ▪ 2 units of double storey semi-detached house ▪ 1 unit of double storey bungalow house	340 to 1,333	101	101	100.00	41.65
▪ Phase 3A2	Residential / Freehold	Laman Exotika	February 2018	December 2019	▪ 42 units of double storey terraced house ▪ 2 units of double storey semi-detached house	336 to 930	78	74	94.87	40.05

7. BUSINESS OVERVIEW *(Cont'd)*

Development name / Location	Type of development	Developed by	Commencement period[1]	Completion period[2]	Description	Unit price range	Total units launched	Total units sold as at the LPD	% units sold as at the LPD	GDV
						RM'000				RM million
					▪ 2 units of double storey bungalow house ▪ 32 units of double storey zero lot house					
▪ Phase 3A3	Residential / Freehold	Laman Exotika	January 2018	December 2019	▪ 44 units of double storey cluster house ▪ 21 units of double storey zero lot house ▪ 8 units of double storey bungalow house	379 to 967	73	71	97.26	38.76
▪ Phase 3B1	Residential / Freehold	Laman Exotika	May 2018	August 2020	▪ 20 units of double storey cluster house ▪ 4 units of double storey semi-detached house ▪ 10 units of double storey zero lot house ▪ 1 unit of double storey bungalow house	391 to 980	35	32	91.43	20.89
▪ Phase 3B4	Residential / Freehold	Laman Exotika	October 2018	December 2020	▪ 7 units of triple storey bungalow house	1,350 to 1,710	7	7	100.00	10.38
▪ Taman Nuri Sentosa	Residential / Freehold	Laman Exotika	January 2019	April 2022	▪ 122 units of double storey flat (*Rumah Mampu Milik*) ▪ 24 units of 3-storey flat (*Rumah Mampu Milik*)	155 to 180	146	145	99.32	24.50

7. BUSINESS OVERVIEW *(Cont'd)*

Development name / Location	Type of development	Developed by	Commencement period[1]	Completion period[2]	Description	Unit price range	Total units launched	Total units sold as at the LPD	% units sold as at the LPD	GDV
						RM'000				**RM million**
▪ Phase 3B2	Residential / Freehold	Laman Exotika	April 2021	September 2023	▪ 4 units of double storey semi-detached house ▪ 24 units of double storey zero lot house ▪ 25 units of double storey bungalow house	607 to 1,306	53	47	88.68	43.80
▪ Phase 3B3	Residential / Freehold	Laman Exotika	October 2021	October 2023	▪ 36 units of double storey cluster house	411 to 516	36	32	88.89	16.08
								Subtotal GDV		**349.90**
Taman Bertam Perdana, Pulau Gadong, Melaka										
-	Residential / Freehold	SPBSB	January 2014	May 2016	▪ 20 units of double storey cluster house ▪ 60 units of double storey semi-detached house ▪ 1 unit of double storey bungalow house	291 to 496	81	81	100.00	28.49
								Subtotal GDV		**28.49**
Taman Bukit Cheng, Cheng, Melaka										
▪ Phase 1	Residential / Freehold	Panglima Juara	April 2019	January 2022	▪ 103 units of double storey terraced house	342 to 855	103	95	92.23	46.16
▪ Phase 2	Residential / Freehold	Panglima Juara	April 2022	August 2023	▪ 9 units of triple storey terraced house	600 to 949	9	6	66.67	6.59
								Subtotal GDV		**52.75**

7. BUSINESS OVERVIEW *(Cont'd)*

Development name / Location	Type of development	Developed by	Commencement period[1]	Completion period[2]	Description	Unit price range	Total units launched	Total units sold as at the LPD	% units sold as at the LPD	GDV
						RM'000				RM million
Taman La Casa Lunas, Kedah [4]										
▪ Phase 2	Residential / Freehold	Laman Exotika	November 2021	July 2024	▪ 116 units of double storey terraced house ▪ 66 units of double storey medium cost terraced house	344 to 674	182	115	63.19	77.57
▪ Phase 3A	Residential / Freehold	Laman Exotika	December 2019	January 2024	▪ 275 units of double storey terraced house "guarded" concept	297 to 557	275	273	99.27	93.05
▪ Phase 3B	Residential / Freehold	Laman Exotika	December 2020	June 2024	▪ 320 units of double storey terraced house "guarded" concept	342 to 616	320	320	100.00	119.58
								Subtotal GDV		**290.20**
								Total GDV		**975.95**

Notes:

(1) Commencement period is based on the signing of the first SPA of the development. For avoidance of doubt, certain units from the development of Taman Nuri (Phase 1B and Phase 3A1) and Taman La Casa Lunas (Phase 2) were under build-and-sell concept. Generally, the build-and-sell concept is essentially keeping or reserving certain units of a phase to sell at a higher selling price given the demand for units of that phase. The concept involves completing the property construction before selling, allowing buyers to purchase ready-to-occupy properties with CCC. This concept enables us to achieve higher selling prices, as buyers can inspect the completed units and avoid risk of delays or non-completion as the properties are sold "as-is-where-is".

(2) Completion period is based on the issuance date of CCC of the development phases.

*(3) Taman Nuri is an on-going development. Please refer to **Section 7.3.2(ii)** for details on on-going phases and **Section 7.3.2(iii)** for details on future phases of the development.*

*(4) Taman La Casa Lunas is an on-going development. Please refer to **Section 7.3.2(ii)** for details on on-going phases and **Section 7.3.2(iii)** for details on future phases of the development.*

7. BUSINESS OVERVIEW *(Cont'd)*

For developments that have been completed for more than 5 years but have yet to achieve 100% take-up rate as at LPD, it should be noted that the presence of unsold units as at 31 December 2023 is primarily due to 3 units reserved for Bumiputera buyers as required by government regulations, of which 1 of these units is an odd lot unit, and 5 odd lots units are for non-Bumiputera and 1 unit for non-Bumiputera was previously used as show unit. Nevertheless, our Group has been proactive in addressing this by continuously engaging in social media marketing and offering renovation packages as incentives to attract potential buyers for our unsold property units. Having considered that our Group is still promoting these unsold units, we have not made any impairment. The number of unsold units and the net book value as at 31 December 2023, and the subsequent sales of these unsold units from January 2024 up to the LPD, analysed by less than 5 years and 5 years or more are as follows:

	Less than 5 years		**5 years or more**		**Total**	
	Units	**RM'000**	**Units**	**RM'000**	**Units**	**RM'000**
Unsold completed development properties as at 31 December 2023	43	12,714	10	3,443	**53**	**16,157**
Sales of unsold completed development properties from 1 January 2024 up to the LPD	(12)	(3,540)	-	-	**(12)**	**(3,540)**
Unsold completed development properties subsequent to the sales from January 2024 up to the LPD	31	9,174	10	3,443	**41**	**12,617**

Based on the above, we are of the view that our unsold completed development properties subsequent to the sales from January 2024 up to the LPD of approximately RM12.62 million held as inventories are not material as it represents 2.59% of our total assets of approximately RM486.94 million as at 31 December 2023. The value of inventories sold from January 2024 up to the LPD is approximately RM3.54 million. Please refer to **Section 12.10.5** of this Prospectus for further information.

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7. BUSINESS OVERVIEW *(Cont'd)*

(ii) On-going property developments / phases

As at the LPD, our Group has 3 on-going developments. Details of our Group's on-going developments/ phases are as follows:

(a) Taman Nuri, Durian Tunggal, Melaka
(4 on-going phases: Taman Nuri Botani (Phases 1 and 2), Taman Nuri Heights (Phases 1A and 1B)



Drone shot of Taman Nuri

As at the LPD, Taman Nuri development has 4 on-going phases namely Taman Nuri Botani (Phases 1 and 2) and Taman Nuri Heights (Phases 1A and 1B). These 4 on-going phases comprise a total of 228 units of residential properties and 5 units of commercial properties, with a total GDV of approximately RM43 million. Please refer to the table below for details of each on-going phases and their respective expected completion date.

The on-going development phases will be a guarded community with security features such as perimeter fencing and 24-hour security services. The type of residential units available for Taman Nuri Botani's Phases 1 and 2 is Rumah Pangsa Mampu Milik.

The residential units of Taman Nuri Botani (Phases 1 and 2) features Villament design with private side-by-side carparks, direct unit access, and a backyard garden for recreational activities. Meanwhile, the commercial properties for Taman Nuri Heights (Phases 1A and 1B) comprise a multipurpose hall and 4 adjacent double storey retail units.

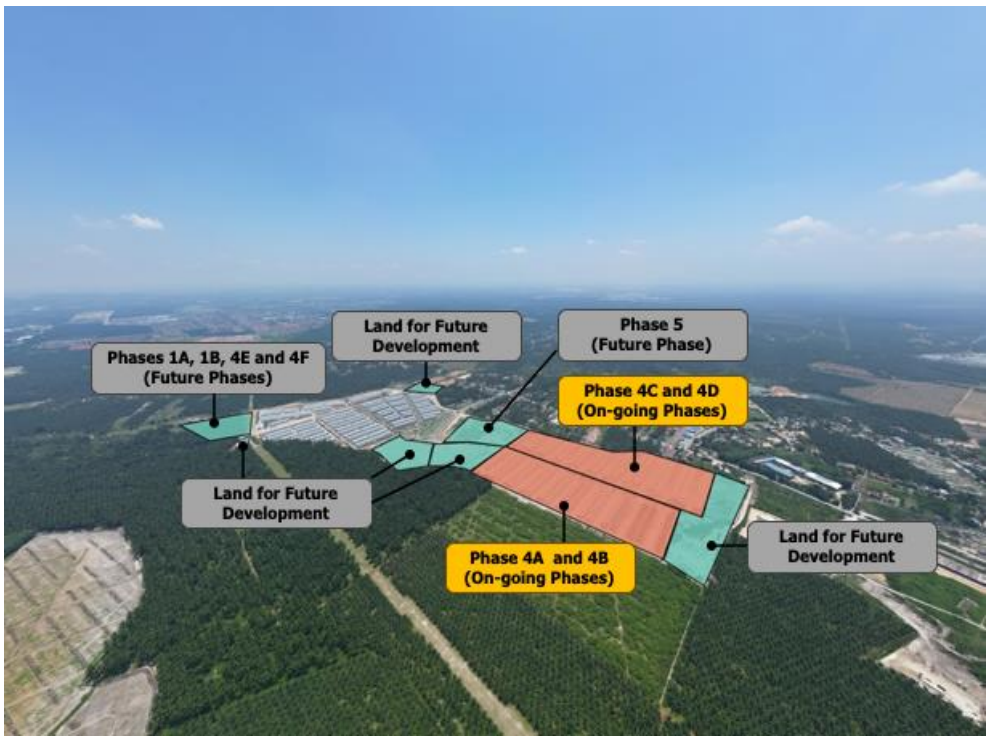
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7. BUSINESS OVERVIEW *(Cont'd)*



Artist Impression of *Rumah Pangsa Mampu Milik* for Taman Nuri Botani (Phases 1 and 2)

(b) Taman La Casa Lunas, Kedah
(4 on-going phases: Phases 4A, 4B, 4C and 4D)



Drone shot of Taman La Casa Lunas

As at the LPD, Taman La Casa Lunas has 4 on-going phases, Phases 4A, 4B, 4C and 4D comprise a total of 475 units of residential properties, with a total GDV of approximately RM232 million. Please refer to the table below for detail of each on-going phases and their respective expected completion period.

7. BUSINESS OVERVIEW *(Cont'd)*



Actual representation of green back lane in Taman La Casa Lunas

The residential development will be a guarded community with a 40-feet green-back lane featuring a jogging track. This dedicated space for recreational activities connects the landscaped pathways between each precinct and will lead to the central park and commercial centre. It will allow residents to conveniently access all facilities within the township without crossing major roads, promoting a safe and enjoyable environment.



Actual representation of main guardhouse in Taman La Casa Lunas

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7. BUSINESS OVERVIEW *(Cont'd)*



Actual representation of gazebo in Taman La Casa Lunas

The residential units available for Phases 4A, 4B, 4C and 4D are double storey zero-lot houses that have double-volume high ceilings and two master bedroom suites with parking space for up to three cars and a private 7-feet garden for recreational activities. Additionally, 3 units of double storey bungalow houses are also available in Phase 4D that offers a spacious garden space for recreational activities.

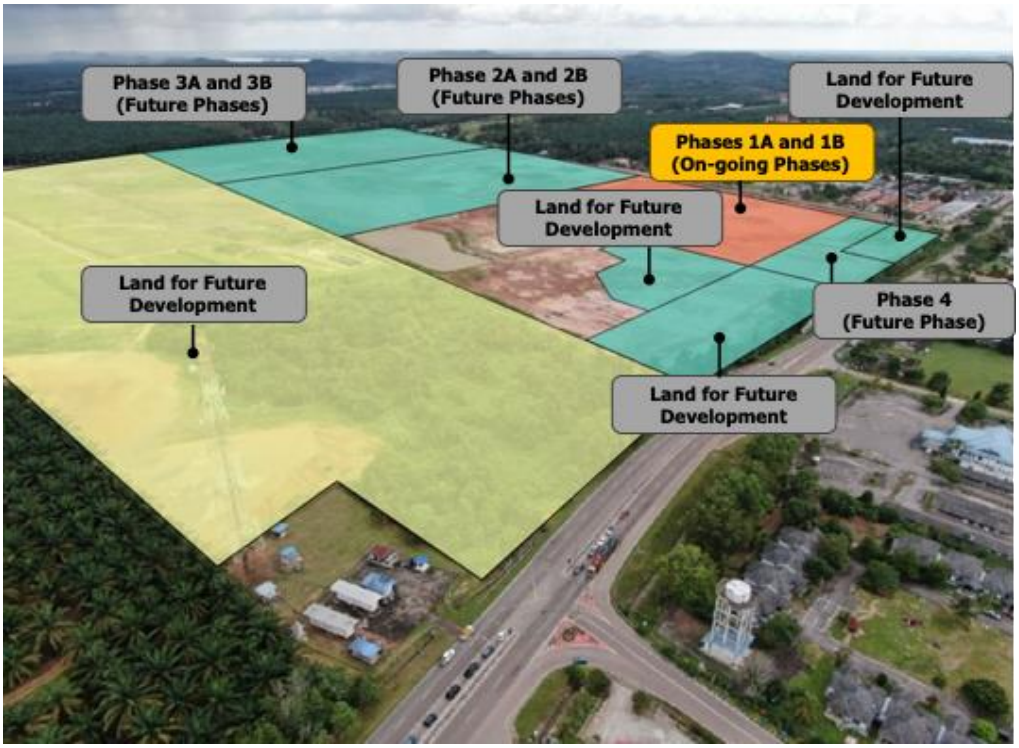


Show unit of double storey zero lot houses for Phases 4A, 4B, 4C and 4D

The residential units in Taman La Casa Lunas are designed with an open concept, where the living and dining rooms are interconnected, allowing natural lighting from private garden, yards or windows to illuminate the entire living area. This design concept also provides residents with spacious area to personalise their living and dining spaces according to their individual preferences. In addition, the rooms are equipped with sliding doors or windows to ensure ample ventilation and natural lighting.

7. BUSINESS OVERVIEW *(Cont'd)*

(c) Taman Akasia, Kluang, Johor
(2 on-going phases: Phase 1A and 1B)



Drone shot of Taman Akasia

Taman Akasia is our first mixed development in the state of Johor, located in the southern region of Peninsular Malaysia. The mixed development is situated approximately 12km to the Ayer Hitam North-South Expressway, a major highway running through the west coast of Peninsular Malaysia connecting Johor to Kedah. It is situated approximately 9km to Kluang town, and facing Jalan Batu Pahat which the main road accessing and exiting Kluang.

The mixed development has been awarded with "The Southern Star Awards (Excellence)" at the Star Property Awards 2021, the "Best Value Landed Development" at the iProperty Development Excellence Award 2021 award, the "Cornerstone Award (Excellence)" at the StarProperty Awards 2023 and the "Family-friendly Award (Landed) Beyond Greater KL (Excellence)" at the StarProperty Awards 2024.

As at the LPD, Taman Akasia has 2 on-going phases, namely Phases 1A and 1B which comprises 190 units of residential properties with a total GDV of approximately RM113 million and is expected to be completed in January 2025 and May 2026, respectively.

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7. BUSINESS OVERVIEW *(Cont'd)*



Artist Impression of Taman Akasia (Phases 1A and 1B)

Taman Akasia (Phases 1A and 1B) includes a 20-acre central park and two man-made lakes. The design of park offers a diverse range of 15 park facilities, providing ample room for recreational activities and relaxation. Some examples of these park facilities include jogging tracks, playgrounds, picnic areas, cycling paths, football field and a community centre.



Artist Impression of central park and man-made lakes in Taman Akasia

Taman Akasia (Phase 1A and 1B) is a guarded residential area offering secure living with features such as perimeter fencing and 24-hour security services. The residential units in Phase 1A and 1B of the on-going development offers an additional 10-feet land on both sides of the house. The unit has living areas with the first floor featuring a double-volume ceiling for natural light and ventilation. The open concept living and dining rooms provide a customizable and spacious area for furniture arrangement. The development features both a dry and wet kitchen with outdoor spaces which includes private gardens, yards, and balconies. The spacious car park can accommodate up to 3 cars.

7. BUSINESS OVERVIEW *(Cont'd)*



Show unit of double storey cluster house in Taman Akasia (Phases 1A and 1B)

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7. BUSINESS OVERVIEW *(Cont'd)*

Below is a list of our Group's on-going developments / phases. Please refer to **Annexure C** for further details of our land held for on-going developments.

Development name / Location	Type of development	Developed by	Total land area (acres)	Description	Commencement period[1] / Expected completion period[2]	% of completion as at the LPD	Range of net selling price per unit	Total units launched	Total units sold as at the LPD	% of units sold as at the LPD	GDV
							RM'000				RM million
Taman Nuri, Durian Tunggal, Melaka											
▪ Taman Nuri Botani (Phase 1)	Residential / Freehold	Laman Exotika	4.06	▪ 102 units of double storey Rumah Pangsa Mampu Milik	March 2024 / March 2027	2.00	171 to 247	102	79	77.45	18.20
▪ Taman Nuri Botani (Phase 2)	Residential / Freehold	Laman Exotika	3.75	▪ 126 units of double storey Rumah Pangsa Mampu Milik	March 2024 / March 2027	2.00	174 to 239	126	74	58.73	22.66
▪ Taman Nuri Heights (Phases 1A and 1B)	Commercial / Freehold	Laman Exotika	0.97	▪ 1 unit of multipurpose hall ▪ 4 units of double storey retail units	August 2022 / December 2027	[3] -	2,500	5	5	100.00	2.50
Subtotal			**8.78**					**233**	**158**		**43.36**
Taman La Casa Lunas, Kedah											
▪ Phase 4A	Residential / Freehold	Laman Exotika	10.14	▪ 106 units of double storey zero lot house "guarded" concept	August 2022 / October 2024	[4]100.00	429 to 654	106	101	95.28	50.16
▪ Phase 4B	Residential / Freehold	Laman Exotika	9.32	▪ 108 units of double storey zero lot house "guarded" concept	July 2024 / July 2026	74.97	465 to 661	108	15	13.89	53.90

7. BUSINESS OVERVIEW *(Cont'd)*

Development name / Location	Type of development	Developed by	Total land area (acres)	Description	Commencement period[1] / Expected completion period[2]	% of completion as at the LPD	Range of net selling price per unit	Total units launched	Total units sold as at the LPD	% of units sold as at the LPD	GDV
							RM'000				RM million
▪ Phase 4C	Residential / Freehold	Laman Exotika	10.79	▪ 96 units of double storey zero lot house "guarded" concept	August 2022 / October 2024	[4]100.00	447 to 754	96	93	96.88	47.35
▪ Phase 4D	Residential / Freehold	Laman Exotika	16.01	▪ 162 units of double storey zero lot houses "guarded" concept ▪ 3 units of double storey bungalow house "guarded" concept	July 2023 / January 2025	88.61	445 to 982	165	140	84.85	80.58
Subtotal			**46.26**					**475**	**349**		**231.99**
Taman Akasia, Kluang, Johor											
▪ Phase 1A	Residential / Freehold	Hektar Berlian	17.95	▪ 48 units of double storey cluster house ▪ 32 units of double storey semi-detached house ▪ 9 units of double storey bungalow house	January 2023 / January 2025	76.49	412 to 791	89	69	77.53	49.19

7. BUSINESS OVERVIEW *(Cont'd)*

Development name / Location	Type of development	Developed by	Total land area (acres)	Description	Commencement period[1] / Expected completion period[2]	% of completion as at the LPD	Range of net selling price per unit	Total units launched	Total units sold as at the LPD	% of units sold as at the LPD	GDV
							RM'000				RM million
▪ Phase 1B	Residential / Freehold	Hektar Berlian	24.10	▪ 60 units of double storey cluster house ▪ 32 units of double storey semi-detached house ▪ 9 units of double storey bungalow house	July 2024 / May 2026	37.94	476 to 900	101	8	7.92	64.33
Subtotal			**42.05**					**190**	**77**		**113.52**
Total			**97.09**					**898**	**584**		**388.87**

Notes:

(1) Commencement date is based on the date when the first SPA was executed.

(2) Expected completion date is based on the expected issuance date of CCC of the development.

(3) As at the LPD, the buyer informed us to temporarily suspend the construction of the multipurpose hall as the buyer requested to amend the building plans for their review and comments prior to submission to the relevant authorities. In view that the building plans require approval from the relevant authorities, the buyer agrees to bear all associated costs and fees and release our Group from liabilities and acknowledges that the delivery of vacant possession of the property will be extended by 24 months from the date of authorities' approval or by 31 December 2027, whichever is later. Taman Nuri Heights (Phases 1A and 1B) which comprise of the construction of a multipurpose hall and 4 units of double storey retails units, all of which were sold to the aforesaid buyer. As such, we accommodate the said buyer's request to temporarily suspend the construction until the approval for the building plans is obtained from the relevant authorities. The approval for the building plans is estimated to be obtained by second quarter of 2025.

(4) Phases 4A and 4C of Taman La Casa Lunas have achieved 100% percentage of completion and expected to obtain CCC by September 2024 pending inspection from the Jabatan Kejuruteraan Majlis Perbandaran Kulim.

7. BUSINESS OVERVIEW *(Cont'd)*

(iii) Future property developments

Below is a list of our Group's future development and future phases of our on-going developments. Please refer to **Annexure C** of this Prospectus for further details of our land held for future developments and future phases of our completed and on-going developments.

Development name / Location	Type of development	Total land area	Description	Total units to be launched	Expected commencement period[1] / Expected completion period[2]	Estimated GDV
		acres				RM million
Taman Nuri, Melaka						
▪ Taman Nuri Heights (Phase 2)	Residential / Freehold	2.20	▪ 16 units of double storey semi-detached house ▪ 1 unit of double storey bungalow house	17	January 2025 / January 2027	10.09
▪ Taman Nuri Heights (Phase 3)	Commercial / Freehold	0.50	▪ 6 units of double storey shop/ office	6	June 2025 / June 2027	4.67
▪ Taman Nuri Botani (Phase 3)	Residential / Freehold	3.98	▪ 126 units of double storey *Rumah Pangsa Mampu Milik*	126	February 2025 / February 2028	23.24
▪ Taman Nuri Botani (Phase 4)	Residential / Freehold	6.87	▪ 154 units of double storey *Rumah Pangsa Mampu Milik*	154	February 2025 / February 2028	30.30
▪ Phase 3B5	Residential / Freehold	4.90	▪ 77 units of double storey terraced houses	77	February 2025 / February 2027	31.18
▪ Phase 4B	Residential / Freehold	4.57	▪ 31 units of double storey cluster house ▪ 4 units of cluster semi-detached house ▪ 2 units of double storey bungalow house	27	March 2025 / March 2027	18.44
▪ Phase 4C	Residential / Freehold	5.03	▪ 44 units of double storey cluster house ▪ 4 units of double storey cluster semi-detached house ▪ 1 unit of double storey bungalow house	49	May 2025 / May 2027	32.24
▪ Phase 7	Residential / Freehold	6.93	▪ 86 units of double storey terraced house	86	June 2026 / June 2028	38.22
Subtotal		**34.98**		**542**		**188.38**

7. BUSINESS OVERVIEW *(Cont'd)*

Development name / Location	Type of development	Total land area	Description	Total units to be launched	Expected commencement period[(1)] / Expected completion period[(2)]	Estimated GDV
		acres				RM million
Banting, Kuala Langat, Selangor						
▪ Phase 1 (Pangsapuri Adiwarna, Kota Seri Langat)	Residential / Freehold	8.82	▪ 180 units of double storey low density apartment (*Rumah Selangorku*) (Villament)	180	March 2025 / March 2028	44.24
▪ Phase 2 (Pangsapuri Adiwarna, Kota Seri Langat)	Residential / Freehold	6.38	▪ 206 units of double storey apartment (*Rumah Selangork*u) (Villament)	206	March 2025 / March 2028	50.47
▪ Phase 3 (Pangsapuri Adiwarna, Kota Seri Langat)	Residential / Freehold	5.76	▪ 162 units of double storey apartment (*Rumah Selangorku*) (Villament)	162	March 2025 / March 2028	40.02
▪ Phase 4	Residential / Freehold	9.08	▪ 204 units of double storey low density apartment (*Rumah Selangorku*) (Villament)	204	July 2025 / July 2028	49.98
▪ Phase 5	Residential / Freehold	7.37	▪ 240 units of double storey low density apartment (*Rumah Selangorku*) (Villament)	240	July 2025 / July 2028	58.80
▪ Phase 6	Residential / Freehold	3.97	▪ 108 units of double storey apartment (*Rumah Selangorku*) (Villament)	108	January 2026 / January 2029	26.46
▪ Phase 7	Residential / Freehold	8.08	▪ 252 units of double storey apartment (*Rumah Selangorku*) (Villament)	252	January 2026 / January 2029	61.74
Subtotal		**49.46**		**1,352**		**331.71**
Taman Akasia, Kluang, Johor						
▪ Phase 2A	Residential / Freehold	14.02	▪ 100 units of double storey cluster house ▪ 32 units of double storey semi-detached house ▪ 8 units of double storey bungalow house	140	June 2025 / June 2027	81.80
▪ Phase 2B	Residential / Freehold	14.15	▪ 108 units of double storey cluster house ▪ 28 units of double storey semi-detached house	136	June 2026 / June 2028	77.60
▪ Phase 3A	Residential / Freehold	9.14	▪ 136 units of double storey terraced house (*Rumah Mampu Biaya Johor*)	136	June 2025 / June 2027	28.60

7. BUSINESS OVERVIEW *(Cont'd)*

Development name / Location	Type of development	Total land area	Description	Total units to be launched	Expected commencement period[(1)] / Expected completion period[(2)]	Estimated GDV
		acres				**RM million**
▪ Phase 3B	Residential / Freehold	9.06	▪ 144 units of double storey terraced house (*Rumah Mampu Biaya Johor*)	144	June 2025 / June 2027	30.10
▪ Phase 4	Commercial / Freehold	5.28	▪ 40 units of single storey low-medium cost shop ▪ 5 units of double storey shop office	45	July 2025 / July 2027	10.75
Subtotal		**51.65**		**601**		**228.85**
Taman La Casa Lunas, Lunas, Kedah						
▪ Phase 1A	Residential / Freehold	15.47	▪ 161 units of single storey medium cost terraced house • 50 units of single storey low medium cost terraced house	211	July 2025 / July 2027	42.20
▪ Phase 1B	Residential / Freehold	15.56	▪ 126 units of single storey low medium cost terraced house ▪ 31 units of single storey medium cost terraced house	158	July 2025 / July 2027	31.40
▪ Phase 4E	Residential / Freehold	9.40	▪ 184 units of double storey low cost cluster house "townhouse" (strata title)	184	March 2029 / March 2032	36.80
▪ Phase 4F	Residential / Freehold	10.43	▪ 268 units of double storey low cost cluster house "townhouse" (strata title)	268	March 2027 / March 2030	53.60
▪ Phase 5	Residential / Freehold	13.29	▪ 78 units of double storey zero lot house "guarded" concept	78	September 2025 / September 2027	42.90
Subtotal		**64.15**		**899**		**206.90**
Total		**200.24**		**3,394**		**955.84**

Notes:

(1) Expected commencement period is based on the expected first SPA date.

(2) Expected completion period is based on preliminary plans.

7. BUSINESS OVERVIEW *(Cont'd)*

(iv) Land held for future developments

Below is a list of our Group's land held for future development as at the LPD. Please refer to **Annexure C** of this Prospectus for further details on our landbanks.

Location of land	Land zoning	Total land area
		acres
Melaka		
Mukim Durian Tunggal, Daerah Alor Gajah, Melaka	Residential	6.47
Mukim Parit Melana, Daerah Alor Gajah, Negeri Melaka	Residential	30.69
Kawasan Bandar VIII, Melaka	Commercial	1.54
Mukim Kelemak, Daerah Alor Gajah, Negeri Melaka	Agriculture	1.05
Johor		
Mukim Kluang, Kluang, Johor	Residential	72.57
Mukim Kluang, Kluang, Johor	Commercial	16.43
Kedah		
Kulim, Bandar Lunas	Residential	6.36
Kulim, Bandar Lunas	Commercial	17.51
Selangor		
Mukim Tanjong Duabelas, Kuala Langat, Selangor	Residential	117.27
Mukim Damansara, Petaling, Selangor	Industrial	2.94
Perak		
Batang Padang, Mukim Bidor, Perak(1)	Mixed development	199.96
Penang		
Mukim 13, Seberang Perai Utara, Pulau Pinang	Residential and Mixed development	188.56
Mukim 13, Seberang Perai Utara, Pulau Pinang	Agriculture	2.95
Total land area		**664.30**

Note:

(1) Our Group does not have any immediate plans to develop the landbank in Batang Padang, Mukim Bidor, Perak, at this juncture.

(v) Future land to be acquired

Below is a list of the landbank to be acquired by our Group as at the LPD. Please refer to **Annexure C** of this Prospectus for further details on the landbank to be acquired.

Location of land	Land zoning	Total land area
		acres
Johor (1)		
Mukim Plentong, Johor Bahru, Johor	Mixed development	187.37
Total land area		**187.37**

Note:

*(1) This Plentong Land for future development is based on a sale and purchase agreement ("**SPA**") dated 18 April 2024, entered into between Taman Bandar Baru Masai Sdn Bhd (as the vendor), the Ekuiti Idaman (as the purchaser), and Amanahraya Development Sdn Bhd (as the existing chargor). The targeted completion date for the SPA is by 1st quarter of 2025.*

7. BUSINESS OVERVIEW *(Cont'd)*

(vi) Land to be developed pursuant to the joint venture agreement

Below are the landbanks to be developed by our Group pursuant to the joint venture agreement as at the LPD:

Location of land	Land zoning	Total land area
		acres
Johor (1)		
Mukim Plentong, Johor Bahru, Johor	Mixed development	189.21
Total land area		**189.21**

Based on the conditional joint venture agreement dated 18 April 2024 between Malaysia Pacific Corporation Berhad, Oriental Pearl City Properties Sdn Bhd, Lakehill Resort Development Sdn Bhd, Taman Bandar Baru Masai Sdn Bhd (collectively referred to as "**MP Corp Group**") and Ekuiti Idaman, whereby the parties agreed to develop the Plentong JV Land on a joint venture basis.

The Plentong JV Land is currently held by Taman Bandar Baru Masai Sdn Bhd and the basis for the joint venture is as follows:

(a) MP Corp Group engages Ekuiti Idaman to develop the Plentong JV Land in consideration of RM167.29 million ("**JVA Price**") to be paid by Ekuiti Idaman to Lakehill Resort Development Sdn Bhd;

(b) upon Ekuiti Idaman obtaining new development order from the relevant authorities, the Plentong JV Land shall be properties belonging to Ekuiti Idaman, which Ekuiti Idaman is entitled to charge, create a lien over, pledge, sell, transfer, assign, deal with and dispose of as Ekuiti Idaman deems fit and all proceeds of sale and dealings shall belong to Ekuiti Idaman absolutely;

(c) Ekuiti Idaman shall have the sole power, control and management of the development and construction of the development project on the Plentong JV Land including to decide on the number of phases of development, the selling prices for all types of properties to be developed on the Plentong JV Land and sold by Ekuiti Idaman and to decide on all matters for and incidental to the development project on the Plentong JV Land; and

(d) upon the delivery of the duly executed and stamped corporate guarantee to MP Corp Group, Ekuiti Idaman shall be entitled to charge, pledge or create a lien over the Plentong JV Land to its financiers for the financing of the development projects on the Plentong JV Land.

The future land to be acquired stated in item (v) above and the land to be developed pursuant to joint venture agreement stated in item (vi) above are settlement mechanisms for the disputes between MP Corp Group and Amanahraya Development Sdn Bhd ("**Amanahraya**"). For the avoidance of doubt, Ekuiti Idaman is not involved in any claims, disputes, debts and issues between MP Corp Group and Amanahraya, save for the engagement of Ekuiti Idaman as (i) the purchaser and developer of the Plentong Land; and (ii) the developer of the Plentong JV Land. The engagement of Ekuiti Idaman took place after the disputes between MP Corp Group and Amanahraya have arisen.

Please refer to **Annexure C** of this Prospectus for further details on the landbanks to be developed pursuant to the joint venture agreement and **Annexure F** of this Prospectus for further details on the salient terms of the JVA.

The potential development of the Plentong Land as highlighted in item (v) above and Plentong JV Land as highlighted in item (vi) above is expected to sustain our Group for the next 10 to 15 years.

7. BUSINESS OVERVIEW *(Cont'd)*

7.4 SUMMARY OF TAKE-UP RATE FOR OUR COMPLETED AND ON-GOING DEVELOPMENTS

For the Period Under Review and up to the LPD, our total completed and on-going developments, number of units sold, and the percentage of take-up rate are set out below:

	Completed developments			On-going development		
Types of property	**Units developed**	**Units sold up to the LPD**	**Percentage of properties units sold up to the LPD**	**Units to be developed**	**Units sold up to the LPD**	**Percentage of properties units sold up to the LPD**
Mixed development						
- Residential	2,776[(1)]	2,667[(1)]	96%	893 [(2)]	579 [(2)]	65%
- Commercial	-	-	-	5	5	100%
Industrial development[(3)]	8	8	100%	-	-	-
Total	**2,784**	**2,675**	**96%**	**898**	**584**	**65%**

Notes:

(1) The completed residential development consists of affordable housing under the Rumah Mampu Milik programme. As at the LPD, 458 units were developed, and are 100% sold;

(2) The ongoing residential development consist of affordable housing under the Rumah Mampu Milik programme. As at the LPD, 228 units were developed, and 67% of 153 units were sold; and

(3) The industrial development consists of the completed development in Twin Park, USJ 19, Subang, Selangor.

For the Period Under Review and up to the LPD, we have completed 3 developments with a total of 2,784 units of residential, affordable and industrial properties, of which approximately 96% of these respective units have been sold as at the LPD. The details are as follows:

(i) within the residential development segment, we have developed a total of 2,776 units with approximately 96% sold as at the LPD. Under the affordable housing, we have developed 458 units, all of which have been sold as at the LPD; and

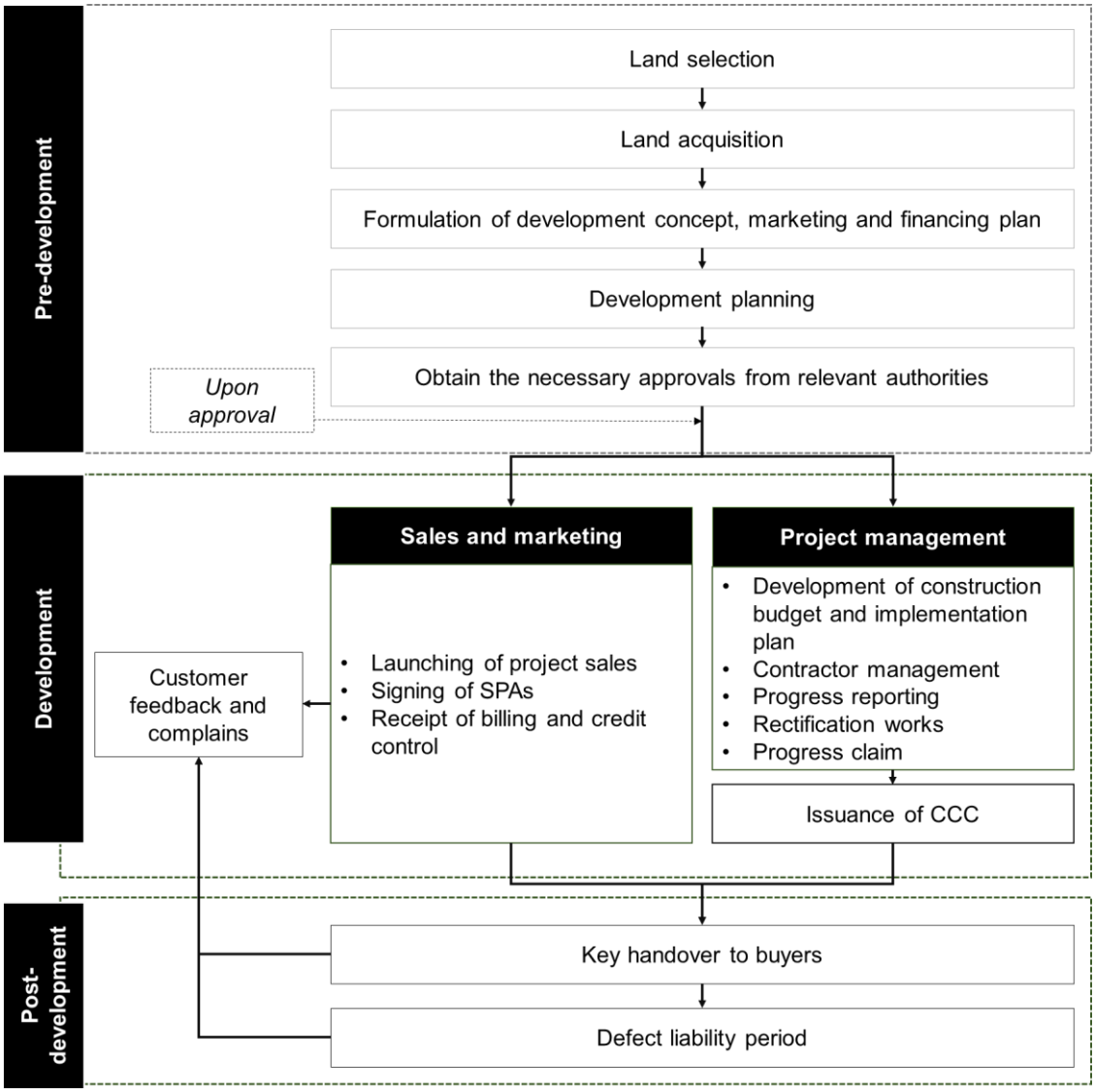
(ii) within the industrial development segment, we have completed a total of 8 units, all of which have been sold as at the LPD.

As at the LPD, we have 3 on-going developments with a total of 898 units, of which approximately 65% of these respective units have been sold.

7. BUSINESS OVERVIEW *(Cont'd)*

7.5 BUSINESS PROCESS

The process flow of our business operations is depicted below:



(i) Pre-development

(a) Land selection

Our property developments commence with the identification of suitable areas and plots of land for development. We take into consideration, amongst others, the following factors in identifying and evaluating suitable plots of land for development:

- physical condition of the land;
- location and profile of the neighbourhood within close proximity to the land;
- accessibility to the area, along with available infrastructures and amenities;

7. BUSINESS OVERVIEW *(Cont'd)*

- competition, consumer demand and marketability of the properties within the area or surrounding areas;
- estimated cost of the development, as well as investment and financial return ratios;
- economic prospects of the surrounding areas;
- maturity of the residential and commercial properties in the surrounding areas; and
- resources available, including financing environment such as liquidity, banks' preference and cost of financing.

Upon identifying the potential land to be acquired, we will conduct a preliminary feasibility study on the land. The preliminary feasibility study takes into consideration, amongst others, market supply and demand, environmental impacts and requirements, and existing and/or potential competing property developments in the vicinity of the land. Our development team will then formulate a development brief, which includes information such as the preliminary development concept, budget forecast and conceptual estimated costs of construction. At the same time, our strategy team will obtain an indicative market value of the selected land as well as conduct a ground survey analysis to assess market viability of the selected land. The preliminary study report and findings will enable us to form our decision on whether to proceed with the proposed land acquisition.

(b) Land acquisition

If we decide to proceed, upon internal review by our Non-Independent Executive Directors and Chief Financial Officer and obtaining approval from our Non-Independent Executive Chairman for the land acquisition, we will proceed to pay a deposit to secure the selected land and begin the legal processes of negotiating and finalising the terms of the land acquisition with the land owner. In consultation with our Group's solicitors, we will review the legal requirements for any land acquisitions.

(c) Formulation of development concept, marketing and financing plan

Upon completion of the land acquisition, we will proceed to formulate the development concept, marketing and financing plan:

- **Development concept**

  We will initiate on-the-ground surveys with relevant stakeholders such as local communities and government authorities to gain an understanding of the selected land and its potential. Subsequent to the survey, we will prepare the development brief for design and construction.

  We will appoint architects and other professional consultants including town planners, quantity surveyor, land surveyor, civil and structural engineers, mechanical and electrical engineers, geotechnical consultants, traffic consultants and environmental impact assessment consultants. Generally, the architect will also be appointed as the principal consultant to coordinate with the other professionals to develop and refine the development concept including plotting and building sizes, amenities location and sizes, street designs and traffic, as well as common infrastructures.

7. BUSINESS OVERVIEW *(Cont'd)*

When selecting architects and professional consultants, we generally consider their experience and expertise such as their track record of designing and developing similar developments, their ability to bring innovative solutions that are both functional and aesthetically pleasing, budget and timeline management, as well as past development reviews and testimonials.

We also engage third-party civil and structural engineers to perform value engineering using BIM software for our proposed development. The third-party engineer conducts a comprehensive examination of the structural components, ensuring efficiency, structural soundness, and compliance with safety standards. Alternative design options and configurations such as materials, layout modification and adjustment are explored to optimise the structural system. Clashes and conflicts between structural elements and other building systems (i.e. mechanical and electrical points, and architectural features) are identified and resolved to minimise costly rework. Constructability of the structural design are assessed and evaluated, and associated costs are estimated to identify opportunities for cost optimisation. Lastly, simulations are conducted to test structural resilience under various load conditions such as wind or seismic events.

By engaging third-party civil and structural engineers for value engineering using BIM software, our proposed development benefits from a thorough analysis of the design, optimisation of the structural system, improved coordination, cost savings, enhanced constructability, and performance optimisation.

- **Marketing plan**

  Our sales and marketing team will then formulate the marketing strategies of the proposed development, taking into consideration of future supply and demand, market segment, as well as product marketability.

- **Financing plan**

  We will prepare an estimated development costing based on the conceptualised development plan. Thereafter, we will develop the financing plan that includes sources of financing (either via internally generated funds, borrowings from financial institutions, or a combination of both) and the timeline to obtain the required funds for the proposed development.

(d) Development planning

After the formulation of our development concept, marketing and financing plans, we will proceed with the development planning. During the development process, we will work with our appointed professional consultants to develop a detailed development plan that outlines all the development details. This includes a site layout plan that maps out each component such as the residential or commercial buildings, amenities and common infrastructure. The designs, structures and specifications of each component will also be incorporated in the detailed development plan.

Further, we will establish a development timeline which sets out phases of project and key milestones to be achieved. We will also calculate the GDC and GDV of the development prior to the finalisation of the development plan.

7. BUSINESS OVERVIEW *(Cont'd)*

(e) Obtain the necessary approvals from relevant authorities

We then proceed to obtain all required approvals from the relevant authorities, including those for the development plan, land conversion, subdivision plan, building plan, housing developer licence and advertisement and sale permit.

Once we have received the necessary approvals from the relevant authorities, the sales and marketing and project management stages will take place concurrently.

(ii) Development

(a) Sales and marketing

- **Launching of new development (including new phases of on-going development)**

  Upon obtaining the necessary licenses and permits, we will proceed to execute our marketing strategy and prepare marketing materials as soon as the information of development (including new phases of on-going development) is finalised. Prior to launching our development, we will also appoint property agencies for sales and marketing activities and solicitors to process legal documents upon sale confirmation.

  Upon finalising our marketing strategy and marketing materials, we will conduct the launching for our new development (including new phases of on-going development) and began marketing and selling our new properties. This process includes, among other activities, attending to public's queries and registering potential property buyers.

- **Signing of sale and purchase agreements**

  Our sales agents will coordinate with potential property buyers for the signing and stamping of SPAs and assist in compiling necessary information and documents for loan applications.

- **Receipt of billing and credit control**

  Invoices for progress billings will be issued to our buyers based on the certificate of practical completion issued by the appointed architect at various stages of construction.

(b) Project management

- **Development of construction budget and implementation plan**

  Our appointed architect and other professional consultants, including town planner, surveyor, civil and structural engineer, mechanical and electrical engineer and geotechnical consultant, will prepare a comprehensive construction budget estimation for all relevant procurement and construction works. The budget estimation serves as a benchmark for controlling the construction costs throughout the project implementation period.

  Further, we will develop a project implementation plan which specifies the design and details of the development, such as the type of finishing, construction timeline and delivery schedule.

7. BUSINESS OVERVIEW *(Cont'd)*

- **Contractor management**

  For the construction works, we will invite contractors to submit their tender bids and proposals. The development projects (including future phases of on-going development) will be awarded to contractors based on our evaluation criteria which includes work quality, timeliness, track record and prices submitted by contractors against our approved budget estimation.

- **Progress reporting**

  Upon commencement of construction works, we will oversee the progress through regular on-site inspections and monitoring of progress reports. We will also conduct monthly meetings with our team of professional consultants and contractors to stay updated on the progress of property developments and resolve any issues that arise. This ensures that the proposed development is completed within the allocated budget and specified timeline, while meeting the required quality.

- **Rectification works**

  Upon completion of construction works, we will perform a final inspection to ensure that our development adheres to the requirements and quality standards in accordance with QLASSIC as set by CIDB. Regular rectification works include, amongst others, repairing cracked windows, fixing faulty switches, and replacing hollow tiles and faulty bathroom fixtures.

- **Progress claims**

  Our contractors submit monthly progress claims for the construction works done for our evaluation. Upon verification of the progress claims against the actual work done, we will make the payment. Upon completion of the rectification works, we will make payment for the final progress claim.

(c) Issuance of CCC

Upon completion of construction and rectification works, the architect will issue the CCC once the completed building has been inspected and certified compliance with the building plans approved by the local authorities and statutory requirements.

(iii) Post-development

(a) Key handover to buyers

Upon satisfactory completion of rectification works, we will issue the notice of vacant possession and handover the properties to the respective buyers. In addition, for strata units we will appoint a qualified and licenced building management company to assist in the handover process and management of the common areas in the property development.

For strata units, under the Strata Management Act 2013, the Joint Management Body ("**JMB**") and Management Corporation (comprised of all unit owners in the strata development) ("**MC**") are responsible for maintaining and managing the strata units and common facilities. The JMB is first established by the developer not later than 12 months after the delivery of vacant possession. Once the property is subdivided into individual titles, the MC must be formed. The JMB remains in place during a transition period, to allow time for handover

7. BUSINESS OVERVIEW *(Cont'd)*

preparations. Upon completion of this transition, the JMB is dissolved, and the MC assumes full responsibility for maintaining and managing the strata units and common facilities.

(b) Defect liability period

Subsequent to the delivery of vacant possession and handover of the property to our buyers, we will be responsible for the building repairs if defects are found during the 24-month defect liability period. We will withhold a 5.00% of the contract sum as a retention sum from the contractors and have agreements with them specifying that the rectification works will be carried out by them within the defect liability period. We will release the retention sum in the following 2 tranches:

(i) 50% upon the contractors presenting to us the architect's certificate for that amount, following the issuance of the certificate of completion by the architect; and

(ii) the remaining 50% upon the contractors presenting to us the architect's certificate for the balance, following either the expiration of the defect liability period, or the issuance of the certificate of completion of making good defects, whichever is later.

(c) Customer feedback and complaints

Our customer relationship management personnel are responsible to attending to customer feedback and complaints. Addressing/ handling these complaints help us enhance our services and improve future property developments.

7.6 INTERRUPTIONS TO BUSINESS AND OPERATIONS

On 11 March 2020, the WHO declared COVID-19 a pandemic. As part of efforts to mitigate the spread of COVID-19 in the country, the Government implemented several restrictive measures known as the MCO, commencing on 18 March 2020. These measures included restrictions on the movement of people within Malaysia and internationally, and restrictions on business, economic, cultural and recreational activities. We experienced interruptions to our business operations due to the MCO implemented by the Government.

On 1 April 2022, Malaysia entered the endemic phase whereby all economic sectors (including the property development industry) were allowed to operate according to Government's guidelines and SOP.

On 5 May 2023, the WHO declared an end to the COVID-19 pandemic as it had been on a downward trend, with population immunity increasing due to vaccination and the pressure on healthcare systems has eased.

7.6.1 Impact of COVID-19 pandemic on our Group's supply chain

While our Group's sub-contractors were responsible for the procurement of construction materials, preventing direct supply chain disruptions, the MCO implementation has indirectly impacted our business operations. Delays in the delivery of equipment and construction materials to the development sites, coupled with the shortage in foreign workers have resulted delays in construction of our Group's property developments.

7. BUSINESS OVERVIEW *(Cont'd)*

7.6.2 Impact of COVID-19 pandemic on our Group's financial performance

The MCO implemented by the Malaysian Government in 2020 had delayed the construction and launching of our Group's property developments, preventing our Group from achieving full capacity in executing our sales and marketing strategies. However, we have been granted temporary reliefs for delays in delivery of vacant possession and payment of LAD pursuant to the Temporary Measures for Reducing the Impact of Coronavirus Diseases 2019 (COVID-19) Act 2020, which was gazetted on 23 October 2020.

The details of the extended and actual vacant possession dates for our Group's affected property development are as follows:

Property development	Original vacant possession date	Extended vacant possession date	Actual vacant possession date
Taman La Casa Lunas (Phase 3A)	15 December 2021[(i)]	30 September 2023[(ii)]	24 January 2024
Taman Bukit Cheng (Phase 1)	19 April 2021[(i)]	2 February 2022[(ii)]	14 January 2022
Taman Nuri Sentosa	6 January 2022[(i)]	22 November 2022[(ii)]	7 June 2022
Taman La Casa Lunas (Phase 3B)	30 December 2022[(i)]	30 December 2023[(ii)]	5 June 2024
Taman Nuri (Phase 3B2)	11 April 2023[(i)]	11 September 2023[(ii)]	12 September 2023
Taman La Casa Lunas (Phase 2)	25 November 2023[(i)]	-[(iii)]	4 July 2024

Notes:

(i) Calculated from the signing date of the first SPA, based on the vacant possession date stated in the sale and purchase agreement.

(ii) Calculated based on the extension granted for the delivery of vacant possession.

(iii) There was no extension of time granted for Taman La Casa Lunas (Phase 2) as the project was launched in November 2021 after the MCO.

Notwithstanding that the extension of time was granted to our Group for the delivery of vacant possession to our home buyers, several phases of Taman La Casa Lunas development faced delays of construction and delivery of vacant possession during the COVID-19 pandemic, specifically.

During the COVID-19 pandemic, our Group experienced the following:

(i) infrastructure work delay – infrastructure work for Taman La Casa Lunas (Phase 3A) were delayed due to road construction pending authorities' approval and delay in the installation of water reticulation system;

(ii) house construction delay – the construction of houses for Taman La Casa Lunas (Phase 3B) faced delays arising from shortage of skilled workers, especially during the installation of aluminium formwork and tiles; and

(iii) impact on subsequent phase – the delay in Taman La Casa Lunas (Phase 3B) caused further delay in the construction of houses in the subsequent phase, namely Taman La Casa Lunas (Phase 2).

7. BUSINESS OVERVIEW *(Cont'd)*

Consequently, our Group faced disruptions in delivering vacant possession to home buyers for Taman La Casa Lunas (Phases 3A, 3B and 2) and Taman Nuri (Phase 3B2), leading to LAD claims from property home buyers. In this respect, our Group has provided for the LAD claims totalling approximately RM10.37 million for the FYE 2023. As at the LPD, our Group has paid approximately RM7.24 million in LAD claims. The remaining LAD claims are expected to be settled by March 2025.

Save as disclosed above, our Group has not experienced any interruption in our operations that had a significant effect during the past 12 months prior to the LPD.

7.7 PRINCIPAL MARKET

All of our Group's revenue for the Period Under Review are generated in Malaysia. For the Period Under Review, majority of our Group's revenue was generated from the development and sale of our property developments in Melaka and Kedah. The breakdown of the revenue of our Group by geographical locations is as follows:

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Property development:						
- Melaka	48,069	45.97	40,205	26.77	26,614	13.26
- Johor	-	-	-	-	11,525	5.74
- Kedah	49,259	47.11	97,682	65.05	155,895	77.63
- Selangor	4,570	4.37	-	-	6,170	3.07
Subtotal	**101,898**	**97.45**	**137,887**	**91.82**	**200,204**	**99.70**
Others:						
- Construction contract	2,665	2.55	12,281	8.18	-	-
- Sale of land	-	-	-	-	606	0.30
Subtotal	**2,665**	**2.55**	**12,281**	**8.18**	**606**	**0.30**
Total revenue	**104,563**	**100.00**	**150,168**	**100.00**	**200,810**	**100.00**

Breakdown of revenue contribution by principal activities

The breakdown of our Group's revenue by principal activities is as follows:

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Property development:[(1)]						
- Sale of development properties under construction	81,087	77.55	122,162	81.35	167,420	83.37
- Sale of completed properties	20,811	19.90	15,725	10.47	32,784	16.33
Subtotal	**101,898**	**97.45**	**137,887**	**91.82**	**200,204**	**99.70**
Others:						
- Construction services[(2)]	2,665	2.55	12,281	8.18	-	-
- Sale of land[(3)]	-	-	-	-	606	0.30
Subtotal	**2,665**	**2.55**	**12,281**	**8.18**	**606**	**0.30**
Total revenue	**104,563**	**100.00**	**150,168**	**100.00**	**200,810**	**100.00**

7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

(1) The revenue from property development analysed by types of developments are as follows:

	Audited					
	FYE 2021		***FYE 2022***		***FYE 2023***	
	RM'000	***%***	***RM'000***	***%***	***RM'000***	***%***
Residential	*48,069*	*47.17*	*40,205*	*29.16*	*26,614*	*13.29*
Industrial	*4,570*	*4.48*	*-*	*-*	*6,170*	*3.08*
Mixed development^:						
- Residential	*49,259*	*48.35*	*97,682*	*70.84*	*167,420*	*83.63*
Total	***101,898***	***100.00***	**137,887**	***100.00***	**200,204**	***100.00***

Sub-note:

^ *The commercial properties development is to complement our residential development as part of the overall township development strategy of our Group. During the Period Under Review, Taman Nuri Heights (Phases 1A and 1B) which comprise a multipurpose hall and 4 units of double storey retails units, was sold in August 2022. However, as at the LPD, construction has been temporarily suspended at the buyer's request to amend the building plans. Consequently, no billing has been issued, and no revenue has been recognised. We have planned for future launches of commercial properties for Taman Nuri Heights (Phase 3) and Taman Akasia (Phase 4).*

(2) The construction services revenue was generated from the provision of construction services by SPBSB to Prasarana Pesona, a former related party, for a property development. The construction service was secured by SPBSB in October 2021 and subsequently terminated in December 2022. The reason for the termination was due to the disposal of Prasarana Pesona by Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap which was completed on 16 January 2023. The construction work for the housing development was approximately 70% completed as at December 2022 and Prasarana Pesona was responsible to complete the remaining 30% construction work and SPBSB was not required to pay any compensation to Prasarana Pesona. Prior to the disposal, Prasarana Pesona was principally involved in the construction of affordable housing projects. Currently, we do not intend to provide construction services for our Group or third parties as we undertake project management responsibilities.

(3) Sale of a vacant land under Geran No. Hakmilik 44574, Lot No. 3367, Mukim Kelemak, Daerah Alor Gajah, Melaka measuring 1.333 hectares by Rentas Dinamik to a third party on 20 February 2023 for cash consideration of approximately RM606,000.

7.8 COMPETITIVE STRENGTHS

7.8.1 A sizeable pipeline of on-going and future developments

As at the LPD, we have 3 on-going developments and a future development. Our on-going developments are Taman Nuri with 4 on-going and 8 future phases, Taman La Casa Lunas with 4 on-going and 5 future phases as well as Taman Akasia with 2 on-going and 5 future phases. Our forthcoming Banting development have 7 future phases. The total GDV of on-going and future developments (including future phases of ongoing development) is approximately RM389 million and RM956 million, respectively. The total GDV for our on-going development of approximately RM389 million is expected to sustain our Group for approximately 3 years until 2027 while the total GDV for our future developments of approximately RM956 million is estimated to sustain our Group for approximately 8 years until 2032.

The total GDV of the on-going developments will be recognised progressively into our revenue up to the FYE 2025, based on the expected progress and completion of each on-going development. The breakdown of the billed and unbilled portion for on-going developments as at the LPD are as follows:

7. BUSINESS OVERVIEW *(Cont'd)*

	Sold			
	Billed	**Unbilled**	**Unsold**	**Total**
On-going developments	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Taman Nuri, Durian Tunggal, Melaka				
- Taman Nuri Botani (Phase 1)	529	13,407	4,216	18,152
- Taman Nuri Botani (Phase 2)	504	12,774	9,379	22,657
- Taman Nuri Heights (Phases 1A and 1B)	-	2,500	-	2,500
Subtotal	**1,033**	**28,681**	**13,595**	**43,309**
Taman La Casa Lunas, Kedah				
- Phase 4A	47,076	351	2,737	50,164
- Phase 4B	5,896	1,663	46,342	53,901
- Phase 4C	45,309	458	1,581	47,348
- Phase 4D	60,851	5,291	14,441	80,583
Subtotal	**159,132**	**7,763**	**65,101**	**231,996**
Taman Akasia, Kluang, Johor				
- Phase 1A	29,827	7,587	11,779	49,193
- Phase 1B	2,229	2,837	59,262	64,328
Subtotal	**32,056**	**10,424**	**71,041**	**113,521**
Total	**192,221**	**46,868**	**149,737**	**388,825**

7.8.2 A sizeable landbank for future developments

We have approximately 664 acres of undeveloped landbank as at the LPD reserved for future developments. The breakdown by state is set out in the table below.

States	**Landbank**
	acres
Melaka	39.75
Johor	89.00
Kedah	23.87
Selangor	120.21
Perak	199.96
Penang	191.51
Total	**664.30**

On 18 April 2024, Ekuiti Idaman has entered into a land acquisition agreement with Taman Bandar Baru Masai Sdn Bhd and Amanahraya Development Sdn to acquire Plentong Land comprising 7 parcels of lands measuring approximately 187 acres. The SPA is targeted to be completed by first quarter of 2025.

On the same date, Ekuiti Idaman has also entered into a joint-venture agreement with Malaysia Pacific Corporation Berhad, Oriental Pearl City Properties Sdn Bhd, Lakehill Resort Development Sdn Bhd and Taman Bandar Baru Masai Sdn Bhd whereby the parties agreed to develop Plentong JV Land comprising 12 parcels of land measuring approximately 189 acres which are registered under Taman Bandar Baru Masai Sdn Bhd's name on a joint venture basis. Please refer to **Annexure F** of this Prospectus for further details of the said SPA and joint-venture agreement respectively.

7. BUSINESS OVERVIEW *(Cont'd)*

Most of our landbanks are located within proximity established industrial areas offering convenient access and potential for future developments. For example, our landbank in Lunas, Kedah is in proximity to Kulim Hi-Tech Park, while our landbank in Seberang Perai Utara, Penang is near several industrial areas such as the Penang Science Park, Perai Industrial Area, Batu Kawan Industrial Park and Kulim Hi-Tech Park. Our landbank to be acquired that is located in Plentong, Johor is close to the Pasir Gudang Industrial Area. Furthermore, major projects such as the Johor-Singapore Special Economic Zone and the Johor Bahru-Singapore Rapid Transit System (RTS) Link are expected to strengthen economic and infrastructure connectivity, facilitate cross-border trade and talent mobility.

With our proven track record in Melaka, we believe that we are well-positioned to capitalise on the growth of the property market in the future, leveraging on the availability of our landbank. Please refer to **Section 7.8.3** of this Prospectus for information on our track record in Melaka as well as the market acceptance of our completed and/or on-going developments.

We aim to acquire strategic landbanks located near established industrial areas and key economic centres at reasonable prices to increase our landbanks when the opportunity arises. Please refer to **Section 4.6.1** of this Prospectus for further information in relation to the use of proceeds for the acquisition of landbank.

7.8.3 A proven track record with our ability to attract property buyers

We have been involved in the property development industry in Malaysia for approximately 31 years since 1993 and have established ourselves as a reputable residential property developer in Melaka. Over the years, we have expanded our operations and property development portfolio beyond Melaka, encompassing Selangor, Kedah and Johor. The majority of our completed developments have received positive market acceptance from individual buyers or companies as reflected by the percentage of properties sold. The percentage of sales of our completed developments since 2015 and on-going developments as at the LPD are as follows:

Property developments	Completion period	Percentage of units sold as at the LPD (%)	No. of unsold units as at the LPD
Completed			
Taman Kasa Heights, Alor Gajah, Melaka (Phase 2A)	August 2015	100.00	-
Taman Kasa Heights, Alor Gajah, Melaka (Phase 2B)	April 2016	99.15	1
Taman Kasa Heights, Alor Gajah, Melaka (Phase 2C)	November 2016	99.78	1
Taman Nuri, Durian Tunggal, Melaka (Phase 1A)	April 2015	100.00	-
Taman Nuri, Durian Tunggal, Melaka (Phase 1B)	April 2016	95.83	1
Taman Nuri, Durian Tunggal, Melaka (Phase 2)	January 2016	97.57	6
Taman Nuri, Durian Tunggal, Melaka (Phase 3A1)	July 2017	100.00	-
Taman Nuri, Durian Tunggal, Melaka (Phase 3A2)	December 2019	94.87	4
Taman Nuri, Durian Tunggal, Melaka (Phase 3A3)	December 2019	97.26	2
Taman Nuri, Durian Tunggal, Melaka (Phase 3B1)	August 2020	91.43	3
Taman Nuri, Durian Tunggal, Melaka (Phase 3B4)	December 2020	100.00	-
Taman Nuri Sentosa	April 2022	99.32	1
Taman Nuri, Durian Tunggal, Melaka (Phase 3B2)	September 2023	88.68	6
Taman Nuri, Durian Tunggal, Melaka (Phase 3B3)	October 2023	88.89	4
Taman Bertam Perdana, Pulau Gadong Melaka	May 2016	100.00	-
Taman Bukit Cheng, Cheng, Melaka (Phase 1)	January 2022	92.23	8
Taman Bukit Cheng, Cheng, Melaka (Phase 2)	August 2023	66.67	3
Taman La Casa Lunas, Kedah (Phase 3A)	January 2024	99.27	2
Taman La Casa Lunas, Kedah (Phase 3B)	June 2024	100.00	-
Taman La Casa Lunas, Kedah (Phase 2)	July 2024	63.19	67
Subtotal			**109**

7. BUSINESS OVERVIEW *(Cont'd)*

Property developments	Completion period	Percentage of units sold as at the LPD (%)	No. of unsold units as at the LPD
On-going			
Taman Nuri, Durian Tunggal, Melaka (Taman Nuri Botani Phase 1)	On-going	77.45	23
Taman Nuri, Durian Tunggal, Melaka (Taman Nuri Botani Phase 2)	On-going	58.73	52
Taman Nuri, Durian Tunggal, Melaka (Taman Nuri Heights Phases 1A and 1B)	On-going	100.00	-
Taman La Casa Lunas, Kedah (Phase 4A)	On-going	95.28	5
Taman La Casa Lunas, Kedah (Phase 4B)	On-going	13.89	93
Taman La Casa Lunas, Kedah (Phase 4C)	On-going	96.88	3
Taman La Casa Lunas, Kedah (Phase 4D)	On-going	84.85	25
Taman Akasia, Kluang, Johor (Phase 1A)	On-going	77.53	20
Taman Akasia, Kluang, Johor (Phase 1B)	On-going	7.92	93
Subtotal			**314**
Grand total			**423**

The positive reception towards our developments is primarily due to:

(a) a solid reputation built over the past 31 years as a property developer, contributing market visibility and brand awareness, attracting prospective buyers for future properties;

(b) unique product positioning that offers affordable homes specifically catering to the needs of the mass market providing an attainable path to homeownership;

(c) design excellence, as evidenced by various awards;

(d) extensive experience, instilling confidence in prospective buyers regarding our ability to complete and deliver our properties; and

(e) commitment to delivering quality properties to buyers.

Over the years, we have gained valuable insights into the preferences and demands of our buyers, enabling us to refine our understanding of market demand and attract more buyers for our properties. The feedback received from our buyers has also allowed us to enhance and improve the functionality and sustainability of the properties by incorporating different quality of building materials, fixtures and fittings into our future property developments.

Our long-standing presence in the property development industry together with our proven track record provide us with strong references of our capabilities to support future expansion and growth.

7.8.4 An experienced and hands-on Non-Independent Executive Chairman, Directors and Key Senior Management to lead and manage the business operations

We have experienced Non-Independent Executive Chairman, Directors and Key Senior Management to manage our business operations led by our founder and Non-Independent Executive Chairman, Datuk Yap who brings with him 43 years of experience in construction and property development. As the founder, Datuk Yap has contributed significantly to the growth and development where he is responsible for our Group's overall business plans and strategies, market development activities, providing strategic guidance and direction and ensure effective and efficient business operations. He is supported by our Key Senior Management from various departments as follows:

7. BUSINESS OVERVIEW *(Cont'd)*

Name	Designation	Approximate years of relevant working experience
Datuk Jacky Yap	Non-Independent Executive Director and Chief Executive Officer	18
Datuk Sean Yap	Chief Financial Officer	18
Yap Lih Shyan	Non-Independent Executive Director and Chief Operating Officer	10
Siew Weng Yen	Head of Project Management and Contract	27
Umah Jeralene A/P Louis Adaikalasamy	Head of Project Development and Authorities' Liaison	31
Soh Kok Hwa	Head of Sales, Marketing and Customer Relationship	12
Siew Li Sum	Head of Finance and Credit Administration	16

Our Key Senior Management possesses qualifications in their respective field of expertise and their profiles and qualifications are set out in **Section 5.1.2(v)**, **5.1.2(vi)**, **5.1.2(vii)** and **Section 5.3.2** of this Prospectus. In addition, our Key Senior Management has strong industry and functional expertise resulting from years of experience in their respective fields. They take a hands-on approach in spearheading their respective departments to support the growth of our Group. Throughout their working experience, they have established networks of business contacts that have assisted us in acquiring landbanks, planning and completing our developments. At the same time, our Key Senior Management also comprises a balanced mix of experienced personnel and young personnel, some of whom are being groomed for future leadership positions as part of our internal succession plan. Our experienced Non-Independent Executive Chairman, Directors and Key Senior Management will help sustain our business and provide us with the platform for continuing business operation.

7.8.5 Adoption of IBS and engagement of consultants utilising BIM software in our property developments enhance efficiency and quality

We are committed to developing quality property developments, while also enhancing our efficiency. To facilitate value engineering in our property developments, we engage third party civil and structural engineers during development planning stage. They utilise BIM software to perform comprehensive analysis on the proposed development concept to identify potential design flaws, detect clash and conflicts in the various structural elements and building systems, and constructability issues. By using BIM software, we not only minimise the risk of rework and delays but also explore alternative design options and evaluate their performance and cost implications, to achieve optimised outcomes for our property development.



Aluminium formwork in Taman La Casa Lunas

7. BUSINESS OVERVIEW *(Cont'd)*

We have adopted IBS by incorporating the usage of aluminium formwork in the construction of our property developments. Aluminium formwork is a construction technique that utilises aluminium panels as temporary structures, that are erected and assembled to mould and shape concrete into required dimensions and/ or support structural elements such as wall and beams in a typical house. Compared to traditional steel formwork, aluminium formwork offers several advantages, including rapid assembly and dismantling, reduced labour and material costs due to its lightweight nature, improved quality and consistency in concrete finishing, aluminium formwork are designed with precision.

To further promote the adoption of IBS, we have incorporated prefabricated components and structures that are manufactured off-site in our completed phase of Taman Nuri development namely, Taman Nuri Sentosa, Melaka, and on-going developments in Taman La Casa Lunas, Kedah and Taman Akasia, Kluang, Johor. These prefabricated components and structures include slabs, beams, perimeter walls, precast u-drain, concrete panels and floors. The construction process can be streamlined, as many of the components are prefabricated off-site, reducing the need for heavy machinery and equipment at construction sites, which enables our Group to create a safer working environment.

In addition, we are also able to enhance productivity by leveraging economics of scale through the standardisation of building layouts and materials used in our developments, which also help to keep our costs low. More importantly, the use of prefabricated components and structures ensure standardisation and reduces the risk of errors or discrepancies in the buildings, which contributes to the consistency of our developments. According to a technical report published by the CIDB in 2018, IBS adoption could reduce labour requirement for foreign workers and shorten construction turnaround time, both by at least 20%.

7.9 SEASONALITY OF BUSINESS

As a property developer, we are not subject to any seasonality or cyclicality effect.

7.10 TECHNOLOGIES USED

We use the following technologies in our business operations:

Technology	Description
Drones	Used to inspect and study the land during the land selection stage, besides progress monitoring and recording digital marketing materials.
Sales Analysis Marketing system	Provides access to our property developments' information, including unit specifications, pricing, promotions and availability of units. It also enables us to submit loan and credit status, and generate reports such as sales reports, credit reports and loan reports.
NOVADE software	Used for management of supply chain and eliminate repetitive tasks. It also digitalises and automates construction site processes, including site inspections, construction material deliveries, component installation, quality control checks, and progress monitoring, enabling smoother coordination, improved communication and efficient tasks execution.
Automated Computer-aided design ("**AutoCAD**") software	Creates 2D and 3D technical drawings and models for property development designs and concepts.

7. BUSINESS OVERVIEW *(Cont'd)*

7.11 QUALITY CONTROL PROCEDURES AND MANAGEMENT

We place emphasis on developing quality properties for our buyers. As such, we implement stringent quality control procedures at various stages of our developments. These procedures include:

(i) selection and appointment of contractors and professional consultants through a selection process that evaluate criteria such as track record, service quality, pricing and timeliness;

(ii) evaluation of architectural design concepts to be in line with current market trends;

(iii) close supervision of the construction progress and development timeline;

(iv) frequent quality and safety checks at the development sites; and

(v) stringent requirement on craftsmanship and interior fittings.

As part of our commitment to deliver quality products, we select suitable quality construction materials. During the development planning process, we will work with our appointed professional consultants to develop a detailed development plan. This plan includes a site layout detailing each component for residential or commercial buildings, amenities, infrastructure and common area landscaping. It also encompasses the design, structures and specifications of each component. Furthermore, the types, brands and quality of construction materials to be used are specified in our tender document as requirements for contractors. These specific requirements are provided to contractors to ensure consistency and adherence to our standards. We will invite contractors to submit their tender bids and proposals via a closed tender, and the projects will be awarded to them based on our evaluation criteria including work quality, timeliness, track record and prices submitted by the contractors against our approved budget estimation.

We also implement rigorous controls during construction comprising:

(i) samples and test reports of the construction materials such as concrete, steel, doors and windows are submitted to us for approval prior to commencement of any physical construction work; and

(ii) regular site inspections are conducted to ensure that the expected quality is met. Representatives for our team of professional consultants and contractors convene monthly meetings to update development progress well as to resolve any issues.

Moreover, our operations are certified with ISO 9001: 2015 certifications under the scope of "development of residential, commercial and industrial properties" from SIRIM QAS International Sdn Bhd.

We also participate in QLASSIC assessments upon completion of the construction works for our developments to further endorse our workmanship quality based on the industry standards set by the CIDB. The QLASSIC assessments is a scoring system that covers four components of assessment, namely structural works, architectural works, mechanical and engineering works, and external works. Weightages are allocated according to the different categories of buildings. We have obtained the following QLASSIC scores:

Year	Development	Score [(1)]
2020	Taman Nuri (Phase 3A2)	72%
2023	Taman Bukit Cheng (Phase 2)	78%
2023	Taman Nuri (Phase 3B2)	72%

Note:

(1) Based on publicly available information from CIDB, the overall average QLASSIC score for 2020 and 2023 was 72% and 78% respectively.

7. BUSINESS OVERVIEW *(Cont'd)*

7.12 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES

As a property developer, we do not engage in the purchase of any raw materials for the construction of our properties as our contractors are responsible for the sourcing of construction materials.

Notwithstanding the above, we have purchased site equipment namely aluminium formwork which are temporary structures erected and assembled to mould and shape concrete into required dimensions and/or supporting structural elements such as walls and beams during construction and are reusable for multiple constructions of our property developments. Please refer to **Section 7.20.2** of this Prospectus for information on our material site equipment.

7.13 OPERATING CAPACITY AND OUTPUT

As a property developer, the calculations of operating capacity and output are not applicable to us.

7.14 SALES AND MARKETING

We have a dedicated sales and marketing team to undertake sales and marketing activities for our property developments. They are also involved in formulating marketing strategies of our proposed developments, considering factors such as future supply and demand, market segment and product marketability. Following that, our sales and marketing team will execute the established marketing strategies, which involve the preparation of sales and marketing materials and engagement with external property agencies.

Our Group's sales and marketing strategies are as follows:

(i) Sales office and show units

We set up sales office and show units to conduct sales and marketing for our on-going developments. In our sales office, we showcase an architectural model of the on-going development and miniature scaled models of houses available in the on-going phases of our development, providing potential home buyers with an overall view of the entire development. Since the COVID-19 pandemic, we further enhanced our marketing efforts to include 360-degree aerial view and 3D-walkthrough of our properties in different layouts.

In addition, we have also built actual model homes within our on-going developments to provide potential home buyers with an actual experience of the units' size and designs. This enables the potential property buyers to have a first-hand experience of the property unit that they are considering to aid in their decision making.

(ii) Property exhibitions and roadshows

We participate in property exhibitions and roadshows held by private organisers, industry associations and Government agencies such as MAPEX Melaka Property Expo (2024), Property Queen Expo (2023), Malaysia Property Expo (2022) in Melaka, Ekspo Rumah Mampu Milik (2022). Such participations enhance our brand visibility, allowing us to showcase our property developments, and stay updated on the latest market demand and competitors' pricing.

7. BUSINESS OVERVIEW *(Cont'd)*

(iii) Referral programme

We have implemented a referral programme which incentivises existing buyers who successfully refer new buyers to purchase properties, offering cash rewards or rebates on their next purchase.

(iv) Website and social media advertising

Our corporate website, spb-property.my, provides searchable information on our Group which includes information on our portfolio of completed and on-going developments.

Furthermore, we have established social media presence to promote our Group and its property developments, and to engage with existing and potential property buyers. By following our social media pages, existing and potential property buyers can stay up to date with our latest developments, receive promotions and announcements, and communicate with us any queries or concerns they may have.

(v) Print and outdoor advertising

We advertise our property developments through print media and outdoor advertising platforms. Our marketing efforts include promotional materials such as banners and brochures, as well as advertorials featured in local newspapers, such as China Press and Sin Chew Daily. Furthermore, our awards have also received news coverage and are highlighted in our brochures, on our corporate website, and on our social media platforms. In addition, we use outdoor media such as billboards and banners to promote our developments.

(vi) Property agencies

We also engage property agencies to market and sell our property developments. The appointment of property agencies is based on our evaluation criteria such as their previous sales performance, number of manpower assigned to promote our properties and must be registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers. The number of property agencies we engage to carry out sales and marketing activities on behalf of our Group depends on the size of each development. As at the LPD, we engaged 9 property agencies for our on-going property developments.

We typically appoint these property agencies on a contract basis. Generally, our appointed property agencies are given sales targets within a specified timeframe.

7.15 DESIGN AND DEVELOPMENT ("D&D")

Our D&D activities primarily revolve around efforts to create new products to cater to our buyers' changing taste and achieve quality developments. Our D&D activities focus on the following aspects:

(i) Prototype house designs

We undertake D&D on prototype house designs to cater to changes in demand from prospective buyers. We develop the Villament design layout which has the following features:

- private side-by-side carparks with direct unit access;
- private access without sharing entrances or staircases;
- backyard gardens incorporated in the design of each unit;
- availability of a balcony for first floor units; and
- natural lighting and ventilation in every room.

7. BUSINESS OVERVIEW *(Cont'd)*



Artist impression of Taman Nuri Sentosa



Actual representation of Villament design in Taman Nuri Sentosa



Artist impression of future Banting development



Artist impression of Taman Nuri Botani

We intend to construct the Villament design layout in some of our future developments, namely Taman Nuri Botani and our Banting development.

In 2019, we submitted a patent application to the MyIPO for the Villament design layout, which comprise a building or a cluster of buildings with specific development layout which were subsequently converted into an application for a certificate for utility innovation. Further details of the utility innovation application are set in **Annexure B** of this Prospectus.

(ii) Township development planning

We recognise the importance of establishing well-designed and functional communities that cater to residents' needs. Our township development planning involves efficient land use in terms of allocation of available lands for residential, commercial and industrial development, preservation of green spaces and natural habitats within our township, and infrastructure design such as transportation networks, public spaces, amenities, access to essential service. We also take into account of environmental impact based on varying terrains.

(iii) Eco-friendly and sustainable initiatives

Our property development focuses on promoting energy and water efficiency, and protecting natural resources. We actively explore building materials and technologies that enhance construction practices, reduce waste, and improve energy performance. Specific measures that we have implemented include using tinted glass to reduce solar heat gain, emphasising green landscaping in our township development and integrating water-efficient fittings that minimise water consumption and rainwater harvesting systems in our residential properties for efficient water management.

7. BUSINESS OVERVIEW *(Cont'd)*

In our commitment to promote environmental sustainability, we have engaged Green Real Estate ("**GreenRE**") consultant to advise and evaluate our current design specifications and layout plans, and to determine current GreenRE certification score. For information purpose, GreenRE is a is a leading green building certification tool in Malaysia that evaluates/ assess a particular building or township project based on 6 pillars of sustainability, focusing on energy efficiency, water efficiency, carbon emission, environmental protection, indoor environmental quality and other green features.

On 9 August 2023, Taman Akasia (Phase 1B) achieved the GreenRE Bronze Certification (Provisional) for its sustainable initiatives. Please refer to Section 7.27 of this prospectus for further details on our ESG practices.

(iv) Building technologies

We engage third-party civil and structural engineers that use BIM software to perform comprehensive analysis on the proposed development to identify potential design flaws, clash detection and constructability issues. BIM software also allows us to explore alternative design options, evaluating their performance and cost to achieve optimised property development outcomes.

7.16 BUSINESS STRATEGIES AND FUTURE PLANS

Our overall business strategy is to leverage on our strength as a property developer with a view to expand our business such as acquiring landbank for future development where we plan to replenish our landbank and/or enter into joint venture arrangement with landowners in Melaka, Kedah, Johor, Selangor and Penang, as well as increasing our portfolio of completed projects.

From FYE 2021 to FYE 2023, our revenue grew from RM104.56 million to RM200.8 million representing a CAGR of 38.58%. The growth was attributed to the increase in revenue from our property developments in Kedah and Johor. We expect demands for residential and commercial property developments to continue rising, given the growing population and increasing gross national income per capita in Malaysia.

In view of the above, our future plans and strategies are as follows:

7.16.1 Expansion through acquisition of landbank(s) and/or joint venture arrangement(s)

As at the LPD, our Group owns landbank in Melaka, Kedah, Johor, Selangor, Perak and Penang, with a total land area of approximately 664 acres. As part of our strategies and plans, we plan to use RM[●] million, representing [●]% of the proceeds to be raised from our Public Issue to expand or replenish our landbank for future development projects, either by direct purchase and/or through joint venture arrangements, where these landbanks may have obtained the necessary planning and development consents.

In respect of our landbank in Banting, Selangor, we believe Selangor has growth potential, driven by approved investment into Selangor from RM38.70 billion in 2020 to RM55.26 billion in 2023, with a CAGR of 12.61% *(Source: IMR)*. Selangor is an economic hub with prominent business parks, namely Cyberjaya, Compass Industrial Park, IOI Industrial Park and the Subang Hi-Tech Park, housing multinational companies operating in variety of industries such as IT and aerospace. In addition, Selangor is home to reputable universities and renowned healthcare facilities. In the area of Banting, Selangor, with the ease of accessibility via the WCE Interchange, we believe it will drive economic developments in the vicinity and further enhances the appeal of our future development to property buyers.

7. BUSINESS OVERVIEW *(Cont'd)*

Regarding our landbank in Seberang Perai Utara, Penang, we anticipated that Seberang Perai Utara, Penang has growth potential, supported by approved investment into Penang, which grew from RM16.00 billion in 2020 to RM71.88 billion in 2023, with a CAGR of 65.00% *(Source: IMR)*. Penang is a manufacturing and industrial hub with a diverse range of industries, including the electrical and electronics, semiconductor, medical devices, aerospace and housed the production facilities of local and multinational companies. Our landbank in Seberang Perai Utara is in proximity to several industrial areas such as the Penang Science Park, Perai Industrial Area, Batu Kawan Industrial Park and Kulim Hi-Tech Park. We hope to benefit from the employment opportunities within these industrial areas, as there are potential demand for residential properties from those seeking for convenient housing options. Additionally, businesses may be established within the area to cater to the needs of a growing population, which in turn drive the demand for commercial properties.

As mentioned in **Section 7.8.2** of this Prospectus, in 2024, we have entered into a SPA with Taman Bandar Baru Masai Sdn Bhd and Amanahraya Development Sdn Bhd to acquire 7 parcels of land measuring approximately 187 acres in Plentong, Johor. Additionally, we have a joint-venture agreement with Malaysia Pacific Corporation Berhad, Oriental Pearl City Properties Sdn Bhd, Lakehill Resort Development Sdn Bhd and Taman Bandar Baru Masai Sdn Bhd to develop 12 parcels of land measuring approximately 189 acres, also in Plentong, Johor. Further details on the joint-venture agreement is set out in **Annexure F** of this Prospectus. Johor's growth potential is evident, driven by approved investment that increased from RM11.90 billion in 2020 to RM43.06 billion in 2023, with a CAGR of 53.52% *(Source: IMR)*. Furthermore, major projects such as the Johor-Singapore Special Economic Zone and the Johor Bahru-Singapore Rapid Transit System (RTS) Link are expected to strengthen economic and infrastructure connectivity, facilitate cross-border trade and talent mobility. As such, we anticipate that these developments will enhance the appeal of our Group's landbank in Johor.

Based on the above, we intend to identify suitable land in Selangor, Penang, Kedah, Melaka and Johor. As at the LPD, our Company is in the midst of conducting feasibility studies to expand or replenish its landbank for future development in Selangor, Penang, Kedah, Melaka and Johor. However, our Group has not entered into any negotiations with any parties and has not committed to any acquisitions or any joint venture arrangements as it is still subject to the outcome of our Group's feasibility studies.

7.16.2 Strengthening our market presence in Melaka, Kedah, Selangor and Johor and expanding our footprint in Penang

Our Group has been primarily involved in the property development in Melaka and we expanded to mixed development projects in other states in 2019. After considering the take-up rate for our properties and our understanding of the property markets in Melaka, Kedah, Selangor and Johor, we are committed to further strengthening our market presence in these states, by completing the development of both on-going and future phases.

As at the LPD, we have completed 11 phases in Taman Nuri, Durian Tunggal, Melaka and currently have 4 on-going phases and 8 future phases with an estimated GDV of approximately RM43 million and RM188 million respectively. In Taman La Casa Lunas, Kulim, Kedah, we have completed 3 phases and as at the LPD, have 4 on-going phases and 5 future phases with an estimated GDV of approximately RM232 and RM207 million respectively. For Taman Akasia, Kluang, Johor, we have 2 ongoing phases and 5 future phases with an estimated GDV of approximately RM113 million and RM229 million respectively.

As mentioned in **Annexure F** and **Section 7.16.1** of this Prospectus, in January 2024, we have completed land acquisitions in Seberang Perai, Penang and as at the LPD, we are in the midst of submitting the planning permission. Please refer to **Section 7.3.2** of this Prospectus for further information on our on-going developments, future developments and landbanks.

7. BUSINESS OVERVIEW *(Cont'd)*

Currently, we have future phases in Taman La Casa Lunas, Kedah and our forthcoming development in Banting, Selangor, with a total estimated GDV of approximately RM207 million and RM332 million, respectively. In this respect, we have allocated RM[●] million, representing [●]% of the proceeds to be raised from our Public Issue as working capital to partly fund the earthwork costs, piling costs and construction preliminary expenses for our future development in Lunas, Kedah and Banting, Selangor. The earthwork and piling costs are estimated about RM[●] million and the estimated preliminary expenses is about RM[●] million which include costs for preliminary feasibility studies, ground survey analysis and development briefs that outline the proposed development's type, design and site layout constraint.

As we target to strengthen our presence in Melaka, Kedah, Selangor and Johor as well as expanding our footprint in Penang, we intend to fund our ongoing and future developments in these states through a combination of internally generated funds and/or bank borrowings and/or IPO proceeds for the amount of RM[●] million, details of which are set out in **Section 4.6.2** of this Prospectus.

7.16.3 Purchase of aluminium formwork

We have strategically shortened our construction period by adopting the use of aluminium formwork in the construction of Taman Nuri Sentosa development in Melaka, which was completed in April 2022. We are also using aluminium formwork for our on-going developments in Lunas, Kedah and Kluang, Johor.

The aluminium formwork serves as a solution that allows all building components Including walls, floor slabs, stairs, columns and beams) to be cast in a single operation, facilitating the construction process. The use of aluminium formwork in our property developments has benefited us by reducing labour and material costs while improving the quality and consistency of the concrete finishing.

In this respect, we have allocated RM[●] million, representing [●]% of the proceeds to be raised from our Public Issue to partly fund the purchase of aluminium formwork to support the construction of our future developments in Banting, Selangor and Seberang Perai Utara, Penang.

7.17 MATERIAL DEPENDENCY ON COMMERCIAL OR FINANCIAL CONTRACTS, INTELLECTUAL PROPERTY RIGHTS, LICENCES AND PERMITS

As at the LPD, save as disclosed below, our Group is not materially dependent on any other commercial or financial contracts, intellectual property rights, licenses and permits:

(i) Major approvals, licences and permits as set out in **Section 7.18** of this Prospectus; and

(ii) Intellectual property rights as set out in **Section 7.19** of this Prospectus.

7.18 MAJOR APPROVALS, LICENCES AND PERMITS

As at the LPD, we hold the major approvals, licences and permits set out in **Annexure A** of this Prospectus for our business operations.

7.19 INTELLECTUAL PROPERTY

As at the LPD, save as disclosed in **Annexure B** of this Prospectus, our Group does not have any other trademarks, patents, copyrights or other intellectual properties.

7. BUSINESS OVERVIEW *(Cont'd)*

7.20 PROPERTY, PLANT AND EQUIPMENT

7.20.1 Material properties owned and rented by our Group

The details of the material properties owned and rented by our Group are set out in **Annexure C** to this Prospectus.

7.20.2 Material site equipment

Our Group utilised site equipment to carry out our property development activities which is listed as below:

Type of equipment	Description / Use of equipment	No. of unit(s)	Year purchased	Total purchase value	Audited NBV as at 31 December 2023	Estimated average useful lifespan
				RM'000	RM'000	years
Site equipment	Formwork consists of temporary structures that are used to mould and shape concrete into required dimensions and/or support structural elements during construction and is reusable for multiple constructions of property developments.	21	2021 to 2023	12,060	10,266	10

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7. BUSINESS OVERVIEW *(Cont'd)*

7.21 EMPLOYEES

As at the LPD, we have a total workforce of 95 employees, all of whom are permanent employees. The number of employees in our Group according to department are as follows:

Department	As at 31 December 2023	As at the LPD
Director	5	5
Administrative	21	21
Project development and authorities' liaison	10	13
Sales, marketing and customer relationship	36	35
Project management and contract	18	21
Total	**90**	**95**

As at the LPD, all of our employees are Malaysian and none of our employees are members of any union.

7.22 MAJOR CUSTOMERS

Our Group's customers are individual buyers or companies who generally purchase one or a small number of units. Our Group was not dependent on any single customer during the Period Under Review.

7.23 MAJOR SUPPLIERS

Our suppliers comprise main contractors and sub-contractors appointed to undertake the construction works, and other professional consultants such as land surveyors, architects, engineers, lawyers and interior designers to assist in our development operations. We also appoint property agencies to support the selling and marketing of our properties.

Our Group's top 5 major suppliers for the Period Under Review are as follows:

Major Supplier	Type of products and services	Purchase value		Approximate length of relationship as at the LPD*
		RM'000	%	
FYE 2021				
Desa Johan Sdn Bhd	Construction services	52,862	82.70	21 years
Oriental Kedah Realty Sdn Bhd	Real estate agency services	416	0.65	5 years
Meta	Advertising services	332	0.52	8 years
Grov Design Studio	Interior design services	196	0.31	3 years
Arkitek M Ghazali	Architectural services	154	0.24	14 years
	Sub-total	**53,960**	**84.42**	
	Total purchase	**63,917**		

7. BUSINESS OVERVIEW *(Cont'd)*

Major Supplier	Type of products and services	Purchase value		Approximate length of relationship as at the LPD*
		RM'000	%	
FYE 2022				
Desa Johan Sdn Bhd	Construction services	67,985	92.25	21 years
Wong & Loh	Legal advisory services	452	0.61	5 years
Bell & Lee	Legal advisory services	405	0.55	30 years
Meta	Advertising services	333	0.45	8 years
Grov Design Studio	Interior design services	306	0.42	3 years
	Sub-total	**69,481**	**94.28**	
	Total purchase	**73,694**		

Major Supplier	Type of products and services	Purchase value		Approximate length of relationship as at the LPD*
		RM'000	%	
FYE 2023				
Desa Johan Sdn Bhd	Construction services	87,483	65.50	21 years
Binaform Sdn Bhd	Sub-contracted services for earthworks	9,733	7.29	1 year
U I Truss System Sdn Bhd	Sub-contracted services for roof installation works	2,915	2.18	2 years
KKT Tiling	Sub-contracted services for tiling installation works	2,034	1.52	2 years
Leading Global Engineering Sdn Bhd	Sub-contracted services for design and construction of sewage treatment plant	1,182	0.88	2 years
	Sub-total	**103,347**	**77.38**	
	Total purchase	**133,563**		

Note:

* *The length of our Group's business relationship with the top 5 major suppliers is calculated based on the first purchase date from these suppliers. The numbers are rounded up to the nearest whole year if it is 6 months or more and vice versa.*

Our Group is dependent on our major supplier, Desa Johan Sdn Bhd, for the building construction works for our property development projects. Desa Johan Sdn Bhd had contributed approximately 82.70%, 92.25% and 65.50% of our purchases for the Period Under Review. We appointed Desa Johan Sdn Bhd for the building construction works due to the quality and reliability of its work as well as price competitiveness. We have established a long-term working relationship with Desa Johan Sdn Bhd.

7. BUSINESS OVERVIEW *(Cont'd)*

One of our subsidiaries, SPBSB, holds a category G7 licence registered with CIDB, which enables us to undertake construction projects. Currently, SPBSB does not undertake any construction activities. In 2023, we took over the role of a main contractor, being responsible for project management where we oversee the construction progress by coordinating works between utility providers and sub-contractors to ensure effective execution and monitoring site progress while maintaining cost control and quality assurance. Since then, our Group has directly entered into contracts with sub-contractors for specialised work such as earthwork, piling, roofing, tiling, and mechanical and electrical services, with Desa Johan Sdn Bhd primarily focusing on constructing main building structures. In this regard, our purchase value from Desa Johan Sdn Bhd has decreased from 92.25% in FYE 2022 to 65.50% in FYE 2023.

We do not enter into long term or exclusive contracts with Desa Johan Sdn Bhd or any sub-contractors or service providers; each contract is project basis, allowing us to source construction services from alternative suppliers when needed. After expanding our development projects to other states, we have directly engaged sub-contractors through a closed tender process as there are many other building contractors with category G7 licence registered with CIDB who are able to provide construction services to our Group. We will invite contractors to submit their tender and proposals, and the projects will be awarded to contractors based on our evaluation criteria including work quality, timeliness, track record and prices submitted by the contractors against our approved budget estimation.

Nevertheless, there can be no assurance that we will appoint Desa Johan Sdn Bhd and Desa Johan Sdn Bhd may not accept our terms in providing construction services for our future property development projects. In the event we appoint other main building contractors, it may result in higher construction cost, which may lead to lower profit margin.

7.24 EXCHANGE CONTROLS

As at the LPD, there is no governmental law, decree, regulation or other requirement which may affect the repatriation of capital and the remittance of profit by or to our Group which will impact the availability of cash and cash equivalents for use by our Group and the remittance of dividends, interest or other payments to shareholders of our Group.

7.25 REGULATORY REQUIREMENTS AND ENVIRONMENTAL ISSUES

Details of our regulatory requirements and environmental issues are set out in **Annexure D** of this Prospectus.

7.26 ADDITIONAL DISCLOSURES

Details of our additional disclosures in respect of the tax penalties imposed on our Group are set out in **Annexure E** of this Prospectus.

7.27 ESG PRACTICES

We are committed to driving sustainable development on the ESG matters and delivering value to all our stakeholders. We pledge to continuously work towards growing our business sustainably while minimising negative impact on the environment and acting responsibly towards the communities in which our Group operates in. To uphold this commitment, our Board has adopted the Sustainability Policy, which lays down the general principles and fundamentals of ethical business practices and ESG agenda.

7. BUSINESS OVERVIEW *(Cont'd)*

The objectives of our Sustainability Policy are as follows:

(a) to facilitate decision-making on matters impinging on sustainability;

(b) to align our Group's conduct, practices and performance with the principles, approach and commitment towards sustainability as stated in our Sustainability Policy; and

(c) to ensure continued compliance and adherence to related internal policies/guidelines, external authorities and regulators when dealing with sustainability matters.

To achieve these objectives, we have implemented and are in the process of implementing the following practices:

(i) Environmental

In recognition of our responsibility towards the environment, we are committed to adopt environmentally friendly practices to minimise damage to the environment, which include:

(a) Incorporating green and energy-efficient features

For our on-going developments, notably Taman La Casa Lunas (Phases 4A, 4B, 4C and 4D), we feature double-volume ceilings to enhance natural lighting and ventilation, thereby reducing energy consumption. We have also implemented several measures as follows:

(i) the use of tinted glass to reduce solar heat gain in Taman Nuri (Phase 3B2);

(ii) integration of water efficient fittings in Taman Akasia (Phase 1B); and

(iii) installation of rainwater harvesting systems in Taman Akasia (Phases 1A and 1B) and Taman La Casa Lunas (Phase 4).

In our commitment to environmental sustainability, we have engaged a Green Real Estate ("**GreenRE**") consultant to evaluate our design specifications and layout plans, and determine the current score for GreenRE certification. For information purpose, GreenRE is a leading green building certification tool in Malaysia that evaluates specific building or township projects based on six pillars of sustainability, focusing on energy efficiency, water efficiency, carbon emission, environmental protection, indoor environmental quality and other green features.

On 9 August 2023, Taman Akasia (Phase 1B) achieved the GreenRE Bronze Certification (Provisional) for its sustainable initiatives. These initiatives encompassing, notably the following:

(i) incorporating sustainable products with green label certification;

(ii) controlling indoor air pollutants by incorporating low volatile organic compound (VOC) paints in selected areas;

(iii) enhancing energy efficiency through the installation of 5-star energy-efficient fans and photocells at the car porch to automatically activate lights at dusk and deactivate them at dawn; and

(iv) integrating water-efficient fittings and rainwater harvesting systems.

Moving forward, we plan to obtain GreenRE certification for our future developments in Banting, Selangor and Taman Nuri (Phases 4B and 4C).

7. BUSINESS OVERVIEW *(Cont'd)*

(b) Installing solar photovoltaic (PV) system

In conjunction with the Malaysian Government's Net Energy Metering Rakyat 3.0 (NEM) program, we have successfully installed solar PV systems at our headquarter offices in Melaka. Approvals on Net Offset Virtual Aggregation (NOVO) were granted by the Sustainable Energy Development Authority Malaysia on 27 November 2023 and 14 December 2023. Under the NEM program, we are adopting the true net energy metering concept that ensures that the energy produced by our installed PV systems is consumed first, with any excess energy being exported to Tenaga Nasional Berhad (TNB) at the prevailing displaced cost.

(c) Implementing of IBS

We have started to adopt IBS in one of our property completed phases in Taman Nuri development, namely Taman Nuri Sentosa in 2019. As we may continue to progress, IBS has become an integral part of our on-going developments, namely Taman Nuri in Melaka, Taman La Casa Lunas in Kedah and Taman Akasia in Johor.

The use of IBS ensures a more efficient use of building materials, reduce wastage which directly contributes to environmental preservation. Less material usage at construction sites reduces on-site waste generation and lower waste disposal costs and thus, reducing carbon emissions and minimising the carbon footprint. By implementing IBS in our property developments, it aligns with our commitment to environmentally sustainable practices to avoid or minimise environmental damages.

Apart from the benefits mentioned above, the integration of IBS in our construction approach has yielded several benefits, including reduced construction time, improved workers' safety, cost-effectiveness, and improved the overall quality of the constructed buildings.

(d) Including green areas in our development projects

We prioritise the inclusion of green areas within our property developments to foster environmental sustainability. For our completed development, Taman Nuri Sentosa, we have designated approximately 27% of the total development area as green areas. Looking ahead to our future developments in Banting, Selangor, we endeavour to allocate approximately 20% of the total development area to green areas. Both developments exceed the Department of Town and Country Planning of Malaysia's minimum requirements of 10%, showcasing our commitment to creating and maintaining eco-friendly spaces for all of our development projects.

(ii) Social

We are dedicated to serving the interests of our stakeholders. Our efforts include:

(a) Providing affordable residential properties

We deeply understand the difficulties faced by Malaysian first-time homebuyers when comes to the purchase of a residential property due to the rising property prices and inflation. Having considered these factors, we opt to sell our property products at prices that are affordable for a wider target market.

We have successfully completed 2 affordable residential property developments, namely Taman Nuri (Phase 1B) and Taman Nuri Sentosa with a total of 170 units for the local community. As at the LPD, our on-going affordable residential property development, Taman Nuri Botani (Phases 1 and 2) comprising of 228 residential units, with most of the units selling at net price of RM174,800 is expected to be completed by March 2027. A further development of 280 units in Taman Nuri (Phases 3 and 4) is planned to commence in February 2025 and is anticipated to be completed by February 2028. Ultimately, we will deliver a total 678 affordable residential units in Taman Nuri, constituting approximately 41% of the total units built in this Taman Nuri township.

For our upcoming affordable residential developments in Banting, Selangor, we plan to develop a total of 1,352 affordable residential units with most of the units priced at RM245,000. This Banting development will be carried out over 7 phases, commencing in October 2024, and is expected to be fully completed by January 2029.

(b) Ensuring occupational, safety and health

We are dedicated to ensuring a secure and healthy environment, prioritising the well-being of all employees, contractors and visitors in compliance with the legal requirements outlined in the Occupational Safety and Health Act 1994 ("**OSHA 1994**"). We pledge to:

(i) establish a Safety, Health, and Environment Management policy aligned with the stipulations of OSHA 1994;

(ii) allocate resources and provide ongoing training for occupational safety, health, and environmental activities, fostering a secure and conducive work environment with clear protocols for healthy work practices;

(iii) foster the engagement of all employees in occupational safety, health, and environmental activities through the OSHA Committee members;

(iv) cultivate a work culture that prioritises safety, health, and well-being, guided by a sound understanding, accountability, and self-regulation;

(v) facilitate the involvement and engagement of workers by incorporating OSHA Committee members in the formulation, planning, and execution of initiatives aimed at improving the safety culture in the workplace; and

(vi) regularly review and update the Safety, Health, and Environment Management policy.

As at the LPD, there were no safety issues or incidents relating to safety / health that have occurred in the past.

(c) Promoting diversity and equality

We support equal opportunity and career development regardless of race and gender, as reflected in the diversity of our Board and workforce.

Our Board comprises 6 Directors of which 3 are male Directors and 3 are female Directors. Out of the 6 Directors, 1 Director is of Malay ethnicity and the remaining 5 directors are of the Chinese ethnicity. The age group of our Board is also diverse, set out as follows:

7. BUSINESS OVERVIEW *(Cont'd)*

Age group	Number of Directors	%
31-40	1	16.67
41-50	1	16.67
51-60	-	-
61-70	3	50.00
71-80	1	16.67
Total	**6**	**(1)100.00**

Note:

(1) The figures may not add up due to rounding difference.

As at the LPD, our total employees comprise 43 males and 52 females. In terms of race/ethnic diversity, we have 53 Malay employees and 39 Chinese employees, 1 Indian employee and 2 employees from other ethnicities. These groups represent approximation 55.79%, 41.06%, 1.05% and 2.10% of our total workforce, respectively. The diversity of our employees in terms of age group as at the LPD is as follows:

Age group	Number of employees	%
19-20	2	2.10
21-30	25	26.32
31-40	48	50.53
41-50	12	12.63
51-60	6	6.32
Above 60	2	2.10
Total	**95**	**100.00**

(d) Promoting personal development

We encourage our employees to attend training and educational programs/courses aimed at keeping them updated on the latest developments and enhancing their skillsets in their respective fields. These programs may be recommended by managers or proposed by employees, subject to approval from respective Head of Departments. By supporting our employees' professional development, we are enhancing their performance and productivity, while increasing their value and future marketability.

To further embed sustainability within our Group, we have demonstrated our commitment by enrolling in the CIMB-IMPACTO GreenBizReady sustainability training workshop. This initiative provides a 1-year sustainability program to enable us to adopt and integrate sustainability principles into our business model. Through this program, we aim to empower ourselves with the necessary knowledge and tools to embark on our journey towards a green and sustainable business economy.

(e) Rewarding employee loyalty

We value the dedication of our employees and prioritise their well-being and benefits to ensure satisfaction. As a token of our gratitude for their loyalty and hard work, we offer various awards and benefits based on their years of service, including non-monetary gifts, pilgrimages for Muslim employees or holiday packages for non-Muslim employees.

7. BUSINESS OVERVIEW *(Cont'd)*

(f) Adopting corporate social responsibility

We are committed to act responsibly in our business operations, not only in our dealings with stakeholders but also in giving back to the community. During the Period Under Review and up to the LPD, our Group was involved in various corporate social responsibility initiatives, which include the following, amongst others:

(i) Donation of daily necessities to those in need;

(ii) Supporting artwork from Frienden Arts to raise awareness on spinal muscular atrophy;

(iii) Donations of tuition and living expenses to underprivileged students;

(iv) Donation to primary school for education and community development; and

(v) Sponsorships for charity night and association event.

(iii) Governance

We conduct our business ethically and in compliance with all applicable laws and regulations in Malaysia. We commit to inculcate good corporate governance practices in line with the principles and practices of corporate governance as set out in the MCCG. As at the LPD, we have:

(i) implemented Practice 5.2 of the MCCG ensuring that at least half of the Board shall comprise independent directors. Currently, 3 out of our 6 Directors are independent directors;

(ii) followed Practice 5.9 of the MCCG, with the Board comprising at least 30% female directors. At present, 3 out of our 6 Directors are female; and

(iii) applied Step Up Practice 9.4 of the MCCG ensuring that the Audit and Risk Management Committee comprises solely independent directors.

We recognised the importance of governance sustainability. As such, we conduct our business dealings in a professional and ethical manner. To uphold good corporate governance practices, we implement the following policies:

(i) a formal organisational structure with clear lines of reporting to the Board and Key Senior Management, including defined lines of accountability and limits of authority;

(ii) the Anti-Bribery and Anti-Corruption Policy and Whistleblowing Policy to promote and maintain compliance with the Malaysian Anti-Corruption Commission Act 2009 and the Whistleblower Protection Act 2010; and

(iii) a Privacy Notice that complies with the Personal Data Protection Act 2010 to protect personal data obtained from our customers, suppliers, service providers and/or employees.

8. IMR REPORT

PROTEGE ASSOCIATES SDN BHD (202401037256 (1482953-X))
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Protégé ASSOCIATES
BRAND | FINANCE | MARKET

The information in this Section 8 is based on market research conducted by Protégé Associates commissioned by SPB Development for the purpose of the IPO.

Date: 18 September 2024

The Board of Directors
SPB Development Berhad,
No. 16 & 17, Plaza Seri Kubu
Jalan Tan Chay Yan
75300 Melaka

Dear Sirs/Madams,

Independent Market Research Report on the Property Development Industry in Malaysia ("IMR Report")

Protégé Associates Sdn Bhd ("**Protégé Associates**") has prepared this IMR Report for inclusion in the Prospectus of SPB Development Berhad ("**SPB Development**" or the "**Company**") in relation to its proposed listing on Main Market of Bursa Malaysia Securities Berhard.

We have been engaged to provide independent market research of the abovementioned industry in which SPB Development and its subsidiaries ("**SPB Group**", or the "**Group**") operate in. The market research process undertaken involved secondary research as well as detailed primary research when required, which involves interviews with the relevant stakeholders of the industry to discuss the state of the industry. Quantitative market information could be sourced from such interviews and therefore, the information is subject to fluctuations due to changes in business, industry, and economic conditions.

We have prepared this IMR Report in an independent and objective manner and have taken adequate care to ensure the accuracy and completeness of the report. We believe that this IMR Report presents a balanced view of the industry within the boundaries and limitations of secondary statistics, primary research, and continued industry movements. Our research has been conducted to present an overall view of the industry and may not necessarily reflect the performance of individual companies in this industry. Protégé Associates is not responsible for the decisions or actions of readers of this report. This report should not be considered as a recommendation to buy or sell the shares of any company mentioned in this report.

Thank you.
Yours sincerely,



Seow Cheow Seng
Managing Director

About Protégé Associates Sdn Bhd

Protégé Associates is an independent market research and business consulting company. Our market research reports provide an in-depth industry and business assessment for companies raising capital and funding in the financial markets; covering their respective market dynamics such as market size, key competitive landscape, demand and supply conditions, government regulations, industry trends and the outlook of the industry.

Profile of signing partner, Seow Cheow Seng

Seow Cheow Seng is the Managing Director of Protégé Associates. He has 24 years of experience in market research, having started his career at Frost & Sullivan where he spent 7 years. He has a Master in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia.

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The research for this IMR Report was completed in September 2024.

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1.0 Overview of the Property Development Industry in Malaysia

Property development generally refers to activities involving the acquisition of land or existing buildings, constructing or improving them to increase their value and renting or selling them for a profit. Property developers may undertake a variety of property development projects, ranging from renovations or modernisation of buildings to residential and commercial developments.

In 2023, the Malaysian economy in terms of real gross domestic product ("**GDP**") slowed to 3.7% (2022: 8.7%) due to weak external demand but was supported by resilient domestic demand and recovery in tourism activities. As for property development industry, real GDP growth grew by 0.8% in 2023 (2022: 8.1%) supported by improved labour supply condition and easing of building material costs. For 2024, Malaysia's economic growth is projected to be between 4.0% to 5.0%, driven mainly by resilient domestic spending, robust tourism activities and exports recovery. Positive economic growth is anticipated improve confidence among property developers and investors' leading to more property launches.

In recent years, the Malaysian property development industry has experienced a housing supply-demand imbalances arising from oversupply of non-affordable housing and vacant commercial spaces, coupled with an undersupply of affordable housing. In response, the Malaysian Government has implemented various measures and initiatives such as construction of one million affordable houses in 10 years under the National Housing Policy 2018-2025, the Home Ownership Campaign which provides for stamp duty exemption on purchase of properties, and the Rent-to-Own scheme. Under Budget 2024, the Government has allocated RM2.47 billion for public housing projects, RM546 million and RM385 million for the construction of affordable housing projects under the Program Perumahan Rakyat ("**PPR**") and Program Rumah Mesra Rakyat, respectively, RM460 million to assist with building new houses or repairing debilitated homes in rural areas, and RM2.4 billion for the construction and maintenance of housing facilities for civil servants under the Special Task Force of Agency Reform. The National Property Information Centre ("**NAPIC**") suggests that affordable houses to be priced below RM300,000.

Figure 1: Historical Size (Revenue) and Growth Forecast of the Property Development Industry in Malaysia, 2021-2028

Year	Size (Revenue) (RM billion)	Growth Rate (%)
2021	22.94	-
2022	24.24	5.66
2023	24.45	0.86
2024[f]	26.50	8.38
2025[f]	27.72	4.60
2026[f]	28.59	3.14
2027[f]	29.89	4.55
2028[f]	31.68	5.99

*Compound annual growth rate ("**CAGR**") (2024-2028) (base year of 2023): 5.32%*
Note: [f] denotes forecast

*Sources: Department of Statistics Malaysia ("**DOSM**") and Protégé Associates*

In Malaysia, the performance of the property development industry is associated with the levels of real estate construction (the construction of residential and non-residential buildings) activities in the country. In 2023, the property development industry in Malaysia in terms of total value of real estate construction activities, was valued at RM24.45 billion, which was an increase of 0.86% from RM24.24 billion in 2022. The growth was largely attributed to the stronger performance in the residential building subsector amid better income and employment conditions.

For 2024, the property development industry is projected to grow by 8.38% to reach RM26.50 billion, supported by Bank Negara Malaysia's ("BNM") intention to maintain the current Overnight Policy Rate ("OPR"), which indicate a stable and favourable interest rate environment. In addition, the industry's growth will likely be bolstered by resilient economic performance and strategic infrastructure developments such as the Johor Bahru-Singapore Rapid Transit System, East Coast Rail Link and the Pan Borneo Highway. These developments create opportunities for property developers to launch transit-oriented property projects. In 2023, Malaysia recorded RM329.5 billion in approved (domestic and foreign) investments in the manufacturing, services and primary sector, compared to RM267.7 billion in 2022, reflecting growing investor confidence in Malaysia's economic prospects, which augurs well for the property development industry.

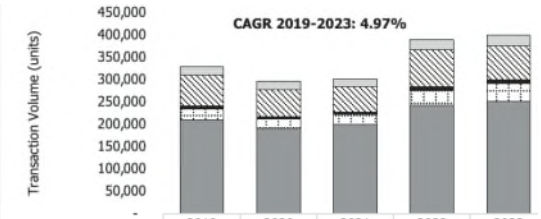
Moving forward, the local property development industry is expected to keep expanding throughout the remaining forecast period until 2028 driven by factors including a persistent drive for affordable housing, ongoing major infrastructure developments, expanding economic activities, population growth as well as a stable interest rate environment. The local property development industry is forecast to reach RM31.68 billion in 2028, registering a CAGR of 5.32% for the forecast period of 2024 to 2028 (base year of 2023).

2.0 Performance of the Property Market in Malaysia

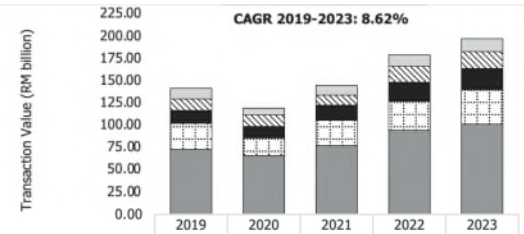
The performance of the Malaysian property development industry typically exhibits a positive correlation with the growth of the property market. In 2023, the Malaysian property market registered a total transaction volume of 399,008, reflecting a 2.5% growth in total transaction volume as compared to 389,107 in 2022. The value of property transactions in Malaysia increased alongside the higher number of property transactions, registering a 9.9% increase from RM179.07 billion in 2022 to RM196.83 billion in 2023.

Residential properties accounted for largest share of the market, both in terms of transaction volume and value with 250,586 transactions (62.80% of total transaction volume) worth RM100.93 billion (51.28% of total transaction value). This represents a 3.04% increase in terms of transaction volume and a 7.05% increase in terms of transaction value compared to the previous year. The commercial properties sub-sector recorded 40,463 transactions worth RM38.31 billion in 2023, an increase from 32,809 transactions worth RM32.61 billion in 2022. In the industrial properties sector, a total of 8,157 transactions worth RM23.94 billion were recorded in 2023, an increase from 8,082 transactions worth RM21.61 billion in 2022.

Figure 2: Property Transaction Volume and Transaction Value in Malaysia by Sub-sector, 2019 to 2023



	2019	2020	2021	2022	2023
Development Land & Others	18,772	18,275	16,932	22,986	24,132
Agricultural	68,665	61,326	56,730	82,040	75,670
Industrial	6,261	4,758	5,595	8,082	8,157
Commercial	25,654	20,255	22,428	32,809	40,463
Residential	209,295	191,354	198,812	243,190	250,586



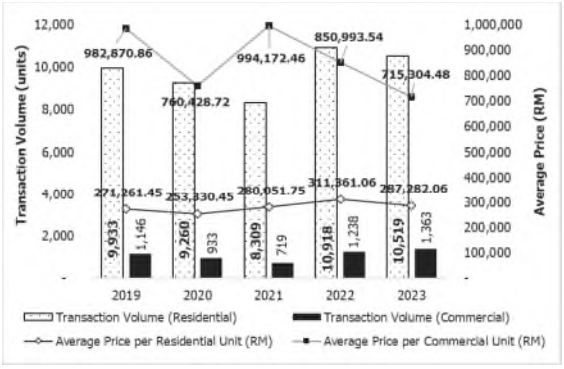
	2019	2020	2021	2022	2023
Development Land & Others	12.74	8.41	11.20	13.16	14.99
Agricultural	12.42	12.50	11.86	17.86	18.67
Industrial	14.85	12.76	16.96	21.16	23.94
Commercial	28.99	19.53	27.94	32.61	38.31
Residential	72.41	65.87	76.90	94.28	100.93

Source: NAPIC

SPB Group are principally involved in the property development business in Malaysia. The Group's property developments and landbank are located in Melaka, Kedah, Selangor, Johor, Perak and Penang. The sections below will focus on the performance of the residential and commercial property segment (particularly shop units) in the aforesaid states.

2.1 Performance of Property Market in Melaka

Figure 3: Volume and Average Price of Residential and Commercial Property Transactions in in Melaka, 2019 – 2023



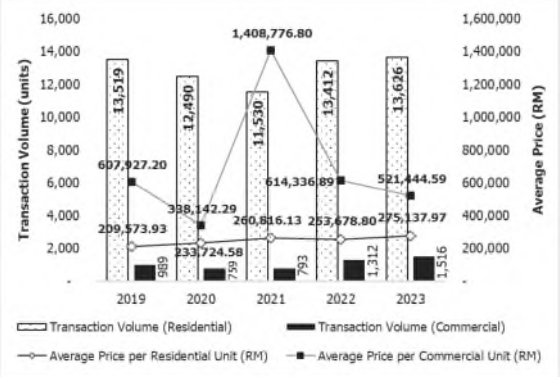
Source: NAPIC

- In 2023, Melaka recorded 10,519 residential property transactions worth RM3.02 billion, a decrease of 3.65% and 11.11% in terms of volume and value as compared to 2022.
- Residential properties below RM500,001 accounted for 92.01% of total transactions. In particular, the RM100,001 to RM200,000 bracket accounted for 28.58% of transactions, followed by the RM200,001 to RM300,000 bracket with a share of 27.65%.
- The residential overhang situation in Malaysia improved, with the number of overhang units decreasing by 23.67% to 532 units (2023: 697 units). There were 2,706 new residential units launched in 2023. As at the end of 2023, there were 215,732 existing residential units with another 24,562 units of incoming supply and 20,740 units of planned supply.
- Within the commercial property segment, Melaka recorded 1,363 transactions worth RM974.96 million in 2023, an increase of 10.10% in terms of volume but a decrease of 7.46% in terms of value as compared to 2022.

- Commercial properties below RM500,001 accounted for 57.45% of total commercial property transactions. In particular, the RM300,001 and RM400,000 bracket accounted for 14.31% of total commercial property transactions, followed by the RM200,001 and RM300,000 bracket with a share of 12.84%.
- The overhang situation in the shop segment improved, with the number of overhang units decreasing to 192 units (2022: 277 units). As at the end of 2023, Melaka had 23,501 existing shop units with 1,241 units of incoming supply and 1,560 units of planned supply.
- Melaka's GDP reached RM46.9 billion in 2023 (2022: RM45.5 billion), contributing 3.0% to the Malaysia's total GDP. Melaka's economy is mainly driven by the services sector (51.2%), followed by the manufacturing sector (36.1%) and agriculture sector (10.3%). In 2023, Melaka recorded RM6.00 billion in approved investments, which grew at a CAGR of 22.05% from RM3.30 billion in 2020. Factors driving the property development in Melaka include government policies such as tax breaks for affordable housing developments and grants for first-time homebuyers. The Melaka Waterfront Economic Zone, focused on the manufacturing and logistics sectors, creates demand for commercial properties such as offices and warehouses. The economic zone includes the proposed Alor Gajah-Melaka Tengah Coastal Road project which will improve connectivity and accessibility, stimulating property development along the coastal areas. Melaka's status as a UNESCO World Heritage City and a popular tourist destination also appeals to investors and residents interested in preserving and promoting cultural heritage, driving demand for hotels, serviced apartments, and rental properties. Planned tourism projects such as the Sail Experiential Centre, Impression City, and the Melaka International Cruise Terminal will boost commercial activities and job creation, further driving demand for properties.

2.2 Performance of Property Market in Kedah

Figure 4: Volume and Average Price of Residential and Commercial Property Transactions in Kedah, 2019 – 2023



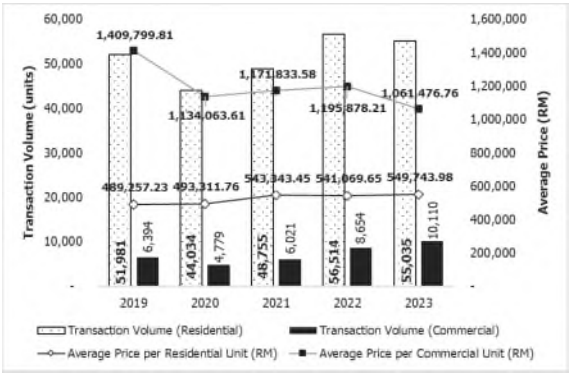
Source: NAPIC

- In 2023, Kedah recorded 13,626 residential property transactions worth RM3.75 billion in Kedah, an increase of 1.60% and 10.19% in terms of volume and value as compared to 2022.
- Residential properties below RM500,001 accounted for 92.35% of total transactions. In particular, the RM100,001 to RM200,000 bracket accounted for 28.66% of transactions, followed by the RM200,001 to RM300,000 bracket with a share of 25.47%.
- The residential overhang situation in Kedah improved, with the number of overhang units decreasing by 83.05% to 199 units (2022: 1,174 units). In 2023, there were 437 new residential units launched. As at the end of 2023, there were 352,419 existing residential units with another 16,006 units of incoming supply and 12,401 units of planned supply.
- Within the commercial property segment, Kedah recorded 1,516 transactions worth RM790.51 million, an increase of 15.55% in terms of volume but a decrease of 1.92% in terms of value as compared to 2022.
- Commercial properties below RM500,001 accounted for 73.61% of total commercial property transactions. In particular, the commercial properties below RM100,001 accounted for 25.59% of total transactions, followed by the RM100,001 and RM200,000 bracket with a share of 14.25%.
- The overhang situation in the shop segment indicated that the number of overhang units increasing to 356 units (2022: 314 units). As at the end of 2023, Kedah had 32,910 existing shop units with 911 units of incoming supply and 806 units of planned supply.
- Kedah's GDP reached RM51.8 billion in 2023 (2022: RM51.0 billion), contributing 3.3% to Malaysia's total GDP. Kedah's economy is mainly driven by the services sector (56.2%), followed by the manufacturing sector (29.2%) and agriculture sector (10.7%). In 2023, Kedah recorded RM28.73 billion in approved investments, which grew at a CAGR of 79.11% from RM5.00 billion in 2020. Kedah's proximity to Thailand offers easier access to raw materials and a larger talent pool for businesses, while its participation in the Northern Corridor Economic Region (NCER) benefits investors through improved infrastructure projects within the region.

- The development of industrial parks such as the Kulim Industrial Estate and Kulim Hi-Tech Park (KHTP) are expected to create demand for residential and properties, and positively impact the property market in Kedah. The Kulim Municipal Council has projected Kulim's population to grow from its current population of approximate 341,000 to reach 600,000 by 2035 due to its thriving manufacturing activities.

2.3 Performance of Property Market in Selangor

Figure 5: Volume and Average Price of Residential and Commercial Property Transactions in Selangor, 2019 – 2023

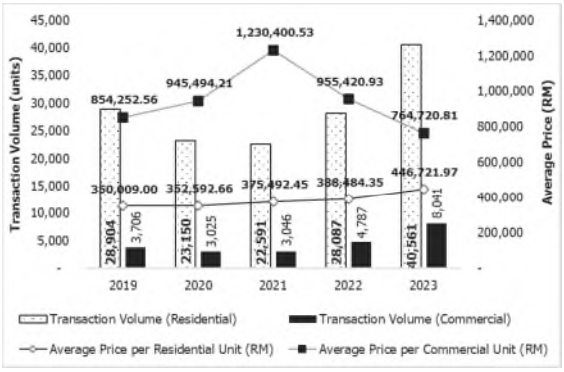


Source: NAPIC

- In 2023, Selangor recorded 55,035 residential property transactions worth RM30.26 billion in Selangor, a decrease of 2.62% and 1.06% in terms of volume and value as compared to 2022.
- Residential properties below RM500,001 accounted for 63.28% of total residential property transactions. In particular, the RM100,001 to RM200,000 bracket accounted for 15.74% of transactions, followed by the RM300,001 to RM400,000 bracket with a share of 15.16%.
- Within the commercial property segment, Selangor recorded 10,110 transactions worth RM10.73 billion in 2023, an increase of 16.82% and 3.69% in terms of volume and value as compared to 2022.
- Commercial properties above RM500,001 accounted for 54.45% of total commercial property transactions. For commercial properties below RM500,001, the RM200,001 and RM300,000 bracket accounted for 11.67% of total commercial property transactions, followed by the RM300,001 and RM400,000 bracket with a share of 11.02%.
- In 2023, the overhang situation in the shop segment improved, with the number of overhang units decreasing to 374 units (2022: 404 units). As at the end of 2023, Selangor had 113,923 existing shop units with 6,178 units of incoming supply and 3,341 units of planned supply.
- Selangor's GDP reached RM406.1 billion in 2023 (2022: RM385.2 billion), contributing 25.9% to Malaysia's total GDP. Selangor's economy is mainly driven by the services sector (61.0%), followed by the manufacturing sector (29.4%). In 2023, Selangor recorded RM55.26 billion in approved investments, which grew at a CAGR of 12.61% from RM38.70 billion in 2020. Selangor, a major economic hub in Malaysia, is home to multinational companies and boasts business parks such Cyberjaya, the Subang Hi-Tech Park, Banting Industrial City and IOI Industrial Park. Further, Selangor's position as a centre for education with institutions such as Universiti Malaya and Taylor's University, and healthcare with facilities such as Subang Jaya Medical Centre and KPJ Damansara Specialist Hospital, attracts student, faculty, professionals and patients driving demand for residential properties and rental accommodation. These developments attract both local and foreign investors, driving demand for residential and commercial properties.

2.4 Performance of Property Market in Johor

Figure 6: Volume and Average Price of Residential and Commercial Property Transactions in Johor, 2019 – 2023



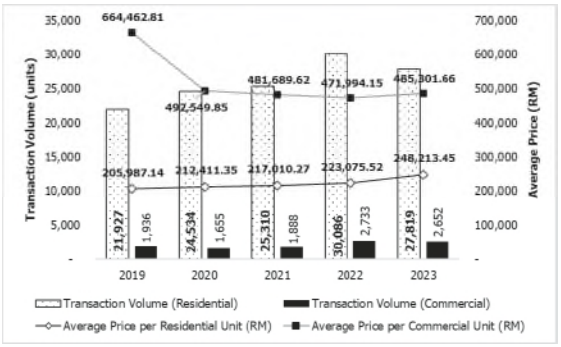
Source: NAPIC

- In 2023, Johor recorded 40,561 residential property transactions worth RM18.12 billion, an increase of 44.41% and 66.06% in terms of volume and value as compared to 2022.
- Residential properties below RM500,001 accounted for 68.12% of total residential property transactions. In particular, the RM400,001 to RM500,000 bracket accounted for 15.47% of transactions, followed by the RM100,001 to RM200,000 bracket with a share of 15.15%.

- The residential overhang situation in Johor improved in 2023, with the number of overhang units decreasing by 19.59% to 4,228 units (2022: 5,258 units). In 2023, there were 12,390 new residential units launched. As at the end of 2023, there were 911,355 existing residential units with another 37,893 units of incoming supply and 42,173 units of planned supply.
- Within the commercial property segment, Johor recorded 8,041 transactions worth RM6.15 billion, an increase of 67.98% and 34.45% in terms of volume and value as compared to 2022.
- Commercial properties above RM500,001 accounted for 56.12% of total commercial property transactions. For commercial properties below RM500,000, the RM400,001 to RM500,000 bracket accounted for 12.16% of total transactions, followed by the RM300,001 and RM400,000 with a share of 10.10%.
- The overhang situation in the shop segment improved, with the number of overhang units decreasing to 1,517 units (2022: 1,731 units). As at the end of 2023, there were 98,103 existing shop units with 5,019 units of incoming supply and 4,623 units of planned supply.
- Johor's GDP reached RM148.2 billion in 2023 (2022: RM142.4 billion), contributing 9.5% to Malaysia's total GDP. Johor's economy is mainly driven by the services sector (54.0%), followed by the manufacturing sector (29.8%) and agriculture sector (11.6%). In 2023, Johor recorded RM43.06 billion in approved investments, which grew at a CAGR of 53.52% from RM11.90 billion in 2020. Johor's strategic location adjacent to Singapore and major ports like Pasir Gudang Port and Port of Tanjung Pelepas boast a diverse economic landscape. Pasir Gudang is a major industrial hub in Johor Bahru for manufacturing and heavy industries such as petrochemicals and shipbuilding. More recently, there's growing potential for development of data centre hub in Pasir Gudang. Major projects such as the Johor Bahru-Singapore Rapid Transit Systems link and the Johor-Singapore Special Economic Zone (JS-SEZ) are expected to strengthen economic and infrastructure connectivity, enhance cross-border trade and talent mobility, attract investments and positively impact the property market in Johor.

2.5 Performance of Property Market in Perak

Figure 7: Volume and Average Price of Residential and Commercial Property Transactions in Perak, 2019 – 2023



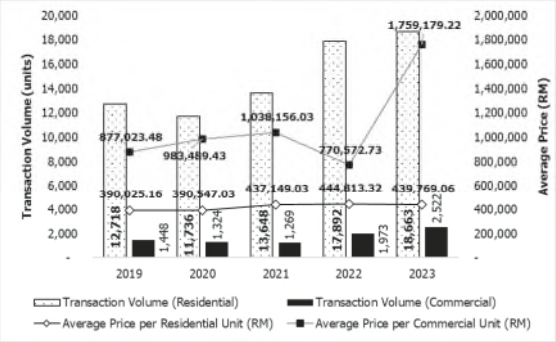
Source: NAPIC

- In 2023, Perak recorded 27,819 residential property transactions worth RM6.91 billion in Perak, a decrease of 7.54% in terms of volume but an increase of 2.88% in terms of value as compared to 2022.
- Residential properties below RM500,001 accounted for 95.02% of total residential property transactions. In particular, the RM200,001 and RM300,000 bracket accounted for 32.71% of transactions, followed by the RM100,001 and RM200,000 bracket with a share of 23.27%.
- The residential overhang situation in Perak deteriorated in 2023, with the number of overhang units increasing by 98.88% to 4,598 units (2022: 2,312 units). In 2023, there were 5,443 new residential units launched. As at the end of 2023, there were 529,293 existing residential units with another 40,446 units of incoming supply and 37,231 units of planned supply.
- Within the commercial property segment, Perak recorded 2,652 transactions worth RM1.29 billion in 2023, a decrease of 2.96% and 0.23% in terms of volume and value as compared to 2022.
- Commercial properties below RM500,001 accounted for 67.27% of total commercial property transactions. In particular, commercial properties below RM100,001 accounted for 15.95% of transactions, followed by the RM200,001 and RM300,000 bracket with a share of 14.86%.
- The overhang situation in the shop segment improved, with the number of overhang units decreasing to 613 units (2022: 707 units). As at the end of 2023, there were 64,128 existing shop units with another 2,198 units of incoming supply and 3,048 units of planned supply.
- Perak's GDP reached RM82.6 billion in 2023 (2022: RM80.4 billion), contributing 5.3% to Malaysia's total GDP. The economy is mainly driven by the services sector (63.4%), followed by manufacturing (19.3%) and agriculture (14.2%). In 2023, Perak recorded RM8.50 billion in approved investments, growing at a CAGR of 14.92% from RM5.60 billion in 2020. The industrial sector is gaining traction with projects like the upcoming Silver Valley Technology Park and Meru Raya town, and Proton Holdings Berhad's relocation to Tanjung Malim by 2027, which are expected to create job opportunities and population

growth. The newly completed West Coast Expressway (WCE) and the proposed Kerian Integrated Green Industrial Park in Kerian, targeting the electrical and electronic sectors, are expected to enhance connectivity, attract investments, and positively impact Perak's property market.

2.6 Performance of Property Market in Penang

Figure 8: Volume and Average Price of Residential and Commercial Property Transactions in Penang, 2019 – 2023



Source: NAPIC

- In 2023, Penang recorded 18,663 residential property transactions worth RM8.21 billion in Penang, an increase of 4.31% and 3.13% in terms of volume and value as compared to 2022.
- Residential properties below RM500,001 accounted for 74.07% of total residential property transactions. In particular, the RM200,001 to RM300,000 bracket accounted for 19.58% of transactions, followed by the RM300,001 to RM400,000 bracket with a share of 16.91%.
- The residential overhang situation in Penang improved in 2023, with the number of overhang units decreasing by 16.48% to 3,001 units (2022: 3,593 units). In 2023, there were 5,208 new residential units launched. As at the end of 2023, there were 549,799 existing residential units with another 30,685 units of incoming supply and 14,207 units of planned supply.
- Within the commercial property segment, Penang recorded 2,522 transactions worth RM4.44 billion in 2023, increase of 27.83% and 191.82% in terms of volume and value as compared to 2022.
- Commercial properties above RM500,001 accounted for 58.92% of total commercial property transactions. For commercial properties below RM500,001, the RM400,001 and RM500,000 bracket accounted for 11.14% of transactions, followed by the RM200,001 to RM300,000 bracket with a share of 8.96%.
- The overhang situation in the shop segment improved, with the number of overhang units decreasing to 94 units (2022: 143 units). As at the end of 2023, there were 40,069 existing shop units with 1,084 units of incoming supply and 1,882 units of planned supply.
- Penang's GDP reached RM116.0 billion in 2023 (2022: RM112.3 billion), contributing 7.4% to Malaysia's total GDP. Penang's economy is mainly driven by the services sector (48.0%), followed by the manufacturing sector (46.5%). Penang's reputation as manufacturing and industrial hub with a diverse range of industries, including the electrical and electronics, semiconductor, medical devices, aerospace and housed the production facilities of local and multinational companies and is bolstered by its industrial parks including Penang Science Park, Perai Industrial Area, Batu Kawan Industrial Park. Notably, in 2023, Penang recorded RM71.88 billion in approved investments, which grew at a CAGR of 65.00% from RM16.00 billion in 2020. The upcoming Bayan Lepas Light Rail Transit (LRT) is expected bolster the region's connectivity, drive growth for residential and commercial properties, positively impact the property market in Penang.

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3.0 Competitive Analysis

3.1 Industry Players

SPB Group is principally involved in the property development business in Malaysia with ongoing developments in Melaka, Kedah and Johor as well as forthcoming development in Selangor. Protégé Associates has selected the following industry players for comparison with SPB Group based on the following criteria:

- the company is principally involved in the development of residential and commercial properties, particularly landed properties; and
- the company has market presence in Melaka or in the other states where SPB Group operates;

Figure 9: Comparison between SPB Development and Selected Industry Players in the Property Development Industry in Malaysia

Company	Locations of Developments in Malaysia	Type of Development	Latest Available FYE	Revenue (1) (RM mil)	Segmental Revenue (2) (RM mil)	GP (3) (RM mil)	PAT (4) (RM mil)	GP Margin(3) (%)	PAT Margin(4) (%)
SPB Group	**Melaka, Johor, Kedah and Selangor**	**Residential Industrial Mixed**	**31-12-2023**	**200.81**	**200.20**	**81.13**	**46.02**	**40.40**	**22.92**
Comparable companies with revenue above RM1,000 million									
Eco World Development Group Berhad	Johor, Kuala Lumpur, Penang and Selangor	Residential Commercial Industrial Mixed	31-10-2023	2,226.86	2,226.86	538.57	189.32	24.19	8.50
IOI Properties Group Berhad(5)	Melaka, Johor, Kuala Lumpur, Negeri Sembilan, Penang and Selangor	Residential Commercial Industrial Mixed	30-06-2023	2,593.08	2,371.10	1,095.39	1,400.36	42.24	54.00
LBS Bina Group Berhad(6)	Johor, Pahang, Perak and Selangor	Residential Commercial Mixed	31-12-2023	1,829.63	1,754.06	525.43	159.42	28.72	8.71
Mah Sing Group Berhad(7)	Johor. Kuala Lumpur, Penang and Sabah	Residential Commercial Industrial Mixed	31-12-2023	2,603.21	2,114.88	595.66	222.18	22.88	8.53
Paramount Corporation Berhad(8)	Kedah, Kuala Lumpur, Penang and Selangor	Residential Commercial Industrial Mixed	31-12-2023	1,012.25	973.68	n/a	95.08	n/a	9.39
Sime Darby Property Berhad(9)	Johor, Negeri Sembilan and Selangor	Residential Commercial Industrial Mixed	31-12-2023	3,436.95	3,235.37	1,008.95	417.53	29.36	12.15
S P Setia Berhad(10)	Johor, Penang, Sabah and Selangor	Residential Commercial Industrial Mixed	31-12-2023	4,373.64	4,064.70	1,341.30	357.11	30.67	8.17

8. IMR REPORT *(Cont'd)*

Company	Locations of Developments in Malaysia	Type of Development	Latest Available FYE	Revenue (1) (RM mil)	Segmental Revenue (2) (RM mil)	GP (3) (RM mil)	PAT (4) (RM mil)	GP Margin(3) (%)	PAT Margin(4) (%)
Tropicana Corporation Berhad(11)	Johor, Kedah, Penang and Selangor	Residential Commercial Industrial Mixed	31-12-2023	1,493.11	1,149.26	454.64	(133.16)	30.45	(8.92)
UEM Sunrise Berhad(12)	Johor, Kuala Lumpur, Negeri Sembilan and Selangor	Residential Commercial Mixed	31-12-2023	1,339.06	1,223.21	473.71	87.45	35.38	6.53
Comparable companies with revenue ranging between RM100 million to RM500 million									
GJH Holdings Sdn Bhd	Melaka, Negeri Sembilan, Selangor and Johor	Residential Industrial	31-12-2023	140.81	140.81	18.24	(3.67)	12.95	(2.61)
MB World Group Berhad	Johor	Residential	31-12-2023	428.65	428.65	147.63	56.51	34.44	13.18
Parkland City Sdn Bhd	Melaka, Negeri Sembilan, Selangor and Johor	Residential Commercial Industrial	30-06-2022*	268.65	268.65	89.03	41.37	33.14	15.40
Parkland Residence Sdn Bhd	Melaka, Negeri Sembilan, Selangor and Johor	Residential Commercial Industrial	30-06-2022*	120.28	120.28	35.02	11.05	29.12	9.19
Teladan Group Berhad (formerly known as Teladan Setia Group Berhad)	Melaka	Residential Commercial Mixed	31-12-2023	274.07	274.07	62.08	27.04	22.65	9.87
UOA Development Berhad(13)	Selangor	Residential Commercial	31-12-2023	399.39	397.88	173.67	286.41	43.48	71.71
Wawasan Intact Properties Sdn Bhd	Melaka, Pahang	Residential	31-12-2023	189.30	189.30	51.69	28.45	27.31	15.03

It needs to be highlighted that the list of industry players in alphabetical order used for comparison purpose is not exhaustive and only serves as a reference for readers.

Notes:

* *There is no latest financial information available for Parkland City Sdn Bhd and Parkland Residence Sdn Bhd as the certificate relating to exempt private company were lodged to Companies Commission of Malaysia.*

(1) Derived from property development and may also include other business activities

(2) Derived from property development and related activities such as property management, property investment and sales of lands.

(3) GP denotes gross profit. GP margin = gross profit / revenue

(4) PAT denotes profit after tax. PAT margin = profit after tax / revenue

(5) IOI Properties Group Berhad's revenue is segmented into the property development, property investment, hospitality and leisure, and other operations segments. For the FYE 30 June 2023, revenue from the property development and property investment segments stood at RM2,371.10 million, revenue from the hospitality and leisure segment stood at RM209.11 million, and revenue from the other operations segment stood at RM12.88 million.

(6) LBS Bina Group Berhad's revenue is segmented into the property development, construction and trading, management and investment, motor racing circuit, hotel, and others segments. For the FYE 31 December 2023, revenue from the property development segment stood at RM1,754.06 million, revenue from the construction and trading segment stood at RM31.04 million, revenue from the management and investment segment stood at RM2.82 million, revenue from the motor racing circuit segment stood at RM23.50 million, revenue from the hotel segment stood at RM9.41 million and revenue from the others segment stood at RM8.81 million.

(7) Mah Sing Group Berhad's revenue is segmented into the property development, manufacturing, and investment holding and others segments. For the FYE 31 December 2023, revenue from the property development segment stood at RM2,114.88 million, revenue from the manufacturing segment stood at RM435.19 million and revenue from the investment holding and others segment stood at RM53.14 million.

(8) Paramount Corporation Berhad's revenue is segmented into the property, coworking, and investment and others segments. For the FYE 31 December 2023, revenue from the property development segment stood at RM973.68 million, revenue from the coworking segment stood at RM11.43 million and revenue from the investment and others segment stood at RM27.14 million.

(9) Sime Darby Property Berhad's revenue is segmented into property development, investment and asset management, and leisure segments. For the FYE 31 December 2023, revenue from the property development segment stood at RM3,235.37 million, revenue from the investment and asset management segment stood at RM107.81 and revenue from the leisure segment stood at RM93.77 million.

(10) S P Setia Berhad's revenue is segmented into the property development, construction, and other operations segments. For the FYE 31 December 2023, revenue from the property development segment stood at RM4,064.70 million, revenue from the construction segment stood at RM16.22 and revenue from the other operations segment stood at RM292.72 million.

(11) Tropicana Corporation Berhad's revenue is segmented into the property development and property management, property investment, recreation and resort, and investment holding and others segments. For the FYE 31 December 2023, revenue from the property development and property management segment stood at RM1,149.26 million, revenue from the property investment, recreation and resort segment stood at RM251.34 million and revenue from investment holding and others segment stood at RM92.51 million.

(12) UEM Sunrise Berhad's revenue is segmented into property development, property investment and hotel operation, and others segments. For the FYE 31 December 2023, revenue from the property development segment stood at RM1,223.21 million, revenue from property investment and hotel operation segment stood at RM100.94 million and revenue from the others segment stood at RM138.03 million. UOA Development Berhad's revenue is segmented into the property development and construction segments. For the FYE 31 December 2023, revenue from the property development segment stood at RM397.88 million, and revenue from the construction segment stood at RM1.51 million.

(13) UOA Development Berhad's revenue is segmented into the property development and construction segments. For the FYE 31 December 2023, revenue from the property development segment stood at RM397.88 million, and revenue from the construction segment stood at RM1.51 million.

Sources: Annual reports of listed comparable companies, SPB Development and Protégé Associates

3.2 Estimated Market Share

Based on the latest audited combined financial statements of SPB Development for the FYE 31 December 2023, SPB Group recorded a revenue of RM200.20 million generated from the sales of development properties under construction and sale of completed properties, representing a market share of 0.81% in 2023. The market share is obtained by comparing SPB Group's revenue against the total market size of the property development industry in Malaysia valued at RM24.45 billion in 2023.

4.0 Demand Conditions

The property development industry in Malaysia is influenced by the following demand conditions:

Pursuit of affordable housing – To promote home ownerships, the Government announced various housing programmes such as PPR, Program Perumahan Penjawat Awam (PPAM) and Program Rumah Mesra Rakyat. In line with this initiative, the Government also announced the following aids to assist homebuyers under the respective budgets:

- Budget 2021 – The full stamp duty exemption on the transfer and loan securing instruments for first residential property purchased by Malaysian is extended until 31 December 2025, with the price limit on properties being increased from RM300,000 to RM500,000.
- Budget 2023 – A RM2 billion guarantee for banks under the Housing Credit Guarantee Scheme ("**HCGS**") aimed at providing financial assistance to lower-income individuals including gig workers, independent business owners, and small entrepreneurs for the purchase of properties. The guarantee under HCGS had been extended to RM5 billion, and the allocation is expected to benefit 20,000 borrowers
- Budget 2024 – An extension of guarantee under the HCGS to RM10 billion which is expected to benefit 40,000 borrowers. In addition, the stamp duty on property transfers between parents and children, and grandparents and grandchildren, has been fixed at RM10.

The abovementioned initiatives are expected to drive demand for residential properties in Malaysia.

Infrastructures development – In the 12th Malaysia Plan (2021 – 2025) ("**12MP**"), the Government has outlined several initiatives to enhance connectivity and transport infrastructure. Key projects include expansion of the North-South Expressway, construction of the Penang light rail transit, construction of Sarawak-Sabah Link Road II and Pan Borneo Highway. These infrastructure developments are expected to improve connectivity between townships, and drive demand for properties in the surrounding areas. The ongoing major infrastructure developments such as the Johor Bahru-Singapore Rapid Transit System, East Coast Rail Link and the Pan Borneo Highway in East Malaysia are expected to improve connectivity between major townships and stimulate interests among homebuyers, business owners and/or investors in properties surrounding the alignments involved.

Population growth and rising disposable income – The growing Malaysian population is also expected to support growth of the property development industry by creating sustained demand for housing. The population of Malaysia stood at 33.4 million in 2023 and it is expected to reach 41.5 million in 2040. At the same time, the Malaysian population has also been attaining greater affluence as a result of economic growth. According to BNM, the per capita income in Malaysia grew RM52,968 in 2022 to RM53,043 in 2023. Meanwhile, the trajectory of the Malaysian economy indicates sustained expansion. Malaysia's real GDP expanded by 3.7% in 2023 as compared to a growth of 8.7% registered in 2022, supported by resilient domestic demand and further recovery in tourism activities. In 2024, the Malaysian economy is projected to expand by between 4.0% and 5.0%. The growing economy poised to drive income and boost consumer sentiment, auguring well for the growth in the property development industry.

Steady interest rates – The interest rate environment is expected to be stable and favourable for the property development industry in Malaysia with the last change in the local OPR (interest rate benchmark in Malaysia) of 3.00% made by BNM in May 2023. This is expected to be positive for the property market and it serves to alleviate uncertainties for property developers and buyers and support the growth in the local property development industry.

5.0 Supply Conditions

The property development industry in Malaysia is influenced by the following supply conditions:

Property overhang situation – Property overhang refers to the unsold completed residential and commercial properties that have been on the market for more than 9 months. The persistent overhang of residential properties may continue to dampen the demand for new properties until a resolution is achieved. According to NAPIC, the count of residential overhang units decreased to 25,816, valued at RM17.68 billion in 2023, in contrast to 27,746 units worth RM18.41 billion in 2022. The sales of properties in the country may be affected by the property overhang situation in Malaysia as investors take a "wait-and-see" approach in anticipation of potential price reductions. Concurrently, property developers are contending with the task of addressing current inventory challenges. This situation might consequently contribute to the postponement or delay of forthcoming property launches.

Adoption of Industrialised Building System ("IBS") in construction – IBS is a construction method that utilises techniques, components and building systems which involve off-site prefabricated components and structures and onsite installation. IBS systems (as defined by Construction Industry Standard 24 issued by the Construction Industry Development Board ("**CIDB**")) are categorised into precast concrete system, metal framing system, formwork system, timber framing system, blockwork system and other prefabricated components. The adoption of IBS contributes to reduced construction time, improved workers' safety, cost-effectiveness, and improved quality of the constructed buildings. According to a technical report published by the CIDB in 2018, IBS adoption could reduce labour requirement, especially foreign workers by at least 20% as well reduce the turnaround time for each construction project by 20.00%. According to CIDB, the IBS implementation in government projects has increased to 84.00% in 2021 as compared with 79.50% in 2020, while in private projects, IBS implementation has increased to 60.00% in 2021 as compared with 41.00% in 2020. To further drive the adoption of IBS, the Government provides incentives such as tax allowances and funding to encourage IBS components manufacturers. The growing adoption of IBS in construction can speed up the supply of properties, especially for affordable housing by reducing construction time and costs.

Rising cost of building materials – In recent years, building material costs have surged due to factors such as the COVID-19 pandemic disrupting global supply chain, increased demand from economic recovery, and inflation. For instance, according to DOSM, the average price of sand surged by 27.25% from RM36.30 in December 2022 to RM46.19 in December 2023. Cement prices also rose by 9.79% from RM20.95 to RM23.00, while mild steel round bars and aggregates also saw price hikes of 4.6% and 3.6%, respectively during the same period. These rising building material costs create challenges for property developers in managing their construction budgets. As a result, some contractors are either declining bids, turning down jobs, or adopting more conservative pricing strategies. Additionally, contractors with fixed-price contracts might abandon projects to avoid incurring greater financial losses due to unforeseen increases in material costs. The escalation in building material prices could slow the pace of property development in Malaysian and potentially drive-up property prices due to reduced supply.

9. RISK FACTORS

An investment in our Shares involves a number of risks, many of which are beyond our control. You should carefully consider all the information contained in this Prospectus, including the risks described below, before deciding to invest in our Shares. Our business, financial condition, results of operations and prospectus could be affected by any of these risks.

9.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

9.1.1 We are subject to the prevailing market conditions in the property market in Malaysia

Our properties' sales performance and future development planning are dependent on the prevailing market conditions in the states where our property developments and landbank are located, including Melaka, Kedah, Johor, Selangor, Perak and Penang.

The performance of the property market and value of properties in Malaysia, including these states, is influenced by factors such as supply and demand of properties, economic growth rates, interest rates, inflation and regulatory measures aimed to curb speculative investments. External factors beyond our controls such as changes in political landscape or sudden outbreak of diseases (e.g., the COVID-19 pandemic in 2020) may impact Malaysia's economic activities. Adverse economic activity can weaken the employment market and consumer purchasing power, leading to more cautious spending and investment, which may ultimately reduce property demand and values in Malaysia.

A downturn in the Malaysian economy could reduce consumer confidence and purchasing power, affecting the overall property demand and market performance. A weak market sentiment may influence our development planning including property types, pricing strategies and project launch timings, potentially affecting our business operations, financial performance and prospects.

9.1.2 We are exposed to unexpected interruptions or delays in project completion caused by external factors, including natural disasters or sudden crisis

The timely completion of our property developments and the progress of construction can be affected by external factors inherent to property development, some of which are beyond our control. These factors include delays in receiving regulatory approvals, licences and permits, availability of labour, equipment and construction materials, availability of financing and the timely appointment of architects, professional consultants and contractors. In addition, delays in the completion of our property development could also arise from environmental factors such as natural disasters (e.g., flash flooding and landslides caused by torrential rain), altered weather patterns or sudden crisis like the COVID-19 pandemic in 2020. The construction activities may be halted due to slippery and unsafe working conditions caused by increased rainfall and necessitating additional safety measures to prevent injuries, particularly during foundation work, scaffolding or working at heights, which may reduce man-hours and workdays. In addition, the increase in rainfall may hinder site access for workers and machinery, causing delays in construction material deliveries and disrupting construction operations. These external factors may impact progress, completion and revenue recognition of our property developments.

Any prolonged interruption or delay in completion of a phase of property development may result in LAD claims by property buyers, which may affect our financial performance. Our contracts with contractors include LAD clauses, holding them responsible for delays attributable to their work, with LAD typically set at 10% per annum of the contract sum. If there is a delay in delivery of vacant possession, the LAD claims from our property buyers are calculated daily at a rate of 10% per annum of the purchase price of the unit. If the delay is caused by our contractors, we may claim LAD from them. However, any difference between the LAD claims made by our property buyers and the amounts we can claim from our contractors will be borne by us, which may adversely affect our financial performance.

9. RISK FACTORS *(Cont'd)*

The MCO implemented by the Malaysian Government in 2020 had delayed the construction of our property developments. However, we have been granted temporary reliefs for delays in delivery of vacant possession and payment of LAD pursuant to the Temporary Measures for Reducing the Impact of Coronavirus Diseases 2019 (COVID-19) Act 2020, which was gazetted on 23 October 2020. Notwithstanding that the extension of time was granted to our Group for the delivery of vacant possession to our property buyers, several phases of our property developments still faced delays in construction and delivery of vacant possession during the COVID-19 pandemic. Please refer to **Section 7.6.2** of this Prospectus for further details.

In FYE 2023, we have made a provision for LAD of RM10.37 million for Taman La Casa Lunas (Phases 3A, 3B and 2) and Taman Nuri (Phase 3B2) as these phases experienced delays in construction and delivery of vacant possession. The provisions for LAD and the respective repayment for LAD claims for each development are disclosed below:

		As at the LPD		
Development	**Provision for LAD as at 31 December 2023**	**Provision for LAD**	**Payment for LAD claims**	**Net provision for LAD**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Taman La Casa Lunas, Lunas, Kedah				
- Phase 3A	2,725	2,725	(954)	1,771
- Phase 3B	4,943	4,612	(4,742)	(130)
- Phase 2	2,587	2,776	(1,547)	1,229
Taman Nuri, Melaka				
- Phase 3B2	117	117	-	117
Total	**10,372**	**10,230**	**(7,243)**	**2,987**

As at the LPD, we have further provided LAD of RM1.15 million for La Casa Lunas (Phases 4A and 4C) due to rectification work required for the TNB electrical access point in response to changes in TNB's requirements and regulations. In addition, the discovery of high groundwater levels in certain construction areas caused delays in infrastructure works, such as sewerage systems, which in turn delayed roadworks and streetlighting installation works. Due to these unforeseen conditions, our contractors were not held liable for the delays or additional rectification costs, and the LAD was not charged to our contractors, and instead, our Group absorbed these rectification costs.

There can be no assurance that unexpected interruptions or delays in project completion will not occur in our property developments. In the event of delays in the delivery of vacant possession, we are subject to LAD claims from our property buyers, which may adversely affect our financial performance.

9.1.3 We may face unanticipated cost increases for property developments

Under the terms of our letters of award and/or contracts with appointed contractors, they are responsible for construction workers wages and procuring the necessary materials and equipment for our property development. As such, they bear the risk of fluctuations in construction costs including labour and material costs, which may be affected by foreign exchange movements for imported materials.

However, any unforeseen spikes or persistent increases in construction costs may strain our contractors' cash flow and their ability to secure the necessary resources. Prolonged situations persist may affect our contractors' capacity to carry out construction works which could delay the completion of construction works, and impacting our property delivery schedules, billing schedules, market reputation, sales performance and profit margins. In addition, there can be no assurance that contractors appointed for our future developments (including future phases of ongoing development) will continue to agree to bear the risk of fluctuations in labour and material costs. If we are unable to secure contracts where contractors assume this risk, any material increase in these costs may reduce our profit margins and adversely affect our results of operations and financial performance.

9. RISK FACTORS *(Cont'd)*

Our cash flows and profitability are dependent on accurate cost estimation and management throughout the development period. These costs may be influenced by various factors such as lower quality or delays in construction, unexpected site conditions, higher construction material and labour costs and financing delays.

Any cost overrun of the property developments may adversely affect our profitability, cash flows and results of operations. For the Period Under Review, we have not encountered any significant cost overruns or renegotiated contracts with our constructors due to increased construction costs. However, there can be no assurance that we will be able to accurately estimate costs for future developments.

9.1.4 Our capital-intensive business depends on our ability to secure adequate financing

As a property developer, we rely on internally generated funds and external borrowings such as term loans, bank guarantees and bank overdrafts to fund our working capital requirements and partially finance land acquisitions. Our business is dependent on our ability to secure adequate financing at competitive rates. If we are unable to obtain such credit facilities, our cash flows, results of operations, business strategies and future plans may be adversely affected.

There is also a risk of simultaneous demand for immediate repayment of short-term credit facilities and tighter loan terms due to unfavourable market conditions or other factors. If our callable credit facilities are called, it could materially affect our cash flows, working capital, and consequently, on our financial performance and prospects.

As at 31 December 2023, our Group's total borrowings amounted to approximately RM50.12 million. If the interest rates on these borrowings increase, our finance cost will increase accordingly, and this will adversely affect our profitability and cash flows.

9.1.5 We may not be able to identify and acquire suitable landbank to sustain our business operations and financial performance

As a property developer, we rely on our existing landbank and our ability to identify and acquire land with development potential to ensure sustainable business operations and financial performance. As such, we have to continuously identify and acquire landbanks in strategic locations and at commercially acceptable cost for future developments.

Furthermore, we may face the risk of acquiring land with issues such as ownership conflicts, environmental concerns or feasibility problems. Unforeseen adverse land issues could lead to increased development costs, potentially compelling us to increase our properties' selling prices to maintain our desired returns. The increase in our properties' selling prices may reduce our market competitiveness or make our properties less affordable and appealing to potential buyers. If we are unable to increase our properties' selling prices, the increase in our development costs could strain our budget and adversely affect the profitability of our developments.

Severe land issues such as discovery of high groundwater body, unstable conditions that heighten the risk of sinkholes and landslides that required additional construction costs may render our development financially unviable, and requiring re-evaluation or, in extreme cases, abandonment of our property development which could result in financial losses. Although we conduct preliminary assessments on the suitability of land prior to acquiring them, there is no assurance that we will not encounter financial impact from land acquisitions in future.

As at the LPD, we have approximately 664 acres of landbank in Melaka, Johor, Kedah, Selangor, Perak and Penang which are reserved for future development. In addition, we are in the process of acquiring approximately 187 acres of Plentong Land. Further details on our landbank and land to be acquired are set out in **Section 7.3.2 (iii) and (iv)** of this Prospectus. We intend to allocate RM[●] million, representing approximately [●]% of our estimated gross proceeds from our Public Issue, for the acquisition of landbank and/or development expenditure. For further details of our utilisation of IPO proceeds and our business strategies and future plans, please refer to **Section 4.6** and **Section 7.16** of this Prospectus.

9. RISK FACTORS *(Cont'd)*

While we have not encountered any adverse events arising from land acquisitions for the Period Under Review and up to the LPD, there can be no assurance that we are able to consistently identify and acquire suitable landbank in strategic locations at commercially acceptable costs, or to secure joint development opportunities with landowners on favourable terms. If we are unable to do so, it may affect our ability to launch new developments, which could adversely affect our business operations, results of operations and prospects.

9.1.6 We may achieve lower-than-estimated GDV for our property developments

The GDVs of our on-going and future developments are estimated based on forecasts, projections and market conditions prevailing at the time taking in consideration of factors such as the supply and demand for properties, the economic growth rate and interest rates.

We may achieve lower-than estimated GDV for our property developments if unfavourable changes occur to the assumptions and forecasts underlying these estimates such as changes in township planning by the authorities for example, construction of a highway that cuts into our development area or removal or cancellation of proposed amenities and infrastructure. Any such changes could prevent us from realising the projected GDV and could adversely affect our results of operations and financial performance.

For the Period under Review, we did not experience any material unanticipated changes that may result in our Group not being able to realise our projected GDV. However, there can be no assurance that the estimated GDVs will reflect the actual sales achieved as they are subject to various assumptions as mentioned above. If we are unable to sell all the units as anticipated or we achieve the expected selling prices, this may impact our initial estimated GDVs and adversely affect our results of operations and financial performance.

9.1.7 We rely on contractors for timely completion and quality of our property developments

We engage contractors to carry out construction work for our property developments, and as such we are relying on their performance for timely delivery and adherence to our quality specifications. We may face risks associated with our contractors such as health and safety practices, potential delays leading to suspension of works, fines from the authorities or LAD claims against us. In addition, if our contractors are unable to meet our quality expectations, it may adversely affect our market reputation and our properties' sales.

Contractors are appointed based on evaluation criteria such as work quality, timeliness, track records and prices submitted by contractors, and thereafter, we will enter into formal contracts with the appointed contractors. Despite these contracts, if our contractors fail to fulfil their obligations, we may face damages and penalties if we are unable to deliver vacant possession as per the SPAs or pre-agreed schedule. Issues such as insufficient resources (i.e. labour, equipment and construction materials), building materials' price fluctuations and poor workmanship may cause delays and quality concerns.

In addition, our contractors must comply with the rules and regulations from bodies such as the CIDB and the Immigration Department of Malaysia, which govern employment of construction workers and foreign workers, respectively. Any non-compliance with these rules and regulations may result in non-renewal or revocation of their registrations or licences, preventing them continuing the construction works without and/or may lead to revocation of their registrations or licences.

During the Period Under Review and up to the LPD, we have not experienced any termination by our contractors that materially affected our business operations. Nonetheless, there is no assurance that we would not face such situations in the future. Any revocation of letters of award or termination of contracts without timely replacement may delay completion and handover of properties to buyers. While we can impose a penalty on our contractors, there can be no assurance that fully recover the compensation, and may be required to absorb some or all of the associated losses, which may affect project delivery schedules, profitability and market reputation, and adversely affect our financial performance and prospects.

9. RISK FACTORS *(Cont'd)*

9.1.8 We may not be able to sustain our growth rate and our financial performance

Our revenue grew by a CAGR of 38.58% in revenue from RM104.56 million in FYE 2021 to RM200.81 million in FYE 2023, while our PAT grew by a CAGR of 36.58% from RM24.67 million in FYE 2021 to RM46.02 million in FYE 2023.

The prospects and future growth of our business are dependent on our ability to implement and execute our strategies and plans effectively. There is a risk that we may be unable to sustain our growth rate and our financial performance due to factors including, among others, adverse market conditions and economic downturn, regulatory changes, and challenges in securing suitable and strategic landbank.

Accordingly, there can be no assurance that we can achieve similar growth rates and financial performance in the future. If we are unable to maintain adequate revenue and profit growth, our financial position could also be adversely affected. If we fall short in managing our growth effectively, we may not be able to capitalise on market opportunities or execute our business strategies and future plans.

9.1.9 We may be involved in legal and other proceedings related to our business operations from time to time

We may face disputes with various parties including landowners, joint venture partners, suppliers, contractors, sub-contractors, consultants and customers in the sale of our properties (e.g. damage claims by property buyers for non-compliance with building specification, defective workmanship, incomplete or unavailability of common facilities, late delivery of vacant possession and difference in built-up area) from time to time. For example, we encountered a litigation case against one of our subsidiaries, Panglima Juara, by a purchaser of a property unit in Taman Bukit Cheng. Please refer to **Section 16.5** of this Prospectus for further details on the material litigation, claims and arbitration our Group is engaged in.

Such disputes or claims arise may require us to allocate costs, time and management resources to defend against them. These disputes and claims could lead to legal or other proceedings against our Group, with unfavourable rulings potentially resulting in additional costs, delays and/or financial losses.

We are unable to give any assurance that disputes and claims will be resolved favourably for our Group and that any resulting litigation, arbitration or other proceeding against us such as judgement, order or award will not adversely affect our business operations, financial condition, prospects and reputation.

9.1.10 We may have inadequate insurance coverage

We are exposed to operational risks, including physical damage to our properties. As part of our standard operational practice, we maintain several insurance policies including group personal accident insurance, contractor all-risk insurance and worker's compensation insurance. As at the LPD, the type of our insurance coverage and the sum assured are as follows:

Type of insurance	Sum Assured
	RM
Group personal accident policy	14,250,000
Medical policy for employees	Between 100,000 and 180,000 per annum
Worker's compensation insurance policy	1,000,000 for any one accident
Contractors' all risks insurance policy	Between 1,000,000 and 2,000,000 for any one accident

While we have insurance coverage for various aspects of our business, there is no assurance that it is sufficient to cover all potential losses, damages or liabilities that may arise in the course of our business operations. Any losses or damages exceeding our insured sum or in areas for which we are not insured, may adversely affect our business operations and financial performance. For the Period Under Review and up to the LPD, there have been no material insurance claims against or made by us.

9. RISK FACTORS *(Cont'd)*

9.1.11 We are subject to the risk of defect liability claims from our property buyers

We provide a defect liability period of up to 24 months for properties under construction sold in accordance with the Housing Development (Control and Licensing) Act 1966. The defect liability period begins from the delivery date of vacant possession to property buyers. In the event of any defects arise during the defect liability period, we will bear the rectification expenses to repair and make good all identified defects. Any material rectification costs incurred or claims made could adversely affect our financial performance.

Under the terms of our contracts with contractors, our contractors are responsible for rectifying any defects identified during the defect liability period, at their own costs. If we unable to recover these rectification expenses from our contractors for repairs and addressing all identified defects, this could adversely affect our financial performance and market reputation. For the Period Under Review and up to the LPD, there were no defect liability claims from our property buyers which have had a material impact on our financial performance.

While we endeavour to maintain the quality of our property development and rectification costs being borne by our contractors, there is no assurance that we will not face any defect liability claims in the future that could adversely affect our financial performance.

9.1.12 We are subject to regulatory requirements for our business operations

Our business is subject to various laws, rules, and regulations. As at the LPD, we have obtained the necessary licences, approvals and permits from various regulatory authorities for our business operations, as set out in **Annexure A** of this Prospectus. We have experienced non-compliance issues in the past as set out in **Annexure D** of this Prospectus for further details. Our Group will continue to assess and observe the relevant laws, rules and regulations relating to our industry. We will apply and renew the required licences, approvals and permits in a timely manner as and when required.

If we are unable to comply in material respect with the relevant laws and regulations or conditions of our licences, approvals and permits, the authorities may impose penalties on us including imposing stop work orders and fines and such licences, approvals and permits may be suspended or revoked. Consequently, this will negatively affect our business operations. There is no assurance that the introduction of any new laws or any changes to these legislations or other future regulatory development will not have a material adverse effect on our maintenance or renewal of licences, approvals and permits. Any failure to maintain or renew our major licences, permits and approvals in the future could materially and adversely affect our business operations and financial performance.

9.1.13 We rely on property agents who may not meet our performance expectations

In addition to our in-house sales and marketing team, we engage property agencies to market and sell our property developments. Our property agencies are selected based on criteria such as market reputation, qualifications, fees and track record. However, as independent third parties, there is no assurance that they comply fully with property sales related laws and regulations or meet all our contractual terms. If our property agencies fail to comply with the property sales related laws and regulations, or fail to adhere to contractual obligations, our Group may be exposed to legal liabilities, regulatory scrutiny and potential fines. Furthermore, if our property agencies underperform, we may lose property buyers and market share. This could lead to reputation damage in the long term, and adversely affect our business and results of operation.

Prior to August 2023, our property agencies collected booking fees or earnest deposits, which are not prescribed by the contract of sale, from purchasers for some of our housing developments. We were not aware of the prohibition of collection of booking fees under the Housing Development (Control and Licensing) Regulations 1989 and such restriction was brought to the attention of our Group during the due diligence conducted by our solicitors for the purposes of our IPO. Upon being aware of the prohibition, we sent written notice to our property agencies in August 2023 to instruct them to cease collection of booking fees or earnest deposits from August 2023 onwards. Please refer to **Annexure D** of this Prospectus for the potential maximum penalty on our Group for the non-compliance under the Housing Development (Control and Licensing) Regulations 1989.

9. RISK FACTORS *(Cont'd)*

9.1.14 We are dependent on Desa Johan Sdn Bhd, being one of our major suppliers

We are dependent on Desa Johan Sdn Bhd, being one of our major suppliers for construction services for our property developments. Desa Johan has been a supplier of our Group and had contributed approximately 82.70%, 92.25% and 65.50% of our Group's total purchases for the FYE 2021, FYE 2022 and FYE 2023 respectively.

While there are other main building contractors who are able to provide construction services to our Group, we continue to engage Desa Johan Sdn Bhd for construction services due to its quality of work and pricing as well as our long-term working relationship with Desa Johan Sdn Bhd.

Nevertheless, there can be no assurance that we will appoint Desa Johan Sdn Bhd and Desa Johan Sdn Bhd may not accept our terms in providing construction services for our future property development projects. In the event we appoint other main building contractors that provide similar construction services as Desa Johan Sdn Bhd, it may result in higher construction cost which may lead to lower profit margins.

9.1.15 We are dependent on our Non-Independent Executive Chairman, Non-Independent Executive Directors and Key Senior Management

The success of our Group relies on the experience, industry knowledge, network and skills of our Non-Independent Executive Chairman, Non-Independent Executive Directors and Key Senior Management, who play significant roles in our business operations and implementation of our business strategies. Our founder and Non-Independent Executive Chairman, Datuk Yap brings with him 43 years of experience in construction and property development. He is supported by our Non-Independent Executive Directors and Key Senior Management from various departments.

The loss of any of these key personnel without any suitable and timely replacement could adversely affect our business operations and financial performance. Although we have implemented human resource strategies which include competitive remuneration packages, incentive scheme and development programmes to ensure smooth succession planning, there can be no assurance that these measures will successfully retain our Key Senior Management or ensure a smooth management succession plan. Further details of the profiles of our Non-Independent Executive Chairman, Non-Independent Executive Directors and Key Senior Management are set out in **Section 5** of this Prospectus.

9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 We are subject to economic, political, regulatory and climate-related risks in Malaysia

Any adverse changes in economic, political and regulatory conditions could have negative impact on our business operations and financial performance. Changes in the economic, political and regulatory could arise from, among others, changes in political leadership, risk of war or civil unrest, changes in conditions governing licensing, registrations and permits. Similarly, any local, regional or global economic downturn would also affect overall business conditions, consumer confidence as well as investments, which would subsequently affect the demand for our properties.

Further, any changes in Government policies related to the property market such as housing regulations, land and development policies, property taxation or restriction on foreign property ownership, environmental standards and sustainable development requirements in Malaysia could adversely affect the performance of the property market and value of properties in Malaysia. In addition, any restrictive policy changes by Bank Negara Malaysia, such as increases in the overnight policy rate, higher interest rates for housing loans and reduced loan-to-value ratios could restrict the buyer's purchasing ability of buyers. This could negatively impact consumer sentiment and purchasing power, as property buyers would face higher borrowing cost and increased monthly housing loan instalment, which may affect the demand for our Group's properties.

9. RISK FACTORS *(Cont'd)*

As such, there can be no assurance that any future unfavourable changes in economic, political, regulatory or climate-related changes will not adversely affect our Group's business and results of operations in the future.

9.2.2 We face competition from other property developers

We compete with other property developers ranging from private limited companies to large public listed companies in Malaysia, who are principally involved in the development of residential and commercial properties, particularly landed properties. These property developers have a market presence in Melaka or in the other states where our Group operates. Our competitors may have greater resources or specialised expertise in certain property segments. We also compete with them on aspects such as location, price and rebates, facilities, surrounding amenities and connectivity. Competition among property developers may intensify leading to lower property prices, higher land acquisition costs, and increased expenses to attract or retain experienced employees which could adversely affect our financial performance and prospects.

Therefore, there can be no assurance that we will be able to compete effectively with other property developers. If we fail to do so and sustain our competitive edge, our business operations and financial performance may be adversely affected.

9.2.3 We may face compulsory acquisition by the Malaysian Government

The Government has the power to compulsorily acquire any land in Malaysia pursuant to the provisions of the Land Acquisition Act 1960. Compensation amount for such acquisitions shall be based on the First Schedule of the Land Acquisition Act 1960.

There can be no assurance that our lands will not be subject to compulsory acquisition by the Government. If such an acquisition occurs, the compensation amount will be based on the land's market value as determined by the Government, which may be lower than valuations by independent property valuers appointed by our Group. As such, a compulsory acquisition of any of our lands may adversely affect our Group's financial position, business operations, financial performance and prospects.

9.3 RISKS RELATING TO OUR SHARES AND OUR LISTING

9.3.1 The offering of our Shares may not result in an active and liquid market for our Shares

There can be no assurance as to the liquidity of the market that may develop for our Shares, the ability of shareholders to sell our Shares or the prices at which shareholders would be able to sell our Shares. Neither we nor our Promoters have an obligation to make a market for our Shares or, if such a market does develop, to sustain it. In addition, there can be no assurance that the market price of our Shares will trade higher or lower than the institutional and retail price or that it will reflect our operations and financial condition, our growth prospects or the growth prospects of the industry in which we operate.

9.3.2 Our Share price and trading volume may be volatile

The market price of our Shares could be affected by numerous factors, including the following:

(i) general market, political and economic conditions;

(ii) trading liquidity of our Shares;

(iii) fluctuation in stock market prices and volume;

(iv) differences in our actual financial and operating results and those expected by investors and analysts;

9. RISK FACTORS *(Cont'd)*

(v) success or failure of our Non-Independent Executive Chairman, Non-Independent Executive Directors and Key Senior Management in implementing business and growth strategies;

(vi) gain or loss of an important business relationship;

(vii) changes in securities analysts' recommendations, perceptions or estimates of our Group's financial performance;

(viii) changes in conditions affecting our industry, the general economic conditions or stock market sentiments or other related events or factors;

(ix) changes in market valuations and share prices of companies with similar businesses to our Group that may be listed on Bursa Securities;

(x) additions or departures of our Non-Independent Executive Chairman, Non-Independent Executive Directors and Key Senior Management;

(xi) fluctuations in stock market prices and volumes;

(xii) perceived prospects of our business and the industry in which we operate;

(xiii) adverse media reports regarding us or our shareholders;

(xiv) involvement in litigation;

(xv) changes in governmental policy, legislation or regulation; and

(xvi) general operational and business risks.

In addition, many of the risks described in this Prospectus could materially and adversely affect the market price of our Shares. Accordingly, there can be no assurance that our Shares will not trade at prices lower than the Final Retail Price.

Over the past few years, the Malaysian, regional and global equity markets have experienced significant price and volume volatility that has affected the share prices of many companies. Share prices of many companies have experienced wide fluctuations that were not always related to the operating performance of such companies. There can be no assurance that the price and trading of our Shares will not be subject to similar fluctuations.

9.3.3 Our Promoters will be able to exert significant influence over our Company as they will continue to hold majority of our Shares after our IPO

As disclosed in **Section 5.1.1** of this Prospectus, our Promoters will collectively hold 70.00% of our enlarged issued Shares after our IPO. As a result, they will be able to, in the foreseeable future, effectively control the business direction and management of our Group as well as having voting control over our Group. As such, they will likely influence the outcome of certain matters requiring the vote of our shareholders, unless they are required to abstain from voting either by law and/or by relevant guidelines or regulations.

As a step towards good corporate governance, the appointment of Independent Non-Executive Directors and our Audit and Risk Management Committee will serve as an effective mechanism to promote good corporate governance. This ensures future transactions of our Group, including related party transactions, if any, are entered into on an arms' length basis, on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to our minority shareholders. Our Audit and Risk Management Committee will in this regard, represent the interest of the minority shareholders and general public at large.

9. RISK FACTORS *(Cont'd)*

However, there can be no assurance that the interests of our Promoters will be aligned with those of our other shareholders.

9.3.4 The interests of our substantial shareholders who control our Group may not always align with the interests of our other shareholders

Some of our banking facilities contain provisions requiring Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan to remain as the shareholders in our Company with direct or indirect shareholding of more than 50% throughout the financing tenure. In this regard, there can be no assurance that they will not sell their Shares after the moratorium period, which could breach the shareholding covenants for some of our banking facilities, leading to the cancellation of our banking facilities and the immediate repayment of the amounts borrowed.

9.3.5 The sale or the possible sale of a substantial number of our Shares in the public market following our Listing could adversely affect the price of our Shares

Following the completion of our IPO and Listing, assuming full subscription of the Pink Form Shares reserved for our Eligible Persons, approximately 30.00% of our enlarged issued share capital will be publicly held by investors participating in our IPO, while approximately 70.00% of our enlarged issued share capital, will be held by our Promoters.

It is possible that our Promoters may dispose of some or all of their Shares after their respective moratorium period, pursuant to their own investment objectives. If our Promoters sell, or are perceived as intending to sell, a substantial amount of our Shares, the market price of our Shares could be adversely affected.

9.3.6 There may be a failure or delay in our Listing

The occurrence of certain events, including but not limited to the following, may cause a delay in or cancellation of our Listing:

(i) our Underwriter exercising its rights pursuant to the Underwriting Agreement, or the Placement Agent exercising its rights under the Placement Agreement, to discharge itself from its obligations thereunder;

(ii) the revocation of approvals from the relevant authorities for the Listing and/or admission to the Official List for whatever reason; or

(iii) our inability to meet the public shareholding spread requirement of the Listing Requirements of having at least 25.00% of the total number of our Shares for which listing is sought must be held by a minimum number of 1,000 public shareholders holding not less than 100 Shares each at the point of our Listing.

Where prior to the issuance and allotment of our IPO Shares:

(i) if the SC issues a stop order pursuant to section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled, and we and the Selling Shareholder shall repay all monies paid in respect of the applications for our IPO Shares within 14 days of the stop order, failing which we shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to section 245(7)(a) of the CMSA; or

(ii) if our Listing is aborted, investors will not receive any of our IPO Shares, all monies paid in respect of all applications for our IPO Shares will be refunded free of interest.

Where subsequent to the issuance and allotment of our IPO Shares:

9. RISK FACTORS *(Cont'd)*

(i) the SC issues a stop order pursuant to section 245(1) of the CMSA, any issue of our IPO Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, the Company shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to section 245(7)(b) of the CMSA; or

(ii) our Listing is aborted other than pursuant to a stop order by the SC, a return of monies to our shareholders could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation can be implemented by either:

(a) the sanction of our shareholders by special resolution in a general meeting, consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances; or

(b) the sanction of our shareholders by special resolution in a general meeting supported by a solvency statement from our Directors in accordance with the Act.

9.3.7 There is no certainty of dividend payments

Our ability to declare dividends or make other distributions to our shareholders is dependent on, among others, our future financial performance, cash flow position, capital requirements and other obligations as well as our ability to implement our business plans. This in turn will depend on certain factors which are beyond the control of our Group, such as, the general economic conditions, changes in governmental policies, as well as demand and value of our property developments. Deterioration of these factors could have an impact on our business, consequently affecting our ability to declare dividends to our shareholders. As such, there is no assurance on the payment of dividends to our shareholders.

Dividend payments are not guaranteed, and our Board may decide, at its discretion, not to pay dividends at any time and for any reason, where appropriate. If we do not pay dividends or pay dividends at levels lower than that anticipated by investors, the market price of our Shares may be negatively affected, reducing the value of any investment in our Shares.

For a description of our dividend policy, please refer to **Section 12.18** of this Prospectus.

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10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

Under the Listing Requirements, a "**related party transaction**" is a transaction entered into by a listed issuer or its subsidiaries that involves the interest, direct or indirect, of a related party. A "**related party**" of a listed issuer is:

(i) a director, having the meaning given in Section 2(1) of the CMSA, and includes any person who is or was within the preceding 6 months of the date in which the terms of the transaction were agreed upon, a director of the listed issuer, its subsidiary or holding company or a chief executive of the listed issuer, its subsidiary or holding company; or

(ii) a major shareholder, and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or its subsidiaries or holding company, and has or had an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is:

(a) 10.00% or more of all the voting shares in the corporation; or

(b) 5.00% or more of all the voting shares in the corporation where such person is the largest shareholder of the corporation; or

(iii) a person connected with such director or major shareholder.

10.1.1 Material related party transactions entered into by our Group

Save as disclosed below, there is no material related party transaction, existing or proposed, entered or to be entered into by our Group which involves the interests, direct or indirect, of our Directors, major shareholders and/or persons connected with them for the Period Under Review and up to the LPD:

(i) Acquisition of Rentas Dinamik

One of our Subsidiaries, SPBSB acquired the remaining issued share capital of Rentas Dinamik from Datuk Yap and Datin Loh comprising 250,000 ordinary shares, representing 2.72% of the total issued share capital of Rentas Dinamik for a purchase consideration of RM1,248,236.47 which was fully satisfied in cash by SPBSB to Datuk Yap and Datin Loh. The said purchase consideration was arrived at after taking into consideration the audited NA of Rentas Dinamik as at 31 December 2022 of RM45,935,102. The Acquisition of Rentas Dinamik was completed in February 2024. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

Datuk Yap, being an interested Director and our major shareholder, is also a director and substantial shareholder of Rentas Dinamik. Datin Loh, being our major shareholder and the spouse of Datuk Yap, is also a director of Rentas Dinamik and was a shareholder of Rentas Dinamik. Datuk Jacky Yap and Yap Lih Shyan, being our interested Directors and major shareholders, are also directors of Rentas Dinamik. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director of Rentas Dinamik.

(ii) Acquisition of Dayang Gemilang

We acquired the entire issued share capital of Dayang Gemilang from Datuk Yap and Datin Loh comprising 500,000 ordinary shares for a purchase consideration of RM26,452,397.12. The completion of the Acquisition of Dayang Gemilang was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Dayang Gemilang as at 31 December 2023 of RM26,449,977. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Datuk Yap, being an interested Director and our major shareholder, is also a director and was a substantial shareholder of Dayang Gemilang. Datin Loh, being our major shareholder and the spouse of Datuk Yap, is also a director and was a shareholder of Dayang Gemilang. Datuk Jacky Yap and Yap Lih Shyan, being our interested Directors and major shareholders, are also directors of Dayang Gemilang. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director of Dayang Gemilang.

(iii) Acquisition of Debunga Istimewa

We acquired the entire issued share capital of Debunga Istimewa from Datuk Yap and Datin Loh comprising 350,000 ordinary shares for a purchase consideration of RM1,021,622.24. The completion of the Acquisition of Debunga Istimewa was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Debunga Istimewa as at 31 December 2023 of RM1,021,538. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

Datuk Yap, being an interested Director and our major shareholder, is also a director and was a substantial shareholder of Debunga Istimewa. Datin Loh, being our major shareholder and the spouse of Datuk Yap, is also a director and was a shareholder of Debunga Istimewa. Datuk Jacky Yap, being an interested Director and our major shareholder, is also a director of Debunga Istimewa. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director of Debunga Istimewa.

(iv) Acquisition of Good Rate

We acquired the entire issued share capital of Good Rate from Datuk Yap and Datin Loh comprising 250,002 ordinary shares for a purchase consideration of RM3,917,719.36. The completion of the Acquisition of Good was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Good Rate as at 31 December 2023 of RM3,917,378. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

Datuk Yap, being an interested Director and our major shareholder, is also a director and was a substantial shareholder of Good Rate. Datin Loh, being our major shareholder and the spouse of Datuk Yap, is also a director and was a shareholder of Good Rate. Datuk Jacky Yap and Yap Lih Shyan, being our interested Directors and major shareholders, are also directors of Good Rate. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director of Good Rate.

(v) Acquisition of Hektar Berlian

We acquired the entire issued share capital of Hektar Berlian from Datuk Yap, Datin Loh, Datuk Jacky Yap and Datuk Sean Yap comprising 1,000,000 ordinary shares for a purchase consideration of RM1,875,014.08. The completion of the Acquisition of Hektar Berlian was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Hektar Berlian as at 31 December 2023 of RM1,874,862. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

Datuk Yap, being an interested Director and our major shareholder, is also a director and was a substantial shareholder of Hektar Berlian. Datin Loh, being our major shareholder and the spouse of Datuk Yap, was a shareholder of Hektar Berlian. Datuk Jacky Yap, being an interested Director and our major shareholder, is also a director and was a shareholder of Hektar Berlian. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director and was a shareholder of Hektar Berlian.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(vi) Acquisition of Jendela Hijau

We acquired the entire issued share capital of Jendela Hijau from Datuk Yap and Datin Loh comprising 3 ordinary shares for a purchase consideration of RM107.84. The completion of the Acquisition of Jendela Hijau was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NL of Jendela Hijau as at 31 December 2023 of RM96,432. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

Datuk Yap, being an interested Director and our major shareholder, is also a director and was a substantial shareholder of Jendela Hijau. Datin Loh, being our major shareholder and the spouse of Datuk Yap, is also a director and was a substantial shareholder of Jendela Hijau. Datuk Jacky Yap, being an interested Director and our major shareholder, is also a director of Jendela Hijau. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director of Jendela Hijau.

(vii) Acquisition of Laman Exotika

We acquired the entire issued share capital of Laman Exotika from Datuk Yap and Datin Loh comprising 350,000 ordinary shares for a purchase consideration of RM89,854,121.28. The completion of the Acquisition of Laman Exotika was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Laman Exotika as at 31 December 2023 of RM89,845,838. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

Datuk Yap, being an interested Director and our major shareholder, is also a director and was a substantial shareholder of Laman Exotika. Datin Loh, being our major shareholder and the spouse of Datuk Yap, is also a director and was a shareholder of Laman Exotika. Datuk Jacky Yap and Yap Lih Shyan, being our interested Directors and our major shareholders, are also directors of Laman Exotika. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director of Laman Exotika.

(viii) Acquisition of Mantap Megajuta

We acquired the entire issued share capital of Mantap Megajuta from Datuk Yap comprising 7,500,000 ordinary shares for a purchase consideration of RM7,457,836.96. The completion of the Acquisition of Mantap Megajuta was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Mantap Megajuta as at 31 December 2023 of RM7,457,126. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

Datuk Yap, being an interested Director and our major shareholder, is also a director and was the sole shareholder of Mantap Megajuta. Datuk Jacky Yap, being an interested Director and our major shareholder, is also a director of Mantap Megajuta. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director of Mantap Megajuta.

(ix) Acquisition of Naluri Wijaya

We acquired the entire issued share capital of Naluri Wijaya from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap comprising 1,100,000 ordinary shares for a purchase consideration of RM107.84. The completion of the Acquisition of Naluri Wijaya was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NL of Naluri Wijaya as at 31 December 2023 of RM11,074,541. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Datuk Yap, being an interested Director and our major shareholder, is also a director and was a substantial shareholder of Naluri Wijaya. Datuk Jacky Yap, being an interested Director and our major shareholder, is also a director and was a shareholder of Naluri Wijaya. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director and was a shareholder of Naluri Wijaya.

(x) Acquisition of Panglima Juara

We acquired the entire issued share capital of Panglima Juara from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap comprising 250,000 ordinary shares for a purchase consideration of RM6,546,211.52. The completion of the Acquisition of Panglima Juara was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NA of Panglima Juara as at 31 December 2023 of RM6,545,597. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

Datuk Yap, being an interested Director and our major shareholder, is also a director and was a substantial shareholder of Panglima Juara. Datuk Jacky Yap, being an interested Director and our major shareholder, is also a director and was a shareholder of Panglima Juara. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director and was a shareholder of Panglima Juara.

(xi) Acquisition of Setara Hijau

We acquired the entire issued share capital of Setara Hijau from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap comprising 750,000 ordinary shares for a purchase consideration of RM107.84. The completion of the Acquisition of Setara Hijau was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited NL of Setara Hijau as at 31 December 2023 of RM1,148,519. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

Datuk Yap, being an interested Director and our major shareholder, is also a director and was a substantial shareholder of Setara Hijau. Datin Loh, being our major shareholder and the spouse of Datuk Yap, is also a director of Setara Hijau. Datuk Jacky Yap, being an interested Director and our major shareholder, is also a director and was a shareholder of Setara Hijau. Yap Lih Shyan, being an interested Director and our major shareholder, is also a director of Setara Hijau. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director and was a shareholder of Setara Hijau.

(xii) Acquisition of SPBSB

We acquired the entire issued share capital of SPBSB from Datuk Yap and Datin Loh comprising 20,000,000 ordinary shares for a purchase consideration of RM260,210,694.72. The completion of the Acquisition of SPBSB was completed on [●]. The said purchase consideration was arrived at after taking into consideration the audited consolidated NA of SPBSB as at 31 December 2023 of RM260,277,295. This is a one-off transaction pursuant to our pre-IPO restructuring for the Listing.

Datuk Yap, being an interested Director and our major shareholder, is also a director and was a substantial shareholder of SPBSB. Datin Loh, being our major shareholder and the spouse of Datuk Yap, is also a director and was a shareholder of SPBSB. Datuk Jacky Yap and Yap Lih Shyan, being our interested Directors and our major shareholders, are also directors of SPBSB. Datuk Sean Yap, being our major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, is also a director of SPBSB.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

10.1.2 Recurrent related party transactions

Save as disclosed below, there is no material recurrent related party transaction, existing or proposed, entered or to be entered into by our Group which involves the interests, direct or indirect, of our Directors, major shareholders and/or persons connected with them for the Period Under Review and up to the LPD:

Transacting parties	Nature of relationship	Nature of transaction	Audited			Between 1 January 2024 up to the LPD
			FYE 2021	FYE 2022	FYE 2023	
			RM'000	RM'000	RM'000	RM'000
Tenant: SPBSB **Landlord:** PSRSB	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap is also a director and substantial shareholder of PSRSB.	Rental payment for shoplot to PSRSB by SPBSB which serves as SPBSB's office[1]	6 (represents 0.08% of our Group's administrative expenses)	12 (represents 0.12% of our Group's administrative expenses)	30 (represents 0.21% of our Group's administrative expenses)	20
	Datuk Jacky Yap and Yap Lih Shyan are our Promoters, Directors and major shareholders. They are also the directors of PSRSB. Datin Loh, is our Promoter and major shareholder and the spouse of Datuk Yap. Datin Loh is also a director and substantial shareholder of PSRSB. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap is also a director of PSRSB.	Payment for office management services to PSRSB by SPBSB which included the provision of office maintenance, administration workers and office equipment[2]	30 (represents 0.39% of our Group's administrative expenses)	23 (represents 0.22% of our Group's administrative expenses)	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Transacting parties	Nature of relationship	Nature of transaction	Audited			Between 1 January 2024 up to the LPD
			FYE 2021	FYE 2022	FYE 2023	
			RM'000	RM'000	RM'000	RM'000
Tenant: Laman Exotika	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap is also a director and substantial shareholder of PSRSB.	Rental payment for shoplot to PSRSB by Laman Exotika which serves as Laman Exotika's office[3]	6 (represents 0.08% of our Group's administrative expenses)	22 (represents 0.22% of our Group's administrative expenses)	70 (represents 0.48% of our Group's administrative expenses)	46.4
Landlord: PSRSB	Datuk Jacky Yap and Yap Lih Shyan are our Promoters, Directors and major shareholders. They are also the directors of PSRSB. Datin Loh is our Promoter and major shareholder and the spouse of Datuk Yap. Datin Loh is also a director and substantial shareholder of PSRSB. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap is also a director of PSRSB.	Payment for office management services to PSRSB by Laman Exotika which included the provision of office maintenance, administration workers, and office equipment[4]	30 (represents 0.39% of our Group's administrative expenses)	23 (represents 0.22% of our Group's administrative expenses)	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Transacting parties	Nature of relationship	Nature of transaction	Audited			Between 1 January 2024 up to the LPD
			FYE 2021	FYE 2022	FYE 2023	
			RM'000	RM'000	RM'000	RM'000
SPBSB and Prasarana Pesona	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Prasarana Pesona. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Prasarana Pesona. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director and shareholder of Prasarana Pesona.	Provision of construction services by SPBSB to Prasarana Pesona for property development	2,665 (represents 2.55% of our Group's revenue)	12,281 (represents 8.18% of our Group's revenue)	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Transacting parties	Nature of relationship	Nature of transaction	Audited			Between 1 January 2024 up to the LPD
			FYE 2021	FYE 2022	FYE 2023	
			RM'000	RM'000	RM'000	RM'000
SPBSB and Prasarana Pesona	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Prasarana Pesona. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Prasarana Pesona. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. He was also a director and shareholder of Prasarana Pesona.	Management fees received from Prasarana Pesona for the provision of management and administrative services by SPBSB which has been discontinued since January 2023	53 (represents 5.93% of our Group's other income)	1,564 (represents 52.24% of our Group's other income)	-	-

Notes:

(1) Before October 2022, SPBSB rented a portion of the property bearing postal address at No. 17B, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka from PSRSB for a monthly rental of RM500. SPBSB terminated the old tenancy agreement and entered into a new tenancy agreement effective October 2022 in respect of a portion of the property bearing postal address at No. 16A and 17A, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka for office use at a monthly rental of RM2,500. The tenancy agreement has been renewed for another 2 years commencing on 1 October 2024 and ending on 30 September 2026 at the same amount of monthly rental of RM2,500.

(2) Before October 2022, SPBSB and PSRSB entered into office management services agreements where PSRSB agreed to provide office management services. These services included office maintenance, office staff, administration workers, clerical services, office computers and equipment facilities and procurement of supply of utilities to SPBSB at a monthly fee of RM2,500. The agreement was terminated in September 2022.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(3) Before October 2022, Laman Exotika rented a portion of the property bearing postal address at No.17B, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka from PSRSB for a monthly rental of RM500. Laman Exotika terminated the old tenancy agreement and entered into a new tenancy agreement effective October 2022 in respect of a portion of the property bearing postal address at No. 16, 16B & 17, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka for office use at a monthly rental of RM5,800. The tenancy agreement has been renewed for another 2 years commencing on 1 October 2024 and ending on 30 September 2026 at the same amount of monthly rental of RM5,800.

(4) Before October 2022, Laman Exotika and PSRSB entered into office management services agreements where PSRSB agreed to provide office management services. These services included office maintenance, office staff, administration workers, clerical services, office computers and equipment facilities and procurement of supply of utilities to Laman Exotika at a monthly fee of RM2,500. The agreement was terminated in September 2022.

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10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Our Directors' opinion in respect of the above related party transactions are as follows:

(a) The tenancy agreements between SPBSB and PSRSB as well as Laman Exotika and PSRSB

Before October 2022, our Directors considered the monthly rental paid by SPBSB and Laman Exotika to PSRSB as not on arm's length basis as it was provided on terms more favorable to SPBSB and Laman Exotika in comparison to normal commercial terms. Nevertheless, the monthly rental paid by SPBSB and Laman Exotika was not detrimental to our Group as SPBSB and Laman Exotika had paid cheaper rental than normal commercial terms. Subsequently SPBSB and Laman Exotika each entered into new tenancy agreement effective October 2022 ("**Tenancy Agreements**") with PSRSB. Our Directors are of the view that the rental payments under the Tenancy Agreements are transacted on an arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third parties as the rental rates fall within the range of the market rental rates, after taking into consideration a desktop valuation carried out by an independent property valuer in respect of the assessment on the rental rates as compared with the market rental rate. The monthly rental rates paid by SPBSB and Laman Exotika to PSRSB are between RM8.50 and RM13.90 per sq. m. Based on comparable properties, the range of the monthly market rental rates are between RM5.50 to RM21.60 per sq. m. Accordingly, the rental payments under the Tenancy Agreements are not detrimental or unfavourable to our non-interested shareholders.

(b) The office management services agreements between SPBSB and PSRSB as well as Laman Exotika and PSRSB

Before October 2022, SPBSB and Laman Exotika paid a monthly fee of RM2,500 each to PSRSB for the provision of office management services which comprised amongst others, provision of office maintenance, administration workers, and office equipment. Our Directors are unable to confirm whether the said transactions were transacted on an arm's length basis. The agreement was subsequently terminated in September 2022.

(c) Provision of construction services by SPBSB to Prasarana Pesona for property development

The construction services provided by SPBSB to Prasarana Pesona since 2021 was exclusive in nature in view that SPBSB does not carry out construction services for any other third party for the Period Under Review. As such, our Directors are unable to confirm whether the transaction was transacted on an arm's length basis. Notwithstanding this, SPBSB had terminated the construction services and our Directors are of the view that the transaction was not detrimental to our Group. It is pertinent to note that Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap had disposed of their shareholdings in Prasarana Pesona in January 2023.

(d) Management fees received from Prasarana Pesona for the provision of management and administrative services by SPBSB

Our Directors are unable to ascertain whether the management fees received from Prasarana Pesona for the provision of management and administrative services by SPBSB since 2021 was on an arm's length basis and on normal commercial terms as SPBSB has entered into this arrangement only with Prasarana Pesona. Nevertheless, the transaction was not detrimental to our Group as it was recognised as other income for our Group. It is pertinent to note that Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap had disposed of their shareholding in Prasarana Pesona in January 2023.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Save as disclosed above, our Directors confirm that there are no other material related party transactions or recurrent related party transactions that have been entered by our Group that involve the interest, direct or indirect, of our Directors, major shareholders and/or persons connected with them but not yet effected up to the date of this Prospectus.

Following our Listing, our Directors will ensure that any future related party transactions will comply with the Listing Requirements. The procedures to be undertaken to ensure that the future related party transactions (if any) are carried out on an arm's length basis as set out in **Section 10.5** of this Prospectus.

10.1.3 Related party transactions that are unusual in their nature or conditions

For the Period Under Review and up to the LPD, our Group has not entered into any related party transaction that is unusual in their nature or condition.

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10. RELATED PARTY TRANSACTIONS *(Cont'd)*

10.2 OUTSTANDING LOANS MADE TO OUR GROUP BY RELATED PARTIES OR MADE BY OUR GROUP TO OR FOR THE BENEFIT OF RELATED PARTIES

Save as disclosed below, our Board confirmed that there are no outstanding loans made to our Group by related parties or by our Group to or for the benefit of any related parties for the Period Under Review and up to the LPD:

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Advances made to SPBSB by Prasarana Pesona[(1)]	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Prasarana Pesona. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Prasarana Pesona. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director and shareholder of Prasarana Pesona.	Advances for working capital purposes. These advances do not carry any interest and the amount have been fully repaid as at 31 December 2022.	81,665	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Advances made to Dayang Gemilang by Prasarana Pesona[(1)]	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Prasarana Pesona. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Prasarana Pesona. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director and shareholder of Prasarana Pesona.	Advances for repayment of bank borrowings of Dayang Gemilang. These advances do not carry any interest and the amount have been fully repaid as at 31 December 2022.	7,250	-	-	-
Advances made to SPBSB by Zen Serbajuta[(2)]	Yap Lih Shyan is our Promoter, Director and major shareholder. She was also a director and substantial shareholder of Zen Serbajuta.	Advances for working capital purposes. These advances do not carry any interest and the amount have been fully repaid as at 31 December 2022.	335	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Advances made to our Group by Datuk Yap	Datuk Yap is our Promoter, Director and major shareholder.	Advances mainly for the purchases of land and working capital purposes. These advances do not carry any interest and have been fully repaid as at June 2024.	27,724	33,943	7,458	-
Advances made to Prasarana Pesona[(1)] by Setara Hijau	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Prasarana Pesona. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Prasarana Pesona. Datuk Sean Yap, is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director and shareholder of Prasarana Pesona.	Advances for working capital purposes. These advances do not carry any interest and have been fully repaid as at 31 December 2022.	2	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Advances made to Prasarana Pesona[(1)] by Laman Exotika	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Prasarana Pesona. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Prasarana Pesona. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director and shareholder of Prasarana Pesona.	Advances to Prasarana Pesona for working capital purposes. These advances do not carry any interest and have been fully repaid as at 31 December 2022.	6,481	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Advances made to Anjuran Setara[3] by SPBSB	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Anjuran Setara. Datin Loh is our Promoter and major shareholder and the spouse of Datuk Yap. Datin Loh was also a director of Anjuran Setara. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Anjuran Setara. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean was also a director and shareholder of Anjuran Setara. Yap Lih Shyan is our Promoter, Director and major shareholder. Yap Lih Shyan was also a director of Anjuran Setara.	Advances to Anjuran Setara for working capital purposes. These advances do not carry any interest and have been fully repaid as at 31 December 2022.	12,135	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Advances made to Anjuran Setara[3] by Dayang Gemilang	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Anjuran Setara. Datin Loh is our Promoter and major shareholder and the spouse of Datuk Yap. Datin Loh was also a director of Anjuran Setara. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Anjuran Setara. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director and shareholder of Anjuran Setara. Yap Lih Shyan is our Promoter, Director and major shareholder. Yap Lih Shyan was also a director of Anjuran Setara.	Advances to Anjuran Setara for working capital purposes. These advances do not carry any interest and have been fully repaid as at 31 December 2022.	540	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Advances made to Muafakat Seribina[4] by SPBSB	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Muafakat Seribina.	Advances to Muafakat Seribina for working capital purposes. These advances do not carry any interest and have been fully repaid as at 31 December 2022.	5	-	-	-
Advances made to Pernara Jaya[5] by SPBSB	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Pernara Jaya. Datin Loh is our Promoter and major shareholder and the spouse of Datuk Yap. Datin Loh was also a director and shareholder of Pernara Jaya. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director of Pernara Jaya. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director of Pernara Jaya.	Advances to Pernara Jaya for working capital purposes. These advances do not carry any interest and have been fully repaid before Pernara Jaya was struck-off on 30 December 2022.	35	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Advances made to Pakar Mewah[(6)] by SPBSB	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap is also a director and substantial shareholder of Pakar Mewah. Datuk Jacky Yap and Yap Lih Shyan are our Promoters, Directors and major shareholders. They are also the directors and substantial shareholders of Pakar Mewah. Datin Loh is our Promoter and major shareholder and the spouse of Datuk Yap. Datin Loh is also a director and substantial shareholder of Pakar Mewah. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap is also a director and substantial shareholder of Pakar Mewah.	Advances to Pakar Mewah for working capital purposes. These advances do not carry any interest and have been fully repaid as at 31 December 2022.	1,137	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Advances made to PSRSB[7] by SPBSB	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap is also a director and substantial shareholder of PSRSB.	Advances to PSRSB for working capital purposes. These advances do not carry any interest and have been fully repaid as at 31 December 2022.	126	-	-	-
	Datuk Jacky Yap and Yap Lih Shyan are our Promoters, Directors and major shareholders. They are also the directors of PSRSB.					
	Datin Loh is our Promoter and major shareholder and the spouse of Datuk Yap. Datin Loh is also a director and substantial shareholder of PSRSB.					
	Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap is also a director of PSRSB.					

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Advances made to Bitara Niaga[8] by SPBSB	Datuk Jacky Yap is our Promoter, Director and major shareholder. He was also a director and substantial shareholder of Bitara Niaga.	Advances to Bitara Niaga for working capital purposes. These advances do not carry any interest and have been fully repaid as at the LPD.	913	1,419	29	-
Advances made to Jubli Astana[9] by SPBSB	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Jubli Astana. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Jubli Astana. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director and shareholder of Jubli Astana.	Advances to Jubli Astana for working capital purposes. These advances do not carry any interest and have been fully repaid as at 31 December 2022.	27	37	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Outstanding loans made to our Group by related parties / to related parties by our Group	Interested related party and nature of relationship	Nature of transaction	Outstanding balances as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Amount owing by Prasarana Pesona[(1)] to SPBSB	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Prasarana Pesona. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Prasarana Pesona. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director and shareholder of Prasarana Pesona.	The amount owing by Prasarana Pesona comprise of management fee and the progress billing for the construction service. This amount owing does not carry any interest and have been fully repaid as at 31 December 2023.	-	15,212	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Notes:

(1) Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap had disposed their entire equity interest in Prasarana Pesona on 16 January 2023.

(2) Yap Lih Shyan had disposed her entire equity interest in Zen Serbajuta on 26 January 2023.

(3) Datuk Yap, Datuk Jacky Yap, Datuk Sean Yap had disposed their entire equity interest in Anjuran Setara on 17 January 2023.

(4) Datuk Yap had disposed his entire equity interest in Muafakat Seribina on 16 January 2023.

(5) Pernara Jaya was struck-off on 30 December 2022.

(6) Pakar Mewah's principal activity is as a property owner which solely owns the private residential properties occupied by Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan for their own stay.

(7) PSRSB's principal activities are properties letting and office management services. PSRSB owns properties for rental income.

(8) Datuk Jacky Yap had disposed his entire equity interest in Bitara Niaga on 31 October 2023.

(9) Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap had disposed their entire equity interest in Jubli Astana on 11 August 2023.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

10.3 OTHER TRANSACTIONS

Save as disclosed below and **Section 10.2** of the Prospectus, our Board confirmed that there are no amount owing by Prasarana Pesona to our Group for the Period Under Review and up to the LPD:

Amount owing by Prasarana Pesona to our Group	Interested related party and nature of relationship	Nature of transaction	Amount owing as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Amount owing by Prasarana Pesona[(1)] to Modal Cergas	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Prasarana Pesona. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Prasarana Pesona. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director and shareholder of Prasarana Pesona.	Amount owing to Modal Cergas which comprise partial land cost for the lands located in Mukim of Parit Melana, District of Alor Gajah, State of Melaka. This amount owing was interest-free and has been fully settled as at 31 December 2022.	33,768	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Amount owing by Prasarana Pesona to our Group	Interested related party and nature of relationship	Nature of transaction	Amount owing as at 31 December			As at the LPD
			2021	2022	2023	
			RM'000	RM'000	RM'000	RM'000
Amount owing by Prasarana Pesona[(1)] to Rentas Dinamik	Datuk Yap is our Promoter, Director and major shareholder. Datuk Yap was also a director and substantial shareholder of Prasarana Pesona. Datuk Jacky Yap is our Promoter, Director and major shareholder. Datuk Jacky Yap was also a director and shareholder of Prasarana Pesona. Datuk Sean Yap is our Promoter and major shareholder, son of Datuk Yap and Datin Loh, sibling of Datuk Jacky Yap and Yap Lih Shyan. Datuk Sean Yap was also a director and shareholder of Prasarana Pesona.	Amount owing to Rentas Dinamik which comprise partial land cost for the land located in Mukim of Kelemak, District of Alor Gajah, State of Melaka. This amount owing was interest-free and has been fully settled as at 31 December 2022.	19,384	-	-	-

Note:

(1) Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap had disposed their entire equity interest in Prasarana Pesona on 16 January 2023.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Our Board is of the view that:

(i) the advances made to our Group by related parties were not considered to be on an arm's length basis as the advances were provided on terms favourable to our Group which were non-interest bearing and accordingly were not detrimental to our non-interested shareholders;

(ii) the advances made by our Group to related parties were not considered to be on an arm's length basis and were not carried out on normal commercial terms as the advances owing by the related parties were non-interest bearing. However, these advances owing by related parties have been fully settled as at the LPD; and

(iii) the amount owing by related parties to our Group were not carried out on normal commercial terms and were not on arm's length basis as the said amount owing were non-interest bearing. However, these amounts owing by the related parties have been fully settled as at the LPD.

As at the LPD, our Group's available banking facilities for working capital purposes amounted to approximately RM89.77 million, of which RM49.52 million has yet to be utilised.

After taking into consideration our cash and bank balances and existing banking facilities, our Group's future funding requirement for future plans, pro forma gearing ratios and the pre-IPO dividend to be paid, we have adequate working capital to meet our present and foreseeable requirements for a period of 12 months from the date of this Prospectus.

Following our Listing, our Directors will ensure that any advances made to our Group by related parties will be in compliance with the Listing Requirements. The procedures to be undertaken to ensure that any related party transactions are carried out on an arm's length basis as set out in **Section 10.5** of this Prospectus.

10.4 FINANCIAL ASSISTANCE (INCLUDING GUARANTEES OF ANY KIND) MADE TO OUR GROUP BY RELATED PARTIES OR MADE BY OUR GROUP TO OR FOR THE BENEFIT OF RELATED PARTIES

Save as disclosed below, our Board has confirmed that there is no financial assistance (including guarantee of any kind) made to our Group by any related parties or made by our Group to or for the benefit of any related parties for the Period Under Review and up to the LPD:

Datuk Yap and Datuk Jacky Yap, who are our Promoters, Directors and substantial shareholders and Datuk Sean Yap, who is our Promoter and substantial shareholder, son of Datuk Yap and Datin Loh, and sibling of Datuk Jacky Yap and Yap Lih Shyan, have provided personal guarantees for banking facilities extended to SPBSB, Laman Exotika, Dayang Gemilang, Naluri Wijaya and Hektar Berlian by CIMB Bank Berhad, CIMB Islamic Bank Berhad, Malayan Banking Berhad, Maybank Islamic Bank Berhad and Public Islamic Bank Berhad. Datuk Sean Yap has also provided personal guarantees for hire purchase facilities extended to Laman Exotika by Public Bank Berhad and Affin Bank Berhad.

Datuk Yap has also charged his fixed deposits for banking facilities extended to Laman Exotika by Malayan Banking Berhad and CIMB Bank Berhad.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

In conjunction with the Listing, as at the LPD, we have obtained conditional approvals from the relevant financial institutions of our Group:

(i) to discharge our Directors and/or Promoters namely, Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap from the abovementioned personal guarantees by substituting the same with a corporate guarantee from our Company; and

(ii) to substitute the fixed deposits charged by Datuk Yap with fixed deposits from Laman Exotika, which will be charged to Malayan Banking Berhad and CIMB Bank Berhad respectively.

A summary of the financial assistance (including guarantees of any kind) made to our Group by related parties and major conditions imposed by the relevant banks for the substitution of the following security are set out below:

(a) substitution of personal guarantees by our Directors and/or Promoters namely, Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap with corporate guarantees from the Company for banking facilities extended to SPBSB, Laman Exotika, Dayang Gemilang, Naluri Wijaya and Hektar Berlian by CIMB Bank Berhad, CIMB Islamic Bank Berhad, Malayan Banking Berhad, Maybank Islamic Bank Berhad and Public Islamic Bank Berhad;

(b) substitution of personal guarantees by Datuk Sean Yap with corporate guarantees from the Company for hire purchase facilities extended to Laman Exotika by Public Bank Berhad and Affin Bank Berhad; and

(c) substitution of charges over Datuk Yap's fixed deposits with charges over Laman Exotika's fixed deposits for banking facilities extended to Laman Exotika by Malayan Banking Berhad and CIMB Bank Berhad:

Banks	Borrower	Guarantor / Security party	Details of guarantee / security	Purpose of facility	Outstanding amount of facilities as at the LPD RM'000	Major conditions for discharge of guarantee/ security
CIMB Bank Berhad	SPBSB	Datuk Yap	Guarantee for banking facility of up to RM5.3 million.	For working capital and for tender purposes, performance bond for contracts awarded and/or issuance to government / private agencies for purposes related to business(1)	-	• Successful listing of our Company on the Main Market of Bursa Securities. • Completion and perfection of corporate guarantee's documentation to the satisfaction of CIMB Bank Berhad.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Banks	Borrower	Guarantor / Security party	Details of guarantee / security	Purpose of facility	Outstanding amount of facilities as at the LPD RM'000	Major conditions for discharge of guarantee/ security
		Datuk Yap	Guarantee for banking facility of up to RM1 million.	For working capital purposes.	340	• Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan shall remain as the shareholders in our Company with direct or indirect shareholding of more than 50% throughout the financing tenure.
		Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap	Guarantee for banking facility up to RM5 million.	For working capital purposes.	3,585	
	Laman Exotika	Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap	Guarantee for banking facility of up to RM2 million.	For tender purposes / guaranteeing performance of contracts awarded and/or issuance of financial guarantee and security deposit to government / private agencies for purposes related to business(1)	1,978	• SPBSB and Laman Exotika (both being the borrowers of the respective banking facilities) will remain wholly owned subsidiaries of our Company during the financing tenure.
			Guarantee for banking facility of up to RM1 million.	For working capital purposes.	340	
		Datuk Yap	Charge over fixed deposit of not less than RM1 million.	For tender purposes / guaranteeing performance of contracts awarded and/or issuance of financial guarantee and security deposit to government / private agencies for purposes related to business(1)	435	• Execution of security documents by Laman Exotika in favour of CIMB Bank Berhad in respect of a new charge over Laman Exotika's fixed deposits. • Successful listing of our Company on the Main Market of Bursa Securities.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Banks	Borrower	Guarantor / Security party	Details of guarantee / security	Purpose of facility	Outstanding amount of facilities as at the LPD RM'000	Major conditions for discharge of guarantee/ security
						• Completion and perfection of corporate guarantee's documentation to the satisfaction of CIMB Bank Berhad. • Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan shall remain as the shareholders in our Company with direct or indirect shareholding of more than 50% throughout the financing tenure. • Laman Exotika will remain wholly owned subsidiaries of our Company during the financing tenure.
CIMB Islamic Bank Berhad	SPBSB	Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap	Guarantee for banking facility up to RM25 million.	For working capital purposes.	2,150	• Successful listing of our Company on the Main Market of Bursa Securities.
	Laman Exotika	Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap	Guarantee for banking facility of up to RM6 million.	For working capital purposes.	3,704	• Completion and perfection of documentation for the new corporate guarantee from our Company to the satisfaction of CIMB Islamic Bank Berhad.
			Guarantee for banking facility of up to RM5 million.	For working capital purposes.	3,281	• Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan shall remain as the shareholders in our Company with direct or indirect shareholding of more than 50% throughout the financing tenure.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Banks	Borrower	Guarantor / Security party	Details of guarantee / security	Purpose of facility	Outstanding amount of facilities as at the LPD RM'000	Major conditions for discharge of guarantee/ security
	Dayang Gemilang	Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap	Guarantee for banking facility of up to RM48.3 million.	To part finance the purchase of 23 lots vacant agriculture lands in Penang and the land conversion premium from agriculture to residential.	42,156	• SPBSB, Laman Exotika, Dayang Gemilang and Naluri Wijaya (all being the borrowers of the respective banking facilities) will remain wholly owned subsidiaries of our Company during the financing tenure.
	Naluri Wijaya	Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap	Guarantee for banking facility of up to RM3 million.	As performance guarantee to government and/or other corporations for purpose related to development projects(1)	76	
			Guarantee for banking facility of up to RM11 million.	For working capital purpose.	10,000	
			Guarantee for banking facility of up to RM5 million.	For working capital purpose.	3,577	
			Guarantee for banking facility of up to RM24 million.	For working capital purpose.	13,517	

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Banks	Borrower	Guarantor / Security party	Details of guarantee / security	Purpose of facility	Outstanding amount of facilities as at the LPD RM'000	Major conditions for discharge of guarantee/ security
Malayan Banking Berhad	Laman Exotika	Datuk Yap	Fixed deposit for banking facility of up to RM2.65 million.	For security deposit, performance guarantee and suppliers' credit to suppliers, government and other statutory bodies related to business(1)	1,491	• Successful listing of our Company on the Main Market of Bursa Securities. • The relevant security documents for a new charge over Laman Exotika's fixed deposit to be executed and stamped accordingly prior to the release of existing charge over Datuk Yap's fixed deposit.
Maybank Islamic Berhad	SPBSB	Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap	Guarantee for banking facility up to RM3 million.	For working capital purposes.	-	• Completion of listing exercise by our Company on Bursa Securities. • Perfection of new corporate guarantee for RM3 million by our Company upon successful listing of our Company on Bursa Securities.
Maybank Islamic Berhad	Dayang Gemilang	Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap	Guarantee for banking facility of up to RM10.25 million.	To finance the purchase of 6 plots of land in Kedah and for working capital purposes.	5,944	• Completion of listing exercise by our Company on Bursa Securities. • Execution of new corporate guarantee by our Company. • Our Company shall continue to hold the entire shares of Dayang Gemilang (being the borrower of the banking facilities).

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Banks	Borrower	Guarantor / Security party	Details of guarantee / security	Purpose of facility	Outstanding amount of facilities as at the LPD RM'000	Major conditions for discharge of guarantee/ security
Public Islamic Bank Berhad	Hektar Berlian	Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap	Guarantee for banking facility of up to RM6.32 million.	To finance the purchase of 3 adjoining pieces of vacant land in Kluang, Johor.	4,565	• Successful listing of our Company on the Main Market of Bursa Securities. • The shares of Hektar Berlian (being the borrower of the banking facilities) will be wholly owned by the Company upon successful listing on the Main Market of Bursa Securities.
Public Bank Berhad	Laman Exotika	Datuk Sean Yap	Guarantee for hire purchase of up to RM200,000.	For hire purchase of motor vehicle.	24	• Approval of the SC to be obtained for the listing of our Company. • The substitution of the personal guarantees with a corporate guarantee by the Company is to be carried out and completed after our Company has obtained the approval of the SC for the listing of the Company but prior to the submission of the Prospectus for registration with the SC
			Guarantee for hire purchase of up to RM300,000.	For hire purchase of motor vehicle.	80	
Affin Bank Berhad	Laman Exotika	Datuk Sean Yap	Guarantee for hire purchase of up to RM107,000.	For hire purchase of motor vehicle.	29	• Replacement of personal guarantee with a corporate guarantee from our Company upon the completion of the Acquisitions.
Total					**97,272**	

***Note**:*

(1) Our Group is required to provide bank guarantees to government and private agencies such as Ministry of Housing and Local Government, Tenaga Nasional Berhad and water utility companies for our Group's project development purposes. During the Period Under Review, our Group did not participate in any projects tendered for the government, private agencies or other statutory bodies.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

2 out of 7 financial institutions, namely CIMB Bank Berhad and CIMB Islamic Bank Berhad have imposed specific conditions for Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan shall remain as the shareholders in the Company with direct or indirect shareholding of more than 50% throughout the financing tenure. For purposes of the release of the personal guarantees and charges over Datuk Yap's fixed deposits, our Group is to comply with those conditions. If any event happens which affects the shareholding of Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan, the financial institutions are entitled to withdraw or terminate the banking facilities unless waiver for such conditions is obtained by our Group. In the unlikely event where such facilities are terminated or withdrawn, our Group may be required to repay the outstanding amount and the balance unutilised under such facilities may no longer be utilised. This will materially impact our Group's operation and financials as the total amount outstanding under the banking facilities extended by such financial institutions as at the LPD is approximately RM85.14 million. However, it is unlikely that the shareholding of Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan in our Company will fall below the required limit of 50% as their intention is to hold SPB Shares as an investment holding and for estate planning.

Following our Listing, our Directors will ensure that future financial assistance made to our Group by related parties or made by our Group to or for the benefit of related parties (if any) will be in compliance with the Listing Requirements. The procedures to be undertaken to ensure that future related party transactions (including provision of financial assistance) with the related parties (if any) are carried out on an arm's length basis as set out in **Section 10.5** of this Prospectus.

10.5 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS

10.5.1 Audit and Risk Management Committee review

Our Audit and Risk Management Committee reviews the financial risks and matters relating to related party transactions and conflict of interest situations within our Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity. It also sets the procedures and processes to ensure that transactions to be entered into are carried out are at arm's length, and on terms and prices not more favourable to the related parties than those generally available to the public, and are fair and not detrimental to the minority shareholders of our Company. Amongst others, the related parties and those in conflict positions of our Group's interest will be required to abstain from deliberations on the transactions.

All reviews by our Audit and Risk Management Committee are reported to our Board for its further action.

10.5.2 Our Group's policy on related party transactions

Related party transactions by their very nature, involve conflicts of interest between our Group and the related parties. Some of our Directors are also directors, and in some cases, shareholders of the related parties of our Group, as disclosed in this Prospectus. Consequently, they may have conflicts of interest, both individually and in aggregate, regarding these transactions. It is the policy of our Group that all related party transactions are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to the public dealing at arm's length with our Group and are not to the detriment of our minority shareholders.

In addition, we plan to adopt a comprehensive corporate governance framework that aligns with best practice principles to mitigate any potential conflict of interest situations. The framework will be guided by the Listing Requirements and the MCCG upon our Listing. The procedures which may form part of the framework include, among others, the following:

(i) our Board shall ensure that at least half of our Board members are independent directors and will undertake an annual assessment of the independence of our Independent Directors;

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(ii) our Directors will be required to declare any direct or indirect interest that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Group. Upon such disclosure, the interested director (with any interest, direct or indirect), must abstain from board deliberation and voting at the relevant board meeting. Additionally, the said interested director must abstain from voting and shall procure persons connected to the said interested director to abstain from voting on the relevant resolution in respect of the related party transaction at a general meeting (if applicable). The interested director must inform the board approving the transaction (which may be our Board or the board of directors of our subsidiary, as the case maybe), the details of the nature and extent of his/her interest, including all matters concerning the said related party transaction that he is aware or should reasonably be aware of, which is not in the best interest of our Company or our subsidiary; and

(iii) all existing or potential related party transactions would have to be disclosed by the interested party for management reporting. Our management will evaluate these transactions as to whether the terms and conditions of the related party transactions to be entered into are at arm's length, and on transaction prices and terms not more favourable to the related parties than those generally available to the public, fair and not detrimental to the minority shareholders of our Company. Our management will then propose the transactions to our Audit and Risk Management Committee for their review. The Audit and Risk Management Committee will, in turn, make a recommendation to our Board for deliberation and approval.

After our Listing, we will be required to seek our shareholders' approval each time we provide financial assistance (including guarantees of any kind) involving the interests of related parties, in accordance with the Listing Requirements. However, if the related party transactions are deemed as recurrent related party transactions, we may seek a general mandate from our shareholders. This mandate would allow us to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such related party transactions during the mandate's validity period. For avoidance of doubt, related party transactions as defined in the Listing Requirements include the provision of financial assistance by our Group which involves the interest, direct or indirect, of a related party.

If any proposed related party transactions that require prior approval from our shareholders, our Directors, major shareholders and/or persons connected with them who have any direct or indirect interest in the proposed related party transactions shall abstain from deliberation and voting on the relevant resolution(s). Under the Listing Requirements, related party transactions may be aggregated to determine its materiality, if:

(i) the terms of the transactions were agreed upon within a period of 12-month period;

(ii) the transactions are entered into with the same party or with parties related to one another;

(iii) the transactions involved the acquisition or disposal of securities or interests in one corporation/asset; or

(iv) the transactions involved the acquisition or disposal of various parcels of land contiguous to each other.

In addition, to safeguard the interest of our Group and our non-interested shareholders, and to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will oversee and monitor any recurrent related party transaction and the terms thereof. The committee will report to our Board for further action. Where necessary, our annual report will disclose these recurrent related party transactions. Any future loans and financial assistance from related parties, if any, will be carried out on normal commercial terms. These terms will not be more favourable to the related parties than those generally available to third parties dealing at arm's length and will not be detrimental to our Group.

11. CONFLICT OF INTEREST

11.1 INTEREST IN ENTITIES WHICH CARRY ON A SIMILAR TRADE AS OUR GROUP OR ARE OUR CUSTOMERS OR SUPPLIERS

11.1.1 Involvement of our Directors and substantial shareholders in entities which carry on a similar trade as our Group

As at the LPD, save as disclosed below, none of our Directors or substantial shareholders has any interest, direct or indirect, in any entity which is carrying on a similar trade as our Group:

Name of company	Principal activities	Directors and/or substantial shareholders involved	Nature of relationship with the entity	Mitigating factor
Pakar Mewah	Property owner	▪ Datuk Yap ▪ Datin Loh ▪ Datuk Jacky Yap ▪ Datuk Sean Yap ▪ Yap Lih Shyan	**Interested Director and substantial shareholder:** Datuk Yap, Datuk Jacky Yap and Yap Lih Shyan are also the directors and substantial shareholders of Pakar Mewah. **Interested Substantial Shareholder:** Datin Loh and Datuk Sean Yap are also the directors and substantial shareholders of Pakar Mewah.	Pakar Mewah is a holding company which only owns a land together with residential properties measuring a built-up area of approximately 15,000 sq. ft. occupied by Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan located in Melaka for their own personal residence. Based on the above, our Directors' and substantial shareholders' involvement in Pakar Mewah, which is outside our Group, would not give rise to any conflict of interest situation as the principal activities of Pakar Mewah is not similar to our Group's business.

11.1.2 Involvement of our Directors and substantial shareholders in entities which are our customers or suppliers

As at the LPD, save as disclosed below, none of our Directors or substantial shareholders has any interest, direct or indirect, in any entity which is a customer or supplier of our Group.

11. CONFLICT OF INTEREST *(Cont'd)*

Name of company	Principal activities	Directors and/or substantial shareholders involved	Nature of relationship with the entity	Mitigating factor
PSRSB	Properties letting and office management service	▪ Datuk Yap ▪ Datin Loh ▪ Datuk Jacky Yap ▪ Datuk Sean Yap ▪ Yap Lih Shyan	**Interested Director and substantial shareholder:** Datuk Yap, Datuk Jacky Yap and Yap Lih Shyan are also the directors of PSRSB. Datuk Yap is also a substantial shareholder of PSRSB. **Interested substantial shareholder:** Datin Loh is also a director and substantial shareholder of PSRSB. Datuk Sean Yap is also a director of PSRSB.	PSRSB rents a portion of the property bearing postal address at: ▪ No. 16A and 17A, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka as an office to SPBSB. ▪ No. 16, 17 and 16B, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka as an office to Laman Exotika. The details of the transactions are set out in **Section 10.1.2** of this Prospectus. The tenancy agreements entered into between PSRSB and SPBSB as well as PSRSB and Laman Exotika dated 20 December 2022 are carried out on arms' length basis and based on normal commercial terms. The property is rented for office purposes. Based on the above and after taking into consideration the terms of the said tenancy agreements, our Directors' and substantial shareholders' involvement in PSRSB which is outside our Group does not give rise to any conflict of interest situation as the principal activities of PSRSB is not similar to our Group's business.

Datuk Yap, Datin Loh, Datuk Jacky Yap, Datuk Sean Yap and Yap Lih Shyan are not involved in the management and day-to-day operations of the Pakar Mewah and PSRSB, other than attending meetings of the board of directors of these companies. Such business does not require their involvement on a daily basis as these businesses are managed by their respective management.

11. CONFLICT OF INTEREST *(Cont'd)*

After Listing, our Audit and Risk Management Committee will oversee any conflict of interest or potential conflict of interest situations for resolution as and when they arise. Our Board will adopt an internal framework and policy to govern and oversee any potential related party transaction, ensuring that any potential related party transactions will be carried out on an arm's length basis. In line with its terms of reference as stated in **Section 5.2.5** of this Prospectus, our Audit and Risk Management Committee will review these potential related party transactions and conflict of interest situation that may arise therefrom. Our Audit and Risk Management Committee will also ensure that any such transactions are carried out on terms that are not detrimental to our Group.

Notwithstanding the above, the interests that are held by our Directors and substantial shareholders and the interests that may be held by our Directors and substantial shareholders in the future in other businesses or corporations which are carrying on a similar trade as our Group and/or our customers or suppliers may give rise to a conflict of interest situation with our business. Where such interests give rise to a conflict of interest situation, our Directors and substantial shareholders and persons connected to them shall abstain from deliberating and voting on the resolutions relating to these matters or transactions that require the approval of our shareholders in respect of their direct or indirect interests. Such transactions will be carried out on arm's length basis and on normal commercial terms.

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11. CONFLICT OF INTEREST *(Cont'd)*

11.2 DECLARATION BY ADVISERS ON CONFLICT OF INTEREST

11.2.1 Declaration by HLIB

HLIB, its subsidiaries and associated companies as well as its penultimate holding company, namely Hong Leong Financial Group Berhad, and the subsidiaries and associated companies of Hong Leong Financial Group Berhad (collectively, the "**Hong Leong Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses.

The Hong Leong Group may in the future, engage in transactions with and perform services for our Group. 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 our Group, 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 our Group. This is a result of the business of the Hong Leong Group generally acting independent of each other, and accordingly, there may be situations where parts of the Hong Leong Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Group.

HLIB has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Principal Adviser, Bookrunner and Underwriter for our IPO.

11.2.2 Declaration by Sierac

Sierac has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Financial Adviser in relation to our IPO. Its scope of work (which is intended to complement the role of HLIB) as the Financial Adviser includes the following:

(i) to conceptualize and provide recommendation together with our Principal Adviser on our Group's restructuring, equity and corporate structure in preparation for our IPO;

(ii) to devise and provide recommendation together with our Principal Adviser on the listing scheme including the offering structure, IPO pricing and valuation in relation to our IPO;

(iii) to participate as a member of the due diligence working group for the purpose of due diligence exercise as required for our IPO;

(iv) to assist our Group in reviewing the management discussion and analysis on the financial position and results of operations of SPB Group for the Period Under Review;

(v) to assist our Group in compiling information and documents for our IPO;

(vi) to assist in reviewing this Prospectus and submission documents to the relevant authorities and other agencies or bodies in respect of our IPO and Listing;

(vii) to assist in reviewing other relevant public documents prepared by the relevant advisers in relation to our IPO;

(viii) to liaise with all professional advisers involved in our IPO; and

(ix) to attend to general matters incidental to our IPO.

11. CONFLICT OF INTEREST *(Cont'd)*

11.2.3 Declaration by Tay & Partners

Tay & Partners has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Solicitors in relation to our IPO.

11.2.4 Declaration by Grant Thornton Malaysia PLT

Grant Thornton Malaysia PLT has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants for our IPO.

11.2.5 Declaration by Protégé Associates Sdn Bhd

Protégé Associates Sdn Bhd has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Independent Market Researcher for our IPO.

11.2.6 Declaration by CBRE WTW Valuation & Advisory Sdn Bhd

CBRE WTW Valuation & Advisory Sdn Bhd has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Independent Valuer for our IPO.

11.2.7 Declaration by Henry Butcher Malaysia (Penang) Sdn Bhd

Henry Butcher Malaysia (Penang) Sdn Bhd has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Independent Valuer for our IPO.

12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

Our Company was incorporated in Malaysia under the Act on 6 October 2022 to facilitate our Listing and we have completed the Acquisitions on [●]. Our subsidiaries have been under the common control of our Promoters throughout FYEs 2021 to 2023. As such, the historical financial information of our Group for the FYEs 2021 to 2023 is presented based on the combined audited financial statements of our Group.

Our historical audited combined financial information for the FYEs 2021 to 2023 have been prepared in accordance with MFRS and International Financial Reporting Standards. The selected financial information included in this Prospectus is not intended to predict our Group's financial position, financial results and cash flows.

Our historical audited combined financial information should be read in conjunction with the following:

- Management's Discussion and Analysis of Financial Condition and Results of Operations as set out in **Section 12.3** of this Prospectus; and

- Accountants' Report together with its accompanying notes as set out in **Section 13** of this Prospectus.

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12. FINANCIAL INFORMATION *(Cont'd)*

12.1.1 Historical audited combined statements of profit or loss and other comprehensive income

The following table sets out the summary of our combined statements of profit or loss and other comprehensive income for the FYEs 2021 to 2023, which have been extracted from the Accountants' Report:

	Audited		
	FYE 2021	**FYE 2022**	**FYE 2023**
	RM'000	**RM'000**	**RM'000**
Revenue	104,563	150,168	200,810
Cost of sales	(62,262)	(88,732)	(119,685)
GP	**42,301**	**61,436**	**81,125**
Other income	902	2,994	807
Finance income	87	87	249
Selling and marketing expenses	(1,906)	(2,588)	(4,158)
Administrative expenses	(7,099)	(9,360)	(13,529)
Finance costs	(1,729)	(949)	(2,523)
PBT	**32,556**	**51,620**	**61,971**
Tax expenses	(7,883)	(11,960)	(15,954)
PAT / Total comprehensive income attributable to the shareholders of our Company	**24,673**	**39,660**	**46,017**
EBIT[3]	34,198	52,482	64,245
EBITDA[3]	35,196	53,718	66,537
GP margin (**%**)[1]	40.46	40.91	40.40
PBT margin (**%**)[2]	31.14	34.37	30.86
PAT margin (**%**)[2]	23.60	26.41	22.92
EBITDA margin[4]	33.66	35.77	33.13
Basic and diluted EPS (sen)[5]	2.66	4.27	4.96

Notes:

(1) Calculated based on the GP divided by the revenue for the respective financial years.

(2) PBT margin and PAT margin are calculated based on the PBT and PAT divided by revenue for the respective financial years.

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(3) EBIT and EBITDA are calculated as follows:

	Audited		
	FYE 2021	***FYE 2022***	***FYE 2023***
	RM'000	***RM'000***	***RM'000***
PAT	*24,673*	*39,660*	*46,017*
Add/(Less):			
Interest income	*(87)*	*(87)*	*(249)*
Finance cost	*1,729*	*949*	*2,523*
Taxation	*7,883*	*11,960*	*15,954*
EBIT	***34,198***	***52,482***	***64,245***
Add:			
Depreciation	*998*	*1,236*	*2,292*
EBITDA	***35,196***	***53,718***	***66,537***

(4) Calculated based on the EBITDA divided by revenue for the respective financial years.

(5) Calculated based on PAT attributable to owners of our Company divided by enlarged issued share capital after the IPO of 928,000,000 Shares. The diluted EPS is equal to the basic EPS as no potential dilutive securities are in issue throughout the Period Under Review.

12.1.2 Historical audited combined statements of financial position

The following table sets out the combined statements of financial position of our Group as at 31 December 2021, 31 December 2022 and 31 December 2023, which have been extracted from the Accountants' Report:

	Audited as at 31 December		
	2021	**2022**	**2023**
	RM'000	**RM'000**	**RM'000**
ASSETS			
Non-current assets			
Property, plant and equipment	4,850	7,256	15,266
Investment properties	76,402	76,318	26,966
Inventories	140,317	111,305	190,944
Deferred tax assets	2,916	2,722	5,142
Total non-current assets	**224,485**	**197,601**	**238,318**
Current assets			
Inventories	62,495	86,884	75,206
Contract assets	28,139	75,500	102,536
Contract costs	1,136	1,424	1,364
Trade receivables	32,514	12,773	25,604
Other receivables	22,570	13,330	14,720
Amount due from related parties	74,558	16,668	29
Tax recoverable	197	1,382	590
Cash and short-term deposits	8,882	13,849	28,578
Total current assets	**230,491**	**221,810**	**248,627**
TOTAL ASSETS	**454,976**	**419,411**	**486,945**

12. FINANCIAL INFORMATION *(Cont'd)*

	Audited as at 31 December		
	2021	**2022**	**2023**
	RM'000	**RM'000**	**RM'000**
EQUITY			
Share capital	-	1	1
Invested equity	24,550	32,050	32,050
Retained earnings	262,856	297,465	339,158
TOTAL EQUITY	**287,406**	**329,516**	**371,209**
LIABILITIES			
Non-current liabilities			
Borrowings	1,330	13,045	13,265
Lease liabilities	374	387	250
Deferred tax liabilities	999	999	999
Total non-current liabilities	**2,703**	**14,431**	**14,514**
Current liabilities			
Contract liabilities	8,211	-	117
Trade payables	13,980	15,930	39,900
Other payables	11,631	8,129	11,072
Amount due to related parties	116,974	33,943	7,458
Borrowings	12,367	13,683	36,211
Lease liabilities	282	409	397
Tax payable	1,422	3,370	6,067
Total current liabilities	**164,867**	**75,464**	**101,222**
TOTAL LIABILITIES	**167,570**	**89,895**	**115,736**
TOTAL EQUITY AND LIABILITIES	**454,976**	**419,411**	**486,945**

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12. FINANCIAL INFORMATION *(Cont'd)*

12.2 CAPITALISATION AND INDEBTEDNESS

The table below sets out our capitalisation and indebtedness:

(i) based on the latest unaudited financial information as at 31 July 2024; and

(ii) after adjusting the effects of the Acquisitions, Public Issue and use of proceeds as set out in **Section 4.6** of this Prospectus.

The pro forma financial information below does not represent our actual capitalisation and indebtedness as at 31 July 2024 and is provided for illustrative purposes only.

		(I)	(II)	(III)
	Unaudited as at 31 July 2024	**After Acquisitions**	**After (I) and Public Issue**	**After (II) and use of proceeds**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Indebtedness				
Current				
Secured and guaranteed				
▪ Bank overdrafts	27,478	27,478	[●]	[●]
▪ Term loans	3,999	3,999	[●]	[●]
▪ Lease liabilities[(1)]	189	189	[●]	[●]
Secured but not guaranteed				
▪ Lease liabilities[(1)]	32	32	[●]	[●]
Unsecured and unguaranteed				
Lease liabilities[(1)]	91	91	[●]	[●]
Non-current				
Secured and guaranteed				
▪ Term loans	52,985	52,985	[●]	[●]
▪ Lease liabilities[(1)]	51	51	[●]	[●]
Secured but not guaranteed				
▪ Lease liabilities[(1)]	68	68	[●]	[●]
Unsecured and unguaranteed				
▪ Lease liabilities[(1)]	149	149	[●]	[●]
Total indebtedness	**85,042**	**85,042**	**[●]**	**[●]**
Shareholders' equity	**393,035**	**393,035**	**[●]**	**[(3)][●]**
Total capitalisation and indebtedness	**478,077**	**478,077**	**[●]**	**[●]**
Gearing ratio (times)[(2)]	0.22	0.22	[●]	[●]

Notes:

(1) Lease liabilities comprise hire purchases and other lease liabilities recognised in accordance with MFRS 16 Leases related to leasing of office premises.

(2) Calculated based on total indebtedness divided by shareholders' equity.

(3) After deducting the listing expenses of approximately RM[●] *million.*

12. FINANCIAL INFORMATION *(Cont'd)*

12.3 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of our combined financial statements for the FYEs 2021 to 2023 should be read in conjunction with the Accountants' Report included in **Section 13** of this Prospectus.

There are no accounting policies which are peculiar to our Group.

12.3.1 Overview of our operations

(i) Principal activities

Our Group is principally involved in the property development business whereby we develop and sell residential, mixed development and industrial properties.

Please refer to **Section 7** of this Prospectus for our Group's detailed business overview.

(ii) Revenue

We have been involved in the development of residential, mixed development and industrial properties since the commencement of our business. During the Period Under Review, we have been focusing on the development of residential properties. Our development of commercial properties is to complement the residential development as part of the overall township development strategy of our Group. During the Period Under Review, Taman Nuri Heights (Phases 1A and 1B) which comprise a multipurpose hall and 4 units of double storey retails units, was sold in August 2022. However, as at the LPD, construction has been temporarily suspended at the buyer's request to amend the building plans. Consequently, no billing has been issued, and no revenue has been recognised. We have planned for future launches of commercial properties for Taman Nuri Heights (Phase 3) and Taman Akasia (Phase 4).

All of our revenue for the Period Under Review are generated in Malaysia.

Our Group's revenue was mainly derived from the sales of development properties under construction and completed properties. In terms of on-going developments, our revenue is dependent on the construction progress of the projects. The analysis of revenue by business activities shows the size of revenue derived from the sales of development properties under construction and distinct it from sales of completed properties.

One of our subsidiaries, SPBSB, holds a CIDB Grade 7 certificate of registration which enables us to undertake the role of a main contractor for our property developments. The advantages of holding CIDB Grade 7 certificate of registration are as follows:

(i) we are able to tender for construction projects at an unlimited value;

(ii) we are able to achieve a higher credibility within the industry by instilling confidence in stakeholders in terms of the level of expertise, resources available, financial capacity to undertake large scale and complex projects; and

(iii) we able to gain access and undertake large-scale government construction projects.

During the Period Under Review, we had also provided construction services to Prasarana Pesona, a former related party, for a property development and the construction services were terminated in December 2022. The disposal of Prasarana Pesona by Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap was completed on 16 January 2023. Prior to the disposal, Prasarana Pesona was principally involved in the construction of affordable housing projects. Currently, we do not intend to provide construction services for our Group or third parties as we undertake project management responsibilities.

12. FINANCIAL INFORMATION *(Cont'd)*

Our Group's revenue recognition criteria are as follows:

(a) Sale of development properties under construction

Revenue generated from the sales of development properties under construction is accounted for by using the percentage of completion method. The stage of completion is determined by reference to the actual project cost incurred over the total estimated cost, where the outcome of the projects can be reliably estimated.

(b) Sale of completed properties

Revenue generated from the sales of completed properties comprises the sales of our existing inventory of completed unsold units from past projects. This is accounted for in full upon signing of sale and purchase agreement with buyer.

(c) Sale of land

Revenue from sale of land is recognised at a point in time when the control of the land held for development has been transferred to the purchaser.

(d) Construction services

Revenue generated from the construction services is recognised over the period of the contract by reference to the progress towards complete satisfaction of performance obligation which is measured by referring to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

Our revenue is recognised when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

(iii) Cost of sales

Our cost of sales comprises property development expenditure mainly includes construction costs undertaken by contractors, authority related fees, land and associated cost, professional fees, sales gallery, utilities and other costs incurred for our property development.

(iv) Other income

Other income comprises mainly rental income derived from the leasing of investment properties and rent-to-own arrangement, administrative charges as well as sundry income which comprises insurance commission and receipt of payment in lieu of short notice by employees.

Rent-to-own arrangement is where tenants lease our completed properties under a fixed term tenancy and pay monthly rental to us. At the end of the tenancy term, tenants are provided with an option to purchase the said property at an agreed price less the rent paid during the tenancy period.

During the Period Under Review, the rent-to-own arrangement was entered between Laman Exotika and tenants where the tenants lease the completed properties in Taman Nuri (Phase 3B4) and Taman Rembia Setia under a fixed term tenancy with an option for the tenants to purchase the completed properties before or upon the expiry of the tenancy. The rent-to-own arrangement is an exception to our Group's usual business practice. The tenant, a non-profit organisation, had intended to purchase 4 units of triple storey bungalow houses in Taman Nuri (Phase 3B4) for use as an aged care home. In February 2021, our Group entered into rent-to-own agreements and in November 2022, the tenant exercised the option to purchase the 4 units of triple storey bungalow houses and have since owned the properties. In Taman Rembia Setia, the rent-to-own arrangement was a one-off initiative and was implemented with the initial intention to clear 1 unsold inventory. However, the tenant did not exercise the option to purchase. As at the LPD, there is no rent-to-own arrangement and we do not intend to implement other similar arrangements in the future.

12. FINANCIAL INFORMATION *(Cont'd)*

(v) Administrative expenses

Administrative expenses comprise mainly overheads incurred to maintain our operations such as directors' remuneration, legal and professional fees, staff costs and depreciation.

(vi) Selling and marketing expenses

Selling and marketing expenses comprise mainly advertisement and promotion expenses, legal fees, sales commissions and staff costs incurred to complete the sales of properties of our projects.

(vii) Finance income

Finance income comprises mainly the interest income derived from the financial institution and late payment interest charged to home buyers.

(viii) Finance cost

Finance cost comprises mainly the interest expenses on our borrowings.

12.3.2 Significant factors affecting our financial position and results of operations

We are exposed to several risk factors that may affect our business and operations as set out in **Section 9** of this Prospectus. The main risk factors that will affect our financial position and results of operations include, among others, the following:

(i) Changes in the prevailing market conditions in the property market in Malaysia

Our properties' sales performance and the planning of our future developments are dependent on the prevailing market conditions in the states where our property developments and landbank are located, including Melaka, Kedah, Johor, Selangor, Perak and Penang.

A weak market sentiment as a result of adverse economic conditions or other factors may adversely affect the overall performance of the property market and the value of properties in Malaysia, which may eventually affect the demand and value of our properties and in turn, affect our planned future launches of property developments.

The risks relating to changes in the prevailing market conditions in the property market in Malaysia that may affect the financial position and results of operations of our Group are set out in **Section 9.1.1** of this Prospectus.

For the Period Under Review, we did not experience any material changes in the prevailing market conditions in the property market in Malaysia which had a material adverse impact on our profitability and financial performance.

(ii) Exposure to unexpected interruptions or delays in project completion caused by external factors

The timely completion of our property developments and the progress of construction works can be affected by external factors, some of which are beyond our control, such as natural disasters, timely receipt of regulatory approvals, licenses and permits, the availability of labour, equipment and construction materials, availability of financing as well as the appointment of architects, professional consultants and contractors, which are inherent in the industry that we are currently operating.

Any prolonged interruption or delay in completing a phase of property development may delay our revenue recognition and also result in LAD claims by our property buyers, which may negatively impact our financial performance.

Please refer to **Sections 7.6.2 and 9.1.2** of this Prospectus for further details.

In FYE 2023, we have made a provision for LAD of RM10.37 million for Taman La Casa Lunas (Phases 3A, 3B and 2) and Taman Nuri (Phase 3B2) as these phases experienced delays in construction and delivery of vacant possession during the COVID-19 pandemic.

The provisions for LAD and the respective repayment for LAD claims for each development are disclosed below:

		As at the LPD		
Development	**Provision for LAD as at 31 December 2023**	**Provision for LAD**	**Payment for LAD claims**	**Net provision for LAD**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Taman La Casa Lunas, Lunas, Kedah				
- Phase 3A	2,725	2,725	(954)	1,771
- Phase 3B	4,943	4,612	(4,742)	(130)
- Phase 2	2,587	2,776	(1,547)	1,229
Taman Nuri, Melaka				
- Phase 3B2	117	117	-	117
Total	**10,372**	**10,230**	**(7,243)**	**2,987**

As at the LPD, we have further provided LAD of RM1.15 million for Taman La Casa Lunas (Phases 4A and 4C) due to rectification work required for the TNB electrical access point in response to changes in TNB's requirements and regulations. In addition, the discovery of high groundwater levels in certain construction areas caused delays in infrastructure works, such as sewerage systems, which in turn delayed roadworks and street lighting installation. Due to these unforeseen conditions, our contractors were not held liable for the delays or additional rectification costs, and the LAD was not charged to our contractors, and instead our Group absorbed these rectification costs.

(iii) Inability to identify suitable landbank to sustain our business operations and financial performance

Our ability to deliver sustainable business operations and financial performance is dependent on our Group's ability to continuously identify and acquire suitable landbank in strategic locations at commercially acceptable cost for future development. The location of our development and affordability of home buyers may have impact on our property take-up rate which would then affect our revenue. For the Period Under Review, our property developments are located in Melaka, Kedah, Selangor and Johor. The take-up rate of our completed and on-going property developments was set in **Section 7.3.2(i) and (ii)** of this Prospectus. Please refer to **Section 9.1.5** of this Prospectus for further details on this risk factor.

As at the LPD, we have approximately 664 acres of landbank located in Melaka, Johor, Kedah, Selangor, Perak and Penang which are reserved for future development. We are also in the process of acquiring approximately 187 acres of Plentong Land. Further details on our landbank and land to be acquired are set out in **Section 7.3.2 (iv) and (v)** of this Prospectus.

(iv) Possible non-achievement of estimated GDV for our property developments

The GDVs of our on-going and future property developments are estimated based on forecasts, projections and market conditions prevailing at the time including factors such as the supply and demand for properties, the economic growth rate and interest rates. Any unfavourable change to these forecasts, projections and market conditions may result in our Group not being able to realise our projected GDV and adversely affect our results of operations and financial performance. Please refer to **Section 9.1.6** of this Prospectus for further details on this risk factor.

For the Period Under Review, we did not experience any material unanticipated changes that may result in our Group not being able to realise our projected GDV.

12.3.3 Review of our results of operations

12.3.3.1 Revenue

Analysis of revenue by activities

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Property development[(1)]						
Sale of development properties under construction	81,087	77.55	122,162	81.35	167,420	83.37
Sales of completed properties	20,811	19.90	15,725	10.47	32,784	16.33
	101,898	**97.45**	**137,887**	**91.82**	**200,204**	**99.70**
Others						
Construction services[(2)]	2,665	2.55	12,281	8.18	-	-
Sale of land[(3)]	-	-	-	-	606	0.30
	2,665	**2.55**	**12,281**	**8.18**	**606**	**0.30**
Total revenue	**104,563**	**100.00**	**150,168**	**100.00**	**200,810**	**100.00**

Notes:

(1) The revenue from property development analysed by types of developments are as follows:

	Audited					
	FYE 2021		*FYE 2022*		*FYE 2023*	
	RM'000	*%*	*RM'000*	*%*	*RM'000*	*%*
Residential	*48,069*	*47.17*	*40,205*	*29.16*	*26,614*	*13.29*
Industrial	*4,570*	*4.48*	*-*	*-*	*6,170*	*3.08*
Mixed development						
- Residential	*49,259*	*48.35*	*97,682*	*70.84*	*167,420*	*83.63*
Total	***101,898***	***100.00***	**137,887**	***100.00***	**200,204**	***100.00***

(2) The construction services revenue was generated from the provision of construction services by SPBSB to Prasarana Pesona, a former related party, for a property development. The construction services were secured by SPBSB in October 2021 and subsequently terminated in December 2022.

(3) Sale of a vacant land under Geran No. Hakmilik 44574, Lot No. 3367, Mukim Kelemak, Daerah Alor Gajah, Negeri Melaka measuring 1.333 hectares by Rentas Dinamik to a third party on 20 Feb 2023 for a cash consideration of approximately RM606,000.

12. FINANCIAL INFORMATION *(Cont'd)*

Analysis of revenue by geographical locations and developments

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Property development						
Melaka						
Taman Kasa Heights	494	0.47	420	0.28	(1)(6)	*
Taman Bukit Cheng	22,088	21.12	6,217	4.14	1,127	0.56
Taman Nuri	25,487	24.38	33,568	22.35	25,493	12.70
	48,069	**45.97**	**40,205**	**26.77**	**26,614**	**13.26**
Johor						
Taman Akasia	-	-	-	-	11,525	5.74
	-	**-**	**-**	**-**	**11,525**	**5.74**
Kedah						
Taman La Casa Lunas	49,259	47.11	97,682	65.05	155,895	77.63
	49,259	**47.11**	**97,682**	**65.05**	**155,895**	**77.63**
Selangor						
Twin Park	4,570	4.37	-	-	6,170	3.07
	4,570	**4.37**	**-**	**-**	**6,170**	**3.07**
	101,898	**97.45**	**137,887**	**91.82**	**200,204**	**99.70**
Others						
Construction services	2,665	2.55	12,281	8.18	-	-
Sale of land	-	-	-	-	606	0.30
	2,665	**2.55**	**12,281**	**8.18**	**606**	**0.30**
Total revenue	**104,563**	**100.00**	**150,168**	**100.00**	**200,810**	**100.00**

Notes:

* *Less than 0.01%.*

(1) Negative revenue due to timing difference whereby revenue for units sold had previously been recognised but the relevant legal fees borne by our Group as the developer which offset against revenue were incurred during the financial year.

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12. FINANCIAL INFORMATION *(Cont'd)*

The stages of completion and number of units sold for our property developments as at 31 December 2021, 31 December 2022, 31 December 2023 are as follows:

	Prior to FYE 2021	FYE 2021		FYE 2022		FYE 2023	
Property developments	**Cumulative units sold**	**Stage of completion**	**Units sold**	**Stage of completion**	**Units sold**	**Stage of completion**	**Units sold**
Melaka							
Taman Kasa Heights (Phase 2C)	301	100.00%	1	100.00%	1	100.00%	-
Taman Bukit Cheng (Phase 1)	54	100.00%	33	100.00%	6	100.00%	1
Taman Bukit Cheng (Phase 2)	-	-	-	100.00%	5	100.00%	1
Taman Nuri (Phase 2)	240	100.00%	-	100.00%	1	100.00%	-
Taman Nuri (Phase 3A2 & 3A3)	115	100.00%	19	100.00%	10	100.00%	1
Taman Nuri (Phase 3B1 & 3B4)	22	100.00%	7	100.00%	4	100.00%	6
Taman Nuri (Phase 3B2)	-	59.01%	8	100.00%	18	100.00%	14
Taman Nuri (Phase 3B3)	-	59.09%	5	100.00%	8	100.00%	15
Taman Nuri Sentosa	116	100.00%	-	100.00%	24	100.00%	5
Johor							
Taman Akasia (Phase 1A)	-	-	-	-	-	35.22%	61
Kedah							
Taman La Casa Lunas (Phase 3A)	250	59.65%	22	100.00%	1	100.00%	-
Taman La Casa Lunas (Phase 3B)	53	10.05%	259	45.64%	7	100.00%	1
Taman La Casa Lunas (Phase 2)	-	1.24%	67	25.68%	46	82.50%	2
Taman La Casa Lunas (Phase 4A)	-	-	-	11.90%	75	75.43%	21
Taman La Casa Lunas (Phase 4C)	-	-	-	11.05%	49	62.89%	37
Taman La Casa Lunas (Phase 4D)	-	-	-	1.19%	-	38.14%	119
Selangor							
Twin Park	6	100.00%	1	100.00%	-	100.00%	1

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2022 and FYE 2021

Our Group's total revenue increased by RM45.61 million or 43.62% to RM150.17 million in FYE 2022 (FYE 2021: RM104.56 million), mainly due to the increase in revenue from property development by RM35.99 million, followed by the increase in construction services revenue by RM9.62 million in FYE 2022.

Property development

Our revenue from property development increased by RM35.99 million or 35.32% to RM137.89 million in FYE 2022 (FYE 2021: RM101.90 million), mainly attributable to the following:

(i) RM48.42 million or 98.29% higher revenue from the development of Taman La Casa Lunas of RM97.68 million in FYE 2022 (FYE 2021: RM49.26 million), mainly driven by:

  (a) RM31.03 million increase in revenue from Taman La Casa Lunas (Phase 3B) as it achieved higher stages of completion of 45.64% as at 31 December 2022 (31 December 2021: 10.05%) and the number of units sold has increased by 7 units to 319 units as at 31 December 2022 (31 December 2021: 312 units), out of 320 units launched; and

  (b) RM10.90 million increase in revenue from Taman La Casa Lunas (Phase 2) as it achieved higher stages of completion of 25.68% as at 31 December 2022 (31 December 2021: 1.24%) and the number of units sold has increased by 46 units to 113 units as at 31 December 2022 (31 December 2021: 67 units), out of 182 units launched, and

(ii) increase in revenue from the development of Taman Nuri by RM8.08 million or 31.70% to RM33.57 million in FYE 2022 (FYE 2021: RM25.49 million), mainly attributable to RM12.73 million or 353.61% higher in revenue from Taman Nuri (Phase 3B2) of RM16.33 million in FYE 2022 (FYE 2021: RM3.60 million). The number of units sold of Taman Nuri (Phase 3B2) has increased by 18 units to 26 units as at 31 December 2022 (31 December 2021: 8 units), out of 53 units launched. The revenue for the 26 units sold was fully recognised as the development reached 100% percentage of completion as at 31 December 2022 (31 December 2021: 59.01%) given the full completion of construction works. However, CCC was obtained in September 2023 where the delay in approval was due to the deferment of inspection by authority departments as a result of prolonged effect of COVID-19 pandemic.

The increase in revenue was partially offset by RM15.87 million or 71.84% decrease in revenue generated from the development of Taman Bukit Cheng, from RM22.09 million in FYE 2021 to RM6.22 million in FYE 2022. This was mainly due to RM19.63 million decrease in revenue of Taman Bukit Cheng (Phase 1) as we only recognised revenue for the 6 completed units sold in FYE 2022 as compared to full recognition of revenue in FYE 2021 for 87 units sold (out of 103 units launched) following the achievement of 100.00% percentage of completion for the development as at 31 December 2021, despite the CCC of Taman Bukit Cheng (Phase 1) was obtained in January 2022.

Further, revenue from the development of Twin Park (completed in November 2013) decreased by RM4.57 million as there was no sale of factory in FYE 2022 (FYE 2021: 1 unit).

Construction services

Our construction services revenue increased by RM9.62 million or 361.65% to RM12.28 million in FYE 2022 (FYE 2021: RM2.66 million), mainly due to additional construction works completed of 62.07% and we achieved 72.33% of completion in FYE 2022 (FYE 2021: 10.26%). The construction service was terminated in December 2022.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2023 and FYE 2022

Our Group's total revenue increased by RM50.64 million or 33.72% to RM200.81 million in FYE 2023 (FYE 2022: RM150.17 million), mainly due to the increase in revenue from property development by RM62.31 million, which was partially offset by the decrease in construction services revenue by RM12.28 million.

Property development

Our revenue from property development increased by RM62.31 million or 45.19% to RM200.20 million in FYE 2023 (FYE 2022: RM137.89 million), mainly attributable to the following:

(i) increase in revenue from the development of Taman La Casa Lunas by RM58.22 million or 59.60% to RM155.90 million in FYE 2023 (FYE 2022: RM97.68 million). The increase was mainly driven by:

  (a) RM17.63 million increase in revenue from Taman La Casa Lunas (Phase 3B) as the development reached 100.00% percentage of completion given full completion of construction works as at 31 December 2023 (31 December 2022: 45.64%). All the 320 units launched were sold as at 31 December 2023 (31 December 2022: 319 units) and the revenue for the 320 units sold was fully recognised in FYE 2023. However, the CCC of Phase 3B was obtained in June 2024 following the extra time required to comply with additional requirements arising from recent change in the conditions set by the local authority;

  (b) RM12.29 million increase in revenue from Taman La Casa Lunas (Phase 2) as it achieved higher stages of completion of 82.50% as at 31 December 2023 (31 December 2022: 25.68%) and the number of units sold has increased by 2 units to 115 units as at 31 December 2023 (31 December 2022: 113 units), out of 182 units launched;

  (c) RM25.48 million increase in the revenue from Taman La Casa Lunas (Phase 4A) as it achieved higher stages of completion of 75.43% as at 31 December 2023 (31 December 2022: 11.90%) and the number of units sold has increased by 21 units to 96 units as at 31 December 2023 (31 December 2022: 75 units), out of 106 units launched;

  (d) RM21.30 million increase in the revenue from Taman La Casa Lunas (Phase 4C) as it achieved higher stages of completion of 62.89% as at 31 December 2023 (31 December 2022: 11.05%) and the number of units sold has increased by 37 units to 86 units as at 31 December 2023 (31 December 2022: 49 units), out of 96 units launched;

  (e) the launching of Taman La Casa Lunas (Phase 4D) in FYE 2023 which contributed to RM21.61 million increase in revenue. The development achieved a higher percentage of completion of 38.14% as at 31 December 2023 (31 December 2022: 1.19%) and as at 31 December 2023, we sold 119 units out of 165 units launched;

  (f) however, the increase in revenue from was partially offset by the reduction in revenue from Taman La Casa Lunas (Phase 3A) by RM40.09 million. The decrease was due to the absence of sales in FYE 2023 as compared to full recognition of revenue in FYE 2022 for 273 units sold (out of 275 units launched) as the development achieved 100.00% percentage of completion as at 31 December 2022 given building works were completed. The CCC of this phase was obtained in January 2024 due to road construction pending authorities' approval and delay in the installation of water reticulation system; and

12. FINANCIAL INFORMATION *(Cont'd)*

(ii) the launching of Taman Akasia (Phase 1A) in FYE 2023 which has contributed to an increase in revenue of RM11.52 million. The development achieved 35.22% percentage of completion as at 31 December 2023 and we sold 61 units out of 89 units launched in FYE 2023.

Nevertheless, the increase in revenue from Taman La Casa Lunas and Taman Akasia were partially offset by the decrease in revenue generated from the development of Taman Nuri by RM8.08 million or 24.07% to RM25.49 million in FYE 2023 (FYE 2022: 33.57 million), mainly due to the reduction in revenue from Taman Nuri (Phase 3B2) by RM5.98 million or 36.62% to RM10.35 million in FYE 2023 (FYE 2022: RM16.33 million). We only recognised revenue for 14 completed units sold in FYE 2023 as compared to full recognition of revenue for 26 units sold (out of 53 units launched) as at 31 December 2022 in FYE 2022.

Construction services

The decrease in revenue from construction services due to the absence of construction services revenue in FYE 2023 (FYE 2022: RM12.28 million), following the termination of construction services provided to a former related party in December 2022.

The remaining revenue unbilled for sold units as at 31 December 2023 for our on-going developments are set out below:

On-going developments	**Actual / Expected completion date**	**Revenue unbilled for sold units**
		RM'000
Kedah		
Taman La Casa Lunas (Phase 2)	July 2024	8,014
Taman La Casa Lunas (Phase 4A)	October 2024	10,974
Taman La Casa Lunas (Phase 4C)	October 2024	15,684
Taman La Casa Lunas (Phase 4D)	January 2025	35,181
Johor		
Taman Akasia (Phase 1A)	January 2025	21,752
Total		***91,605**

Note:

* *Excluded unbilled revenue from Taman Nuri Heights (Phases 1A and 1B) of RM2.50 million, as no work done has been performed. As at the LPD, the buyer informed us to temporarily suspend the construction of the multi-purpose hall as the buyer requested to amend the building plans for their review and comments prior to submission to the relevant authorities. In view that the building plans require approval from the relevant authorities, the buyer agrees to bear all associated costs and fees and release our Group from liabilities and acknowledges that the delivery of vacant possession of the property will be extended by 24 months from the date of authorities' approval or by 31 December 2027, whichever is later. Taman Nuri Heights (Phases 1A and 1B) which comprise of the construction of a multipurpose hall and 4 units of double storey retails units, all of which were sold to the aforesaid buyer. As such, we accommodate the said buyer's request to temporarily suspend the construction until the approval for the building plans is obtained from the relevant authorities. The approval for the building plans is estimated to be obtained by second quarter of 2025.*

12. FINANCIAL INFORMATION *(Cont'd)*

12.3.3.2 Cost of sales

Analysis of cost of sales by activities

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Property development[1]						
Sales of development properties under construction	49,978	80.27	68,321	77.00	102,074	85.29
Sales of completed properties	11,104	17.83	10,091	11.37	17,247	14.41
	61,082	**98.10**	**78,412**	**88.37**	**119,321**	**99.70**
Others						
Construction services[2]	1,180	1.90	10,320	11.63	-	-
Sale of land	-	-	-	-	364	0.30
	1,180	**1.90**	**10,320**	**11.63**	**364**	**0.30**
Total cost of sales	**62,262**	**100.00**	**88,732**	**100.00**	**119,685**	**100.00**

Notes:

(1) The cost of sales for property development analysed by types of developments is as follows:

	Audited					
	FYE 2021		*FYE 2022*		*FYE 2023*	
	RM'000	*%*	*RM'000*	*%*	*RM'000*	*%*
Residential	*26,184*	*42.87*	*21,430*	*27.33*	*13,871*	*11.62*
Industrial	*2,776*	*4.54*	*-*	*-*	*3,376*	*2.83*
Mixed development						
- Residential	*32,122*	*52.59*	*56,982*	*72.67*	*102,074*	*85.55*
Total	***61,082***	***100.00***	***78,412***	***100.00***	***119,321***	***100.00***

(2) Cost of sales for the provision of construction services by SPBSB to Prasarana Pesona, a former related party, for a property development. The construction services were secured by SPBSB in October 2021 and subsequently terminated in December 2022.

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12. FINANCIAL INFORMATION *(Cont'd)*

Analysis of cost of sales by geographical locations and developments

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Property development						
Melaka						
Taman Kasa Heights	260	0.42	323	0.36	(6)	(0.01)
Taman Bukit Cheng	12,070	19.39	3,265	3.68	519	0.43
Taman Nuri	13,854	22.25	17,842	20.11	13,358	11.16
	26,184	42.06	21,430	24.15	13,871	11.58
Johor						
Taman Akasia	-	-	-	-	7,680	6.42
	-	-	-	-	7,680	6.42
Kedah						
Taman La Casa Lunas	32,122	51.58	56,982	64.22	94,394	78.88
	32,122	51.58	56,982	64.22	94,394	78.88
Selangor						
Twin Park	2,776	4.46	-	-	3,376	2.82
	2,776	4.46	-	-	3,376	2.82
	61,082	**98.10**	**78,412**	**88.37**	**119,321**	**99.70**
Others						
Construction services	1,180	1.90	10,320	11.63	-	-
Sale of land	-	-	-	-	364	0.30
	1,180	**1.90**	**10,320**	**11.63**	**364**	**0.30**
Total cost of sales	**62,262**	**100.00**	**88,732**	**100.00**	**119,685**	**100.00**

Analysis of cost of sales by cost components

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Authority related fees[(1)]	1,352	2.17	2,047	2.31	1,315	1.10
Construction cost[(2)]	35,224	56.57	52,155	58.77	73,656	61.54
Land and associated costs[(3)]	23,836	38.29	31,620	35.64	41,936	35.04
Other development costs[(4)]	791	1.27	1,156	1.30	843	0.70
Professional fees[(5)]	1,059	1.70	1,754	1.98	1,935	1.62
Total cost of sales	**62,262**	**100.00**	**88,732**	**100.00**	**119,685**	**100.00**

Notes:

(1) Authority related fees comprising fees for Advertisement and Sale Permit, development order, building plans, quit rent and assessment, official search, registration fees, processing fees as well as survey fees.

(2) Construction cost includes infrastructure cost such as road construction, foundation construction cost and building construction cost undertaken by our contractors.

12. FINANCIAL INFORMATION *(Cont'd)*

(3) Land and associated costs comprise land purchase price and other associated costs including, land conversion and submission costs, land premium, stamp duties, bank charges and commission, and other relevant levies.

(4) Other development costs consist of electricity and water charges, processing fees, plan fees, survey fees, TNB connection fees and other direct costs.

(5) Professional fees are fees paid/payables to the architects, town planners, surveyors, engineers and other professionals.

Comparison between FYE 2022 and FYE 2021

Our cost of sales increased by RM26.47 million or 42.52% to RM88.73 million in FYE 2022 (FYE 2021: RM62.26 million), mainly due to the increase in cost of sales for the property development by RM17.33 million, followed by the increase in cost of sales for construction services by RM9.14 million.

Property development

Our cost of sales for property development increased by RM17.33 million or 28.37% to RM78.41 million in FYE 2022 (FYE 2021: RM61.08 million), mainly attributable to the following:

(i) increase in cost of sales for Taman La Casa Lunas by RM24.86 million or 77.40% to RM56.98 million in FYE 2022 (FYE 2021: RM32.12 million) which was mainly driven by the achievement of higher number of units sold and stages of completion during FYE 2022 for Phases 2 and 3B, in tandem with our revenue growth for the developments. The cost of sales for Phase 2 increased by RM5.36 million to RM5.55 million in FYE 2022 (FYE 2021: RM0.19 million) and cost of sales for Phase 3B increased by RM16.52 million to RM21.56 million in FYE 2022 (FYE 2021: RM5.04 million); and

(ii) increase in cost of sales for Taman Nuri by RM3.99 million or 28.81% to RM17.84 million in FYE 2022 (FYE 2021: RM13.85 million), mainly due to higher cost of sales for the development of Phase 3B2 which increased by RM6.48 million or 510.24% to RM7.75 million in FYE 2022 (FYE 2021: RM1.27 million) due to the achievement of higher number of units sold.

However, the increase in cost of sales was partially offset by the following:

(i) decrease in cost of sales for Taman Bukit Cheng by RM8.80 million or 72.91% to RM3.27 million in FYE 2022 (FYE 2021: RM12.07 million), mainly attributable to decrease in cost of sales for Taman Bukit Cheng (Phase 1) by RM10.62 million or 87.99% to RM1.45 million in FYE 2022 (FYE 2021: RM12.07 million) following the recognition of full development costs for units sold as the development achieved 100.00% percentage of completion as at 31 December 2021; and

(ii) the absence of cost of sales for Twin Park as there was no sale in FYE 2022 (FYE 2021: RM2.78 million).

Construction services

Our cost of sales for construction services increased by RM9.14 million or 774.58% to RM10.32 million in FYE 2022 (FYE 2021: RM1.18 million) due to additional construction works completed. The construction services were terminated in December 2022.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2023 and FYE 2022

Our cost of sales increased by RM30.96 million or 34.89% to RM119.69 million in FYE 2023 (FYE 2022: RM88.73 million), mainly due to the increase in cost of sales for the property development by RM40.92 million, which was partially offset by the decrease in cost of sales for construction services by RM10.32 million.

Property development

Our cost of sales for property development increased by RM40.92 million or 52.19% to RM119.33 million in FYE 2023 (FYE 2022: RM78.41 million), mainly attributable to the following:

(i) increase in cost of sales for Taman La Casa Lunas by RM37.42 million or 65.67% to RM94.40 million in FYE 2023 (FYE 2022: RM56.98 million) which was mainly driven by the achievement of higher number of units sold and/or stages of completion for Phases 2, 3B, 4A and 4C as well as the launching of Phase 4D in FYE 2023, in tandem with our revenue growth for the said developments. The cost of sales for Phases 2, 3B, 4A, 4C and 4D, in aggregate, increased by RM63.79 million which was partially offset by the decrease in cost of sales for Phase 3A of RM26.37 million. The decrease in cost of sales for Phase 3A was mainly due to the full recognition of development costs for units sold in FYE 2022 following the achievement of 100.00% percentage of completion and no sale in FYE 2023; and

(ii) cost of sales of RM7.68 million incurred for the 61 units sold out of 89 units launched in FYE 2023 of Taman Akasia (Phase 1A).

However, the increase in cost of sales was partially offset by the decrease in cost of sales for Taman Nuri by RM4.48 million or 25.11% to RM13.36 million in FYE 2023 (FYE 2022: RM17.84 million), which among others, the cost of sales for Phase 3B2 decreased by RM2.03 million, in tandem with the decline in revenue of the development.

Construction services

The decrease in cost of sales for construction services due to the absence of cost of sales for construction services in FYE 2023 (FYE 2022: RM10.32 million), following the termination of construction services provided to a former related party in December 2022.

12.3.3.3 GP and GP margin

Our GP margin may be affected by various factors, including the type and price range of properties offered or launched, fluctuations in development costs and the ability to complete the development in a timely manner and handover the completed properties to buyers.

12. FINANCIAL INFORMATION *(Cont'd)*

Analysis of GP and GP margin by activities

	Audited								
	FYE 2021			FYE 2022			FYE 2023		
	GP		GP Margin	GP		GP Margin	GP		GP Margin
	RM'000	%	%	RM'000	%	%	RM'000	%	%
Property development[(1)]									
Sale of development properties under construction	31,109	73.54	38.36	53,841	87.64	44.07	65,346	80.55	39.03
Sales of completed properties	9,707	22.95	46.64	5,634	9.17	35.83	15,537	19.15	47.39
	40,816	**96.49**	**40.06**	**59,475**	**96.81**	**43.13**	**80,883**	**99.70**	**40.40**
Others									
Construction services	1,485	3.51	55.72	1,961	3.19	15.97	-	-	-
Sale of land	-	-	-	-	-	-	242	0.30	39.93
	1,485	**3.51**	**55.72**	**1,961**	**3.19**	**15.97**	**242**	**0.30**	**39.93**
Total GP and overall GP margin	**42,301**	**100.00**	**40.46**	**61,436**	**100.00**	**40.91**	**81,125**	**100.00**	**40.40**

Note:

(1) The GP and GP margin of property development analysed by types of developments are as follows:

	Audited								
	FYE 2021			***FYE 2022***			***FYE 2023***		
	GP		***GP Margin***	***GP***		***GP Margin***	***GP***		***GP Margin***
	RM'000	***%***	***%***	***RM'000***	***%***	***%***	***RM'000***	***%***	***%***
Residential	*21,885*	*53.62*	*45.53*	*18,775*	*31.57*	*46.70*	*12,743*	*15.75*	*47.88*
Industrial	*1,794*	*4.39*	*39.26*	*-*	*-*	*-*	*2,794*	*3.45*	*45.28*
Mixed development									
- Residential	*17,137*	*41.99*	*34.79*	*40,700*	*68.43*	*41.67*	*65,346*	*80.80*	*39.03*
Total	***40,816***	***100.00***	***40.06***	***59,475***	***100.00***	***43.13***	***80,883***	***100.00***	***40.40***

12. FINANCIAL INFORMATION *(Cont'd)*

Analysis of GP and GP margin by geographical locations and developments

	Audited								
	FYE 2021			FYE 2022			FYE 2023		
	GP		GP Margin	GP		GP Margin	GP		GP Margin
	RM'000	%	%	RM'000	%	%	RM'000	%	%
Property development									
Melaka									
Taman Kasa Heights	234	0.55	47.37	97	0.16	23.10	-	-	-
Taman Bukit Cheng	10,018	23.68	45.35	2,952	4.81	47.48	608	0.75	53.95
Taman Nuri	11,633	27.50	45.64	15,726	25.60	46.85	12,135	14.97	47.60
	21,885	51.73	45.53	18,775	30.57	46.70	12,743	15.72	47.88
Johor									
Taman Akasia	-	-	-	-	-	-	3,845	4.74	33.36
	-	-	-	-	-	-	3,845	4.74	33.36
Kedah									
Taman La Casa Lunas	17,137	40.52	34.79	40,700	66.24	41.67	61,501	75.80	39.45
	17,137	40.52	34.79	40,700	66.24	41.67	61,501	75.80	39.45
Selangor									
Twin Park	1,794	4.24	39.26	-	-	-	2,794	3.44	45.28
	1,794	4.24	39.26	-	-	-	2,794	3.44	45.28
	40,816	**96.49**	**40.06**	**59,475**	**96.81**	**43.13**	**80,883**	**99.70**	**40.40**
Others									
Construction services	1,485	3.51	55.72	1,961	3.19	15.97	-	-	-
Sale of land held for development	-	-	-	-	-	-	242	0.30	39.93
	1,485	**3.51**	**55.72**	**1,961**	**3.19**	**15.97**	**242**	**0.30**	**39.93**
Total GP and overall GP margin	**42,301**	**100.00**	**40.46**	**61,436**	**100.00**	**40.91**	**81,125**	**100.00**	**40.40**

12. FINANCIAL INFORMATION *(Cont'd)*

For the Period Under Review, our Group's GP and GP margin were mainly derived from the developments in Melaka and Kedah.

Comparison between FYE 2022 and FYE 2021

Our total GP increased by RM19.14 million or 45.25% to RM61.44 million in FYE 2022 (FYE 2021: RM42.30 million), mainly attributable to increase in GP contributed from property development of RM18.66 million or 45.71% to RM59.48 million in FYE 2022 (FYE 2021: RM40.82 million). This was mainly attributable to the following:

(i) increase in GP from the development of Taman La Casa Lunas by RM23.56 million or 137.46% to RM40.70 million in FYE 2022 (FYE 2021: RM17.14 million) because of higher revenue of the development, among others, the GP of Phases 2 and 3B increased by RM5.54 million and RM14.51 million respectively; and

(ii) increase in GP from the development of Taman Nuri by RM4.09 million or 35.14% to RM15.73 million in FYE 2022 (FYE 2021: RM11.64 million), mainly due to the increase in GP of Phase 3B2 by RM6.25 million or 268.24% to RM8.58 million in FYE 2022 (FYE 2021: RM2.33 million) as a result of higher revenue of the development.

However, the increase in total GP was partially offset by the following:

(i) decrease in GP contributed from the development of Taman Bukit Cheng by RM7.07 million or 70.56% to RM2.95 million in FYE 2022 (FYE 2021: RM10.02 million), mainly attributable to lower GP from Taman Bukit Cheng (Phase 1) that reduced by RM9.01 million or 89.92% to RM1.01 million in FYE 2022 (FYE 2021: RM10.02 million), in line with lower revenue of the development; and

(ii) decrease in GP from Twin Park by RM1.79 million due to no sale in FYE 2022.

Our overall GP margin was mainly driven by the GP margin of the main GP contributor and for FYE 2021 and FYE 2022, our main GP contributor was Taman La Casa Lunas which accounted for 40.52% and 66.24% of total GP for the respective financial year, followed by Taman Nuri which accounted for 27.50% and 25.60% of total GP for the respective financial year.

Our overall GP margin improved slightly by 0.45% from 40.46% in FYE 2021 to 40.91% in FYE 2022, mainly driven by the higher average GP margin of Taman La Casa Lunas which increased by 6.88% from 34.79% in FYE 2021 to 41.67% in FYE 2022. This was mainly due to the increase in contribution of GP from Taman La Casa Lunas (Phases 3B and 2) in FYE 2022, which have higher GP margin as we were able to command higher price as compared to Phase 3A that first launched under Taman La Casa Lunas.

Notwithstanding the above, the GP margin for our construction services decreased by 39.75% from 55.72% in FYE 2021 to 15.97% in FYE 2022 due to downward adjustment of contract sum and subsequent termination of the construction services in December 2022.

Comparison between FYE 2023 and FYE 2022

Our total GP increased by RM19.68 million or 32.03% to RM81.12 million in FYE 2023 (FYE 2022: RM61.44 million), mainly attributable to increase in GP contributed from property development of RM21.39 million or 35.96% to RM80.87 million in FYE 2023 (FYE 2022: RM59.48 million). This was mainly attributable to the following:

(i) increase in GP from the development of Taman La Casa Lunas by RM20.80 million or 51.11% to RM61.50 million in FYE 2023 (FYE 2022: RM40.70 million) because of higher revenue in FYE 2023, among others, the GP of Phases 4A, 4C and 4D increased by RM12.08 million, RM10.33 million and RM10.58 million respectively; and

(ii) GP from the newly launched development, i.e. Taman Akasia (Phase 1A) of RM3.84 million in FYE 2023.

However, the increase in total GP was partially offset by the following:

(i) decrease in GP from the development of Taman Nuri, which has reduced by RM3.60 million or 22.89% to RM12.13 million in FYE 2023 (FYE 2022: RM15.73 million). The decrease was mainly attributable to lower GP from Phase 3B2 which reduced by RM3.95 million as a result of lower revenue in FYE 2023; and

(ii) decrease in GP from the development of Taman Bukit Cheng, which has reduced by RM2.34 million or 79.32% to RM0.61 million in FYE 2023 (FYE 2022: RM2.95 million), in tandem with lower revenue of the development.

Our Group's overall GP margin was mainly driven by the GP margin of the main GP contributor and for FYE 2022 and FYE 2023, our main GP contributor was Taman La Casa Lunas which accounted for 66.24% and 75.80% of total GP for the respective financial year, followed by Taman Nuri which accounted for 25.60% and 14.97% of total GP for the respective financial year.

Our Group's overall GP margin declined slightly by 0.51% from 40.91% in FYE 2022 to 40.40% in FYE 2023 due to lower GP margin for our Group's on-going developments which was mainly affected by the provision for LAD of approximately RM10.26 million for Taman La Casa Lunas (Phases 3A, 3B and 2).

12.3.3.4 Other income

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Administrative and management fees[(1)]	53	5.88	1,569	52.40	442	54.77
Gain on disposal of property, plant and equipment	-	-	349	11.66	-	-
Rental income[(2)]	663	73.50	662	22.11	259	32.09
Reversal of provision for LAD[(3)]	80	8.87	371	12.39	-	-
Sundry income	51	5.65	43	1.44	106	13.14
Wages subsidies received[(4)]	55	6.10	-	-	-	-
Total other income	**902**	**100.00**	**2,994**	**100.00**	**807**	**100.00**

Notes:

(1) Administrative and management fees comprise management fee received from a former related party for the provision of management and administrative services as well as reimbursements from home buyers for legal fees on memorandum of transfer and memorandum of charge.

(2) The rental income was mainly derived from the rent-to-own arrangement and the leasing of investment properties, specifically lands held by our Group that tenants utilised for plantation business.

(3) The reversal of provision for LAD due to overprovision in prior year of RM0.08 million for FYE 2021 was in relation to Taman Nuri (Phase 2) and the RM0.37 million for FYE 2022 was in relation to Taman Bertam Perdana.

(4) The wages subsidies received are financial assistance provided by SOCSO pursuant to the wage subsidy programme initiated in June 2020 to help employers who are affected economically by the COVID-19 pandemic.

Comparison between FYE 2022 and FYE 2021

Other income increased by RM2.09 million or 232.22% to RM2.99 million in FYE 2022 (FYE 2021: RM0.90 million) mainly attributable to the following:

(i) increase in administrative and management fees by RM1.52 million or 3,040.00% to RM1.57 million in FYE 2022 (FYE 2021: RM0.05 million), mainly due to increase in management fee charged to a former related party for the provision of management and administrative services by RM1.51 million; and

(ii) an one-off gain on disposal of motor vehicles amounting to RM0.35 million.

Comparison between FYE 2023 and FYE 2022

Other income decreased by RM2.18 million or 72.91% to RM0.81 million in FYE 2023 (FYE 2022: RM2.99 million) mainly attributable to the following:

(i) decrease in administrative and management fees by RM1.13 million or 71.97% to RM0.44 million in FYE 2023 (FYE 2022: RM1.57 million), mainly due to discontinue of management and administrative services provided to a former related party; and

(ii) decrease in rental income by RM0.40 million or 60.61% to RM0.26 million in FYE 2023 (FYE 2022: RM0.66 million), mainly due to the expiry of tenancies under rent-to-own arrangement.

12.3.3.5 Selling and marketing expenses

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Advertisement and promotion expenses[(1)]	555	29.12	925	35.74	2,034	48.92
Sales commission[(2)]	694	36.41	1,013	39.14	1,148	27.61
Staff costs[(3)]	657	34.47	650	25.12	976	23.47
Total selling and marketing expenses	**1,906**	**100.00**	**2,588**	**100.00**	**4,158**	**100.00**

Notes:

(1) Advertisement and promotion expenses include digital marketing costs (consisting of social media lead generation cost), roadshows, signboards, banners, and development project launching expenses.

(2) These are sales commission paid to property agencies and referral fees paid to home buyers.

(3) Staff costs primarily consist of salaries, incentives, allowances, EPF contribution, SOCSO contribution, EIS contribution and other staff-related expenses for selling and marketing activities.

Comparison between FYE 2022 and FYE 2021

Selling and marketing expenses increased by RM0.68 million or 35.60% to RM2.59 million in FYE 2022 (FYE 2021: RM1.91 million), primarily incurred for the sales of residential properties in Taman Nuri and Taman La Casa Lunas. The increase was mainly attributable to:

(i) advertisement and promotion expenses increased by RM0.36 million or 64.29% to RM0.92 million (FYE 2021: RM0.56 million); and

(ii) sales commission increased by RM0.33 million or 47.83% to RM1.02 million (FYE 2021: RM0.69 million).

Comparison between FYE 2023 and FYE 2022

Selling and marketing expenses increased by RM1.57 million or 60.62% to RM4.16 million in FYE 2023 (FYE 2022: RM2.59 million), mainly incurred for the sales of residential properties in Taman Akasia and Taman La Casa Lunas. The increase was mainly attributable to the increase in advertisement and promotion expenses by RM1.11 million or 120.65% to RM2.03 million (FYE 2022: RM0.92 million).

12.3.3.6 Administrative expenses

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Auditors' remuneration	117	1.65	144	1.54	211	1.56
Depreciation	998	14.06	1,236	13.21	2,292	16.94
Directors' remuneration(1)	1,154	16.26	1,550	16.56	2,024	14.96
Legal and professional fees	857	12.07	965	10.31	113	0.84
Management fees(2)	60	0.85	45	0.48	1	0.01
Office expenses(3)	442	6.23	673	7.19	728	5.38
Other administrative expenses(4)	369	5.20	632	6.75	1,935	14.30
Quit rent and assessment	258	3.63	236	2.52	224	1.66
Staff costs(1)	2,806	39.51	3,834	40.96	5,929	43.82
Withholding tax	38	0.54	45	0.48	72	0.53
Total administrative expenses	**7,099**	**100.00**	**9,360**	**100.00**	**13,529**	**100.00**

Notes:

(1) Staff costs primarily consist of salaries, wages and allowances, bonuses, EPF contribution, SOCSO contribution, EIS contribution and other staff-related expenses. Directors' remuneration mainly includes salaries along with EPF, SOCSO and EIS contributions.

(2) Management fees refer to payment for office management services to a related party. The office management services include provision of office maintenance, administration workers and office equipment.

(3) Office expenses comprise electricity and water charges, fixed assets written off, office maintenance, office rental, printing and stationery, repair and maintenance, subscription fees as well as telephone and fax charges.

(4) Other administrative expenses include accounting fees, bank charges, bank overdraft commitment fees, compound, credit card charges, donations, insurance, license and permits fees, newspaper and periodicals, postage and courier charges, printing and stationeries as well as other expenses incurred to maintain our Group's operations.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2022 and FYE 2021

Administrative expenses increased by RM2.26 million or 31.83% to RM9.36 million in FYE 2022 (FYE 2021: RM7.10 million), mainly attributable to the following:

(i) an increase in staff costs by RM1.03 million or 36.79% to RM3.83 million in FYE 2022 (FYE 2021: RM2.80 million). This was mainly due to the increase in staff salaries by RM0.75 million along with the increase in relevant statutory contributions such as EPF, SOCSO and EIS contributions by RM0.08 million. Our Group's average administrative staff headcount increased from 40 for FYE 2021 to 48 for FYE 2022. In addition, our Group's spending for staff training and development was increased by RM0.10 million in FYE 2022;

(ii) an increase in directors' remuneration by RM0.40 million or 34.78% to RM1.55 million in FYE 2022 (FYE 2021: RM1.15 million);

(iii) an increase in other administrative expenses by RM0.26 million or 70.27% to RM0.63 million in FYE 2022 (FYE 2021: RM0.37 million), mainly due to the following:

  (a) RM0.19 million property development expenditure written off in FYE 2022 due to the expiry of development order pertaining to lands held for development located in Bidor, Perak; and

  (b) an increase in bank charges by RM0.11 million which was mainly attributable to bank guarantees charges of RM0.08 million incurred by SPBSB and Laman Exotika during FYE 2022, and

(iv) an increase in depreciation by RM0.24 million or 24.00% to RM1.24 million in FYE 2022 (FYE 2021: RM1.00 million), mainly due to the increase in depreciation for site equipment which resulted from the acquisition of aluminium formworks.

Comparison between FYE 2023 and FYE 2022

Administrative expenses increased by RM4.17 million or 44.55% to RM13.53 million in FYE 2023 (FYE 2022: RM9.36 million), mainly attributable to the following:

(i) an increase in staff costs by RM2.10 million or 54.83% to RM5.93 million in FYE 2023 (FYE 2022: RM3.83 million). This was mainly due to the increase in staff salaries by RM1.34 million along with the increase in relevant statutory contributions such as EPF, SOCSO and EIS contributions. Our Group's average administrative staff headcount increased from 48 for FYE 2022 to 63 for FYE 2023;

(ii) an increase in other administrative expenses by RM1.31 million or 207.94% to RM1.94 million in FYE 2023 (FYE 2022: RM0.63 million), mainly due to the following:

  (a) stamp duty incurred of RM0.41 million which primarily related to construction contracts for our property developments;

  (b) an increase in property development expenditure written off by RM0.14 million due to RM0.33 million property development expenditure written off pertaining to a terminated project located in Bandar Baru, Alor Gajah. The project was terminated after due consideration by our management as it was no longer feasible;

  (c) an increase in fees for licenses and permits by RM0.28 million, mainly attributable to CIDB levy;

  (d) an increase in security charges by RM0.16 million; and

  (e) an increase in processing fees by RM0.12 million; and

(iii) an increase in depreciation by RM1.05 million or 84.68% to RM2.29 million in FYE 2023 (FYE 2022: RM1.24 million), mainly due to the acquisition of formwork (site equipment).

The above increase in administrative expenses was partially offset by the decrease in legal and professional fees which decreased by RM0.85 million or 88.54% to RM0.11 million in FYE 2023 (FYE 2022: RM0.96 million), mainly due to reversal of professional fees incurred for the Listing to prepayment.

12.3.3.7 Finance income

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Bank interest received	38	43.68	100	114.94	157	63.05
Housing development account interest received	5	5.75	12	13.79	6	2.41
Late payment interest charged to home buyers	43	49.42	-	-	56	22.49
Waiver of late payment interest charged	-	-	(104)	(119.53)	-	-
Interest received from stakeholder's fund	1	1.15	79	90.80	30	12.05
Total finance income	**87**	**100.00**	**87**	**100.00**	**249**	**100.00**

Comparison between FYE 2022 and FYE 2021

Finance income remained constant at RM0.09 million in FYE 2022 (FYE 2021: RM0.09 million). However, there was a waiver of late payment interest charged to home buyers of RM0.10 million which reduced the finance income in FYE 2022. The decision to waive the late payment interest was determined by our Management on case-by-case basis such as when the delay in payment is beyond the buyers' control. For example, delay in loan processing by Lembaga Pembiayaan Perumahan Sektor Awam or bank. The waiver will only be considered upon receiving the request for waiver from home buyers.

Comparison between FYE 2023 and FYE 2022

Finance income increased by RM0.16 million or 177.78% to RM0.25 million in FYE 2023 (FYE 2022: RM0.09 million), mainly attributable to the absence of waiver of late payment interest charged to home buyers which reduced the finance income in FYE 2022. In contrast, we recorded income from late payment interest charged to home buyers of RM0.06 million in FYE 2023.

12.3.3.8 Finance costs

	Audited					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%
Bank overdraft interest	138	7.99	753	79.35	1,526	60.49
Lease liabilities interest	21	1.21	37	3.90	45	1.78
Term loan interest	1,570	90.80	159	16.75	952	37.73
Total finance costs	**1,729**	**100.00**	**949**	**100.00**	**2,523**	**100.00**

Comparison between FYE 2022 and FYE 2021

Finance costs decreased by RM0.78 million or 45.09% to RM0.95 million in FYE 2022 (FYE 2021: RM1.73 million), mainly attributable to the decrease in term loan interest by RM1.41 million or 89.81% to RM0.16 million in FYE 2022 (FYE 2021: RM1.57 million). This was mainly due to the settlement of two term loans in FYE 2021.

Comparison between FYE 2023 and FYE 2022

Finance costs increased by RM1.57 million or 165.26% to RM2.52 million in FYE 2023 (FYE 2022: RM0.95 million), mainly attributable to the following:

(i) increase in term loan interest by RM0.79 million or 493.75% to RM0.95 million in FYE 2023 (FYE 2022: RM0.16 million), mainly due to drawdown of term loan amounted to RM4.0 million in FYE 2023; and

(ii) increase in bank overdraft interest by RM0.78 million or 104.00% to RM1.53 million in FYE 2023 (FYE 2022: RM0.75 million) due to additional utilisation of the facility.

12.3.3.9 PBT and PBT margin

	Audited		
	FYE 2021	**FYE 2022**	**FYE 2023**
PBT (**RM'000**)	32,556	51,620	61,971
PBT margin (**%**)	31.14	34.37	30.86

Comparison between FYE 2022 and FYE 2021

Our Group's PBT increased by RM19.07 million or 58.59% to RM51.62 million in FYE 2022 (FYE 2021: RM32.55 million) and our Group's PBT margin improved by 3.23% from 31.14% in FYE 2021 to 34.37% in FYE 2022. The increase in PBT and PBT margin was mainly due to the higher GP and GP margin generated from our property development business and higher other income in FYE 2022 as explained in **Sections 12.3.3.3 and 12.3.3.4** of this Prospectus respectively.

Comparison between FYE 2023 and FYE 2022

Our Group's PBT increased by RM10.35 million or 20.05% to RM61.97 million in FYE 2023 (FYE 2022: RM51.62 million) and our Group's PBT margin decreased by 3.51% from 34.37% in FYE 2022 to 30.86% in FYE 2023. The increase in PBT was mainly due to the higher GP generated from our property development business as explained in **Section 12.3.3.3** of this Prospectus. The decline in PBT margin was mainly due to the increase in administrative expenses and finance costs as well as lower other income for FYE 2023.

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12. FINANCIAL INFORMATION *(Cont'd)*

12.3.3.10 Taxation

	Audited		
	FYE 2021	**FYE 2022**	**FYE 2023**
	RM'000	**RM'000**	**RM'000**
Current tax:			
- Current year	7,452	11,819	18,558
- Over provision in prior years	-	(53)	(184)
	7,452	**11,766**	**18,374**
Deferred tax:			
- Current year	431	194	(2,794)
- Under provision in prior years	-	-	374
	431	**194**	**(2,420)**
Tax expenses	**7,883**	**11,960**	**15,954**
Effective tax rate (**%**)	24.21	23.17	25.74
Statutory tax rate (**%**)	24.00	24.00	24.00

We assume responsibility for the withholding tax on services rendered by oversea service providers and have remitted these withholding taxes to the relevant tax authorities.

Comparison between FYE 2022 and FYE 2021

Our tax expenses increased by RM4.08 million or 51.78% to RM11.96 million in FYE 2022 (FYE 2021: RM7.88 million), mainly contributed by the increase in PBT in FYE 2022.

For FYE 2021, our effective tax rate of 24.21% was marginally higher than the statutory tax rate of 24.00%. This was mainly due to expenses not deductible for tax purposes of RM0.74 million which was mainly attributed to depreciation for non-qualifying assets and professional fees.

For FYE 2022, our effective tax rate of 23.17% was marginally lower than the statutory tax rate of 24.00%. This was mainly due to tax saving from land cost which subject to real property gains tax rate of RM0.43 million. The RPGT arose from the reclassification from investment property to inventory which is deemed as a disposal of real property by the IRB and the fair value gains will be subject to real property gains tax.

Comparison between FYE 2023 and FYE 2022

Our tax expenses increased by RM3.99 million or 33.36% to RM15.95 million in FYE 2023 (FYE 2022: RM11.96 million), mainly contributed by the increase in PBT in FYE 2023.

For FYE 2023, our effective tax rate of 25.74% was higher than the statutory tax rate of 24.00%. This was mainly due to the expenses not deductible for tax purposes of RM1.20 million which was mainly attributed to depreciation for non-qualifying assets, interest restriction and professional fees.

12. FINANCIAL INFORMATION *(Cont'd)*

12.4 REVIEW OF FINANCIAL POSITION

12.4.1 Assets

	Audited as at 31 December		
	2021	**2022**	**2023**
	RM'000	**RM'000**	**RM'000**
Non-current assets			
Property, plant and equipment [(1)]	4,850	7,256	15,266
Investment properties	76,402	76,318	26,966
Inventories	140,317	111,305	190,944
Deferred tax assets	2,916	2,722	5,142
Total non-current assets	**224,485**	**197,601**	**238,318**
Current assets			
Inventories	62,495	86,884	75,206
Contract assets	28,139	75,500	102,536
Contract costs	1,136	1,424	1,364
Trade receivables	32,514	12,773	25,604
Other receivables	22,570	13,330	14,720
Amount due from related parties	74,558	16,668	29
Tax recoverable	197	1,382	590
Cash and short-term deposits	8,882	13,849	28,578
Total current assets	**230,491**	**221,810**	**248,627**
Total assets	**454,976**	**419,411**	**486,945**

Note:

(1) Included right-of-use assets of our Group which comprise motor vehicles acquired under hire purchase terms and right of using premises recognised in accordance with MFRS 16 Leases.

Comparison between 31 December 2022 and 31 December 2021

Our total assets decreased by RM35.55 million or 7.81% to RM419.41 million as at 31 December 2022 (31 December 2021: RM454.98 million), primarily attributable to the following:

(i) decrease in non-current assets by RM26.88 million or 11.97% to RM197.60 million as at 31 December 2022 (31 December 2021: RM224.48 million), mainly attributable to the decrease in non-current inventories by RM29.02 million or 20.68% to RM111.30 million as at 31 December 2022 (31 December 2021: RM140.32 million). This was mainly due to the reclassification of lands held for property development (non-current inventories) of RM39.80 million to property development costs (current inventories) given that the lands will be developed within next 12 months. The reclassification was mainly in respect of our development of Taman Akasia as well as Taman La Casa Lunas (Phases 4A and 4C). The decrease in non-current inventories was partially offset by the net additions in lands held for development of RM7.48 million which mainly resulted from the acquisition of Mantap Megajuta.

The above decrease in non-current assets was partially offset by the increase in property, plant and equipment by RM2.41 million or 49.69% to RM7.26 million as at 31 December 2022 (31 December 2021: RM4.85 million) which mainly resulted from the acquisition of site equipment; and

12. FINANCIAL INFORMATION *(Cont'd)*

(ii) decrease in current assets by RM8.68 million or 3.77% to RM221.81 million as at 31 December 2022 (31 December 2021: RM230.49 million), mainly attributable to the decrease in amount due from related parties by RM57.89 million or 77.64% to RM16.67 million as at 31 December 2022 (31 December 2021: RM74.56 million) due to the repayment from related parties in FYE 2022.

The decrease in amount due from related parties was partially offset by the increase in contract assets by RM47.36 million or 168.30% to RM75.50 million as at 31 December 2022 (31 December 2021: RM28.14 million), mainly resulting from the recognition of revenue from our Taman La Casa Lunas based on completion stages before reaching the next billing milestone.

Comparison between 31 December 2023 and 31 December 2022

Our total assets increased by RM67.54 million or 16.10% to RM486.95 million as at 31 December 2023 (31 December 2022: RM419.41 million), primarily attributable to the following:

(i) increase in non-current assets by RM40.72 million or 20.61% to RM238.32 million as at 31 December 2023 (31 December 2022: RM197.60 million), mainly attributable to the increase in non-current inventories by RM79.64 million or 71.55% to RM190.94 million as at 31 December 2023 (31 December 2022: RM111.30 million). This was mainly due to the reclassification of lands previously held as investment properties of RM49.27 million to land held for future development and additional costs incurred during FYE 2023 of RM31.19 million for our land held for future development which mainly comprise earthwork costs for land in Banting, Selangor. Further, property, plant and equipment increased by RM8.01 million or 110.33% to RM15.27 million as at 31 December 2023 (31 December 2022: RM7.26 million), mainly attributable to the acquisition of formworks for our property development.

The above increase in non-current assets was partially offset by the decrease in investment properties by RM49.35 million or 64.66% from RM76.32 million as at 31 December 2022 to RM26.97 million as at 31 December 2023. The decrease was mainly due to the aforementioned reclassification of lands previously held as investment properties to lands held for future development; and

(ii) increase in current assets by RM26.82 million or 12.09% to RM248.63 million as at 31 December 2023 (31 December 2022: RM221.81 million), mainly attributable to the increase in contract assets by RM27.04 million or 35.81% to RM102.54 million as at 31 December 2023 (31 December 2022: RM75.50 million) pertaining to our on-going developments, particularly Taman La Casa Lunas. Further, our Group's cash and bank balances increased by RM14.72 million or 106.44% to RM28.55 million as at 31 December 2023 (31 December 2022: RM13.83 million), followed by trade receivables increased by RM12.83 million or 100.47% to RM25.60 million as at 31 December 2023 (31 December 2022: RM12.77 million), mainly due to the collection from and billing issued to home buyers for units sold respectively.

The above increase in current assets was partially offset by the decrease in current inventories by RM11.67 million or 13.43% to RM75.21 million as at 31 December 2023 (31 December 2022: RM86.88 million). The decrease was mainly due to the recognition of development costs for units sold in profit or loss during FYE 2023. Further, amount due from related parties of RM16.64 million out of outstanding as at 31 December 2022 of RM16.67 million was recovered as at 31 December 2023.

12. FINANCIAL INFORMATION *(Cont'd)*

12.4.2 Liabilities

	Audited as at 31 December		
	2021	**2022**	**2023**
	RM'000	**RM'000**	**RM'000**
Non-current liabilities			
Borrowings	1,330	13,045	13,265
Lease Liabilities	374	387	250
Deferred tax liabilities	999	999	999
Total non-current liabilities	**2,703**	**14,431**	**14,514**
Current liabilities			
Contract liabilities	8,211	-	117
Trade payables	13,980	15,930	39,900
Other payables	11,631	8,129	11,072
Amount due to related parties	116,974	33,943	7,458
Borrowings	12,367	13,683	36,211
Lease liabilities	282	409	397
Tax payable	1,422	3,370	6,067
Total current liabilities	**164,867**	**75,464**	**101,222**
Total liabilities	**167,570**	**89,895**	**115,736**

Comparison between 31 December 2022 and 31 December 2021

Our Group's total liabilities decreased by RM77.68 million or 46.36% to RM89.89 million as at 31 December 2022 (31 December 2021: RM167.57 million), primarily attributable to the decrease in current liabilities by RM89.41 million or 54.23% to RM75.46 million as at 31 December 2022 (31 December 2021: RM164.87 million). This was mainly due to the decrease in amount due to related parties by RM83.03 million or 70.98% to RM33.94 million as at 31 December 2022 (31 December 2021: RM116.97 million), resulted from the settlement of RM89.25 million outstanding amount due to related parties (excluded director) during FYE 2022. The remaining amount due to related parties as at 31 December 2022 solely represents the advances from a director which has increased by RM6.22 million or 22.44% to RM33.94 million (31 December 2021: RM27.72 million).

The above decrease in current liabilities was partially offset by the increase in non-current liabilities by RM11.73 million or 434.44% to RM14.43 million as at 31 December 2022 (31 December 2021: RM2.70 million). The said increase mainly attributable to the increase in term loans outstanding payables after 12 months by RM11.71 million or 880.45% to RM13.04 million as at 31 December 2022 (31 December 2021: RM1.33 million), resulted from the drawdown of RM15.00 million term loans in FYE 2022 by SPBSB, Laman Exotika and Naluri Wijaya of RM5.00 million each respectively for working capital purposes.

Comparison between 31 December 2023 and 31 December 2022

Our Group's total liabilities increased by RM25.85 million or 28.76% to RM115.74 million as at 31 December 2023 (31 December 2022: RM89.89 million), primarily attributable to the increase in current liabilities by RM25.76 million or 34.14% to RM101.22 million as at 31 December 2023 (31 December 2022: RM75.46 million). This was mainly due to the following:

(i) increase in trade payables by RM23.97 million or 150.47% to RM39.90 million as at 31 December 2023 (31 December 2022: RM15.93 million) as the construction works of our developments progressed; and

(ii) increase in short-term borrowings by RM22.53 million or 164.69% to RM36.21 million as at 31 December 2023 (31 December 2022: RM13.68 million), mainly due to the increase in utilisation of bank overdraft facilities during FYE 2023.

The above increase in current liabilities was partially offset by the decrease in amount due to a director by RM26.49 million or 78.05% to RM7.45 million as at 31 December 2023 (31 December 2022: RM33.94 million) as a result of repayment during FYE 2023.

12.5 REVIEW OF CASH FLOWS

The summary of our combined statements of cash flows for the Period Under Review should be read in conjunction with the Accountants' Report as set out in **Section 13** of this Prospectus.

	Audited		
	FYE 2021	**FYE 2022**	**FYE 2023**
	RM'000	**RM'000**	**RM'000**
Net cash flows from operating activities	8,871	11,525	30,166
Net cash (used in)/from investing activities	(8,110)	68,907	(6,889)
Net cash (used in) financing activities	(12,648)	(74,179)	(30,241)
Net (decrease)/increase in cash and cash equivalents	**(11,887)**	**6,253**	**(6,964)**
Cash and cash equivalents at beginning of the financial year	8,800	(3,087)	3,166
Cash and cash equivalents at end of the financial year[(1)]	**(3,087)**	**3,166**	**(3,798)**

Note:

(1) Cash and cash equivalents comprise the following:

	Audited		
	FYE 2021	***FYE 2022***	***FYE 2023***
	RM'000	***RM'000***	***RM'000***
Cash and short-term deposits	*8,882*	*13,849*	*28,578*
Less: short-term deposits	*-*	*(23)*	*(23)*
	8,882	*13,826*	*28,555*
Bank overdrafts	*(11,969)*	*(10,660)*	*(32,353)*
Cash and cash equivalents at end of the financial year	***(3,087)***	***3,166***	***(3,798)***

There are no legal, financial or economic restrictions on our Subsidiaries' ability to transfer funds to our Company in the form of cash dividends, loans or advances subject to the availability of distributable profits and reserves, and any applicable financial covenants.

12. FINANCIAL INFORMATION *(Cont'd)*

12.5.1 Net cash flows from operating activities

(i) FYE 2021

For the FYE 2021, our Group generated operating cash flows before working capital changes of RM35.22 million. Our net cash flows from operating activities was RM8.87 million after taken into account of the following:

(a) RM3.85 million increase in inventories which was mainly attributable to net effect of the following:

- RM8.56 million costs incurred for lands held for future development during FYE 2021 which mainly included a land premium of RM3.96 million incurred for our lands in Banting, Selangor and property development costs of RM1.88 million incurred for our lands in Kluang, Johor;

- RM59.17 million property development costs incurred whereby RM50.93 of which have been recognised in profit or loss during FYE 2021 for our on-going developments, particularly Taman La Casa Lunas (Phase 3A) and Taman Bukit Cheng (Phase 1); and

- RM11.34 million costs for completed development properties sold recognised in profit or loss during FYE 2021, mainly attributable to the sales of housing units from Taman Nuri and a factory from Twin Park;

(b) RM8.22 million decrease in contract customers mainly due to net effect of the following:

- RM14.00 million increase in contract assets, among others, contract assets of Taman Bukit Cheng (Phase 1) increased by RM7.57 million, followed by construction services of RM2.66 million and Taman Nuri Sentosa of RM2.34 million. The building works for Taman Bukit Cheng (Phase 1) and Taman Nuri Sentosa were completed in FYE 2021. However, based on the progress billing milestone, the balance 25% can be billed only after obtaining CCC. Hence, the progress billings the projects have been accrued but yet to be issued for workdone completed. The CCC for Taman Bukit Cheng (Phase 1) and Taman Nuri Sentosa were obtained in January 2022 and April 2022 respectively. For construction services, the progress billing was issued in January 2022 after verification of workdone by the property developer;

- RM5.86 million increase in contract liabilities due to progress billings issued in FYE 2021 for Taman La Casa Lunas (Phase 3B) have not met the revenue recognition criteria. The development was launched in December 2020 and based on progress billing milestone, we issued progress billings on the first milestone, i.e. 10% upon signing of sales and purchase agreement to home buyers whilst the percentage of completion of the project was 8.84% as at 31 December 2021; and

- RM0.08 million decrease in provision for LAD due to the reversal of provision in FYE 2021;

12. FINANCIAL INFORMATION *(Cont'd)*

(c) RM18.84 million increase in receivables which was mainly due to:

- RM12.56 million increase in trade receivables, mainly attributable to timing involved in processing necessary legal documentation and long processing time required for end financiers to process the loan disbursements as a result of MCO, specifically for Taman La Casa Lunas (Phase 3B) where we sold 259 units residential properties in FYE 2021. Further, progress billings of RM2.49 million for Taman Nuri (Phase 3B2) was issued towards the end of the financial year; and

- RM6.28 million increase in other receivables, mainly due to the increase in advances to our main contractor for the purchase of construction materials;

(d) RM12.76 million increase in payables which was mainly contributed by the increase in trade payables of RM10.04 million due to higher outstanding balances owing to our main contractor for various developments as the construction works progressed. Further, other payables increased by RM2.72 million which, among others, the advance payment from home buyers increased by RM2.19 million;

(e) RM0.27 million increase in contract costs, mainly attributable to higher sales and marketing costs, particularly sales commission incurred for the sales of development properties under Taman La Casa Lunas (Phases 3A and 3B);

(f) RM6.28 million income tax payments;

(g) RM1.73 million interest expense paid; and

(h) RM0.09 million interest income received.

(ii) FYE 2022

For the FYE 2022, our Group generated operating cash flows before working capital changes of RM53.56 million. Our net cash flows from operating activities was RM11.53 million after taken into account of the following:

(a) RM11.90 million decrease in inventories which was mainly attributable to net effect of the following:

- RM79.79 million property development costs recognised in profit or loss which have been partially offset by the RM73.25 million property development costs incurred during FYE 2022 for our on-going developments, particularly Taman La Casa Lunas (Phases 3A and 3B);

- RM8.94 million costs for completed development properties sold recognised in profit or loss during FYE 2022, mainly attributable to the sales of housing units from Taman Nuri; and

- RM3.51 million costs incurred for lands held for future development during FYE 2022;

(b) RM55.57 million decrease in contract customers due to net effect of the following:

- RM47.36 million increase in contract assets, mainly contributed from Taman La Casa Lunas where progress billings have been accrued but yet to be issued for workdone completed during FYE 2022;

12. FINANCIAL INFORMATION *(Cont'd)*

- RM7.84 million decrease in contract liabilities as earlier progress billings issued for Taman La Casa Lunas (Phase 3B) had subsequently met the revenue recognition criteria in FYE 2022; and

- RM0.37 million decrease in provision for LAD due to the reversal of provision in FYE 2021;

(c) RM28.96 million decrease in receivables which was mainly due to:

- RM19.74 million decrease in trade receivables due to the improve in collection for progress billings issued for Taman La Casa Lunas subsequent to the cessation of MCO; and

- RM9.24 million decrease in other receivables, mainly attributable to the following:

  i. RM4.95 million repayment from two individuals which the advances were previously provided for the acquisition of shares in Good Rate, whereby the shares were subsequently transferred to Datuk Yap and Datin Loh;

  ii. RM3.00 million repayment from third parties which the advance was previously extended for the purpose tendering a waste energy project which was eventually unsuccessful; and

  iii. RM1.33 million decrease in receivables from our main contractor as the advances to our main contractor for the purchase of construction materials which was offset against amount payables to the main contractor for construction works done for our development projects;

(d) RM1.53 million decrease in payables which was mainly contributed by the decrease in other payables of RM3.48 million due to the repayment to non-trade creditors. The decrease in other payables was partially offset by the increase in trade payables of RM1.95 million due to increase in amount payables to suppliers and contractors for our various development projects;

(e) RM13.65 million receivables from a related party pertaining to our construction contract. This amount has been fully repaid in FYE 2023;

(f) RM0.29 million increase in contract costs, mainly attributable to higher sales and marketing costs, particularly sales commission and legal fees borne by our Group, among others, the contract costs of Taman La Casa Lunas (Phase 3B) increased by RM0.35 million;

(g) RM11.00 million income tax payments;

(h) RM0.95 million interest expense paid; and

(i) RM0.09 million interest income received.

12. FINANCIAL INFORMATION *(Cont'd)*

(iii) FYE 2023

For the FYE 2023, our Group generated operating cash flows before working capital changes of RM66.54 million. Our net cash flows from operating activities was RM30.17 million after taken into account of the following:

(a) RM18.69 million increase in inventories which was mainly attributable to net effect of the following:

- RM31.19 million costs incurred for our lands held for future development which include earthwork costs of RM12.92 million incurred for our lands in Banting, Selangor; and
- RM12.34 million costs for completed development properties sold recognised in profit or loss during FYE 2023, primarily attributable to the sales housing units from Taman Nuri;

(b) RM26.92 million decrease in contract customers due to net effect of the following:

- RM37.29 million increase in contract assets, mainly attributable to Taman La Casa Lunas (Phase 3B). The building works of the development was completed as at 31 December 2023, but CCC not yet obtained. Hence, progress billings have been accrued for workdone completed during FYE 2023 but yet to be issued to home buyers; and
- RM10.37 million provision for LAD made in FYE 2023 for Taman La Casa Lunas (Phases 3A, 3B and 2) and Taman Nuri (Phase 3B2);

(c) RM14.22 million increase in receivables which was mainly due to:

- RM12.83 million increase in trade receivables due to increase in progress billings issued for our developments, among others, the trade receivables for Taman La Casa Lunas increased by RM10.28 million, in tandem with the increase in sales of the development in FYE 2023; and
- RM1.39 million increase in other receivables, mainly due to the deposits paid of RM5.61 million for the acquisition of lands for future development in Seberang Perai Utara, Penang as well as payment made for professional fees pertaining to IPO exercise of RM1.46 million. The increase was partially offset by the decrease in advance to our main contractor for the purchase of construction materials of RM5.11 million;

(d) RM26.91 million increase in payables which was mainly due to:

- RM23.97 million increase in trade payables as the construction works for property development progressed; and
- RM2.94 million increase in other payables due to increase in amount payables to non-trade creditors of RM1.51 million and increase in advance payment from home buyers of RM1.42 million;

(e) RM13.65 million received from a related party of pertaining to our construction contract;

(f) RM0.06 million decrease in contract costs, mainly attributable to lower costs incurred for advertisement and promotion for Taman La Casa Lunas (Phase 3B) and Taman Nuri;

(g) RM15.15 million income tax payments;

(h) RM2.52 million interest expense paid;

(i) RM0.26 million income tax refunded; and

(j) RM0.25 million interest income received.

12.5.2 Net cash (used in)/from investing activities

(i) FYE 2021

For the FYE 2021, we recorded net cash used in investing activities of RM8.11 million which was mainly attributable to:

(a) RM4.34 million advances to related parties which mainly comprise advances to Anjuran Setara of RM2.70 million for its working capital purposes; and

(b) RM3.77 million for the acquisition of property, plant and equipment during the financial year, including the purchase of site equipment of RM3.25 million, office equipment of RM0.08 million, furniture and fittings of RM0.05 million as well as the addition of right-of-use assets, i.e. motor vehicles of RM0.89 million, of which RM0.50 million were financed with hire purchase facilities. The site equipment purchased was aluminium formworks for our use in property developments.

(ii) FYE 2022

For the FYE 2022, we recorded net cash from investing activities of RM68.91 million which was mainly attributable to:

(a) RM71.54 million repayment from related parties; and

(b) RM0.42 million proceeds from disposal of 5 units of motor vehicles.

The cash inflows above were partially offset by the cash outflows arising from the following:

(a) RM0.02 million fixed deposit placed with a licensed bank; and

(b) RM3.03 million for the acquisition of property, plant and equipment during the financial year, including the purchase of site equipment of RM2.02 million, office equipment of RM0.18 million, furniture and fittings of RM0.07 million, as well as renovation costs capitalised of RM0.37 million and the addition of right-of-use assets, i.e. motor vehicles of RM0.99 million, of which RM0.60 million were financed with hire purchase facilities. The site equipment purchased was aluminium formworks for our use in property developments.

(iii) FYE 2023

For the FYE 2023, we recorded net cash used in investing activities of RM6.89 million which was mainly attributable to the acquisition of property, plant and equipment of RM9.88 million during the financial year, including the purchase of site equipment of RM8.96 million, office equipment of RM0.26 million, renovation costs capitalised of RM0.59 million, as well as other assets of RM0.07 million. The site equipment purchased mainly comprises aluminium formworks of RM8.96 million for our use in property developments.

The cash outflow was partially offset by the cash inflow from the repayment from related parties of RM2.99 million.

12. FINANCIAL INFORMATION *(Cont'd)*

12.5.3 Net cash used in financing activities

(i) FYE 2021

For the FYE 2021, we recorded net cash used in financing activities of RM12.65 million. This was mainly attributable to:

(a) RM30.35 million repayment of term loans. In FYE 2021, we have collectively made advance payments of RM17.50 million for the repayment of principal and interest during the financial year; and

(b) RM0.35 million repayment of lease liabilities for motor vehicles.

These cash outflows above were partially offset by the cash inflows from:

(a) RM3.82 million net advances from directors for the purpose of early repayment of term loan utilised for purchase of land in Banting, which were interest-free and repayable on demand; and

(b) RM14.23 million net advances from related parties, mainly advances from Prasarana Pesona to SPBSB for working capital purposes, which were interest-free and repayable on demand. The advances have been fully settled as at 31 December 2022.

(ii) FYE 2022

For the FYE 2022, we recorded net cash used in financing activities of RM74.18 million. This was mainly attributable to:

(a) RM2.64 million dividend paid;

(b) RM0.66 million repayment of term loans;

(c) RM0.46 million repayment of lease liabilities for motor vehicles; and

(d) RM89.25 million repayment for advances from related parties which were interest-free and repayable on demand.

These cash outflows above were partially offset by the cash inflows from the following:

(a) RM15.00 million drawdowns of term loans amounted by SPBSB, Laman Exotika and Naluri Wijaya of RM5.00 million each respectively for working capital purposes; and

(b) RM3.83 million net interest-free advances from a director, mainly for the purpose of repay the amount due to Prasarana Pesona.

12. FINANCIAL INFORMATION *(Cont'd)*

(iii) FYE 2023

For the FYE 2023, we recorded net cash used in financing activities of RM30.24 million. This was mainly attributable to:

(a) RM4.47 million dividend paid;

(b) RM2.95 million repayment of term loans;

(c) RM0.49 million repayment of lease liabilities for motor vehicles and leasing of office; and

(d) RM26.34 million net repayment for advances from a director which were interest-free and repayable on demand.

These cash outflows were partially offset by the cash inflow from the drawdown of RM4.0 million term loan during the financial year for working capital purposes.

12.6 LIQUIDITY AND CAPITAL RESOURCES

12.6.1 Working capital

We finance our operations with cash generated from operations, credit extended by trade payables and/or financial institutions as well as cash and bank balances. Our banking facilities from financial institutions comprise bank guarantees, cash line, overdrafts, term loans, and hire purchase arrangement.

Our Board confirms that our working capital will be sufficient for our existing and foreseeable requirements for a period of 12 months from the date of this Prospectus, taking into consideration the following:

(i) cash and bank balances of approximately RM13.36 million as at 31 December 2023 after taking into consideration RM15.20 million held under Housing Development Accounts which is restricted to use in other operations such as for working capital purposes to fund project development only and not for general working capital of our Group;

(ii) expected future cash flows from operations;

(iii) banking facilities with a total credit limit of RM76.34 million as at 31 December 2023, which comprise bank guarantees, cash line and bank overdrafts, of which RM39.78 million has yet to be utilised;

(iv) pro forma gearing level of [●] times, based on our pro forma statements of financial position as at 31 December 2023 after the Acquisitions, Public Issue, use of proceeds and subsequent events;

(v) the expected increase in the gearing level from the pro forma gearing ratio of [●] times to approximately [●] times after taking into consideration the expected increase in bank borrowings of our Group arising from the potential drawdown of banking facility for the acquisition of Plentong Land;

(vi) the decrease in operating cash flows from RM30.17 million in FYE 2023 to RM1.68 million in 6-month financial period ended 30 June 2024, which was mainly due to the completion of the land acquisitions in Seberang Perai, Penang in January 2024;

(vii) the future funding requirements for our future plans and the acquisition of Plentong Land; and

(viii) the pre-IPO dividend payable of up to RM7.00 million in respect of FYE 2024 to be paid out from SPBSB's internally generated funds.

At this juncture, we do not foresee any circumstances which may materially affect our liquidity. We carefully consider our cash position and ability to obtain further financing before making significant capital commitments, such as new land acquisition and commencement of new property development projects.

12. FINANCIAL INFORMATION *(Cont'd)*

12.6.2 Borrowings

All of our bank borrowings are secured and interest-bearing, comprising both fixed and floating rate borrowings. The floating rate borrowings are based on base lending rate plus or minus a rate which varies depending on the type of facilities. Our Group's total borrowings as at 31 December 2023 are as follows:

	As at 31 December 2023			
Maturity profile	**[(1) (4)]Term loans**	**[(2) (4)]Bank overdrafts**	**[(3) (4)]Lease Liabilities**	**Total borrowings**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Payable within 1 year	3,858	32,353	397	**36,608**
Payable after 1 year				
- 1 to 2 years	4,103	-	128	**4,231**
- 2 to 5 years	9,162	-	122	**9,284**
	13,265	-	250	**13,515**
Total	**17,123**	**32,353**	**647**	**50,123**
Floating rate borrowings	16,173	32,353	-	**48,526**
Fixed rate borrowings	950	-	647	**1,597**
Effective interest rate (**%**)	3.50 – 6.85	6.85 – 7.10	2.06 – 5.05	**2.06 – 7.10**
Gearing ratio (**times**)[(5)]				0.14
Net gearing ratio (**times**)[(6)]				0.06

Notes:

(1) Term loans were mainly utilised to fund the working capital requirements of our Group.

(2) Bank overdrafts were mainly utilised to fund the working capital requirements of our Group and to partially finance the acquisition of lands.

(3) Lease liabilities included hire purchases utilised for acquiring motor vehicles and other lease liabilities recognised in accordance with MFRS 16 Leases related to leasing of office premises.

(4) In conjunction with the Listing, we have obtained conditional approval for the release and/or discharge of the guarantees from financial institutions by substituting the same with a corporate guarantee from our Company. Until such release and/or discharge are perfected, our Non-Independent Executive Chairman, Non-Independent Executive Director and Chief Financial Officer will continue to guarantee the banking facilities extended to our Group.

(5) Calculated based on total borrowings over equity attributable to the owners as at 31 December 2023.

(6) Calculated based on total borrowings less short-term deposits, cash and bank balances over total equity as at 31 December 2023.

As at the LPD, our Group is not in breach of any terms and conditions or covenants associated with the credit arrangements or bank loans, which can materially affect the financial position and results of business operations or investments by holders of our securities.

Our Group has not defaulted on any payment of either principal sum and/or interest in relation to borrowings for the Period Under Review and up to the LPD.

12. FINANCIAL INFORMATION *(Cont'd)*

12.7 TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES

Save as disclosed in **Section 12.6** above, we do not have or utilise any other financial instruments or have any other treasury policies. All our financial instruments are used to fund the acquisition of land and purchase of property, plant and equipment as well as utilise for our property development business. As at 31 December 2023, save for our lease liabilities and certain term loans which are based on fixed rates, all our other banking facilities from financial institutions are based on base lending rate plus or minus a rate which varies depending on the type of facilities.

12.8 MATERIAL CAPITAL COMMITMENTS

As at the LPD, our Group's material commitments for capital expenditure are summarised below:

	Commitment for capital expenditure	Internal generated funds/bank borrowings	Proceeds from Public Issue
	RM'000	RM'000	RM'000
Approved and contracted for:			
- Acquisition of Plentong Land	(1)97,755	97,755	-

Note:

(1) The purchase consideration for the acquisition of Plentong Land is RM110.00 million. As at the LPD, a deposit of RM11.00 million was paid and certain portion of the Plentong Land amounting to RM1.38 million does not formed part of the capital expenditure as it will be recognised as inventory.

12.9 MATERIAL LITIGATION AND CONTINGENT LIABILITIES

12.9.1 Material litigation

Save as in **Section 16.5** of this Prospectus, neither we nor our Subsidiaries are engaged in any governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership of similar proceedings which may have or have had, material or significant effects on our financial position or profitability, in the 12 months preceding the date of this Prospectus.

12.9.2 Contingent liabilities

As at the LPD, we do not have any material contingent liabilities which, upon becoming enforceable, may have a material adverse impact on our results of operations or financial position.

12. FINANCIAL INFORMATION *(Cont'd)*

12.10 KEY FINANCIAL RATIOS

Our key financial ratios for the Period Under Review are as follows:

	Audited as at 31 December		
	2021	**2022**	**2023**
Adjusted trade receivables turnover period (**days**)[(1)]	89	50	29
Adjusted trade payables turnover period (**days**)[(2)]	40	25	27
Current ratio (**times**)[(3)]	1.40	2.94	2.46
Gearing ratio (**times**)[(4)]	0.05	0.08	0.14
Net gearing ratio (**times**)[(5)]	0.02	0.04	0.06

Notes:

(1) Calculated based on average adjusted trade receivables (excluding stakeholders' sums) at the beginning and end of the respective financial year over the total revenue of the respective financial year and multiplied by 365 days.

(2) Calculated based on average adjusted trade payables (excluding retention sums and accrued development costs) at the beginning and end of the respective financial year over the total cost of sales of the respective financial year and multiplied by 365 days.

(3) Calculated based on current assets over current liabilities.

(4) Calculated based on total borrowings over equity attributable to the owners as at each financial year end.

(5) Calculated based on total borrowings net of short-term deposits, cash and bank balances over equity attributable to the owners as at each financial year end.

12.10.1 Trade receivables turnover period

	Audited as at 31 December		
	2021	**2022**	**2023**
	RM'000	**RM'000**	**RM'000**
Trade receivables	32,514	12,773	25,604
Less: Stakeholders' sums[(1)]	(1,420)	(2,600)	(4,306)
Adjusted trade receivables	**31,094**	**10,173**	**21,298**
Adjusted opening trade receivables	19,882	31,094	10,173
Adjusted closing trade receivables	31,094	10,173	21,298
Adjusted average trade receivables	25,488	20,634	15,736
Adjusted trade receivables turnover period (**days**)[(2)]	89	50	29

Notes:

(1) Stakeholders' sums equivalent to 5% of purchase price will be withheld by solicitors upon handing over vacant possession to individual purchasers of development properties. The stakeholders' sums will be receivable in two tranches from the solicitors, i.e. 50% after 18th month and 50% after 24th month from the delivery of the vacant possession. This differs from the normal credit terms granted to our home buyers, which is typically 30 days.

(2) Calculated based on average adjusted trade receivables (excluding stakeholders' sums) at the beginning and end of the respective financial year over the total revenue of the respective financial year and multiplied by 365 days.

12. FINANCIAL INFORMATION *(Cont'd)*

The normal credit period granted by our Group to our home buyers is 30 days from invoice date or progress billings date. Due to revenue recognition using the percentage of completion method, our Group's revenue movements may not precisely match the trade receivables turnover period, as trade receivables are recorded based on progress billings issued to end buyers. In addition, we impose an interest rate of 10% per annum on outstanding amounts that exceeded the credit term offered.

Our adjusted trade receivables turnover period of 89 days for FYE 2021 and 50 days FYE 2022 exceeded the normal credit period granted to our home buyers, mainly attributable to the timing involved in processing the necessary legal documentation and the long processing time required for financial institutions or Lembaga Pembiayaan Perumahan Sektor Awam (LPPSA), who are the end financiers of home buyers, to process the first loan disbursements as a result of MCO. Further, home buyers are required to settle the differential sum before the end financiers can disburse the loan. The improvement in trade receivables turnover period from 89 days for FYE 2021 to 50 days for FYE 2022 mainly due to the cessation of MCO which has improved the collection from the progress billings issued for Taman La Casa Lunas.

Our adjusted trade receivables turnover period for FYE 2023 has improved to 29 days, which falls within the normal credit period of 30 days following the recovery of COVID-19 pandemic where the lead time to process loan disbursement by financial institutions for homebuyers has improved.

Our Group does not have any significant credit risk as we are principally a property developer, and we sell our development properties to a mass of buyers using financing from reputable financial institutions. For buyers without end financing facilities, we retain the legal title to all properties sold until the full contracted sales value is settled.

The ageing analysis of our Group's trade receivables as at 31 December 2023 is as follows:

	Trade receivables as at 31 December 2023		**Amount collected subsequent from 1 January 2024 up to the LPD**		**Trade receivables net of subsequent collections**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**
Neither past due nor impaired	12,488	48.78	(10,015)	(45.32)	2,473	70.59
Past due but not impaired:						
- 1 to 30 days	1,411	5.51	(1,285)	(5.81)	126	3.60
- 31 to 60 days	3,639	14.21	(3,307)	(14.96)	332	9.48
- 61 to 90 days	310	1.21	(310)	(1.40)	-	-
- more than 90 days	7,756	30.29	(7,184)	(32.51)	572	16.33
Total	**25,604**	**100.00**	**(22,101)**	**(100.00)**	**3,503**	**100.00**

As at the LPD, we have collected RM22.10 million or 86.33% of the total trade receivables which were outstanding as at 31 December 2023. The remaining balance outstanding of RM3.50 million was mainly due to the following:

(i) RM2.31 million stakeholders' sums not past due attributed to Taman Nuri (Phases 3B2, 3B3 and Sentosa) and Taman Bukit Cheng (Phases 1 and 2) of RM0.99 million and RM1.32 million, respectively; and

(ii) RM0.88 million pending settlement of differential sums or payment of legal fees for memorandum of transfer by home buyers of 5 units residential properties in Taman La Casa Lunas (Phases 4C and 4D) and a residential property in Taman Akasia (Phase 1A), before solicitor issues payment advice to end financiers for loan disbursement.

12. FINANCIAL INFORMATION *(Cont'd)*

Our management closely and regularly monitors the recoverability of overdue trade receivables and provides for impairment of these trade receivables as and when is appropriate. Nevertheless, no impairment was made for overdue trade receivables as our management is of the view that these receivables are recoverable since they substantially comprise amounts due from buyers with end financing facilities provided by financial institutions. Our Group retains the legal title to all properties sold for home buyers with no end financing facilities until the contracted sales value is fully settled. Our Group has not encountered any major disputes with our debtors.

12.10.2 Trade payables turnover period

	Audited as at 31 December		
	2021	**2022**	**2023**
	RM'000	**RM'000**	**RM'000**
Trade payables	13,980	15,930	39,900
Less: Retention sums[(1)]	(3,231)	(9,655)	(9,655)
Less: Accrued development costs[(2)]	(68)	(4,582)	(14,150)
Adjusted trade payables	**10,681**	**1,693**	**16,095**
Adjusted opening trade payables	3,109	10,681	1,693
Adjusted closing trade payables	10,681	1,693	16,095
Adjusted average trade payables	6,895	6,187	8,894
Adjusted trade payables turnover period (**days**)[(3)]	40	25	27

Notes:

(1) Retention sums represent payables to our contractors for our on-going and completed projects which will be release to the contractors in two tranches, i.e. first tranche is upon issuance of architect's certificate of practical completion and second tranche is either at the end of the defect liability period or upon issuance of architect's certificate of making good defects.

(2) Accrued development costs represent costs incurred for work done but yet to receive invoices from sub-contractors and/or suppliers.

(3) Calculated based on average adjusted trade payables (excluding retention sums and accrued development costs) at the beginning and end of the respective financial year over the total cost of sales of the respective financial year and multiplied by 365 days.

The normal credit period granted by our creditors, including contractors, consultants and suppliers range from 30 to 60 days. As part of our payment processing procedures, our management ensures that all documentation from creditors is in order before making payment.

Our trade payables turnover period for FYE 2021, FYE 2022 and FYE 2023 fall within or below the credit period granted as we made timely payment to our creditors.

12. FINANCIAL INFORMATION *(Cont'd)*

The ageing analysis of our Group's trade payables as at 31 December 2023 is as follows:

	Trade payables as at 31 December 2023		Amount paid subsequent from 1 January 2024 up to LPD		Trade payables net of subsequent payments	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**
Within credit period	25,187	63.12	(20,338)	73.32	4,849	39.88
Exceeding credit period:						
- 1 to 30 days	2,286	5.73	(2,286)	8.24	-	-
- 31 to 60 days	2,104	5.27	(2,103)	7.58	1	0.01
- 61 to 90 days	106	0.27	(106)	0.38	-	-
- more than 90 days	562	1.41	(491)	1.77	71	0.58
	5,058	12.68	(4,986)	17.97	72	0.59
Trade payables	**30,245**	**75.80**	**(25,324)**	**91.29**	**4,921**	**40.47**
Retention sums	9,655	24.20	(2,415)	8.71	7,240	59.53
Total	**39,900**	**100.00**	**(27,739)**	**100.00**	**12,161**	**100.00**

As at the LPD, we have settled RM27.74 million or 69.52% of the total payables which were outstanding as at 31 December 2023. Apart from retention sums of RM7.24 million which is not yet due, the outstanding trade payables of RM4.92 million remain outstanding as at the LPD are primarily due to accrued development costs pending final invoices from the contractors and/or consultants.

As at the LPD, our Group has not encountered any disputes regarding trade payables and no legal actions have been initiated by our creditors to demand payments. Nevertheless, we will continue to closely monitor our payment obligations.

12.10.3 Current ratio

	Audited as at 31 December		
	2021	**2022**	**2023**
	RM'000	**RM'000**	**RM'000**
Current assets	230,491	221,810	248,627
Current liabilities	164,867	75,464	101,222
Current ratio (**times**)[(1)]	1.40	2.94	2.46

Note:

(1) Calculated based on current assets over current liabilities.

Our Group's current ratio ranges from 1.40 times to 2.94 times for the Period Under Review. This indicates our Group's ability to meet current obligations.

Our Group's current ratio improved from 1.40 times as at 31 December 2021 to 2.94 times as at 31 December 2022. This was mainly attributable to lower current liabilities after the repayment of RM89.25 million owed to related parties.

Our Group's current ratio reduced from 2.94 times as at 31 December 2022 to 2.46 times as at 31 December 2023. This was mainly attributable to the increase in trade payables and short-term borrowings as discussed in **Section 12.4.2** of this Prospectus.

12. FINANCIAL INFORMATION *(Cont'd)*

12.10.4 Gearing ratio

	Audited as at 31 December		
	2021	**2022**	**2023**
Total borrowings (**RM'000**)[(1)]	14,353	27,524	50,123
Equity attributable to the owners (**RM'000**)	287,406	329,516	371,209
Gearing ratio (**times**)[(2)]	0.05	0.08	0.14
Net gearing ratio (**times**)[(3)]	0.02	0.04	0.06

Notes:

(1) Total borrowings consist of term loans, bank overdrafts and lease liabilities.

(2) Calculated based on total borrowings over equity attributable to the owners as at each financial year end.

(3) Calculated based on total borrowings net of short-term deposits, cash and bank balances over equity attributable to the owners as at each financial year end.

Our Group's gearing ratio increased slightly from 0.05 times as at 31 December 2021 to 0.08 times as at 31 December 2022. Despite the increase in equity attributable to the owners which was driven by RM34.61 million higher retained earnings from RM262.86 million as at 31 December 2021 to RM297.47 million as at 31 December 2022, the increase in gearing ratio was mainly due to drawdown of term loans amounted to RM15.00 million during FYE 2022 for working capital purposes.

Our gearing ratio further increased from 0.08 times as at 31 December 2022 to 0.14 times as at 31 December 2023. Despite the increase in equity attributable to the owners which was driven by RM41.69 million higher retained earnings from RM297.47 million as at 31 December 2022 to RM339.16 million as at 31 December 2023, the increase in gearing ratio was mainly due to the increase in utilisation of bank overdraft facilities and drawdown of term loans amounted to RM4.00 million during FYE 2023 for working capital purposes.

12.10.5 Inventories ageing

Inventories held by our Group consist of unsold completed development properties, property development costs and lands held for property development for on-going developments. We only consider on the unsold completed development properties in our inventories ageing analysis.

The unsold completed development properties for the Period Under Review are as follows:

	As at 31 December		
	2021	**2022**	**2023**
	RM'000	**RM'000**	**RM'000**
By development and geographical areas			
Taman Kasa Heights (Melaka)	864	543	551
Taman Bukit Cheng (Melaka)	-	1,840	2,667
Taman Rembia Setia (Melaka)	162	162	162
Taman Nuri (Melaka)	14,710	10,190	12,777
Twin Park (Selangor)	3,250	3,259	-
Total	**18,986**	**15,994**	**16,157**

12. FINANCIAL INFORMATION *(Cont'd)*

	Number of unsold completed development properties as at 31 December		
	2021	**2022**	**2023**
	unit	**unit**	**unit**
By development and geographical areas			
Taman Kasa Heights (Melaka)	3	2	2
Taman Bukit Cheng (Melaka)	-	10	12
Taman Rembia Setia (Melaka)	1	1	1
Taman Nuri (Melaka)	38	29	38
Twin Park (Selangor)	1	1	-
Total	**43**	**43**	**53**

The decrease in unsold completed development properties by RM2.99 million or 15.75% to RM15.99 million as at 31 December 2022 (31 December 2021: RM18.98 million) was attributable to the sales of completed development properties in Taman Nuri (Phases 2, 3A2, 3A3 and 3B1) and Taman Kasa Heights which were completed prior to FYE 2022 of 15 units and 1 unit respectively. Despite the aforementioned sales, there was additional unsold completed development properties of 6 units in Taman Nuri Sentosa which obtained CCC in April 2022 and 10 units in Taman Bukit Cheng (Phase 1) which obtained CCC in January 2022.

The increase in unsold completed development properties by RM0.17 million or 1.06% to RM16.16 million as at 31 December 2023 (31 December 2022: RM15.99 million) was attributable to the sales of 1 unit of semi-detached factory in Twin Park, 1 unit in Taman Bukit Cheng (Phase 1) and 12 units in Taman Nuri (Taman Nuri Sentosa, Phases 3A2, 3B1 and 3B4). Despite the aforementioned sales of unsold completed development properties, there was additional unsold completed development properties from developments completed during FYE 2023, which include 21 units in Taman Nuri (Phase 3B2 and 3B3) and 3 units in Taman Bukit Cheng (Phase 2).

The ageing analysis of inventories of unsold completed development properties as at 31 December 2023 is as follows:

	Less than 1 year	**1 to 2 years**	**More than 2 years**	**Total**
Unsold completed development properties as at 31 December 2023 (**RM'000**)	8,141	1,785	6,231	**16,157**
% of the total unsold completed development properties	50.38	11.05	38.57	**100.00**
Sales of unsold completed development properties from 1 January 2024 up to the LPD (**RM'000**)	3,355	185	-	**3,540**
Unsold completed development properties as at 31 December 2023 after net off the subsequent sales (**RM'000**)	4,786	1,600	6,231	**12,617**
% of the total unsold completed development properties after net off the subsequent sales	37.93	12.68	49.39	**100.00**

12. FINANCIAL INFORMATION *(Cont'd)*

The unsold completed development properties aged less than 2 years as at 31 December 2023 consist of:

(i) Taman Bukit Cheng (Phases 1 and 2), Cheng, Melaka
- 9 units of double storey terraced house
- 3 units of triple storey terraced house

(ii) Taman Nuri (Phases 3B2, 3B3 and Sentosa), Durian Tunggal, Melaka
- 8 units of double storey bungalow house
- 1 unit of double storey semi-detached house
- 4 units of double storey semi-detached zero-lot house
- 8 units of double storey cluster house
- 1 unit of 3-storey flat

The unsold completed development properties aged more than 2 years as at 31 December 2023 consist of:

(i) Taman Kasa Heights (Phases 2B and 2C), Alor Gajah, Melaka
- 1 unit of double storey triplex
- 1 unit of double storey cluster house

(ii) 1 unit of single storey shop under Taman Rembia Setia in Melaka which was previously under rent-to-own arrangement. The tenancy was terminated in August 2023 and the tenant did not exercise the option to purchase; and

(iii) Taman Nuri (Phases 1B, 2, 3A2, 3A3 and 3B1), Durian Tunggal, Melaka
- 1 unit of terraced townhouse
- 5 units of double storey cluster house
- 2 units of double storey semi-detached zero lot house
- 2 units of double storey terraced house
- 4 units of double storey bungalow house
- 2 units of double storey semi-detached house

As at the LPD, out of the 53 units unsold completed development properties as at 31 December 2023, we have sold the following:

(i) Taman Nuri (Phases 3B2 and 3B3), Durian Tunggal, Melaka
- 4 units of double storey cluster house
- 4 units of double storey semi-detached zero lot house
- 2 units of double storey bungalow house and
- 1 unit of double storey semi-detached house

(ii) 1 unit of double storey terraced house in Taman Bukit Cheng (Phase 1), Cheng, Melaka

Please refer to **Section 7.8.3** for the details of the unsold completed development properties as at the LPD.

Our Group has analysed and assessed the unsold units for the completed projects aged more than 2 years as at 31 December 2023. Our Directors are of the view that there is no impairment to be made for the unsold units. Nevertheless, we will continue to perform impairment assessment on our unsold completed development properties if any indicators of impairment arise.

In the past, we have not experienced depreciation in the value of our unsold completed development properties; instead, their values have generally appreciated. In this respect, we have the flexibility to either price the unsold units close to the initial selling price or at a discount to market value without incurring losses.

12. FINANCIAL INFORMATION *(Cont'd)*

12.11 IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES ON OUR GROUP'S OPERATIONS

12.11.1 Impact of foreign exchange rates

For the Period Under Review, we were not materially affected by the impact of fluctuation in exchange rates as all of our revenue and purchases are solely transacted in RM.

12.11.2 Impact of interest rates

All our borrowings are interest bearing obligations. Any hikes in interest rates would affect our financial performance. Our finance cost mainly comprises interest charges on banking facilities including term loan, bank overdrafts and lease liabilities which comprise hire purchases that are granted by banks and financial institutions. In this respect, we may be exposed to the liquidity risk that arises principally from our borrowings and the timing of costs incurred and collections from the purchasers of our properties.

Save for the lease liabilities and certain term loans which are fixed rate borrowings, other borrowings are floating rate borrowings which are based on base lending rate plus or minus a rate which varies depending on the type of facilities. In this respect, any increase in interest rates may impact on our financial performance. As at 31 December 2023, our interest-bearing borrowings of RM50.12 million include floating rate borrowings of RM48.53 million. Our interest coverage ratio for the Period Under Review of more than 15 times indicates that we were able to meet our interest serving obligations. For the Period Under Review and up to the LPD, we have not defaulted on any payments of either principal and/or interests in relation to our borrowings.

12.11.3 Impact of commodity prices

We are not directly affected by the fluctuation of commodity prices for the Period Under Review.

12.12 IMPACT OF INFLATION

Our financial performance for the Period Under Review was not materially affected by the impact of inflation as we entered into sale and purchase agreements with buyers with an agreed property price and awarded construction contracts to contractors with an agreed contract sum. Nevertheless, there is no assurance that inflation would not have an impact on our business and financial performance moving forward.

12.13 IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES

Our business is subject to risks arising from changes in government, economic, fiscal or monetary policies. Any unfavourable changes in those policies could adversely affect the performance of the property market and the value of properties in Malaysia. Please refer to **Section 9.2.1** of this Prospectus for further details.

12.14 SIGNIFICANT CHANGES

Save as disclosed in **Sections 7.6, 9.1 and 12.3.2** of this Prospectus, there is no significant change that has occurred which may have a material effect on the financial position and results of our Group subsequent to the Period Under Review.

12. FINANCIAL INFORMATION *(Cont'd)*

12.15 ORDER BOOK

The nature of our Group's business is property development and hence sales of properties are commonly on a one-off basis. As such, our Group does not have an order book.

12.16 TREND INFORMATION

Based on our track record for Period Under Review, the following trends may continue to affect our operations:

(i) we will continue to focus on the property development business;

(ii) our property development business' main focus in terms of geographical locations is Melaka, Kedah, Selangor and Johor and we will continue to expand into Penang in the future; and

(iii) we have achieved GP margins of 40.46%, 40.91% and 40.40% for FYE 2021, FYE 2022 and FYE 2023 respectively. Moving forward, the ability to maintain our GP margin will depend on our continued ability to manage our costs efficiently and price our properties competitively.

As at the LPD, after all reasonable enquiries, our Board confirms that, our operations have not been and are not expected to be affected by any of the following:

(i) known trends, uncertainties, demands, commitments, or events that have had, or that we reasonably expect to have, a material favourable or unfavourable impact on our financial performance, position and operations, save as discussed in this section, IMR Report as set out in **Section 8** and risk factors in **Section 9** of this Prospectus;

(ii) material commitment for capital expenditure as set out in **Section 12.8** of this Prospectus;

(iii) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group, save as disclosed in this section and risk factors in **Section 9** of this Prospectus;

(iv) known trends, demands, commitments, events or uncertainties that had resulted or that we reasonable expect to result in a material impact on our Group revenue and/or profits save for those that have been disclosed in this section, IMR Report as set out in **Section 8** of this Prospectus and business strategies and future plans as set out in **Section 7.16** of this Prospectus; and

(v) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical financial statements not indicative of the future financial performance and position other than those disclosed in this section and risk factors in **Section 9** of this Prospectus.

Having considered the outlook of the property development industry as set out in the IMR Report in **Section 8** of this Prospectus, our Board remains optimistic about the long-term future prospects of our Group given our competitive strengths set out in **Section 7.8** of this Prospectus and our commitment to implement the business strategies and future plans as set out **Section 7.16** of this Prospectus.

12. FINANCIAL INFORMATION *(Cont'd)*

12.17 RECENT DEVELOPMENTS

Save as disclosed below, there are no other significant events subsequent to our Group's audited combined financial statements for FYE 2023 and there are no other significant events that may have a material effect on our financial position and results since FYE 2023:

(i) material contracts as disclosed in **Annexure F** of this Prospectus; and

(ii) material litigation as disclosed in **Section 16.5** of this Prospectus.

12.18 DIVIDEND POLICY

It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group. Our Board intends to recommend and distribute a dividend of up to 30.0% of our audited PAT of each financial year on a consolidated basis after taking into consideration anticipated future operating conditions, operating cash flow requirements, financing commitments, subject to any applicable law and contractual obligations and provided that such distribution will not be detrimental to our Group's cash requirements or execution and implementation of our future plans and strategies moving forward.

The actual dividend that our Board may recommend or declare in respect of any particular year or period will be subject to the following factors:

(i) the solvency requirement under the Act, which is applicable to all Malaysian companies;

(ii) our operating cash flow and working capital requirements as well as financing commitments;

(iii) our expected financial performance;

(iv) our anticipated future operating conditions and expansion taking into consideration projected capital expenditure and investment plans;

(v) prior written consent from financial institutions, where required; and

(vi) any other contractual restrictions and / or commitments.

As we are an investment holding company, our income and ability to pay dividends are dependent upon the dividends received from our subsidiaries. As at the LPD, save for any applicable financial covenants and the Act, and subject to the availability of distributable profits and reserves, there are no dividend restrictions imposed on our Company or our Subsidiaries.

Save as disclosed below, there was no dividend declared and paid to our shareholders during the Period Under Review and up to the LPD:

	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000
Dividends declared	[1]2,080	[2]5,028	[3]4,324
Dividends paid	[1]-	[1][2]2,641	[2]4,467
PAT attributable to our shareholders	24,673	39,660	46,017
Dividend payout ratio (%) [4]	8.43	12.68	9.40

Notes:

(1) SPBSB and Rentas Dinamik declared interim dividends of totalling RM2.08 million for FYE 2021 which was fully paid in January 2022.

12. FINANCIAL INFORMATION *(Cont'd)*

(2) SPBSB, Rentas Dinamik and Laman Exotika declared interim dividends of totalling RM5.03 million for FYE 2022, where RM0.56 million was paid in September 2022 and RM4.47 million was fully paid in November 2023.

(3) SPBSB and Rentas Dinamik declared interim dividend of totalling RM4.32 million for FYE 2023 which was fully paid in June 2024.

(4) Calculated based on dividends declared divided by PAT attributable to our shareholders of the respective financial year.

SPBSB proposes to declare a pre-IPO dividend of up to RM7.00 million to SPBSB's shareholders in respect of FYE 2024 to be paid out from SPBSB's internally generated funds. The dividend is expected to be paid by first quarter of 2025. The payment of dividends will not affect the execution and implementation of our Group's future plans and strategies.

Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our future dividends which are subject to modifications (including non-declaration thereof) at our Board's discretion. Actual dividends proposed and declared may vary depending on the future financial performance and cash flows of our Group. Hence, no inference should or can be made from any of the statements above as to our actual future profitability and our ability to pay dividends in the future.

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13. ACCOUNTANTS' REPORT

SPB DEVELOPMENT BERHAD
(Registration No.: 202201037256 (1482953-X))
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 31 DECEMBER 2022 AND 31 DECEMBER 2023

GRANT THORNTON MALAYSIA PLT

CHARTERED ACCOUNTANTS

Member Firm of Grant Thornton International Ltd.

Grant Thornton

Date: 18 September 2024

The Board of Directors
SPB Development Berhad
No. 16 & 17, Plaza Seri Kubu
Jalan Tan Chay Yan
75300 Melaka

Grant Thornton Malaysia PLT
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Dear Sirs,

Reporting Accountants' Opinion on the Combined Financial Statements contained in the Accountants' Report of SPB Development Berhad (the "Company" or "SPB Development")

Opinion

We have audited the combined financial statements of SPB Development Berhad and its combining entities (collectively known as the "Group" or "SPB Group") which comprises the combined statements of financial position of the Group as at 31 December 2021, 31 December 2022 and 31 December 2023, the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for the financial years then ended and a material accounting policies information and other explanatory notes, as set out on pages 4 to 45.

In our opinion, the accompanying combined financial statements give a true and fair view of the combined statements of financial position of the Group as at 31 December 2021, 31 December 2022 and 31 December 2023, and of its financial performance and its cash flows for the financial years then ended in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Chartered Accountants
Grant Thornton Malaysia PLT [201906003682 [LLP0022494-LCA] & AF 0737] is a Limited Liability Partnership and is a member firm of Grant Thornton International Ltd (GTIL), a private company limited by guarantee incorporated in England and Wales.

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Responsibilities of the Directors for the Combined Financial Statements

The Directors of the Company are responsible for the preparation of the combined financial statements of the Group that give a true and fair view in accordance with the Malaysian Financial Reporting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of combined financial statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements of the Group, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a reporting accountants' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the combined financial statements of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our reporting accountants' report to the related disclosures in the combined financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements (cont'd)

We also (cont'd):-

- Evaluate the overall presentation, structure and content of the combined financial statements of the Group, including the disclosures, and whether the combined financial statements of the Group represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the combined financial statements of the entities or business activities within the Group to express an opinion on the combined financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicated with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Other Matter

This report has been prepared solely to comply with the Prospectus Guidelines issued by the Securities Commission Malaysia and for inclusion in the prospectus of SPB Development in connection with the listing of and quotation for the entire enlarged issued share capital of SPB Development on the Main Market of Bursa Malaysia Securities Berhad and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

LEE SHEAU WEI
(NO: 03539/12/2024 J)
CHARTERED ACCOUNTANT

Kuala Lumpur

SPB DEVELOPMENT BERHAD
(Incorporated in Malaysia)
Registration No: 202201037256 (1482953-X)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021, 31 DECEMBER 2022 AND 31 DECEMBER 2023

	Note	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	3	4,850	7,256	15,266
Investment properties	4	76,402	76,318	26,966
Inventories	5	140,317	111,305	190,944
Deferred tax assets	6	2,916	2,722	5,142
Total non-current assets		224,485	197,601	238,318
Current assets				
Inventories	5	62,495	86,884	75,206
Contract assets	7	28,139	75,500	102,536
Contract costs	8	1,136	1,424	1,364
Trade receivables	9	32,514	12,773	25,604
Other receivables	10	22,570	13,330	14,720
Amount due from related parties	11	74,558	16,668	29
Tax recoverable		197	1,382	590
Cash and short-term deposits	12	8,882	13,849	28,578
Total current assets		230,491	221,810	248,627
Total assets		454,976	419,411	486,945
EQUITY AND LIABILITIES				
EQUITY				
Share capital	13	-	1	1
Invested equity	13	24,550	32,050	32,050
Retained earnings		262,856	297,465	339,158
Total equity		287,406	329,516	371,209
LIABILITIES				
Non-current liabilities				
Borrowings	14	1,330	13,045	13,265
Lease liabilities	15	374	387	250
Deferred tax liabilities	6	999	999	999
Total non-current liabilities		2,703	14,431	14,514

SPB DEVELOPMENT BERHAD
(Incorporated in Malaysia)
Registration No: 202201037256 (1482953-X)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021, 31 DECEMBER 2022 AND 31 DECEMBER 2023 (CONT'D)

	Note	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
LIABILITIES (CONT'D)				
Current liabilities				
Contract liabilities	7	8,211	-	117
Trade payables	16	13,980	15,930	39,900
Other payables	17	11,631	8,129	11,072
Amount due to related parties	11	116,974	33,943	7,458
Borrowings	14	12,367	13,683	36,211
Lease liabilities	15	282	409	397
Tax payable		1,422	3,370	6,067
Total current liabilities		164,867	75,464	101,222
Total liabilities		167,570	89,895	115,736
Total equity and liabilities		454,976	419,411	486,945

The accompanying notes form an integral part of and
should be read in conjunction with these combined financial statements.

SPB DEVELOPMENT BERHAD
(Incorporated in Malaysia)
Registration No: 202201037256 (1482953-X)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 31 DECEMBER 2022 AND 31 DECEMBER 2023

	Note	2021 RM'000	2022 RM'000	2023 RM'000
Revenue	18	104,563	150,168	200,810
Cost of sales		(62,262)	(88,732)	(119,685)
Gross profit		42,301	61,436	81,125
Other income	19	902	2,994	807
Finance income		87	87	249
Selling and marketing expenses		(1,906)	(2,588)	(4,158)
Administrative expenses		(7,099)	(9,360)	(13,529)
Finance costs	20	(1,729)	(949)	(2,523)
Profit before tax	21	32,556	51,620	61,971
Tax expenses	22	(7,883)	(11,960)	(15,954)
Net profit/total comprehensive income for the financial year		24,673	39,660	46,017
Attribution to owners of the Company - Basic and diluted earnings per share	24	1.00	1.32	1.44

The accompanying notes form an integral part of and
should be read in conjunction with these combined financial statements.

SPB DEVELOPMENT BERHAD
(Incorporated in Malaysia)
Registration No: 202201037256 (1482953-X)

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 31 DECEMBER 2022 AND 31 DECEMBER 2023

	Share capital RM'000	Invested equity RM'000	Retained earnings RM'000	Total RM'000
Balance at 1 January 2021	-	24,550	240,263	264,813
Total comprehensive income for the financial year	-	-	24,673	24,673
Transaction with owners of the Company:				
Dividend (Note 25)	-	-	(2,080)	(2,080)
Balance at 31 December 2021	-	24,550	262,856	287,406
Total comprehensive income for the financial year	-	-	39,660	39,660
Transaction with owners of the Company:				
Issuance of share capital	1	-	-	1
Acquiring of a new entity	-	7,500	(23)	7,477
Dividend (Note 25)	-	-	(5,028)	(5,028)
	1	7,500	(5,051)	2,450
Balance at 31 December 2022	1	32,050	297,465	329,516
Total comprehensive income for the financial year	-	-	46,017	46,017
Transactions with owners of the Company:				
Dividend (Note 25)	-	-	(4,324)	(4,324)
Balance at 31 December 2023	1	32,050	339,158	371,209

The accompanying notes form an integral part of and
should be read in conjunction with these combined financial statements.

SPB DEVELOPMENT BERHAD
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Registration No: 202201037256 (1482953-X)

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021, 31 DECEMBER 2022 AND 31 DECEMBER 2023

	Note	2021 RM'000	2022 RM'000	2023 RM'000
OPERATING ACTIVITIES				
Profit before tax		32,556	51,620	61,971
Adjustments for:				
Bad debts written off		21	-	-
Depreciation of:				
- investment properties		84	84	84
- property, plant and equipment		914	1,152	2,208
Gain on disposal of property, plant and equipment		-	(349)	-
Inventories written off		-	194	-
Finance costs		1,729	949	2,523
Finance income		(87)	(87)	(249)
Operating profit before working capital changes		35,217	53,563	66,537
Changes in working capital:				
Inventories		(3,853)	11,904	(18,693)
Contract customers		(8,219)	(55,572)	(26,919)
Contract costs		(272)	(288)	60
Receivables		(18,843)	28,958	(14,221)
Payables		12,764	(1,527)	26,913
Related party		-	(13,648)	13,648
Cash generated from operations		16,794	23,390	47,325
Income tax paid		(6,281)	(11,003)	(15,147)
Income tax refunded		-	-	262
Interest received		87	87	249
Interest paid		(1,729)	(949)	(2,523)
Net cash flows from operating activities		8,871	11,525	30,166
INVESTING ACTIVITIES				
Placement of fixed deposit		-	(23)	-
(Advances to)/Repayment from related parties		(4,338)	71,538	-
Repayment from other receivables		-	-	2,991
Acquisition of property, plant and equipment	**A**	(3,772)	(3,027)	(9,880)
Proceeds from disposal of property, plant and equipment		-	419	-
Net cash (used in)/from investing activities		(8,110)	68,907	(6,889)

SPB DEVELOPMENT BERHAD
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Registration No: 202201037256 (1482953-X)

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021, 31 DECEMBER 2022 AND 31 DECEMBER 2023 (CONT'D)

	Note	2021 RM'000	2022 RM'000	2023 RM'000
FINANCING ACTIVITIES	**B**			
Dividend paid		-	(2,641)	(4,467)
Proceeds from issuance of share capital		-	1	-
Advances from/(repayment to) related parties		18,053	(85,418)	(26,342)
Drawdown of borrowings		-	15,000	4,000
Payment of lease liabilities		(345)	(461)	(487)
Repayment of borrowings		(30,356)	(660)	(2,945)
Net cash (used in) financing activities		(12,648)	(74,179)	(30,241)
CASH AND CASH EQUIVALENTS				
Net changes		(11,887)	6,253	(6,964)
At the beginning of the financial year		8,800	(3,087)	3,166
At the end of the financial year	**C**	(3,087)	3,166	(3,798)

NOTES TO THE STATEMENTS OF CASH FLOWS

A. Acquisition of property, plant and equipment

	2021 RM'000	2022 RM'000	2023 RM'000
Aggregate cost of property, plant and equipment	4,272	3,628	10,218
Financed via lease liabilities arrangement	(500)	(601)	(338)
Total cash acquisition	3,772	3,027	9,880

B. Reconciliation of the movements of liabilities to cashflows arising from financing activities

	At beginning of the financial year RM'000	Cash flows RM'000	Others RM'000	At end of the financial year RM'000
2023				
Amount due to related parties	33,943	(26,342)	(143) *	7,458
Lease liabilities	796	(487)	338 #	647
Term loans	16,068	1,055	-	17,123
2022				
Amount due to related parties	116,974	(85,418)	2,387 *	33,943
Lease liabilities	656	(461)	601 #	796
Term loans	1,728	14,340	-	16,068

SPB DEVELOPMENT BERHAD
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Registration No: 202201037256 (1482953-X)

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021, 31 DECEMBER 2022 AND 31 DECEMBER 2023 (CONT'D)

NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

B. Reconciliation of the movements of liabilities to cashflows arising from financing activities (cont'd)

	At beginning of the financial year RM'000	Cash flows RM'000	Others RM'000	At end of the financial year RM'000
2021				
Amount due to related parties	96,841	18,053	2,080 *	116,974
Lease liabilities	501	(345)	500 #	656
Term loans	32,084	(30,356)	-	1,728

* Being net dividend payable to the Directors.

\# Being acquisition of property, plant and equipment through lease liabilities arrangement as disclosed in Note 15 to the combined financial statements.

C. Cash and cash equivalents

Cash and cash equivalents included in the combined statements of cash flows comprise the following amounts:-

	2021 RM'000	2022 RM'000	2023 RM'000
Cash and short-term deposits	8,882	13,849	28,578
Less: Short-term deposits	-	(23)	(23)
Cash and bank balances	8,882	13,826	28,555
Bank overdrafts (Note 14)	(11,969)	(10,660)	(32,353)
	(3,087)	3,166	(3,798)

D. Total cash outflows for leases as a lessee

	2021 RM'000	2022 RM'000	2023 RM'000
Included in net cash flow from operating activities			
Payment relating to short-term lease	38	73	40
Included in net cash flow (used in) financing activities			
Payment of lease liabilities	345	461	487
Payment of interest on lease liabilities	21	37	45
	366	498	532

The accompanying notes form an integral part of and
should be read in conjunction with these combined financial statements.

SPB DEVELOPMENT BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS – 31 DECEMBER 2021, 31 DECEMBER 2022 AND 31 DECEMBER 2023

1. GENERAL INFORMATION

SPB Development Berhad ("SPB Development" or the "Company") was incorporated in Malaysia as a private limited liability company on 6 October 2022 under the Companies Act 2016. On 9 August 2024, the Company was converted into a public limited company and assumed its present name, SPB Development Berhad.

The registered office of the Company is located at 50-1, 52-1 & 54-1, Jalan BPM 2, Taman Bukit Piatu Mutiara, 75150 Melaka. The principal place of business of the Company is located at 16 & 17, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka.

The Company is principally an investment holding company. The principal activities of the combining entities with principal place of business are in Malaysia are set out below: -

Name of entities	Effective ownership and voting interests			Principal activities
	31.12.2021	31.12.2022	31.12.2023	
Dayang Gemilang Sdn. Bhd.	100%	100%	100%	Property owner
Debunga Istimewa Sdn. Bhd.	100%	100%	100%	Property development
Good Rate Holdings Sdn. Bhd.	100%	100%	100%	Property owner
Hektar Berlian Sdn. Bhd.	100%	100%	100%	Property development and property owner
Jendela Hijau Sdn. Bhd.	100%	100%	100%	Property owner
Laman Exotika Sdn. Bhd.	100%	100%	100%	Property development
Mantap Megajuta Sdn. Bhd. ^	-	100%	100%	Property development
Naluri Wijaya Sdn. Bhd.	100%	100%	100%	Property development and property owner
Panglima Juara Sdn. Bhd.	100%	100%	100%	Property development
Setara Hijau Sdn. Bhd.	100%	100%	100%	Property development and property owners
Sri Pengkalan Binaan Sdn. Bhd. ("SPBSB")	100%	100%	100%	Building contractors, property development and investment holding
Held through SPBSB				
Ekuiti Idaman Sdn. Bhd.	100%	100%	100%	Property development
Modal Cergas Lestari Sdn. Bhd.	100%	100%	100%	Property owner
Rentas Dinamik Sdn. Bhd.	100%	100%	100%	Property owner

^ under common control with effective from 12 April 2022.

The financial statements of the combining entities for 31 December 2021, 31 December 2022 and 31 December 2023 have been audited and/or re-audited by Grant Thornton Malaysia PLT, prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards ("IFRSs") for the purpose of inclusion in the prospectus to be issued by SPB Development in connection with the Listing and should not be relied upon for any other purpose.

1. GENERAL INFORMATION (CONT'D)

There was no significant change in the nature of the principal activities of SPB Development and the combining entities (the "Group") during the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023.

2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS

2.1 Basis of preparation

The combined financial statements of the Group have been prepared solely to comply with the Prospectus Guidelines issued by the Securities Commission Malaysia and for inclusion in the prospectus of the Company in connection with the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad and should not be relied upon for any other purposes.

2.2 Statement of compliance

The combined financial statements of the Group for the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023 have been prepared in accordance with MFRSs, IFRSs and the Guidance Note on 'Combined Financial Statements' issued by the Malaysian Institute of Accountants.

The combined financial statements of the Group include the financial information of the entities as disclosed in Note 1, which were operating under common control throughout the reporting years by virtue of common controlling shareholders.

Entities under common control are entities which are ultimately controlled by the same parties, where that control is not transitory. Control exists when the same parties, through contractual agreements have ultimate collective power to govern the financial and operational policies of each entity to benefit from their activities. The financial statements of commonly controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

The financial statements used in the preparation of the combined financial statements are prepared as of the same reporting dates. The combined financial statements of the Group for the relevant period were prepared in a manner similar to the merger method, as if the entities within the Group were operating as a single economic enterprise from the beginning of the earliest comparative period covered by the relevant period or the dates of incorporation of entities within the Group, if later. Such manner of presentation reflects the economic substance of the combining companies, which were under common control throughout the relevant period.

The identifiable assets and liabilities of all commonly controlled entities are accounted for at their historical costs. The accounting policies of common controlled entities have been changed where necessary to align them with the policies adopted by the Group. All material intra-group transactions and balances have been eliminated on combination.

2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)

2.3 Basis of measurement

The combined financial statements of the Group are prepared under the historical cost convention, unless otherwise indicated in the summary of significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use, or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the combined financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

Level 1	- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2	- Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
Level 3	- Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the combined financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting year.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.4 Functional and presentation currency

These combined financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's functional currency and all values are rounded to the nearest thousand (RM'000), unless otherwise stated.

2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)

2.5 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's combined financial statements are disclosed below.

MFRSs and Amendments to MFRSs effective for financial period beginning on or after 1 January 2024:-

Amendments to MFRS 16	Lease liability in a Sale and Leaseback
Amendments to MFRS 101	Presentation of Financial Statements – Non-Current Liabilities with Covenants
Amendments to MFRS 101	Presentation of financial statements: Classification of liabilities as current or non-current
Amendments to MFRS 107* and MFRS 7*	Statement of Cash Flows and Financial Instruments: Disclosures – Supplier Finance Arrangements

MFRSs and Amendments to MFRSs effective for financial period beginning on or after 1 January 2025:-

Amendments to MFRS 121*	The Effect of Changes in Foreign Exchange Rates – Lack of Exchangeability

Amendments to MFRS effective 1 January 2026:

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments

MFRSs effective 1 January 2027:

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19*	Subsidiaries without Public Accountability: Disclosures

Amendments to MFRSs – Effective date deferred indefinitely:-

Amendments to MFRS 10 and MFRS 128*	Consolidated financial statements and investments in associate and joint ventures – Sale or contribution of assets between an investor and its associate or joint venture

* Not applicable to the Group.

The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. The initial application of the above standards, amendments and interpretations are not expected to have material financial impact to the combined financial statements.

2.6 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the combined financial statements. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by the management, and will seldom equal the estimated results.

2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Useful lives of depreciable assets

Property, plant and equipment (excluding right-of-use assets) which are depreciated on a straight-line basis over their useful life are estimated based on common life expectancies and commercial factors applied in the various respective industries. Significant judgement is involved in estimating the useful life of property, plant and equipment which are subjected to economic and technological development and the level of usage. Therefore, residual values of these assets and future depreciation charges may vary.

Inventories – Completed development properties

Inventories held for sale are stated at the lower of cost or net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices. Inventories held for sale are reviewed on a regular basis and the Group will make an allowance for impairment primarily based on historical trends and management estimates of expected and future product demand and related pricing. Demand and pricing levels could change from time to time. If such factors result in an adverse effect on the Group's products, the Group provides additional allowances for slow moving inventories.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the carrying amount of the asset or cash generation unit exceeds its recoverable amount. To determine the recoverable amount, the management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, the management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Provision for expected credit losses of trade receivables and contract assets

Credit losses represent the difference between all contractual cash flow due to the Group and the cash flow that it actually expects to receive. The Group calculates expected credit losses using historical experience, external indicators and forward-looking information. An expected credit loss is the probability-weighted estimate of credit losses requiring the Group's judgement.

2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

Revenue and cost of sales from property development activities and construction services

The Group recognises contract or property development revenue and expenses in the profit or loss by using the stage of completion method, net of expected liquidated ascertained damages ("LAD") payments. LAD is determined based on the most likely method.

The stage of completion is determined using the input method referencing the contract or property development costs incurred for work performed to date against the costs to completion, if control of the asset transfers over time.

Significant estimates are required in determining the progress of construction based on certified work-to-date and the level of completion, calculated by comparing actual costs incurred to date against the estimated total construction costs. This includes assessing the recoverability of contracts or development projects and estimating the LAD for properties unable to deliver vacant possession on time. In making the estimation, the Group evaluates on the basis of (i) past experience (ii) the expertise of specialists as needed (iii) reports from industry experts and (iv) a continuous monitoring mechanism. Where the actual revenue, LAD and cost incurred are different from the total estimated revenue, LAD and cost incurred, such differences will impact the contract profit or losses recognised.

Income taxes/deferred tax liabilities

Significant judgement is involved in determining the Group's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognised tax liabilities based on estimates of whether additional taxes will be due. If the final tax outcome differs from the initially recognised amounts, the difference will impact the income tax and deferred tax provisions in the period when the determination is made.

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which all the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

3. **PROPERTY, PLANT AND EQUIPMENT**

	Furniture and fittings RM'000	Motor vehicles RM'000	Office equipment RM'000	Renovation RM'000	Site equipment RM'000	Right-of-use assets RM'000	Total RM'000
Cost							
At 1 January 2021	464	70	587	22	94	2,892	4,129
Additions	47	-	86	-	3,247	892	4,272
At 31 December 2021	511	70	673	22	3,341	3,784	8,401
Additions	70	-	177	372	2,019	990	3,628
Disposal	-	(15)	-	-	-	(1,123)	(1,138)
Written off	(18)	-	(11)	-	(75)	-	(104)
At 31 December 2022	563	55	839	394	5,285	3,651	10,787
Additions	62	5	259	595	8,959	338	10,218
At 31 December 2023	625	60	1,098	989	14,244	3,989	21,005
Accumulated depreciation							
At 1 January 2021	244	42	354	6	94	1,897	2,637
Charge for the financial year	45	14	53	2	275	525	914
At 31 December 2021	289	56	407	8	369	2,422	3,551
Charge for the financial year	53	11	68	31	443	546	1,152
Disposal	-	(12)	-	-	-	(1,056)	(1,068)
Written off	(18)	-	(11)	-	(75)	-	(104)
At 31 December 2022	324	55	464	39	737	1,912	3,531
Charge for the financial year	49	1	88	103	1,292	675	2,208
At 31 December 2023	373	56	552	142	2,029	2,587	5,739

13. ACCOUNTANTS' REPORT *(Cont'd)*

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Furniture and fittings RM'000	Motor vehicles RM'000	Office equipment RM'000	Renovation RM'000	Site equipment RM'000	Right-of-use assets RM'000	Total RM'000
Net carrying amount							
At 31 December 2021	222	14	266	14	2,972	1,362	4,850
At 31 December 2022	239	-	375	355	4,548	1,739	7,256
At 31 December 2023	252	4	546	847	12,215	1,402	15,266

3. **PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

Included in the right-of-use assets of the Group are motor vehicles acquired under hire purchase terms and office premise leased, with the following information:

	Carrying amount RM'000	Depreciation charged RM'000	Additions RM'000	Disposals RM'000
Motor vehicles				
- 31 December 2021	1,362	525	892	-
- 31 December 2022	1,739	546	990	67
- 31 December 2023	1,154	585	-	-
Office premise				
- 31 December 2023	248	90	338	-

(a) The right-of-use assets are presented in the same line items as the corresponding underlying assets would be if owned. Right-of-use motor vehicles and office premise represent right-of-use assets arising from lease arrangements that do not meet the definition of investment property.

(b) All items of property, plant and equipment (excluding right-of-use assets) are initially recorded at cost. After initial recognition, these property, plant and equipment (excluding right-of-use assets) are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture and fittings	10 - 12.5 years
Motor vehicles	5 years
Office equipment	8.3 - 10 years
Renovation	10 years
Site equipment	10 years

(c) The right-of-use assets under property, plant and equipment are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases. After initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any remeasurement of the lease liabilities.

The right-of-use assets are depreciated on a straight-line basis over their respective lease terms. The principal depreciation periods are as follows:

Motor vehicles	5 years
Office premise	4 years

If ownership of the lease asset is transferred to the Group at the end of the lease term or if the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(d) The Group applies the short-term lease recognition exemption to its short-term lease. Lease payments on these leases are recognised as expense on a straight-line basis over the lease term.

4. **INVESTMENT PROPERTIES**

	Leasehold land RM'000	Freehold land RM'000	Total RM'000
Cost			
At 1 January 2021/31 December 2021/31 December 2022	8,051	68,883	76,934
Transfer to property development cost	-	(49,268)	(49,268)
At 31 December 2023	8,051	19,615	27,666
Accumulated depreciation			
At 1 January 2021	448	-	448
Charged for the year	84	-	84
At 31 December 2021	532	-	532
Charged for the year	84	-	84
At 31 December 2022	616	-	616
Charged for the year	84	-	84
At 31 December 2023	700	-	700
Net carrying amount			
At 31 December 2021	7,519	68,883	76,402
At 31 December 2022	7,435	68,883	76,318
At 31 December 2023	7,351	19,615	26,966

	RM'000
Fair value of investment properties	
- At 31 December 2021	89,876
- At 31 December 2022	94,950
- At 31 December 2023	36,950

The net carrying amount of investment properties pledged as security for the bank facilities granted to the Group comprises the following:

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Freehold land	55,806	23,772	6,537
Leasehold land	7,519	7,435	7,351

4. INVESTMENT PROPERTIES (CONT'D)

The investment properties are vacant land owned for capital appreciation. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, these investment properties are measured at cost less accumulated depreciation and any accumulated impairment loss.

Freehold land with an infinite life is not depreciated. The annual depreciation rate used for leasehold land is based on a useful life of 96 years.

Income and expenses recognised in profit or loss:

	2021 RM'000	2022 RM'000	2023 RM'000
Rental income	213	223	150
Direct operating expenses	256	228	222

The fair value of the Group's investment properties was estimated at RM36,950,000 (2021: RM89,875,533 and 2022: RM94,950,000) by the Directors. This estimate was based on valuations by independent professional qualified valuers or the Directors own estimates, referencing to the open market value of similar properties in the vicinity. The fair values of investment properties fall within Level 3 of the fair value hierarchy. The most significant input in the valuation approach adopted by the Group is adjusted price per square foot.

5. INVENTORIES

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Non-current			
- Lands held for property development (Note 5.1)	140,317	111,305	190,944
Current			
- Completed development properties (Note 5.2)	18,986	15,994	16,157
- Property development costs (Note 5.3)	43,509	70,890	59,049
	62,495	86,884	75,206
Total inventories	202,812	198,189	266,150

5. **INVENTORIES (CONT'D)**

5.1 **Lands held for property development**

	Lands cost RM'000	Development costs RM'000	Total RM'000
At 1 January 2021	119,485	15,288	134,773
Transferred to property development costs	(2,737)	(283)	(3,020)
Cost incurred during the financial year	6,192	2,372	8,564
At 31 December 2021	122,940	17,377	140,317
Transferred to property development costs	(31,352)	(8,452)	(39,804)
Cost incurred during the financial year	1,978	1,533	3,511
Written off during the financial year	-	(194)	(194)
Acquisition of new entity	7,116	359	7,475
At 31 December 2022	100,682	10,623	111,305
Transferred from/(to) property development costs	14,148	(14,606)	(458)
Cost incurred during the financial year	4,830	26,363	31,193
Transferred from investment properties	49,268	-	49,268
Disposal during the financial year	(364)	-	(364)
At 31 December 2023	168,564	22,380	190,944
Land held for property development is analysed as follows:			
Freehold land	120,260	98,002	165,884
Leasehold land	2,680	2,680	2,680
	122,940	100,682	168,564

5.2 **Completed development properties**

	2021 RM'000	2022 RM'000	2023 RM'000
Completed development properties, at carrying amount	18,986	15,994	16,157
Charged to profit or loss:			
Cost of sales	(11,337)	(8,938)	(12,337)

5. **INVENTORIES (CONT'D)**

5.3 **Property development costs**

	2021 RM'000	2022 RM'000	2023 RM'000
At 1 January	32,248	43,509	70,890
Development costs incurred during the financial year	59,166	73,252	107,383
Costs recognised in profit or loss during the financial year	(50,925)	(79,794)	(107,348)
Transferred from lands held for property development (Note 5.1)	3,020	39,804	458
Transferred to completed development units (Note 5.2)	-	(5,881)	(12,334)
At 31 December	43,509	70,890	59,049
Property development costs is analysed as follows:			
Freehold land	4,335	29,750	36,480
Development costs	39,174	41,140	22,569
	43,509	70,890	59,049

The net carrying amount of inventories pledged as security for bank facilities granted to the Group comprise the following:

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Leasehold land	2,680	2,680	2,680
Freehold land	50,521	22,040	124,184
Development costs	13,007	9,750	5,449
Completed development properties	3,372	3,383	-

The inventories are stated at the lower of cost and net realisable value. The amount of inventories recognised as an expense during the financial year are included in the cost of sales of the Group.

Land held for property development and property development costs

Land held for property development consists of purchase of land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

Land held for property development is defined as land on which development is not expected to be completed within the normal operating cycle, with usually no significant development work undertaken. Therefore, it is classified as non-current asset on the combined statements of financial position and is stated at cost plus incidental expenditure incurred to prepare the land for development.

5. **INVENTORIES (CONT'D)**

Land held for property development and property development costs (cont'd)

Land on which development has commenced and is expected to be completed within the normal operating cycle is included in property development costs. The property development costs of the Group represent expenditures incurred related to residential developments. These costs comprise all expenses directly attributable to development activities or those that can be reasonably allocated to such activities.

The cost of inventory recognised in profit or loss upon disposal is determined by referring to the specific costs incurred on the property sold and any non-specific costs allocated based on the relative size of the property sold.

Completed properties held for sale

Completed properties held for sale are stated at the lower of cost and net realisable value. Cost includes the land cost, construction cost and other direct development expenditure.

6. **DEFERRED TAX ASSETS/(LIABILITIES)**

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Deferred tax assets	2,916	2,722	5,142
Deferred tax liabilities	(999)	(999)	(999)
	1,917	1,723	4,143

The components and movement of the Group's deferred tax assets/(liabilities) are as follows:-

	At 1 January RM'000	Recognised in profit or loss (Note 22) RM'000	At 31 December RM'000
2021			
Inventories	3,337	(431)	2,906
Provision for liquidated damages	89	-	89
Property, plant and equipment	(97)	-	(97)
Investment properties – revaluation surplus of freehold lands previously classified under property, plant and equipment	(981)	-	(981)
	2,348	(431)	1,917

6. **DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)**

The components and movement of the Group's deferred tax assets/(liabilities) are as follows (cont'd):-

	At 1 January RM'000	Recognised in profit or loss (Note 22) RM'000	At 31 December RM'000
2022			
Inventories	2,906	(105)	2,801
Provision for liquidated damages	89	(89)	-
Investment properties – revaluation surplus of freehold lands previously classified under property, plant and equipment	(981)	-	(981)
Property, plant and equipment	(97)	-	(97)
	1,917	(194)	1,723
2023			
Inventories	2,801	540	3,341
Provision for liquidated damages	-	2,489	2,489
Investment properties – revaluation surplus of freehold lands previously classified under property, plant and equipment	(981)	-	(981)
Property, plant and equipment	(97)	(609)	(706)
	1,723	2,420	4,143

Deferred taxes, other than temporary difference arose from the revaluation surplus of the freehold lands, is measured at the tax rate of 24% (2021 and 2022: 24%). The deferred tax liability arose from the revaluation surplus of the freehold lands, is measured at the Real Property Gains Tax ("RPGT") rate of 10% as the lands had been held for more than five years.

7. **CONTRACT ASSETS/(LIABILITIES)**

	2021 RM'000	2022 RM'000	2023 RM'000
At 1 January	9,531	19,928	75,500
Revenue recognised during the financial year	104,868	151,553	202,753
Progress billings issued during the financial year	(94,471)	(95,981)	(175,834)
At 31 December	19,928	75,500	102,419
Presented as:			
Contract assets	28,139	75,500	102,536
Contract liabilities	(8,211)	-	(117)
	19,928	75,500	102,419

7. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

Contract assets/(liabilities) represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts. Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer. Contract liabilities are recognised as revenue when performance obligations are satisfied.

The increase in contract assets resulted from significant progress in development properties where the actual progress was higher than the amount billed to customers.

8. CONTRACT COSTS

	2021 RM'000	2022 RM'000	2023 RM'000
Cost to obtain contracts			
At 1 January	864	1,136	1,424
Costs incurred during the financial year	1,497	3,457	4,598
Costs recognised in profit or loss during the financial year	(1,225)	(3,169)	(4,658)
At 31 December	1,136	1,424	1,364

The costs to obtain contracts include sales commissions paid to intermediaries and expenses borne on behalf of customers, such as legal fees. These incremental costs would not have been incurred if the respective sale contracts had not been obtained. Since these costs are expected to be recovered through property development revenue earned from customers, they are systematically amortised when the related revenues are recognised.

Specifically, sales commissions are amortised against selling and marketing expenses; while expenses borne on behalf of customers, considered as consideration payable to customers are amortised against revenue. During the financial year, RM2,714,207 (31.12.2021: RM919,983 and 31.12.2022: RM1,783,862) was amortised to selling and marketing expenses while RM1,943,666 (31.12.2021: RM305,003 and 31.12.2022: RM1,385,071) was amortised against revenue.

9. TRADE RECEIVABLES

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Trade receivables	31,094	10,173	21,298
Stakeholder sum	1,420	2,600	4,306
	32,514	12,773	25,604

Trade receivables of the Group are on 30-day terms (31.12.2021 and 31.12.2022: 30 days) from the date of progress billing and subject to late payment charges of 10% per annum on the outstanding balance.

Stakeholders' sum represents retention sums held by the solicitors upon handling over of vacant possession to individual purchasers of development properties. These amounts will be paid between 8 to 24 months from the delivery of vacant possession together with any interest earned.

10. OTHER RECEIVABLES

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Non-trade receivables	15,155	5,708	185
Sundry deposits	6,722	7,036	12,583
Prepayment	693	586	1,952
	22,570	13,330	14,720

Non-trade receivables of the Group are unsecured, non-interest bearing and receivable on demand.

Included in sundry deposits during the year 2023 were amounts paid under sales and purchase agreements as stated in the notes to the combined financial statements:

(a) RM137,662 for the acquisition of a piece of Penang land (Note 31(a)); and
(b) RM5,611,909 for the acquisition of 23 pieces of Penang lands (Note 31(b)).

11. AMOUNT DUE (TO)/FROM RELATED PARTIES/DIRECTOR

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Trade related:			
Amount due from former related parties	-	13,648	-
Non-trade related:			
Amount due from former related parties	60,575	3,020	29
Amount due from companies in which Directors have interests	13,983	-	-
	74,558	16,668	29
Non-trade related:			
Amount due to a former related party	(88,915)	-	-
Amount due to a company in which a Director has interests	(335)	-	-
Amount due to Directors	(27,724)	(33,943)	(7,458)
	(116,974)	(33,943)	(7,458)

The amount due from/to related parties are unsecured, non-interest bearing and receivable/payable on demand, except for the trade balance which is on 30-day terms. The non-trade amounts are advances for working capital purposes, except for RM53,152,302 due from a former related party in year 2021, which was related to settlement of partial land costs.

Former related parties refer to companies in which certain Directors had interest, but which were disposed of during year 2022 and 2023 respectively.

The amount due to Directors are unsecured, non-interest bearing and payable on demand.

12. CASH AND SHORT-TERM DEPOSITS

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Cash and bank balances	8,882	13,826	28,555
Short-term deposits	-	23	23
	8,882	13,849	28,578

The cash at bank of the Group included an amount of RM15,195,765 (31.12.2021: RM7,185,759 and 31.12.2022: RM9,967,646) held under Housing Development Accounts pursuant to Housing Development (Control and Licensing) Act 1966, which was restricted from use in other operations.

13. SHARE CAPITAL/INVESTED EQUITY

Share capital

	2021 RM'000	2022 RM'000	2023 RM'000
Issued and fully paid ordinary shares with no par value:			
1,000 ordinary shares issued during the year/ at end of financial year	-	1	1

On 6 October 2022, SPB Development was incorporated with a total paid-up share capital of RM1,000 comprising 1,000 ordinary shares. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual assets.

Invested equity

	Number of shares		
	2021 Unit'000	2022 Unit'000	2023 Unit'000
Issued and fully paid ordinary shares with no par value:			
At 1 January	24,550	24,550	32,050
Acquiring of a new entity	-	7,500	-
At 31 December	24,550	32,050	32,050

	Amount		
	2021 RM'000	2022 RM'000	2023 RM'000
Issued and fully paid ordinary shares with no par value:			
At 1 January	24,550	24,550	32,050
Acquiring of a new entity	-	7,500	-
At 31 December	24,550	32,050	32,050

For the purpose of these combined financial statements, the invested equity at the end of the respective financial years is the aggregate of the share capital of the Company and its combining entities.

14. BORROWINGS

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Non-current			
Term loans	1,330	13,045	13,265
Current			
Bank overdrafts	11,969	10,660	32,353
Term loans	398	3,023	3,858
	12,367	13,683	36,211
Total borrowings	13,697	26,728	49,476

During the year 2021, the Group converted the remaining outstanding term loan amounted RM12 million to the bank overdraft facility for increased flexibility, improved cashflow management, and working capital purposes.

The borrowings of the Group are secured by the following:-

(i) First party legal charge over the freehold land as disclosed in Note 4 to the combined financial statements;
(ii) First party legal charge over certain completed development properties and land held for property development together with its development expenditures of the Group as disclosed in Note 5 to the combined financial statements;
(iii) Corporate guarantee by SPBSB;
(iv) Joint and several guarantee by certain Directors of the Group; and
(v) Guarantee by Syarikat Jaminan Pembiayaan Perniagaan Berhad.

The effective interest rates of the borrowings are as follows:

	31.12.2021 %	31.12.2022 %	31.12.2023 %
Bank overdrafts	4.0 - 5.6	3.5 - 6.6	6.8 - 7.1
Term loans	3.5	5.6	3.5 - 6.8

15. LEASE LIABILITIES

	2021 RM'000	2022 RM'000	2023 RM'000
At 1 January	501	656	796
Additions	500	601	338
Accretion of interest	21	37	45
Payments of principal and interests	(366)	(498)	(532)
At 31 December	656	796	647
Presented as:			
Current	282	409	397
Non-current	374	387	250
	656	796	647

15. **LEASE LIABILITIES (CONT'D)**

The effective interest rates on lease liabilities of the Group range from 2.06% to 5.05% (31.12.2021: 2.09% to 2.52% and 31.12.2022: 2.06% to 4.80%) per annum.

The lease liabilities are secured by personal guarantee by certain Directors.

At the lease commencement date, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date, as the interest rate implicit in the lease is not readily determinable.

The maturity analysis of lease liabilities is disclosed in Note 27.2.2 to the combined financial statements.

The following amounts related to right-of-use assets and lease liabilities are recognised in profit or loss:

	2021 RM'000	2022 RM'000	2023 RM'000
Depreciation expense of right-of-use assets	525	546	675
Interest expense on lease liabilities	21	37	45
Short-term lease expenses (included in administration expenses)	38	73	40

16. **TRADE PAYABLES**

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Trade payables	10,749	6,275	30,245
Retention sums	3,231	9,655	9,655
	13,980	15,930	39,900

The normal credit terms extended by suppliers range from 30 to 60 days (31.12.2021 and 31.12.2022: 30 to 60) days. The retention sums are repayable upon the expiry of the defects liability period.

17. **OTHER PAYABLES**

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Non-trade payables	10,690	6,424	9,359
Accruals	829	846	1,146
Deposit received	37	784	567
Rental income received in advance	75	75	-
	11,631	8,129	11,072

Non-trade payables of the Group are unsecured, non-interest bearing and repayable on demand.

18. **REVENUE**

	2021 RM'000	2022 RM'000	2023 RM'000
Revenue from contract customers:			
- Construction services	2,665	12,281	-
- Sale of development properties under construction	81,087	122,162	167,420
- Sale of land	-	-	606
- Sales of completed properties	20,811	15,725	32,784
	104,563	150,168	200,810
Timing of recognition:			
- Over time	83,752	134,443	167,420
- At a point in time	20,811	15,725	33,390
	104,563	150,168	200,810

All of the Group's revenue is generated from Malaysia.

Revenue from construction services and sale of properties under development

Revenue from construction services and sale of properties under development is measured at the fixed transaction price agreed under the agreement, net of expenses borne on behalf of the customers and the provision of liquidated ascertained damages.

The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Revenue from construction services and sales of development properties under construction is recognised over the period of the contract using the input method by referencing the costs incurred for work performed to date against the estimated costs to completion if control of the asset transfers over time. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

18. **REVENUE (CONT'D)**

Revenue from construction services and sale of properties under development (cont'd)

The Group identifies performance obligations that are distinct and material, which require judgement within the context of contracts. The Group also estimates total contract costs in applying the input method to recognise revenue over time. In estimating the total costs to complete, the Group considers the completeness and accuracy of its cost estimates, including its obligations related to contract variations, claims and cost contingencies.

There is no significant financing component in the revenue from construction services and sale of properties under development, as the contracts are on normal credit terms not exceeding 12 months.

Information on contract assets, contract liabilities from contracts with customers and trade receivables are disclosed in Notes 7 and 9 to the combined financial statements respectively.

The nature of the properties that the Group has promised to transfer to purchasers are residential units. These properties are subject to a Defects Liability Period of generally 24 months from the date of delivering vacant possession to the purchasers. During this period, the Group must rectify any defects due to design, materials, goods or workmanship that are not in accordance with the sales and purchase agreements.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the reporting date is RM91,605,809 (2021: RM179,826,702 and 2022: RM170,603,213). The remaining performance obligations are expected to be recognised within 2 years, in accordance with the agreed time frames stated in the sale and purchase agreements signed with purchasers.

Sales of completed properties and land

The Group recognises sales at a point in time for the sale of completed properties and land, when the control of the properties and land have been transferred to the purchasers. This occurs when the properties and land are completed and/or delivered to the customers, and it is probable that the Group will collect the considerations to which it would be entitled to in exchange for the assets sold. Sales represent gross invoiced value of properties sold, net of discounts.

There is no significant financing component in the revenue from sales of completed properties and land as the contracts are on normal credit terms not exceeding 12 months.

19. **OTHER INCOME**

	2021 RM'000	2022 RM'000	2023 RM'000
Administrative and management fees	53	1,569	442
Gain on disposal of property, plant and equipment	-	349	-
Rental income	663	662	259
Wages subsidies received	55	-	-
Others	131	414	106
	902	2,994	807

20. **FINANCE COSTS**

	2021 RM'000	2022 RM'000	2023 RM'000
Bank overdraft interest	138	753	1,526
Lease liabilities interest	21	37	45
Loan interest	1,570	159	952
	1,729	949	2,523

The effective interest rates are disclosed in Notes 14 and 15 to the combined financial statements respectively.

21. **PROFIT BEFORE TAX**

Profit before tax has been determined after charging, except as disclosed in Notes 19, 20 and 23, the following:-

	2021 RM'000	2022 RM'000	2023 RM'000
Depreciation of:			
- investment properties	84	84	84
- property, plant and equipment	914	1,152	2,208
Bad debts written off	21	-	-
Short-term lease of premise and office equipment	38	73	40

22. **TAX EXPENSES**

	2021 RM'000	2022 RM'000	2023 RM'000
Current tax			
- Current year	7,452	11,819	18,558
- Over provision in prior years	-	(53)	(184)
Deferred tax			
- Current year	431	194	(2,794)
- Under provision in prior years	-	-	374
Total	7,883	11,960	15,954

The Group calculates Malaysian income tax at the statutory tax rate of 24% on the estimated taxable profits for the financial year.

The numerical reconciliation between the Group's effective tax rate and the statutory tax rate is as follows:-

	2021 RM'000	2022 RM'000	2023 RM'000
Profit before tax	32,556	51,620	61,971
Tax at Malaysian statutory tax rate of 24%	7,813	12,389	14,873
Tax effects in respect of:-			
Tax saving on first tranche of chargeable income	(112)	(125)	(7)
Tax saving from land cost which subject to RPGT rate	(518)	(433)	-
Income not subject to tax	(43)	(174)	(222)
Expenses not deductible for tax purposes	742	281	1,202
Movement of deferred tax not recognised	1	75	(82)
(Over)/under provision in prior year	-	(53)	190
	7,883	11,960	15,954

Deferred tax assets have not been recognised for the following items:

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Unabsorbed tax losses	285	644	520
Unutilised capital allowances	314	320	323
Property, plant and equipment	(384)	(438)	(658)
	215	526	185

The Group has not recognised potential deferred assets for these items as it is not probable that sufficient taxable profits will be available to utilise these benefits in the near future. The Group's unabsorbed tax losses and unutilised capital allowances can be carried forward to offset against future taxable profits.

22. **TAX EXPENSES (CONT'D)**

Effective Year of Assessment 2019, as announced in Annual Budget 2022, the unabsorbed tax losses of the Group as of 31 December 2018 and thereafter will be available for carry forward for a period of 10 consecutive years. Upon expiry of the 10-year period, any unabsorbed tax losses will be disregarded.

The expiry date of the unabsorbed tax losses is summarised as follows:

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Year assessment 2028	161	161	135
Year assessment 2029	101	101	92
Year assessment 2030	18	18	10
Year assessment 2031	5	49	43
Year assessment 2032	-	315	226
Year assessment 2033	-	-	14
	285	644	520

23. **EMPLOYEE BENEFITS EXPENSE**

	2021 RM'000	2022 RM'000	2023 RM'000
Staff's remuneration			
Salaries, wages and other emoluments	2,639	2,945	5,177
Directors' remuneration	1,154	1,550	2,024
Defined contribution plan	318	341	649
Social security contribution	13	60	60
Other benefits	269	411	512
Total	4,393	5,307	8,422

24. **EARNINGS PER SHARE**

Basic earnings per share

Basic earnings per share for the year is calculated by dividing the net profit for the financial year attributable to common controlling shareholders by the weighted average number of ordinary shares in issue.

	2021	2022	2023
Profit attributable to owners of the Company (RM'000)	24,673	39,660	46,017
Weighted average number of ordinary shares in issue (Number of shares '000) (including invested equity)	24,550	29,933	32,051
Basic earnings per share	1.00	1.32	1.44

24. EARNINGS PER SHARE (CONT'D)

Diluted earnings per share

The basic and diluted EPS are equal as the Group has no potential dilutive ordinary shares at the end of each financial year.

25. DIVIDEND

	2021 RM'000	2022 RM'000	2023 RM'000
In respect of financial year ended 31 December:			
Interim dividend of RM0.11 per ordinary share paid in January 2022	2,080	-	-
Interim dividend of RM0.21 per ordinary share fully paid in November 2023	-	4,451	-
Interim dividend of RM1.65 per ordinary share paid in September 2022 and April 2023	-	577	-
Interim dividend of RM0.47 per ordinary share fully paid in June 2024	-	-	4,324
	2,080	5,028	4,324

The Group did not propose any final dividend for the respective financial years.

26. RELATED PARTY DISCLOSURES

(a) Identify of related parties

For the purposes of these combined financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or if the Group and the party are subject to common control. Related parties may be individuals or entities.

Related parties also include key management personnel defined as individuals with authority and responsibility for the Group's activities, either planning, directing and controlling the activities, directly or indirectly. The key management personnel include all the Directors of the Group.

The Group has related party relationship with its related parties, including key management personnel and companies in which certain Directors have a substantial financial interest.

26. **RELATED PARTY DISCLOSURES (CONT'D)**

(b) **Significant related party transactions**

Significant transactions of the Group with a related party during the financial year, not disclosed elsewhere in the combined financial statements are as follows:-

	2021 RM'000	2022 RM'000	2023 RM'000
Related parties by the virtue of common shareholders			
- Management fee charged by	(60)	(45)	-
- Short-term lease of premise	(12)	(34)	(100)
- Advances	824	48	-
Former related parties by the virtue of common shareholders			
- Construction services	2,665	12,281	-
- Management fee charged to	53	1,564	-
- Advances	287	101	210
Director			
- Assignment of debts from a trade payable	-	(9,190)	-

The Directors are of the opinion that the above transactions were entered into in the normal course of business and established under negotiated terms.

(c) **Significant related party balances**

The outstanding balances arising from related party transactions as at the reporting date are disclosed in Note 11 to the combined financial statements.

(d) **Compensation of key management personnel**

Key management personnel are defined as individuals who have authority and responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly, as well as entities that provide key management personnel services to the Group.

26. **RELATED PARTY DISCLOSURES (CONT'D)**

(d) **Compensation of key management personnel (cont'd)**

Key management includes all the Directors of the Group.

	2021 RM'000	2022 RM'000	2023 RM'000
Directors' remuneration:			
Salaries and other emoluments (included Employment Insurance Scheme)	966	1,301	1,700
Defined contribution plan	183	243	316
Social security contribution	5	6	8
	1,154	1,550	2,024

The estimated monetary value of benefit-in-kind receivable by the Directors and key management personnel of the Group, other than in cash, amounted to RM108,068 (2021: RM39,991 and 2022: RM119,136).

27. **FINANCIAL INSTRUMENTS**

27.1 **Categories of financial instruments**

The Group carries only financial assets and financial liabilities at amortised costs on its statements of financial position.

Financial assets at amortised cost include trade and most other receivables, amount due from related parties, and cash and cash equivalents.

Financial liabilities at amortised cost include trade and most other payables, amount due to related parties, and borrowings.

27.2 **Financial risk management**

The Group is exposed to financial risks arising from its operations and the use of financial instruments. It has established policies and procedures to ensure effective management of credit risk, liquidity risk, interest rate risk and foreign currency risk

The following sections explain the key risks faced by the Group and how they are managed.

27.2.1 **Credit risk**

Credit risk is the potential risk for a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Concentration of credit risk occurs when changes in economic, industry and geographical factors affect a group of counterparties whose aggregate credit exposure is significant relative to the Group's total credit exposure. To mitigate this risk, the Group conducts transactions with various creditworthy counterparties.

27. **FINANCIAL INSTRUMENTS (CONT'D)**

27.2 **Financial risk management (cont'd)**

27.2.1 **Credit risk (cont'd)**

The Group's policy is to enter into a financial instrument with a diversity of creditworthy counterparties. Hence, the Group does not expect to incur material credit losses on its financial assets or other financial instruments.

The Group's policy also requires all customers seeking credit terms to undergo credit verification procedures. Credit terms are not granted without management approval.

The areas where the Group is exposed to credit risk are as follows:-

Trade receivables and contract assets

To mitigate credit risk on trade receivables from the sale of development properties, the Group retains ownership of the properties until purchasers have fully settled their self-financed portion and their end-financier has completed the end-financing undertaking.

An impairment analysis is performed at each reporting date using a provision matrix to assess expected credit losses. The provision rates are based on days past due for different customer segments with similar loss patterns. This includes customer type, rating and collateral coverage. The calculation takes into account the probability-weighted outcome, time value of money, and reasonable and supportable information on past events. current conditions, and future economic forecasts available at the reporting date. Trade receivables are written off if deemed uncollectable by the Directors.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. Collateral is regarded as integral part of trade receivables and thus considered in the calculation of impairment. Since most of the Group's trade receivables are covered by collateral, no credit losses are expected as of the reporting date.

The following table summarises the credit risk exposure on the Group's trade receivables and contract assets using provision matrix:-

	Gross carrying amount RM'000	Expected credit loss RM'000	Net carrying amount RM'000
31.12.2021			
Not past due	12,685	-	12,685
Past due 1 to 30 days	3,607	-	3,607
Past due 31 to 60 days	11,489	-	11,489
Past due 61 to 90 days	959	-	959
Past due more than 90 days	3,774	-	3,774
Trade receivables	32,514	-	32,514
Contract assets	28,139	-	28,139

27. **FINANCIAL INSTRUMENTS (CONT'D)**

27.2 **Financial risk management (cont'd)**

27.2.1 **Credit risk (cont'd)**

The areas where the Group is exposed to credit risk are as follows (cont'd):-

Trade receivables and contract assets (cont'd)

The following table summarises the credit risk exposure on the Group's trade receivables and contract assets using provision matrix (cont'd):-

	Gross carrying amount RM'000	Expected credit loss RM'000	Net carrying amount RM'000
31.12.2022			
Not past due	5,072	-	5,072
Past due 1 to 30 days	1,852	-	1,852
Past due 31 to 60 days	2,063	-	2,063
Past due 61 to 90 days	923	-	923
Past due more than 90 days	2,863	-	2,863
Trade receivables	12,773	-	12,773
Contract assets	75,500	-	75,500
31.12.2023			
Not past due	12,488	-	12,488
Past due 1 to 30 days	1,411	-	1,411
Past due 31 to 60 days	3,639	-	3,639
Past due 61 to 90 days	310	-	310
Past due more than 90 days	7,756	-	7,756
Trade receivables	25,604	-	25,604
Contract assets	102,536	-	102,536

Other receivables

Credit risks related to other receivables primarily arises from advance payments to suppliers and sundry deposits made in the normal course of business. The Group considers these receivables to have low credit risk.

As at the end of the reporting date, the maximum exposure to credit risk is represented by the carrying amounts in the combined statement of financial position and the Group did not recognise any allowance for impairment losses.

Cash and cash equivalents

The credit risk associated with cash and cash equivalents is considered negligible, since the counterparties are reputable financial institutions with high-quality external credit ratings.

27. **FINANCIAL INSTRUMENTS (CONT'D)**

27.2 **Financial risk management (cont'd)**

27.2.2 **Liquidity risk**

Liquidity risk is the risk that the Group may be unable to meet its financial obligations as and when they fall due, due to shortage of funds.

In managing its exposures to liquidity risk that arises principally from its various payables, loans and borrowings, the Group maintains an adequate level of cash, cash equivalents and bank facilities. This approach ensures that the Group has sufficient liquidity to meet its obligations as and when they fall due.

The Group strives to balance sufficient cash and deposits with flexibility in funding by securing a variety of committed and uncommitted credit facilities from multiple banks.

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows:-

		← Contractual Cash Flows →		
	Carrying amount RM'000	Less than 1 year RM'000	Between 1 to 5 years RM'000	Total RM'000
31.12.2021				
Trade payables	13,980	13,980	-	13,980
Other payables	11,556	11,556	-	11,556
Amount due to related parties	116,974	116,974	-	116,974
Borrowings	13,697	12,405	1,404	13,809
Lease liabilities	656	300	383	683
	156,863	155,215	1,787	157,002
31.12.2022				
Trade payables	15,930	15,930	-	15,930
Other payables	8,054	8,054	-	8,054
Amount due to related parties	33,943	33,943	-	33,943
Borrowings	26,728	14,253	13,974	28,227
Lease liabilities	796	434	391	825
	85,451	72,614	14,365	86,979
31.12.2023				
Trade payables	39,900	39,900	-	39,900
Other payables	11,072	11,072	-	11,072
Amount due to director	7,458	7,458	-	7,458
Borrowings	49,476	40,250	10,914	51,164
Lease liabilities	647	418	255	673
	108,553	99,098	11,169	110,267

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of financial liabilities at the reporting date.

27. **FINANCIAL INSTRUMENTS (CONT'D)**

27.2 **Financial risk management (cont'd)**

27.2.3 **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to interest rates changes. Whereas its variable rate borrowings are exposed to the risk of change in cash flows due to fluctuating interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The Group aims to manage interest expenses while maintaining an acceptable level of exposure to interest rate fluctuations. To achieve this, the Group targets a mix of fixed and floating debts based on assessment of its existing exposure and desired interest rate profile.

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the reporting date is as follows:-

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Fixed rate instruments			
Financial liabilities			
Lease liabilities	656	796	647
Term loans	1,728	1,346	950
	2,384	2,142	1,597
Floating rate instruments			
Financial liabilities			
Bank overdrafts	11,969	10,660	32,353
Term loans	-	14,722	16,173
	11,969	25,382	48,526

Fair values sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss. Therefore, a change in interest rates as at the reporting date would not affect its profit or loss.

27. **FINANCIAL INSTRUMENTS (CONT'D)**

27.2 **Financial risk management (cont'd)**

27.2.3 **Interest rate risk (cont'd)**

Cash flow sensitivity analysis for variable rate instruments

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rate of +/-50 (31.12.2020 and 31.12.2021: +/-50) basis points ("bp"). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date are sensitive to changes in interest rate. All other variables are held constant.

	Impact on profit/equity (Decrease)/Increase	
	+50bp	-50bp
	RM'000	RM'000
31.12.2021	(59)	59
31.12.2022	(127)	127
31.12.2023	(243)	243

27.3 **Fair value of financial instruments**

The carrying amounts of the Group's financial assets and financial liabilities at the reporting date approximate their fair values due to (1) their short term nature (2) the re-pricing of floating rate instruments to market rates on or close to the reporting date; and (3) the immaterial impact of discounting effects.

27.4 **Fair value hierarchy**

No fair value hierarchy has been disclosed as the Group does not have financial instruments measured at fair value.

28. **OPERATING SEGMENT**

The Group primarily operates in Malaysia within the property construction and development sector. The chief operating decision maker regards the Group as a single reportable segment; hence the Group does not present its results by geographical area or product and services segment. There were no major customer contributing to 10% or more of the total revenue.

29. **CAPITAL COMMITMENT**

	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000
Capital expenditure			
- Acquisition of lands	-	-	97,755

30. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maintain a strong credit rating and healthy capital ratio to support its business and maximise shareholders' value.

The Group adjusts its capital structure in light of changes in economic conditions. This may involve modifying dividend payments, returning capital to shareholders, or issuing new share capital. There were no changes to the capital management objective, policies or processes during the financial years.

31. SIGNIFICANT EVENTS DURING AND AFTER THE FINANCIAL YEAR

(a) On 16 June 2023, Modal Cergas Lestari Sdn. Bhd. entered into a Sale and Purchase Agreement with a vendor for the acquisition of a piece of Penang land at a total consideration of RM1,376,622.10. The Group paid a deposit of RM137,662 as disclosed in Note 10. The transaction was completed on 15 January 2024.

(b) On 16 June 2023, Dayang Gemilang Sdn. Bhd. entered into a Sale and Purchase Agreement with a vendor for the acquisition of 23 pieces Penang lands at total consideration of RM56,119,093.10. The Group paid a deposit of RM5,611,909 as disclosed in Note 10. The transaction was completed on 15 January 2024.

(c) On 30 January 2024, Dayang Gemilang Sdn. Bhd. entered into 2 Sale and Purchase Agreements with a vendor for the acquisition of 2 pieces of freehold lands at total consideration of RM605,658. The transaction was completed on 3 July 2024.

(d) On 7 February 2024, SPBSB has acquired 250,000 ordinary shares, representing 2.72% of the total issued share capital of Rentas Dinamik Sdn. Bhd. for a total purchase consideration of RM1,248,236,47.

(e) On 18 April 2024, Ekuiti Idaman Sdn. Bhd. ("Ekuiti Idaman") entered into a sale and purchase agreement with a vendor for the acquisition of 7 pieces Plentong, Johor Bahru lands at total consideration of RM110,000,000. As of the approval date of the combined financial statements, the transaction has not yet been completed.

(f) On 18 April 2024, Ekuiti Idaman entered into a joint venture agreement ("JVA") with Malaysia Pacific Corporation Berhad ("MP Corp"), Oriental Pearl City Properties Sdn. Bhd., Lakehill Resort Development Sdn. Bhd. ("Lakehill") and Taman Bandar Baru Masai Sdn. Bhd. ("TBBM") (collectively referred to as "MP Corp Group") whereby the parties agreed to develop all those lands comprised in 12 block titles all located in Mukim Plentong, Daerah Johor Bahru, Negeri Johor measuring approximately 189.18 acres ("TBBM Lands") which are registered under TBBM's name on a joint venture basis.

In consideration of RM181,294,977.60 ("JVA Price") to be paid by Ekuiti Idaman to Lakehill, MP Corp Group has agreed to appoint Ekuiti Idaman as the developer for the TBBM Lands according to the terms and conditions in the JVA.

31. **SIGNIFICANT EVENTS DURING AND AFTER THE FINANCIAL YEAR (CONT'D)**

(f) (Cont'd)

Ekuiti Idaman is required to pay a consideration of RM181,294,966.60 to Lakehill in the following manner:

(i) RM1,000,000 as an earnest deposit, payable prior to the execution of the JVA;
(ii) RM4,438,849.31 as an initial deposit, which together with the earnest deposit equals to 3% of the JVA price, payable simultaneously with the execution of the JVA;
(iii) RM12,690,648.40, equivalent to 7% of the JVA price, payable within 3 business days from the fulfilment of the last condition precedent as per the JVA ;
(iv) The remaining amount, payable in 10 equal yearly installments, either in cash or in kind (through the delivery of completed buildings on a phase-to-phase basis) with the first instalment commencing on 31 December 2025, subject to MP Corp Group's compliance with the JVA.

As of the approval date of the combined financial statements, the transaction has not yet been completed.

(g) On 19 April 2024, Dayang Gemilang Sdn. Bhd. entered into a Sale and Purchase Agreement with 5 vendors for the acquisition of a piece of freehold land at total consideration of RM394,653.20. The transaction was completed on 18 July 2024.

(h) On 8 August 2024, the Company entered into 11 conditional share sale and purchase agreements as follows:

(i) 6 conditional share sale and purchase agreements with Datuk Yap and Datin Loh to acquire the entire issued share capital of Dayang Gemilang Sdn. Bhd., Debunga Istimewa Sdn. Bhd., Good Rate Holdings Sdn. Bhd., Jendela Hijau Sdn. Bhd., Laman Exotika Sdn. Bhd. and SPBSB respectively for an aggregate consideration of RM381,456,662.56, wholly satisfied by the issuance of 707,449,300 new Shares at an issue price of approximately RM0.54 per Share;
(ii) a conditional share sale and purchase agreement with Datuk Yap, Datin Loh, Datuk Jacky Yap and Datuk Sean Yap to acquire the entire issued share capital of Hektar Berlian Sdn. Bhd. for an aggregate consideration of RM1,875,014.08, wholly satisfied by the issuance of 3,477,400 new Shares at an issue price of approximately RM0.54 per Share;
(iii) 3 conditional share sale and purchase agreements with Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap to acquire the entire issued share capital of Naluri Wijaya Sdn. Bhd., Panglima Juara Sdn. Bhd. and Setara Hijau Sdn. Bhd. respectively for an aggregate consideration of RM6,546,427.20, wholly satisfied by the issuance of 12,141,000 new Shares at an issue price of approximately RM0.54 per Share; and
(iv) a conditional share sale and purchase agreement with Datuk Yap to acquire the entire issued share capital of Mantap Megajuta Sdn. Bhd. for an aggregate consideration of RM7,457,836.96, wholly satisfied by the issuance of 13,831,300 new Shares at an issue price of approximately RM0.54 per Share.

As of the approval date of the combined financial statements, the acquisitions had not yet been completed.

SPB DEVELOPMENT BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

We, the undersigned, being the Directors of the Group, do hereby state that, in our opinion, the accompanying combined financial statements set out on pages 4 to 45 are drawn up in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards so as to give a true and fair view of the combined financial position as at 31 December 2021, 31 December 2022 and 31 December 2023 and of its financial performance and cash flows for the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023.

Signed on behalf of the Directors in accordance with a resolution of the Board of Directors,

.....
DATUK YAP PIT KIAN

.....
DATUK YAP JYH HAUR

Kuala Lumpur

18 SEP 2024

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA STATEMENTS OF FINANCIAL POSITION

SPB DEVELOPMENT BERHAD
(Registration No.: 202201037256 (1482953-X))
(Incorporated in Malaysia)

PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

GRANT THORNTON MALAYSIA PLT

CHARTERED ACCOUNTANTS

Member Firm of Grant Thornton International Ltd.

Grant Thornton

REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA STATEMENTS OF FINANCIAL POSITION
(Prepared for inclusion in the Prospectus)

Grant Thornton Malaysia PLT
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

T +603 2692 4022
F +603 2691 5229

Date: 18 September 2024

The Board of Directors
SPB Development Berhad
No. 16 & 17, Plaza Seri Kubu
Jalan Tan Chay Yan
75300 Melaka

Dear Sirs,

SPB DEVELOPMENT BERHAD ("COMPANY" OR "SPB DEVELOPMENT") REPORT ON THE COMPILATION OF PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

We have completed our assurance engagement to report on the compilation of Pro Forma Statements of Financial Position of SPB Development Berhad and its combining entities (collectively known as the "**Group**" or "**SPB Group**") as at 31 December 2023 together with the notes and assumptions thereto (as set out in Appendix A for which we have stamped for the purpose of identification), compiled and prepared by the Directors of the Company for inclusion in the prospectus of the Company ("**Prospectus**") in connection with the initial public offering and the listing of and quotation for the entire issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad (collectively referred to as "**IPO and Listing**").

The application criteria on the basis of which the Directors have compiled the Pro Forma Statements of Financial Position are described in the notes to the Pro Forma Statements of Financial Position. The Pro Forma Statements of Financial Position is prepared accordance with the requirements of Chapter 9 of the Prospectus Guidelines - Equity issued by the Securities Commission Malaysia ("**Prospectus Guidelines**") and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma Statements of Financial Position as at 31 December 2023 have been compiled by the Directors of the Company to illustrate the effects of the IPO and Listing on the financial position of the Group had the IPO and Listing have been implemented and completed on 31 December 2023. As part of this process, information about the Group's Combined Statement of Financial Position has been extracted by the Directors of the Company from the Group's audited combined financial statements for the financial year ended 31 December 2023, on which was reported by us to the Directors of SPB Group on 18 September 2024 without any modification.

Audit | Tax | Advisory

Chartered Accountants
Grant Thornton Malaysia PLT [201906003682 [LLP0022494-LCA] & AF 0737] is a Limited Liability Partnership and is a member firm of Grant Thornton International Ltd (GTIL), a private company limited by guarantee incorporated in England and Wales.

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Directors' Responsibility for the Pro Forma Statements of Financial Position

The Directors of the Company are responsible for compiling the Pro Forma Statements of Financial Position as at 31 December 2023 on the basis set out in the notes to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

Our Independence and Quality Control

We are independent in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("**By-Laws**") and the International Ethics Standards Board of Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("**IESBA Code**"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our firm applies *International Standard on Quality Management ("**ISQM**") 1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, about whether the Pro Forma Statements of Financial Position have been properly compiled, in all material respect, by the Directors on the basis set out in the notes to the Pro Forma Statements of Financial Position.

We conducted our engagement in accordance *with International Standard on Assurance Engagements ("**ISAE**") 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus"*, issued by International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Statements of Financial Position on the basis set out in the notes to the Pro Forma Statements of Financial Position.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any financial information used in compiling the Pro Forma Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Statements of Financial Position.

The purpose of the Pro Forma Statements of Financial Position included in the Prospectus is solely to illustrate the impact as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at that date would have been as presented.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Grant Thornton

Reporting Accountants' Responsibilities (cont'd)

A reasonable assurance engagement to report on whether the Pro Forma Statements of Financial Position have been compiled, in all material respects, on the basis set out in the notes to the Pro Forma Statements of Financial Position, involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions enumerated in the notes thereto, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the event or transaction in respect of which the Pro Forma Statements of Financial Position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Statements of Financial Position have been compiled, in all material respects, on the basis set out in the notes to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

Other Matter

This letter has been prepared at your request for inclusion in the Prospectus in connection with the IPO and Listing. It is not intended to be used for any other purpose. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully,

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

LEE SHEAU WEI
(NO: 03539/12/2024 J)
CHARTERED ACCOUNTANT

Kuala Lumpur

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

SPB DEVELOPMENT BERHAD
PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

		At 31.12.2023* RM'000	Adjustments for Subsequent Events RM'000	After Subsequent Events RM'000	Adjustments for Acquisitions RM'000	Pro Forma I RM'000	Adjustments for Public Issue RM'000	Pro Forma II RM'000	Adjustments for Utilisation of Proceeds RM'000	Pro Forma III RM'000
ASSETS										
Non-current assets										
Property, plant and equipment		15,266	-	15,266	-	15,266	-	15,266	-	15,266
Investment properties	5.1	26,966	33,555	60,521	-	60,521	-	60,521	-	60,521
Inventories	5.2	190,944	23,941	214,885	-	214,885	-	214,885	-	214,885
Deferred tax assets		5,142	-	5,142	-	5,142	-	5,142	-	5,142
Total non-current assets		238,318		295,814		295,814		295,814		295,814
Current assets										
Inventories	5.2	75,206	-	75,206	-	75,206	-	75,206	-	75,206
Contract assets		102,536	-	102,536	-	102,536	-	102,536	-	102,536
Contract costs		1,364	-	1,364	-	1,364	-	1,364	-	1,364
Trade receivables		25,604	-	25,604	-	25,604	-	25,604	-	25,604
Other receivables	5.3	14,720	10,689	25,409	-	25,409	-	25,409	[•]	[•]
Amount due from related parties		29	-	29	-	29	-	29	-	29
Tax recoverable		590	-	590	-	590	-	590	-	590
Cash and short-term deposits	5.4	28,578	(26,185)	2,393	-	2,393	[•]	[•]	[•]	[•]
Total current assets		248,627		233,131		233,131		[•]		[•]
Total assets		486,945		528,945		528,945		[•]		[•]
EQUITY AND LIABILITIES										
EQUITY										
Equity attributable to owners of parent:-										
Share capital	5.5	1	-	1	397,336	397,337	[•]	[•]	[•]	[•]
Invested equity	5.6	32,050	-	32,050	(32,050)	-	-	-	-	-
Merger deficit	5.7	-	-	-	(365,286)	(365,286)	-	(365,286)	-	(365,286)
Retained earnings	5.8	339,158	-	339,158	-	339,158	-	339,158	[•]	[•]
Total equity		371,209		371,209		371,209		[•]		[•]

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14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

SPB DEVELOPMENT BERHAD
PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

		At 31.12.2023* RM'000	Adjustments for Subsequent Events RM'000	After Subsequent Events RM'000	Adjustments for Acquisitions RM'000	Pro Forma I RM'000	Adjustments for Public Issue RM'000	Pro Forma II RM'000	Adjustments for Utilisation of Proceeds RM'000	Pro Forma III RM'000
EQUITY AND LIABILITIES (CONT'D)										
LIABILITIES										
Non-current liabilities										
Borrowings	5.9	13,265	42,000	55,265	-	55,265	-	55,265	-	55,265
Lease liabilities		250	-	250	-	250	-	250	-	250
Deferred tax liabilities		999	-	999	-	999	-	999	-	999
Total non-current liabilities		14,514		56,514		56,514		56,514		56,514
Current liabilities										
Contract liabilities		117	-	117	-	117	-	117	-	117
Trade payables		39,900	-	39,900	-	39,900	-	39,900	-	39,900
Other payables		11,072	-	11,072	-	11,072	-	11,072	-	11,072
Amount due to Director		7,458	-	7,458	-	7,458	-	7,458	-	7,458
Borrowings	5.9	36,211	-	36,211	-	36,211	-	36,211	-	36,211
Lease liabilities		397	-	397	-	397	-	397	-	397
Tax payable		6,067	-	6,067	-	6,067	-	6,067	-	6,067
Total current liabilities		101,222		101,222		101,222		101,222		101,222
Total liabilities		115,736		157,736		157,736		157,736		157,736
Total equity and liabilities		486,945		528,945		528,945		[•]		[•]
Issued ordinary share capital (Unit'000)	5.5	1	-	1	736,899	736,900	191,100	928,000	-	928,000
Net assets per share (RM)		371,209.00		371,209.00		0.50		[•]		[•]
Borrowings		50,123		92,123		92,123		92,123		92,123
Gearing ratio (times)		0.14		0.25		0.25		[•]		[•]

* Extracted from the Group's audited combined financial statements for the financial year ended 31 December 2023.

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Appendix A

SPB DEVELOPMENT BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

1. **Introduction**

The Pro Forma Statements of Financial Position of SPB Development Berhad ("**Company**" or "**SPB Development**") and its combining entities (collectively referred to as "**Group**" or "**SPB Group**") as at 31 December 2023 together with the notes thereon, for which the Board of Directors of the Company are solely responsible, have been prepared for illustrative purposes only for the purpose of inclusion in the Prospectus in connection with the IPO and Listing and should not be relied upon for any other purposes.

The applicable criteria in the preparation of the Pro Forma Statements of Financial Position are in accordance with Chapter 9 of the Prospectus Guidelines issued by the Securities Commission Malaysia and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma Statements of Financial Position together with the related notes thereon, have been prepared solely to illustrate the impact of events and transactions set out in Note 3 to the Pro Forma Statements of Financial Position had the events occurred or transactions been undertaken on 31 December 2023. The Pro Forma Statements of Financial Position are not necessarily indicative of the financial positions that would have been attained had the Listing actually occurred at the respective dates, nor do they predict the Group's financial position.

2. **Basis of preparation**

The Pro Forma Statements of Financial Position of the Group is prepared based on the audited combined financial statements of the Group for the financial year ended 31 December 2023, which was prepared in accordance with Malaysian Financial Reporting Standards ("**MFRS**") and IFRS Accounting Standards ("**IFRS**"), and in a manner consistent with the format of the financial statements and accounting policies of the Group.

The combined financial statements used in the preparation of these Pro Forma Statements of Financial Position were not subject to any audit qualification or emphasis of matter.

Merger method of accounting

A business combination involving entities under common control occurs when all the combining entities or subsidiaries are ultimately controlled by the same party or parties, both before and after combination, and that such control is not transitory. Subsidiaries acquired which have met the criteria for pooling-of interests are accounted for using merger accounting principles. Under the merger method of accounting, the results of the subsidiaries are presented as if the business combination has been effected throughout the current and previous financial years. The assets combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the differences between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to merger reserves or merger deficit.

The identifiable assets and liabilities of all commonly controlled entities are accounted for at their historical costs.

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SPB DEVELOPMENT BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

3. **Listing scheme**

In conjunction with, and as an integral part of the Listing, SPB Group has implemented and intends to undertake the following plans as part of the overall listing scheme: -

3.1 **Acquisitions**

SPB Development had on 8 August 2024 entered into 11 conditional share sale and purchase agreements to acquire the entire equity interest of the following entities to become its wholly-owned subsidiaries:

Company name	Purchase consideration (RM)	No. of Shares issued by SPB Development
Dayang Gemilang Sdn. Bhd. ("**Dayang Gemilang**")	26,452,397	49,058,600
Debunga Istimewa Sdn. Bhd.	1,021,622	1,894,700
Good Rate Holdings Sdn. Bhd.	3,917,719	7,265,800
Hektar Berlian Sdn. Bhd.	1,875,014	3,477,400
Jendela Hijau Sdn. Bhd.	108	200
Laman Exotika Sdn. Bhd.	89,854,121	166,643,400
Mantap Megajuta Sdn. Bhd.	7,457,837	13,831,300
Naluri Wijaya Sdn. Bhd.	108	200
Panglima Juara Sdn. Bhd.	6,546,212	12,140,600
Setara Hijau Sdn. Bhd.	108	200
Sri Pengkalan Binaan Sdn. Bhd. ("**SPBSB**")	260,210,695	482,586,600
Total	**397,335,941**	**736,899,000**

Subsidiaries held through SPBSB:

- Ekuiti Idaman Sdn. Bhd. ("**Ekuiti Idaman**")
- Modal Cergas Lestari Sdn. Bhd. ("**Modal Cergas**")
- Rentas Dinamik Sdn. Bhd.

The purchase consideration of SPB Group was arrived at on a "willing-buyer willing-seller basis", after taking into consideration the audited net assets/liabilities of respective entities as at 31 December 2023 of RM385,070,119.

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Appendix A

SPB DEVELOPMENT BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

3. **Listing scheme (cont'd)**

In conjunction with, and as an integral part of the Listing, SPB Group has implemented and intends to undertake the following plans as part of the overall listing scheme (cont'd): -

3.2 **Initial public offering ("IPO")**

SPB Development will undertake an initial public offering of 278,400,000 IPO Shares comprising the Public Issue of 191,100,000 Issue Shares and Offer for Sale of 87,300,000 Offer Shares, at [●] per share, as follows:

(a) **Public Issue**

A total of 191,100,000 new ordinary shares in SPB Development ("**Issue Shares**"), representing 20.59% of the enlarged issued share capital of SPB Development will be issued at an issue price of [●] per Issue Share to raise gross proceeds of [●]. The 191,100,000 Issue Shares will be allocated in the following manner:

- 18,560,000 Issue Shares, representing 2% of the enlarged issued share capital of SPB Development will be made available for application by the Malaysian Public through a balloting process, of which 50% is to be set aside for Bumiputera investors;
- 1,823,200 Issue Shares, representing 0.20% of the enlarged issued share capital of SPB Development will be made available for application by the eligible employees of the Group;
- 26,616,900 Issue Shares, representing 2.86% of the enlarged issued share capital of SPB Development will be made available for application by the other persons who have contributed to the success of the Group;
- 28,099,900 Issue Shares, representing 3.03% of the enlarged issued share capital of SPB Development will be made available by way of private placement to other institutional and selected investors; and
- 116,000,000 Issue Shares, representing 12.50% of the enlarged issued share capital of SPB Development will be made available by way of private placement to selected Bumiputera Investors approved by the Ministry of International Trade and Industry of Malaysia.

(b) **Offer for Sale**

An existing shareholder of the Company, namely Datuk Yap Pit Kian, ("**Selling Shareholder**") will undertake an offer for sale of 87,300,000 existing ordinary shares in SPB Development ("**Offer Shares**"), representing 9.41% of the enlarged issued share capital of SPB Development, at an offer price of [●] per Offer Share, by way of private placement to other institutional and selected investors.

The Offer for Sale does not have any impact on the Pro Forma Statements of Financial Position as at 31 December 2023.

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Appendix A

SPB DEVELOPMENT BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

3. **Listing scheme (cont'd)**

In conjunction with, and as an integral part of the Listing, SPB Group has implemented and intends to undertake the following plans as part of the overall listing scheme (cont'd): -

3.3 **Listing**

The admission of SPB Development to the Official List of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the listing and quotation of the entire enlarged issued share capital of **[●]**, comprising 928,000,000 Shares, on the Main Market of Bursa Securities, after deducting the estimated listing expenses directly attributable to the Public Issue of **[●]**.

4. **Subsequent Events and Pro Forma Adjustments**

4.1 **Subsequent Events**

(a) On 16 June 2023, Modal Cergas had entered into a Sale and Purchase Agreement with a third party in relation to the acquisition of a piece of Penang land for a total consideration of RM1,376,622.10 ("**Penang Land 1**"). The transaction is completed on 15 January 2024 following the transfer of land title. The Group had paid a deposit of RM137,662 during the financial year 2023 (included in other receivables) and the remaining purchase consideration of RM1,238,960 has been fully repaid in January 2024.

(b) On 16 June 2023, Dayang Gemilang had entered into a Sale and Purchase Agreement with a third party in relation to the acquisition of 23 pieces Penang lands for a total consideration of RM56,119,093.10 ("**Penang Land 2**"). The transaction is subsequently completed on 26 January 2024 following the transfer of land titles.

Dayang Gemilang has obtained a letter of offer from a local financial institution for a 10-year term loan of RM48.3 million in which Term Loan I of RM42 million is used to part finance the acquisition of Penang Land 2 and the Term Loan II of RM6.3 million is used to part finance the land conversion premium.

The Group had paid a deposit of RM5,611,909 during the financial year 2023 (included in other receivables) and the remaining purchase consideration of RM50,507,184 has been paid using internally generated fund of RM8,507,184 and the remaining RM42,000,000 financed through the Term Loan I.

Approximately RM22.5 million was classified as inventory as the Group plans to develop the land in near future, while the remaining of approximately RM33.6 million was capitalised as investment properties as the Group intends to hold the remaining vacant land for capital appreciation.

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GRANT THORNTON MALAYSIA PLT

Appendix A

SPB DEVELOPMENT BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

4. **Subsequent Events and Pro Forma Adjustments (cont'd)**

4.1 **Subsequent Events (cont'd)**

(c) On 18 April 2024, Ekuiti Idaman had entered into a sale and purchase agreement with a third party in relation to the acquisition of 7 parcels of development lands located in Plentong, Johor for a total consideration of RM110,000,000. The Group had paid a deposit of RM11,000,000 via internally generated fund. As at the Latest Practicable Date ("**LPD**") of 31 August 2024, the transaction is yet to be completed.

(d) On 18 April 2024, Ekuiti Idaman had entered into a joint venture agreement ("**JVA**") with Malaysia Pacific Corporation Berhad ("**MP Corp**"), Oriental Pearl City Properties Sdn. Bhd., Lakehill Resort Development Sdn. Bhd. ("**Lakehill**") and Taman Bandar Baru Masai Sdn. Bhd. ("**TBBM**") (collectively referred to as "**MP Corp Group**") whereby the parties agreed to develop all those lands comprising 12 block titles, located in Mukim Plentong, Daerah Johor Bahru, Negeri Johor measuring approximately 189.18 acres ("**TBBM Lands**") which are registered under TBBM's name on a joint venture basis.

Ekuiti Idaman is required to pay a consideration of RM181,294,966.60 to Lakehill over 10 years based on the manner of payment stated in the JVA, MP Corp Group will appoint Ekuti Idaman as developer for the TBBM Lands based on the terms and conditions in the JVA. The Group had paid a deposit of RM5,438,849 via internally generated funds. As at LPD, the transaction is yet to be completed.

4.2 **Pro Forma I**

Pro Forma I incorporates the effects of the Subsequent Events, and the Acquisitions of SPB Group as set out in Note 3.1 to the Pro Forma Statements of Financial Position.

4.3 **Pro Forma II**

Pro Forma II incorporates the effects of Pro Forma I, and the Public Issue as set out in Note 3.2 to the Pro Forma Statements of Financial Position.

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SPB DEVELOPMENT BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

4. **Subsequent Events and Pro Forma Adjustments (cont'd)**

4.4 **Pro Forma III**

Pro Forma III incorporates the effects of Pro Forma II and the utilisation of proceeds from the Public Issue. The proceeds from the Public Issue will be utilised as follows:-

Details of utilisation	Estimated timeframe for utilisation upon listing	RM'000
Acquisition of landbank and/or development expenditure#	Within 36 months	[•]
Working capital for future development projects#	Within 24 months	[•]
Purchase of construction material#	Within 24 months	[•]
Estimated listing expenses*	Within 3 months	[•]
Total estimated proceeds		[•]

As at the LPD, SPB Group has not yet to enter into any contractual binding agreements. Accordingly, the proceeds earmarked for acquisition of landbank and/or development expenditure, working capital for future development projects and purchase of construction material are not reflected in the Pro Forma Statements of Financial Position and will remain in the cash and bank balances.

* The total estimated listing expenses to be borne by the Company is estimated to be [•]. As of 31 December 2023, [•] has been incurred and recognised as prepayment. The estimated listing expenses of [•] which is assumed to be directly attributable to the Public Issue will be set-off against the equity and the remaining of [•] will be charged to the profit or loss account upon the completion of the IPO. The apportionment is disclosed in Notes 5.5 and 5.8 respectively.

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Appendix A

SPB DEVELOPMENT BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

5. **Effects on the Pro Forma Statements of Financial Position**

5.1 **Investment properties**

	RM'000
At 31 December 2023	26,966
Adjustments for Subsequent Events, as set out in Note 4.1 (b)	33,555
After Subsequent Events/ As per Pro Forma I, II and III	60,521

5.2 **Inventories**

	Current RM'000	Non-current RM'000	Total RM'000
At 31 December 2023	75,206	190,944	266,150
Adjustments for Subsequent Events, as set out in Note 4.1 (a) and (b)	-	23,941	23,941
After Subsequent Events/ As per Pro Forma I, II and III	75,206	214,885	290,091

5.3 **Other receivables**

	RM'000
At 31 December 2023	14,720
Adjustments for Subsequent Events	10,689
After Subsequent Events/ As per Pro Forma I and II	25,409
Pursuant to the Utilisation of Proceeds	[•]
As per Pro Forma III	[•]

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18 SEP 2024
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Appendix A

SPB DEVELOPMENT BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

5. **Effects on the Pro Forma Statements of Financial Position (cont'd)**

5.4 **Cash and short-term deposits**

	RM'000
At 31 December 2023	28,578
Adjustments for Subsequent Events as set out in Note 4.1 (a), (b), (c) and (d)	(26,185)
After Subsequent Events/ As per Pro Forma I	2,393
Pursuant to the Public Issue	[●]
As per Pro Forma II	[●]
Pursuant to the Utilisation of Proceeds	[●]
As per Pro Forma III	[●]

5.5 **Share capital**

	Unit	RM'000
At 31 December 2023/ After Subsequent Events	1	1
Pursuant to Acquisitions	736,899	397,336
As per Pro Forma I	736,900	397,337
Pursuant to the Public Issue	191,100	[●]
As per Pro Forma II	928,000	[●]
Pursuant to the Utilisation of Proceeds	-	[●]
As per Pro Forma III	928,000	[●]

5.6 **Invested equity**

	RM'000
At 31 December 2023/ After Subsequent Events	32,050
Pursuant to Acquisitions	(32,050)
As per Pro Forma I, II and III	-

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18 SEP 2024
GRANT THORNTON MALAYSIA PLT

SPB DEVELOPMENT BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

5. **Effects on the Pro Forma Statements of Financial Position (cont'd)**

5.7 **Merger deficit**

	RM'000
At 31 December 2023/ After Subsequent Events	-
Pursuant to Acquisitions	365,286
As per Pro Forma I, II and III	365,286

5.8 **Retained earnings**

	RM'000
At 31 December 2023/ After Subsequent Events/ As per Pro Forma I and II	339,158
Pursuant to the Utilisation of Proceeds	[●]
As per Pro Forma III	[●]

5.9 **Borrowings**

	Current RM'000	**Non-current** RM'000	**Total** RM'000
At 31 December 2023	36,211	13,265	49,476
Adjustments for Subsequent Events	-	42,000	42,000
After Subsequent Events/ As per Pro Forma I, II and III	36,211	55,265	91,476

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18 SEP 2024
GRANT THORNTON MALAYSIA PLT

15. VALUATION CERTIFICATES

The table below sets out a summary of our material properties which have been valued by the Independent Valuers:

No.	Property Details	Market value as at 31 March 2024
		RM
1.	A parcel of agricultural land with residential potential in Parit Melana, Melaka.	10,700,000
2.	An ongoing affordable residential development in Durian Tunggal, Melaka known as "**Taman Nuri Botani**".	11,000,000
3.	A parcel of vacant agricultural land with residential potential and a parcel of vacant agricultural land approved for residential development in Durian Tunggal, Melaka.	5,900,000
4.	A parcel of vacant agricultural land with residential potential in Durian Tunggal Melaka.	3,800,000
5.	12 parcels of development land with commercial potential in Riverside, Melaka.	7,950,001
6.	2 parcels of vacant residential land in Bidor, Perak.	18,000,000
7.	2 parcels of vacant residential land designated for affordable housing development and a parcel of vacant commercial land designated for private clubhouse development in Banting, Selangor.	44,000,000
8.	2 adjoining parcels of agricultural land with residential potential in Banting, Selangor.	72,000,000
9.	24 parcels of freehold land approved for mixed development / residential use in Seberang Perai Utara, Penang.	83,640,000
10.	Part of an ongoing mixed development township in Bandar Lunas, Kedah known as "**La Casa Lunas**" comprising the following: ▪ Uncompleted phases formed by: (i) 5 phases launched for sale and with ongoing development • Phase 3B - 320 units of double storey terraced house "guarded" concept; • Phase 2 - 116 units of double storey terraced house and 66 units of double storey medium cost terraced house; • Phase 4A - 106 units of double storey zero lot houses "guarded" concept; • Phase 4C - 96 units of double storey zero lot houses "guarded" concept; • Phase 4D - 162 units of double storey zero lot houses "guarded" concept and 3 units of double storey detached houses "guarded" concept; (ii) 1 future phase (not launched yet but already under construction) • Phase 4B - 108 units of double storey zero lot houses "guarded" concept; (iii) 5 future phases not launched yet and not under construction • Phase 5 - 78 units of double storey zero lot house "guarded" concept; • Phase 1B - 126 units of single storey low medium cost terraced house and 31 units of single storey medium cost terraced house; • Phase 1A - 161 units of single storey medium cost terraced house and 50 units of single storey low medium cost terraced house; • Phase 4F - 268 units of double storey low cost cluster house "town house" (strata title); • Phase 4E - 184 units of double storey low cost cluster house "town house" (strata title); ▪ 5 plots for future development; and ▪ 11 plots of TNB substations and 3 plots of TNB Rentice Reserve.	60,000,000

15. VALUATION CERTIFICATES *(Cont'd)*

No.	Property Details	Market value as at 31 March 2024
11.	A parcel of agricultural land with industrial potential in Sungai Penaga, Selangor.	10,000,000
12.	An ongoing residential and commercial development in Kluang, Johor known as "**Taman Akasia**", which consists of the following: ▪ launched development (i) Phase 1A - 48 units of double storey cluster house, 32 units of double storey semi-detached house and 9 units of double storey detached house; ▪ future development (i) Phase 1B - 60 units of double storey cluster house, 32 units of double storey semi-detached house and 9 units of double storey detached house; (ii) Phase 2 - 208 units of double storey cluster house, 60 units of double storey semi-detached house and 8 units of double storey detached house; (iii) Phase 3 - 113 units of double storey terraced house (RMBJ Type C) and 167 units of double storey terraced house (RMBJ Type D); and (iv) Phase 4 - 40 units of single storey low-medium cost shop, 5 units of double storey shop office and 3 parcels of commercial land.	60,000,000
13.	A parcel of development land with residential potential in Kluang, Johor.	23,500,000
14.	7 parcels of agricultural land with residential potential in Plentong, Johor.	133,000,000
15.	6 parcels of agricultural land with residential potential, 2 parcels of commercial land and 4 parcels of residential land designated for low-cost and affordable housing in Plentong, Johor.	^165,000,000
16.	An ongoing mixed development in Durian Tunggal, Melaka known as "**Taman Nuri 4**" comprising the following: ▪ Phase 4A - an ongoing mixed development; ▪ Phase 4B - a parcel of vacant residential land; and ▪ Phase 4C - a parcel of vacant educational land approved for residential development.	12,000,000
17.	An ongoing residential development in Durian Tunggal, Melaka known as "**Taman Nuri 3 - Phase 3B5**" comprises 77 units of double storey terraced house.	7,000,000
Total		**727,490,001**

Note:

^ *The total market value of the Plentong JV Land as of 31 March 2024 as valued by our Independent Valuer, CBRE WTW Valuation & Advisory Sdn Bhd is RM165 million based on 6 parcels of agricultural land with residential potential, 2 parcels of commercial land and 4 parcels of residential land designated for low-cost and affordable housing. The category of land use for HS(D) 636875 PTD 235739 and HS(D) 636876 PTD 235741 have been changed from building to agriculture, with the new titles issued on 13 October 2024. The estimated total market value for 8 parcels of agricultural land with residential potential and 4 parcels of residential land designated for low-cost and affordable housing is RM144 million.*

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Report and Valuation

Our Ref : WTW/01/V/002584/22/THP

9 August 2024

PRIVATE & CONFIDENTIAL

BOARD OF DIRECTORS OF
SPB DEVELOPMENT BERHAD
No. 16 & 17, Plaza Seri Kubu
Jalan Tan Chay Yan,
75300 Melaka

Dear Sir/Madam,

CERTIFICATE OF VALUATION OF SIXTEEN (16) PROPERTIES FOR THE PURPOSE OF SUBMISSION TO SECURITIES COMMISSION MALAYSIA IN RELATION TO THE PROPOSED LISTING OF SPB DEVELOPMENT BERHAD ON THE MAIN MARKET

In accordance with the instructions of SPB Development Berhad, we, CBRE WTW Valuation & Advisory Sdn Bhd (formerly known as C H Williams Talhar & Wong Sdn Bhd), have carried out a valuation on the above mentioned properties as at 31 March 2024 for the purpose of submission to Securities Commission Malaysia in relation to the proposed initial public offering of ordinary shares in SPB Development Berhad and proposed listing of and quotation for the entire enlarged issued share capital of SPB Development Berhad on the Main Market of Bursa Malaysia Securities Berhad.

This Master Valuation Certificate is prepared for inclusion in the prospectus in relation to the Proposed Listing.

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 as set out in the Asset Valuation Guidelines issued by Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

For all intents and purposes, this Master Valuation Certificate should be read in conjunction with the full Report and Valuation.

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 valuation date 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".

We have inspected the subject property and the material date of valuation is taken as as 31 March 2024.

METHOD OF VALUATION

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

1. Vacant Lands

Comparison Approach

We have adopted the Comparison Approach of Valuation for most of the properties. The Comparison Approach entails analysing the recent transactions and asking prices of similar property in the locality for comparison purposes with adjustments made for differences in location, accessibility, terrain, size and shape of land, tenure, planning status, title restrictions, if any, and other relevant characteristics to arrive at the 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.

In some instances, the Comparison Approach is the only method adopted as there are adequate transaction data either from Valuation and Property Services Department ("JPPH"), Bursa Malaysia or company announcements which can be relied upon with significant level of certainty.

Income Approach (Residual Method)

Under the Income Approach (Residual Method), consideration is given to the Gross Development Value ("GDV") (being the estimated gross proceeds obtainable from the completed development) of the project and deducting there from the estimated costs of development including construction costs, professional fees, contribution to authorities, marketing, administrative and legal fees, financing charge, contingencies and developer's profit. The resultant answer is then deferred over the period of time required for the completion of the project to arrive at the market value.

The GDV refers to the potential sales revenue achievable from the proposed development units. A survey has been carried out on the transactions and selling prices of similar units launched or transacted in the market in order to arrive at the fair and reasonsable sale prices of each component of the subject property. Adjustments are then made for differences in location, size, tenure, density, specifications and other relevant characteristics, if any, to arrive at the final proposed sales figure.

The Gross Development Cost ("GDC") includes preliminaries, contribution to Syarikat Air Johor Sdn Bhd (SAJ) / Syarikat Air Darul Aman Sdn Bhd (SADA)/ Syarikat Air Melaka Berhad (SAMB)/ Pengurusan Air Selangor Sdn Bhd (Air Selangor), Tenaga Nasional Berhad, Indah Water Konsortium and building plan fees, earthwork and site clearance, building construction costs, infrastructure work costs, finance costs, marketing, administrative & legal fees, administration & project management, professional fees, contingencies and developer's profit.

In arriving at the GDC, we have considered and adopted the industry average costs as derived from the analysis of contracts awarded for the construction of similar type of development components, client's information and the current cost estimated by quantity surveyors as well as make reference to the JUBM & Arcadis Construction Cost Handbook Malaysia 2023.

METHOD OF VALUATION (Cont'd)

2. Ongoing Developments

Income Approach (Residual Method)

We have adopted the Income Approach (Residual Method). Under the Residual Method, consideration is given to the gross development value of the project deducting there from the estimated costs of development including construction costs, professional fees, contribution to authorities, marketing, administrative and legal fees, financing charge, contingencies and developer's profit. The resultant answer is then deferred over the period of time required for the completion of the project to arrive at the market value.

The Gross Development Value ("GDV") refers to the potential sales revenue achievable from the proposed development units. A survey has been carried out on the transactions and selling prices of similar units launched or transacted in the market in order to arrive at the fair and reasonsable sale prices of each components of the subject property. Adjustments are then made for differences in location, size, tenure, density, specifications and other relevant characteristics, if any, to arrive at the final proposed sales figure.

The Gross Development Cost ("GDC") include preliminaries, contribution to SAJ/ SADA/ SAMB/ Air Selangor, Tenaga Nasional Berhad (TNB), Indah Water Konsortium (IWK) and building plan fees, earthwork and site clearance, building construction costs, infrastructure work costs, finance costs, contribution to relevant authorities, marketing, administrative & legal fees, administration & project management, professional fees, contingencies, and developer's profit. In arriving at the GDC, we have considered and adopted the industry average costs as derived from the analysis of contracts awarded for the construction of similar type development components, client's information and the current cost estimated by quantity surveyors as well as make reference to the JUBM & Arcadis Construction Handbook Malaysia 2023.

Legal fees, Agency fees and Marketing is adopted at 1.5% for affordable housing development and 4% of unsold units GDV for normal development components, administration (project management) is at 3% of balance of total construction cost, professional fees from 5.00% to 6.00% of total construction cost and a contingency of 5% of total cost excluding developer's profit is adopted. The developer's profit is adopted at 10% of GDV for land with affordable home component, 20% of GDV for ongoing normal development components. The development period for the properties is between 2 years to 6 years. A discount rate of 8.0% is applied for properties in our valuation.

We have only adopted one (1) valuation approach in arriving at our valuation as the subject property is an ongoing development.

15. VALUATION CERTIFICATES *(Cont'd)*

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CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002584/22/THP
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The table below is a summary of Market Values for the properties valued:-

No.	Property Details	Market Value
1.	**Lot No. 654, Mukim of Parit Melana, District of Alor Gajah, Melaka** A parcel of agricultural land with residential potential (Our Ref : WTW/01/V/002584A/22/MFZ)	RM10,700,000/-
2.	**An ongoing affordable residential development known as "Taman Nuri Botani" erected on Lot No. PT 16354, Mukim of Durian Tunggal, District of Alor Gajah, Melaka** An ongoing affordable residential development known as "Taman Nuri Botani" (Our Ref : WTW/01/V/002584B/22/THP)	RM11,000,000/-
3.	**Lot Nos. PT 13880 and PT 13881, Mukim of Durian Tunggal, District of Alor Gajah, Melaka** A parcel of vacant agricultural land with residential potential and a parcel of vacant agricultural land approved for residential development (Our Ref : WTW/01/V/002584D/22/THP)	RM5,900,000/-
4.	**Lot No. 955, Mukim of Durian Tunggal, District of Alor Gajah, Melaka** A parcel of vacant agricultural land with residential potential (Our Ref : WTW/01/V/002584L/23/THP)	RM3,800,000/-
5.	**Lot Nos. 178, 179, 180, 181, 417, 185, 186, 187, 188, 419, 420 & 12038, Kawasan Bandar VIII, District of Melaka Tengah, Melaka** Twelve (12) parcels of development land with commercial potential (Our Ref : WTW/01/V/002584E/22/MFZ)	RM7,950,001/-
6.	**Lot Nos. 31935 and 31936, Mukim of Bidor, District of Batang Padang, Perak** Two (2) parcels of vacant residential land (Our Ref : WTW/01/V/002584G/22/THP)	RM18,000,000/-
7.	**Lot Nos. PT 52457 to PT 52459 (Inclusive) (Formerly Known as PT 32121), Mukim Of Tanjong Duabelas, District Of Kuala Langat, Selangor** Two (2) parcels of vacant residential land designated for affordable housing development and one (1) parcel of vacant commercial land designated for private clubhouse development (Our Ref : WTW/01/V/002584H/22/IVAN)	RM44,000,000/-
8.	**Lot Nos. PT 32122 & PT 32124, Mukim of Tanjong Duabelas, District of Kuala Langat, Selangor** Two (2) adjoining parcels of agricultural land with residential potential (Our Ref : WTW/01/V/002584I/22/IVAN)	RM72,000,000/-
9.	**Part of an ongoing mixed development township known as "La Casa Lunas"** (Our Ref : WTW/03/V/002545/23/PEH/cpk(luq))	RM60,000,000/-
10.	**Lot No. 853, Mukim of Damansara, District of Petaling, Selangor** A parcel of agricultural land with industrial potential (Our Ref : WTW/01/V/002584K/22/IVAN)	RM10,000,000/-

15. VALUATION CERTIFICATES *(Cont'd)*

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CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002584/22/THP
Page 5

No.	Property Details	Market Value
11.	**An ongoing residential and commercial development known as "Taman Akasia", Kluang, Johor** (Our Ref : WTW/04/V/011653/22/GXZ)	RM60,000,000/-
12.	**Lot 2086, Mukim of Kluang, District of Kluang, Johor** A parcel of development land with residential potential (Our Ref : WTW/04/V/011654/22/GXZ)	RM23,500,000/-
13.	**Lot Nos. 96803, 96804, 96808, 96810, 121217, 121218 & 121220, Mukim of Plentong, District of Johor Bahru, Johor** Seven (7) parcels of agricultural land with residential potential (Our Ref : WTW/04/V/013790/24/LTY)	RM133,000,000/-
14.	**Lot Nos. 96785, 96802, 96805, 96811, 121216, PTD 149718, PTD 235731, PTD 235734, PTD 235735, PTD 235737, PTD 235739 & PTD 235741, Mukim of Plentong, District of Johor Bahru, Johor** Six (6) parcels of agricultural land with residential potential, two (2) parcels of commercial land and four (4) parcels of residential land designated for low-cost and affordable housing (Our Ref : WTW/04/V/013791/24/LTY)	RM165,000,000/-
15.	**An ongoing mixed development known as "Taman Nuri 4" comprises** **i) An ongoing mixed development - Phase 4A [Lot Nos. PT 16327 to PT 16351 (inclusive)];** **ii) Phase 4B – Lot PT 10806; and** **iii) Phase 4C – Lot PT 10805** **All located within Mukim of Durian Tunggal, District of Alor Gajah, Melaka** An ongoing mixed development known as "Taman Nuri 4" (Our Ref : WTW/01/V/002584C/22/THP)	RM12,000,000/-
16.	**Lot Nos. PT 10343 to PT 10419 (inclusive), Mukim of Durian Tunggal, District of Alor Gajah, Melaka** An ongoing residential development known as "Taman Nuri 3 – Phase 3B5" (Our Ref : WTW/01/V/002584J/22/THP)	RM7,000,000/-
Total		**RM643,850,001/-**

Yours faithfully
for and on behalf of
CBRE WTW Valuation & Advisory Sdn Bhd
(formerly known as C H Williams Talhar & Wong Sdn Bhd)

Sr HENG KIANG HAI
MBA (Real Estate), B.Surv (Hons) Prop.Mgt,
MRICS, FRISM, FPEPS, MMIPFM
Registered Valuer (V-486)

CBRE WTW

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Our Ref: WTW/01/V/002584/22/THP
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CERTIFICATE OF VALUATION

1. Lot No. 654, Mukim of Parit Melana, District of Alor Gajah, Melaka
(Our Ref : WTW/01/V/002584A/22/MFZ)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS**: -

I. The subject property is a parcel of agricultural land with residential potential.

II. No value is attributed to the buildings/structures erected on the subject property.

III. The subject property is valued with vacant possession.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASIS IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property	:	A parcel of agricultural land with residential potential
Location	:	Lot 654, Parit Melana, Durian Tunggal, 76100 Alor Gajah, Melaka
Title No.	:	GRN 12690
Lot No.	:	Lot 654, Mukim of Parit Melana, District of Alor Gajah, Melaka
Land Area	:	12.42 hectares (approximately 1,336,876 square feet / 30.690 acres)
Tenure	:	Term in perpetuity (Freehold)
Category of Land Use	:	Tiada
Registered Owner	:	MODAL CERGAS LESTARI SDN. BHD.
Express Condition	:	-
Restriction In Interest	:	Tiada
Encumbrances	:	Nil
Caveat	:	Private caveat lodged by YAP PIT KIAN on 5 November 2018

GENERAL DESCRIPTION

The site is irregular in shape and its terrain generally undulating. During our site inspection, we noted that the boundaries of the subject site were demarcated with metal hoarding at the east boundary and the site was generally covered with trees. We also noted there were buildings/structures erected on the subject site. However, no value is attributed to the buildings/structures.

Based on the tenancy agreements dated 01 August 2022 and 01 January 2020, part of the subject land has been tenanted to two (2) parties. As stipulated in the agreements, the Landlord shall be entitled to terminate the aforesaid Tenancy Agreements by giving 2 months' notice and 6 months' notice to the Tenant, respectively. Hence, we are of the opinion that the said agreements have no impact to our valuation.

PLANNING PROVISION

Based on the gazetted Racangan Tempatan Daerah Alor Gajah 2020 Pengubahan, the subject property is zoned under residential use.

METHOD OF VALUATION

We have adopted the Comparison Approach as the only method of valuation as the subject property is a parcel of development land with no planning approval and there are adequate sales comparable within vicinity.

VALUE CONSIDERATION

In arriving at the market value of the subject property, we have considered the following vacant development land with residential potential as market evidences:-

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Location	Off Taman Nuri, Off Jalan Alor Gajah Lama	Along Jalan Durian Tunggal – Batu Berendam	Off Jalan Durian Tunggal
Title No.	Geran 5499	Geran Mukim 1729	Geran Mukim 692
Lot No.	Lot 953	Lot 63397	Lot 583
Mukim	Mukim Durian Tunggal		
District	Alor Gajah		
State	Melaka		
Land Area	45,199 square metres (approximately 486,518 square feet / 11.169 acres)	32,760 square metres (approximately 352,625 square feet / 8.095 acres)	26,680 square metres (approximately 287,181 square feet / 6.593 acres)
Tenure	Term in perpetuity (Freehold)		
Date	31/07/2019	27/01/2022	24/03/2021
Vendor	CHIN HUAN NGI	CHAN HOI CHAU +3	CHONG LAN MOI +1
Purchaser	SINMAH DEVELOPMENT SDN BHD	SKYWIZ GROUP SDN BHD	FAITHVIEW GROUP HOLDING SDN. BHD.
Consideration	RM7,297,825/-	RM6,783,207/-	RM2,872,239/-
Analysis (RM per square foot)	RM15 /-	RM19 /-	RM10 /-
Adjustment	Adjustments are made on Location – General, Accessibility/Visibility, Neighbourhood, Size and Terrain		
Adjusted Value (RM per square foot)	RM8.25 /-	RM8.66 /-	RM5.00 /-

VALUE CONSIDERATION (Cont'd)

From the above analysis, the adjusted values range from RM5.00 per square foot to RM8.66 per square foot.

Based on our findings, the market trend of the development lands within the locality are stable during the pre-pandemic and post-pandemic period. Having regard to the foregoing, we have adopted the adjusted value of Comparable 1 since it is located nearest to the subject property. The adjusted value is rounded to RM8.00 per square foot.

The market value derived from Comparison Approach is RM10,695,008/-, say RM10,700,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** and free from all encumbrances at **RM10,700,000/- (Ringgit Malaysia: Ten Million and Seven Hundred Thousand Only).**

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2. An ongoing affordable residential development known as "Taman Nuri Botani" erected on Lot No. PT 16354, Mukim of Durian Tunggal, District of Alor Gajah, Melaka (Our Ref : WTW/01/V/002584B/22/THP)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS:-**

1) The subject property is an ongoing affordable residential development known as "Taman Nuri Botani";

2) It has obtained planning approval from Majlis Perbandaran Alor Gajah (MPAG) on 28 May 2019, 17 March 2020 and 10 May 2022 for the proposed development of affordable housing (Rumah Pangsa Mampu Milik) development comprising a total of 508 units;

3) The valuation is based on the building plans prepared by DP Architects Sdn Bhd and approved by MPAG bearing reference no. MPAG 431/102/718 dated 23 June 2022;

4) We have considered the sale status report dated 31 March 2024; and

5) Marketable and registrable individual strata titles for residential use will be issued.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASIS IS INVALID/ INCORRECT.

PROPERTY IDENTIFICATION

The property	:	An ongoing affordable residential development known as "Taman Nuri Botani"
Address	:	Taman Nuri Botani, off Jalan Nuri Utama, Taman Nuri, 76100 Durian Tunggal, Melaka
Title No.	:	HSD 34326
Lot No.	:	Lot No. PT 16354, Mukim of Durian Tunggal, District of Alor Gajah, Melaka
Tenure	:	Term in perpetuity
Titled Land Area	:	74,155 square metres (approximately 798,197 square feet/ 18.32 acres)
Category of Land Use	:	Building
Registered Owner	:	MODAL CERGAS LESTARI SDN. BHD.
Encumbrances	:	Nil

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GENERAL DESCRIPTION

Site
The site is almost regular in shape and generally flat in terrain. It lies about the same level of the existing frontage unnamed laterite road. During our site inspection, we noted that the site clearance/earthwork of the subject property is working in progress.

Proposed Development
Based on the building plans prepared by DP Architects Sdn Bhd and approved by Majlis Perbandaran Alor Gajah (MPAG) dated 23 June 2022, the subject property has been approved for a development of four (4) phases of Rumah Pangsa Mampu Milik 2 Tingkat (508 units).

Based on the sales status report dated 31 March 2024, we noted that 19 units out of the total 508 units (approximately 3.74%) were sold. We were given to understand by the client that the project (Phase 1 & 2) was launched in first quarter of 2024 and is targeted to be completed by first quarter of 2027.

PLANNING PROVISION

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

METHOD OF VALUATION

We have only adopted one valuation approach ie. Income Approach (Residual Method) in arriving at our valuation as the subject property is an ongoing development.

VALUE CONSIDERATION

Income Approach (Residual Method)

Summary of Parameters

Gross Development Value (GDV)	:	RM90,993,437/- (Note 1)
Gross Development Value (GDC)	:	RM75,928,119.56/- (Note 2)
Developer's profit	:	10% of GDV
Development period	:	5 years
Discount Rate	:	8.0% per annum

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VALUE CONSIDERATION (Cont'd)

Note 1 :

The total GDV is tabulated as follows: -

Phase	No. of Unit	Total Selling Price	Discount/ Rebate	Net Selling Price	Amount Billed as at 31 March 2024	Balance
Phase 1	11 units – Sold	RM2,184,000	RM205,720	RM1,978,280	RM218,400	RM1,759,880
	91 units – Unsold**	RM17,838,000	RM1,783,800	RM16,054,200	RM0	RM16,054,200
Sub-Total	**102 units**	**RM20,022,000**	**RM1,989,520**	**RM18,032,480**	**RM218,400**	**RM17, 814,080**
Phase 2	8 units – Sold	RM1,520,000	RM114,000	RM1,406,000	RM152,000	RM1,254,000
	118 units – Unsold**	RM22,931,000	RM1,780,500	RM21,150,500	RM0	RM21,150,500
Sub-Total	**126 units**	**RM24,451,000**	**RM1,894,500**	**RM22, 556,500**	**RM152,000**	**RM22, 404,500**
Phase 3	**126 units**	**RM24,432,000**	**RM930,743**	**RM23,501,257**	**-**	**RM23,501,257**
Phase 4	**154 units**	**RM30,304,000**	**RM3,030,400**	**RM27,273,600**	**-**	**RM27,273,600**
Total		**RM99,209,000**	**RM7,845,163**	**RM91,363,837**	**RM370,400**	**RM90,993,437**

**Amount billed is inclusive of rebate/discount*
*** Inclusive of booked units*

The GDV is derived based on the following justifications: -

Sale Status	Rate Adopted	Justification
Sold Units	Actual selling price ranging from RM175,750/- to RM179,844/-	Based on the actual selling price as stated in the sale status provided by the client.
Unsold Units	Average selling price ranging from RM177,101/- to RM186,518/-	As per letter issued by Pejabat Tanah Dan Galian, Melaka bearing reference no. PTG(M)A/352/2/16/2830 (23) dated 20 January 2023 and made reference to the concluded selling prices of the development units within the subject scheme.

The subject scheme is subject to 60% 'Bumiputra' quota and 10% discount as per the letter issued by Pejabat Tanah dan Galian, Melaka bearing reference no. PTG(M)A/352/2/16/2830 (08) dated 28 May 2021 and the Bumiputra Quota Allocation Plan approved by Pejabat Tanah dan Galian, Melaka dated 19 December 2022.

Note 2 :

The GDC are based on the following main parameters: -

Item	Contract Sum/Revised Contract Sum /Amount Adopted	Certified Amount	Balance Amount to be Paid	Remarks
Earthwork	RM564,000.00	-	RM564,000.00	Based on the Letter of Award dated 6 March 2024. The awarded contract sum is in accordance with the industry average cost.
Building Cost	RM45,450,100.00	-	RM45,450,100.00	Based on the JUBM & Arcadis Construction Cost Handbook Malaysia 2023 as well as our investigation, we have estimated the building construction cost as follows:- • Common Area is RM60 per square foot • Affordable housing is RM70 per square foot. The cost adopted is in line with the industry standard.
Developer's Profit & Risk	10.00%	-	RM9,099,344.00	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. In view that the subject development is affordable apartment, we have adopted 10% developer's profit in our valuation after taking into account the stage of construction and the sales status.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERM OF REFERENCE HEREIN** and free from all encumbrances at **RM11,000,000/- (Ringgit Malaysia: Eleven Million Only).**

3. Lot Nos. PT 13880 and PT 13881, Mukim of Durian Tunggal, District of Alor Gajah, Melaka (Our Ref : WTW/01/V/002584D/22/THP)

PROPERTY IDENTIFICATION

The Property	:	1. PT 13880 – A parcel of vacant agricultural land with residential potential 2. PT 13881 – A parcel of vacant agricultural land approved for residential development
Location	:	Off Jalan Nuri Utama, Taman Nuri, 76100 Durian Tunggal, Melaka
Title Nos. / Lot Nos./ Provisional Land Area	:	See table below

Title Nos.	Lot Nos.	Provisional Land Area
H.S.(M) 4338	PT 13880	0.5430 hectare (Approximately 58,448 square feet/ 1.342 acres)
H.S.(M) 4339	PT 13881	2.8062 hectares (Approximately 302,057 square feet/ 6.934 acres)
Total		**3.3492 hectares (Approximately 360,505 square feet/ 8.276 acres)**

All within Mukim of Durian Tunggal, District of Alor Gajah, Melaka

Tenure	:	Term in perpetuity
Registered Owner	:	GOOD RATE HOLDINGS SDN. BHD.
Category of Land Use	:	Nil
Express Condition	:	Nil
Restriction in Interest	:	Nil
Encumbrances	:	Nil

GENERAL DESCRIPTION

Both the lots are regular in shape, generally flat in terrain and lie at the same level as the existing frontage road. During our site inspection, we noted that the boundaries of the subject site were not demarcated by any form of fencing and the site was generally overgrown with trees.

PLANNING PROVISION

Based on the gazetted Racangan Tempatan Daerah Alor Gajah 2020 Pengubahan, both PT 13880 and PT 13881 are zoned under residential use.

Vide a Planning Approval issued by Majlis Perbandaran Alor Gajah (MPAG) dated 14 April 2022, the subject property (Lot PT 13881) has been granted with planning permission to develop 86 units of double storey terraced house subject to the terms and conditions stipulated therein. Vide a letter from MPAG dated 22 March 2024, the Planning Approval has been extended.

As at the date of valuation, PT 13880 does not have any planning approval.

METHOD OF VALUATION

The market value of PT 13881 is arrived principally by the Comparison Approach. We have also carried out a check valuation using the Income Approach (Residual Method).

In arriving at the market value of PT 13880, we have adopted the Comparison Approach as the only method of valuation as the subject property is a parcel of development land with no planning approval and there are adequate sales comparable within vicinity.

VALUE CONSIDERATION

i. Comparison Approach

We have adopted PT 13881 as our base lot.

In arriving at the market value of the subject property, we have considered the following development land with residential potential as market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Location	Off Taman Nuri, Off Jalan Alor Gajah Lama	Along Jalan Durian Tunggal – Batu Berendam	Off Jalan Durian Tunggal
Title No.	Geran 5499	Geran Mukim 1729	Geran Mukim 692
Lot No.	Lot 953	Lot 63397	Lot 583
Mukim	Mukim Durian Tunggal		
District	Alor Gajah		
State	Melaka		
Land Area	45,199 square metres (approximately 486,518 square feet / 11.169 acres)	32,760 square metres (approximately 352,625 square feet / 8.095 acres)	26,680 square metres (approximately 287,181 square feet / 6.593 acres)
Tenure	Term in perpetuity (Freehold)		
Date	31/07/2019	27/01/2022	24/03/2021
Vendor	CHIN HUAN NGI	CHAN HOI CHAU +3	CHONG LAN MOI +1
Purchaser	SINMAH DEVELOPMENT SDN BHD	SKYWIZ GROUP SDN BHD	FAITHVIEW GROUP HOLDING SDN. BHD.
Consideration	RM7,297,825/-	RM6,783,207/-	RM2,872,239/-
Analysis (RM per square foot)	RM 15 /-	RM 19 /-	RM 10 /-
Adjustment	Adjustments are made on Location – General, Accessibility/Visbility, Size, Shape and With/Without Planning Approval.		
Adjusted Value (RM per square foot)	RM 17/-	RM 20/-	RM 13/-

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VALUE CONSIDERATION (Cont'd)

i. Comparison Approach (Cont'd)

From the above analysis, the adjusted values range from RM13 per square foot to RM20 per square foot. Based on our findings, the market trend of the development lands within the locality are stable during the pre-pandemic and post-pandemic period. Having regard to the foregoing, we have adopted the adjusted value of Comparable 1 since it is located nearest to the subject property. The base value for PT 13881 adopted is RM 17 per square foot.

Further adjustments are made on land area, accessibility/visibility and with/without planning approval for PT 13880. Hence, the adjusted value for PT 13880 is derived at RM 14 per square foot.

The market value derived from Comparison Approach are as follows

Lot	Market Value
PT 13880	RM 800,000/-
PT 13881	RM 5,100,000/-
Total	**RM 5,900,000/-**

ii. Income Approach (Residual Method)

In arriving at the market value of PT 13881, we have adopted the Income Approach (Residual Method) as a check.

Summary of Parameters

Gross Development Value (GDV)	:	RM36,378,000.00/- (Note 1)
Gross Development Value (GDC)	:	RM29,731,265.94/- (Note 2)
Developer's profit	:	20% of GDV
Development period	:	3.5 years
Discount Rate	:	8.0% per annum

Note 1:
The GDV is derived based on the following justifications: -

Components	No. of Unit	Proposed Selling Price per Unit	Justification
Double Storey Terraced House	86 units	RM450,000/-	Based on our analysis of the transacted price of terraced houses within the vicinity.

We are of the opinion that the GDV adopted is fair representation and in line with the market condition.

Note 2 :
The GDC are based on the following main parameters:-

Item	Estimated Cost	Remarks
Earthwork & Site Clearance	RM100,000/- per acre	The site had been cleared and ready for development, hence, the cost adopted is considered in line with the industry standard.
Building Construction Cost	RM85 psf	Based on the JUBM & Arcadis Construction Cost Handbook Malaysia 2023 as well as our investigation. The cost adopted is in line with the industry standard.
Infrastructure Works	RM5,000/- per unit	The cost is estimated based on our survey and enquiries with developers. The cost adopted is in line with the industry standard.

VALUE CONSIDERATION (Cont'd)

ii. Income Approach (Residual Method) (Cont'd)

Item	Estimated Cost	Remarks
Finance Cost	8.00%	The finance cost of 8.0% per annum is based on our enquiries with financial institutions, i.e. Base Lending Rate (BLR) of 6.65% to 6.89% per annum plus security margin of 1.0% to 2.5% per annum.
Professional Fees	5.00%	The rate adopted is line with the industry standard.
Developer's Profit & Risk	20.0% of the GDV	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development.

Based on the above parameters adopted in the Income Approach (Residual Method), the market value of PT 13881 is derived at RM5,077,440.15/- and rounded to RM5,100,000/-.

RECONCILIATION OF VALUE

PT 13881

The market value for the subject property derived from Comparison Approach and Income Approach (Residual Method) are shown as follows:-

Comparison Approach	-	RM5,100,000/-
Income Approach (Residual Method)	-	RM5,100,000/-

PT 13880

The market value for the subject property derived from Comparison Approach is RM800,000/-.

We have adopted the market value derived from Comparison Approach as a fair representation of the market value of the subject property as there are adequate and reliable transaction data within the immediate vicinity.

VALUATION

Taking into consideration the above factors, we therefore assess the total market value of the subject property free from all encumbrances at **RM5,900,000/- (Ringgit Malaysia: Five Million and Nine Hundred Thousand Only)**.

4. Lot No. 955, Mukim of Durian Tunggal, District of Alor Gajah, Melaka (Our Ref : WTW/01/V/002584L/23/THP)

PROPERTY IDENTIFICATION

The Property	:	A parcel of vacant agricultural land with residential potential
Location	:	Along Jalan Perdana 13, 76100 Durian Tunggal, Melaka
Title No.	:	GM 930
Lot No.	:	Lot 955, Mukim of Durian Tunggal, District of Alor Gajah, Melaka
Land Area	:	2.0765 hectares (approximately 20,765 square metres/ 223,512 square feet/ 5.131 acres)
Tenure	:	Term in perpetuity
Registered Owner	:	GOOD RATE HOLDINGS SDN. BHD.
Category of Land Use	:	Nil
Express Condition	:	Nil
Restriction in Interest	:	-
Encumbrances	:	Nil

GENERAL DESCRIPTION

The subject property is near regular in shape, generally flat in terrain and lies at the same level as the existing frontage metalled road, Jalan Perdana 13. During our site inspection, we noted that the boundaries of the subject site were not demarcated by any form of fencing and the site was generally overgrown with trees.

PLANNING PROVISION

Based on the gazetted Racangan Tempatan Daerah Alor Gajah 2020 Pengubahan, the subject property is zoned under residential use.

METHOD OF VALUATION

We have adopted the Comparison Approach as the only method of valuation as there are adequate sales comparables located in the same locality for us to rely upon.

VALUE CONSIDERATION

In arriving at the market value of the subject property, we have considered the following vacant development land with residential potential as market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Location	Off Taman Nuri, Off Jalan Alor Gajah Lama	Along Jalan Durian Tunggal – Batu Berendam	Off Jalan Durian Tunggal
Title No.	Geran 5499	Geran Mukim 1729	Geran Mukim 692
Lot No.	Lot 953	Lot 63397	Lot 583
Mukim	Mukim Durian Tunggal		
District	Alor Gajah		
State	Melaka		
Land Area	45,199 square metres (approximately 486,518 square feet / 11.169 acres)	32,760 square metres (approximately 352,625 square feet / 8.095 acres)	26,680 square metres (approximately 287,181 square feet / 6.593 acres)
Tenure	Term in perpetuity (Freehold)		
Date	31/07/2019	27/01/2022	24/03/2021
Vendor	CHIN HUAN NGI	CHAN HOI CHAU +3	CHONG LAN MOI +1
Purchaser	SINMAH DEVELOPMENT SDN BHD	SKYWIZ GROUP SDN BHD	FAITHVIEW GROUP HOLDING SDN. BHD.
Consideration	RM7,297,825/-	RM6,783,207/-	RM2,872,239/-
Analysis (RM per square foot)	RM 15 /-	RM 19 /-	RM 10 /-
Adjustment	Adjustments are made on Location – General, Accessibility/Visbility, Size and Shape		
Adjusted Value (RM per square foot)	RM 17/-	RM 19/-	RM 12/-

From the above analysis, the adjusted values range from RM12 per square foot to RM19 per square foot. Based on our findings, the market trend of the development lands within the locality are stable during the pre-pandemic and post-pandemic period. Having regard to the foregoing, we have adopted the adjusted value of Comparable 1 since it is located nearest to the subject property. We have adopted RM 17 per square foot in our valuation.

Hence, the market value of the subject property is derived at RM3,799,704/-, say RM3,800,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property free from all encumbrances at **RM3,800,000/- (Ringgit Malaysia: Three Million and Eight Hundred Thousand Only)**.

5. Lot Nos. 178, 179, 180, 181, 417, 185, 186, 187, 188, 419, 420 & 12038, Kawasan Bandar VIII, District of Melaka Tengah, Melaka
(Our Ref : WTW/01/V/002584E/22/MFZ)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS**: -

I. The subject property is twelve (12) parcels of commercial land with a total surveyed land area of 6,220.3715 sq. metres (approximately 66,955 sq. feet);

II. No value is attributed to the buildings/structures erected on the subject property; and

III. The subject property is valued with vacant possession.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASIS IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property : Twelve (12) parcels of development land with commercial potential

Location : Along Jalan Tun Ali, 75300 Melaka

Title Nos. / Lot Nos. / Land Area :

Title No.	Lot No.	Titled Land Area (sq. metres)	Surveyed Land Area (sq. metres)
GRN 20065	Lot 178	519.0000	518.3995
GRN 20045	Lot 179	464.5000	464.5156
GRN 20046	Lot 180	464.5000	464.5156
GRN 20047	Lot 181	464.5000	464.5156
GRN 69543	Lot 417	600.0000	600.0000
GRN 20049	Lot 185	421.6731	421.6873
GRN 20050	Lot 186	461.0627	461.0782
GRN 20051	Lot 187	463.1994	463.2150
GRN 20066	Lot 188	465.4290	465.4447
GRN 69544	Lot 419	22.0000	22.0000
GRN 69545	Lot 420	318.0000	318.0000
GRN 69546	Lot 12038	1,557.0000	1,557.0000
TOTAL		**6,220.8642 sq. metres (approximately 66,962 sq. feet)**	**6,220.3715 sq. metres (approximately 66,955 sq. feet)**

All within Kawasan Bandar VIII, District of Melaka Tengah, Melaka

Tenure : Term in perpetuity (Freehold)

Category of Land Use : Tiada

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PROPERTY IDENTIFICATION (Cont'd)

Registered Owner	:	MANTAP MEGAJUTA SDN BHD
Express Condition	:	Lot 178, 179, 180, 181, 185, 186, 187, 188 & 12038 - Lot 417, 419 & 420 Tiada
Restriction In Interest	:	Tiada
Encumbrances	:	Nil

GENERAL DESCRIPTION

Lot 178 to 181 (inclusive) and Lot 417 are adjoining to each other forming the northern cluster of the subject property whilst Lot 185 to 188 (inclusive), Lot 420 and Lot 12038 are adjoining to each other forming the southern cluster of the subject property. Lot 419, a standalone lot in triangular shape, is located to the west of the southern cluster.

During our site inspection, we noted that the southern boundary of the subject site was demarcated with concrete brickwalls.

PLANNING PROVISION

Based on the gazetted Rancangan Tempatan Daerah Alor Gajah 2020 Pengubahan, the subject property is zoned under commercial use.

We further noted that based on the Draft Rancangan Tempatan Majlis Bandaraya Melaka Bersejarah 2035 (Penggantian), the subject property is zoned under commercial use.

METHOD OF VALUATION

We have adopted the Comparison Approach as the only method of valuation because the subject property is twelve (12) parcels of commercial land with no planning approval and there are adequate sales comparable within vicinity.

VALUE CONSIDERATION

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

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Location	Lot 114 & Lot 1019, Tengkera, Jalan Tengkera	Lot 1243, Jalan Kota Laksamana 6, Taman Kota Laksamana Sek 1	1383 (off Casa Derio, Jalan Laksamana 1), Taman Kota Laksamana Sek 1
Title No.	GRN 5027 & GRN 15587	PN 55135	PN 50360
Lot No.	Lot 114 & Lot 1019	Lot 1243	Lot 1383
Town	Kawasan Bandar VIII	Kawasan Bandar XVII	
District	Melaka Tengah		
State	Melaka		
Land Area	697.5780 square metres (approximately 7,509 square feet)	245 square metres (approximately 2,637 square feet)	4,348 square metres (approximately 46,801 square feet)
Tenure	Term in perpetuity (Freehold)	Leasehold 99 years expiring on 11 August 2112	Leasehold 99 years expiring on 5 March 2108
Date	04/03/2021	21/01/2021	22/07/2020
Vendor	BESERO JAYA SDN BHD	LOW CHUAN YONG + 1	CASA DEL RIO (M) SDN BHD
Purchaser	GIM AIK REALTY SDN BHD	FAMOSA PAPER PRODUCTS SDN BHD	GOLSTA SDN BHD
Consideration	RM1,200,000/-	RM380,000/-	RM5,600,000/-
Analysis (RM per square foot)	RM160 /-	RM144 /-	RM120 /-
Adjustment	Adjustments are made on Location - Accessibility/Visibility, Size, Tenure, Shape, Major Infrastructure & Quantum Allowance		
Adjusted Value (RM per square foot)	RM120 /-	RM115 /-	RM126 /-

We have adopted Lot 181 as the base lot for our valuation.

From the above analysis, the adjusted values range from RM115 per square foot to RM126 per square foot. Having regard to the foregoing, we have adopted the adjusted value of Comparable 1 since it is located near to the subject property and transacted recently. The adjusted base lot value adopted is RM120 per square foot.

Further adjustments then were made for each lot. For Lot 419, we have adopted a nominal value of RM1/- as this standalone lot is very small in size with triangular in shape and cannot be developed on its own.

The market value derived from Comparison Approach is RM7,950,001/-.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** and free from all encumbrances at **RM7,950,001/- (Ringgit Malaysia: Seven Million Nine Hundred Fifty Thousand and One Only).**

6. Lot Nos. 31935 and 31936, Mukim of Bidor, District of Batang Padang, Perak (Our Ref : WTW/01/V/002584G/22/THP)

PROPERTY IDENTIFICATION

The property	:	Two (2) parcels of vacant residential land
Location	:	Off Jalan Teluk Intan-Bidor, 35500 Bidor, Perak
Title Nos. /Lot Nos./ Land Area	:	See table below

Title Nos.	Lot Nos.	Land Area
Pajakan Negeri 408558 (Hakmilik Pejabat Pendaftar)	Lot 31935	153,400 square metres (Approximately 1,651,182 square feet/ 37.906 acres)
Pajakan Negeri 408559 (Hakmilik Pejabat Pendaftar)	Lot 31936	655,800 square metres (Approximately 7,058,966 square feet/ 162.051 acres)
Total		**809,200 square metres (Approximately 8,710,148 square feet/ 199.957 acres)**

All within Mukim of Bidor, District of Batang Padang, Perak

Tenure	:	Leasehold 99 years expiring on 17 October 2111 (Unexpired terms of approximately 88 years)
Category of Land Use	:	Building
Registered Owner	:	SETARA HIJAU SDN BHD
Express Condition	:	Residential (A Residential House)
Restriction In Interest	:	Tanah ini boleh dipindahmilik atau dipajak dengan kebenaran bertulis oleh Pihak Berkuasa Negeri
Encumbrances	:	Charged to CIMB ISLAMIC BANK BERHAD

GENERAL DESCRIPTION

The combined site is irregular in shape and generally flat in terrain with some ponds on site. During our site inspection, we noted that the boundaries of the subject site were not demarcated by any form of fencing and the site was generally overgrown with banana trees and bushes.

PLANNING PROVISION

The subject property is designated for residential use as per the Express Condition as stated in the title documents.

Vide a Planning Approval issued by Majlis Daerah Tapah dated 27 July 2018, the subject property has been granted with planning permission to develop a mixed development.

Vide the building plan approval letter issued by Majlis Daerah Tapah dated 2 April 2019, the application for building plan for the above development has been approved.

Subsequently, vide a revised Planning Approval issued by Majlis Daerah Tapah dated 22 July 2019, the development components of the subject property has been revised to 10 units of double storey semi-detached house, 440 units of terraced house, 243 units of affordable house, 96 units of Affordable House (Cluster House), 22 units of Low Cost House (Rumah Bandar Teres), 39 units of shop/office, commercial plots and future development subject to terms and conditions stipulated therein.

We were given to understand that the above revised approval dated 22 July 2019 has lapsed and there is no application to renew the approval. We were given to understand by the client that they have no intention to renew the existing planning approval at this juncture.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Comparison Approach as the only method of valuation since the existing planning approval has lapsed and we were given to understand by the client that they have no intention to renew the existing planning approval at this juncture.

VALUE CONSIDERATION

In arriving at the market value of the subject property, we have considered the following vacant agricultural land with residential potential as market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Location	Off Jalan Sungkai, Bidor, Perak	Off Jalan Bidor-Sungkai, Sungkai, Perak	Off Jalan Tapah-Bidor, Perak
Title No.	Geran 48306	Geran 107529	Geran 146731
Lot No.	Lot 3840	Lot 13997	Lot 12691
Mukim	Mukim Bidor	Mukim Sungkai	Mukim Batang Padang
District	Batang Padang		
State	Perak		
Land Area	20.184 hectares (approximately 2,172,586 square feet / 49.876 acres)	108.600 hectares (approximately 11,689,595 square feet / 268.356 acres)	20.750 hectares (approximately 2,233,509 square feet / 51.274 acres)
Tenure	Term in perpetuity (Freehold)		
Date	19/09/2022	23/09/2021	11/11/2020
Vendor	SOON HIN ELECTRONICS ENTERPRISE SDN BHD	GUAN CHOW PLANTATION SDN BHD	KEAN CHUAN RUBBER ESTATE SDN BHD
Purchaser	EVERLAND ESTATE SDN BHD	ANG DYNASTY SDN BHD	AGRICULTURE NUTRITION SDN BHD
Consideration	RM 4,438,875/-	RM18,248,208/-	RM3,589,206/-
Analysis (RM per square foot)	RM 2.04 /-	RM 1.56 /-	RM 1.61 /-
Adjustment	Adjustments are made on Location – General, Accessibility/Visbility, Size, Tenure, Category of Land Use, With/Without Planning Approval, Land under Water and With/Without Affordable Component.		
Adjusted Value (RM per square foot)	RM 2.09 /-	RM 2.11 /-	RM 1.97 /-

From the above analysis, the adjusted values range from RM1.97 per square foot to RM2.11 per square foot. Having regard to the foregoing, we have adopted the adjusted value of Comparable 2 since it has the similar land area as compared to the subject property. We have adopted RM 2.10 per square foot for the land in our valuation.

Hence, the market value for the subject property is derived at RM18,291,311/-, say RM18,000,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property with permission to transfer, lease and free from all encumbrances at **RM18,000,000/- (Ringgit Malaysia: Eighteen Million Only)**.

7. Lot Nos. PT 52457 to PT 52459 (Inclusive) (Formerly Known as PT 32121), Mukim Of Tanjong Duabelas, District Of Kuala Langat, Selangor
(Our Ref : WTW/01/V/002584H/22/IVAN)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS**:-

I. The subject property comprises of two (2) parcels of vacant residential land designated for affordable housing development and one (1) parcel of vacant commercial land with a total land area of 199,099.41 square metres (approximately 2,143,086 square feet/ 49.1985 acres);

II. Based on Planning Approval granted by Majlis Daerah Kuala Langat bearing reference no. MDKL/JPP/15/139/2019 Jld. 2(2) dated 29 September 2020, the subject property is approved for the development summarized as follows:-

Lot No.	Property Type	Phases	No. of units
Plot 1 (PT 52457)	Rumah Selangorku Type D	Phase 1	180
		Phase 2	206
		Phase 3	162
Plot 2 (PT 52458)		Phase 4	204
		Phase 5	240
		Phase 6	108
		Phase 7	252
Plot 3 (PT 52459)	Clubhouse (Private)	Phase 1	-
		Total	**1,352**

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASES IS INVALID/INCORRECT.

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PROPERTY IDENTIFICATION

The Property : Two (2) parcels of vacant residential land designated for affordable housing development and one (1) parcel of vacant commercial land designated for private clubhouse development

Location : Off Jalan Klang – Banting, Kota Seri Langat, 42700 Banting, Selangor

Title No. :

Title No.	Lot No.	Land Area	
		(square metres)	(acres)
HSD 49877	PT 52457	81,500.65	20.1392
HSD 49878	PT 52458	115,326.04	28.4977
HSD 49879	PT 52459	2,272.72	0.5616
Total		199,099.41 (approximately 2,143,086 square feet)	49.1985

All within Mukim of Tanjong Duabelas, District of Kuala Langat, Selangor

Tenure : Term in Perpetuity (Freehold)

Category of Land Use : Building

Registered Owner : NALURI WIJAYA SDN. BHD.

Express Condition : Lot PT 52457 & Lot PT 52458
Bangunan Kediaman

Lot PT 52459
Bangunan Perniagaan

Encumbrances : Nil

GENERAL DESCRIPTION

Lot No. PT 52457 is near regular in shape, Lot No. PT 52458 is irregular in shape and Lot No. PT 52459 is rectangular in shape. All the land is generally flat in terrain and lies at the same level of unsealed frontage road, Persiaran Kota Seri Langat which is presently under construction. During our site inspection, we noted that the site clearance/earthwork of the subject property is working in progress.

PLANNING PROVISION

Lot PT 52457 and PT 52458 are designated for residential use whilst Lot PT 52459 is designated for commercial use as per the Express Condition in the document of titles.

Vide a letter issued by Majlis Daerah Kuala Langat dated 8 May 2020, the parent lot of the subject property ie. PT 32121 has been granted with planning approval 1,352 units of Rumah Selangorku ("RSKU").

Based on a letter issued by Lembaga Perumahan Dan Hartanah Selangor dated 22 May 2020, it is noted that the application to transfer all the Rumah Selangorku development requirement on Lot PT 32122 and Lot PT 32124 to the master lot of subject property ie. Lot PT 32121 has been approved.

Subsequently, the above-mentioned planning approval has been granted for the amendment on type of property to Rumah Selangorku Type D and private clubhouse vide a revised planning approval issued by Majlis Daerah Kuala Langat dated 29 September 2020.

The revised planning approval's validity initially extended until 23 December 2022 by a letter from Majlis Perbandaran Kuala Langat dated 23 December 2021, was further extended to 5 January 2024 through another correspondence dated 5 January 2023.

Vide a letter issued by Majlis Perbandaran Kuala Langat dated 7 November 2023, we noted that Majlis Perbandaran Kuala Langat has approved the building plan for Phase 1 to Phase 3 on 7 November 2023.

Subsequently, the above-mentioned Rumah Selangorku development requirement has been granted a pricing and size revision by Lembaga Perumahan Dan Hartanah Selangor on 13 July 2021 and 15 March 2024, respectively. Based on the revision, the selling price will be increased to RM 245,000 per unit with a requirement for a floor area of 1,200 square feet, except for the 10 units of corner lots located in Phase 1 and Phase 3.

METHOD OF VALUATION

PT 52457 & PT 52458

We have adopted Income Approach (Residual Method) as the sole method of valuation for the subject property due to price control of affordable housing.

PT 52459

We have adopted the Comparison Approach as the only method of valuation as the subject property is a parcel of vacant commercial land with no individual planning approval and there are adequate comparable sales transaction within the vicinity.

VALUE CONSIDERATION

PT 52457 & PT 52458 - Income Approach (Residual Method)

In arriving at the market value of the subject property, we have adopted the Income Approach (Residual Method).

Summary of Parameters

Gross Development Value (GDV)	:	RM331,715,920.00/- (Note 1)
Gross Development Value (GDC)	:	RM268,185,910.63/- (Note 2)
Developer's profit	:	10% of GDV
Development period	:	7 years
Discount Rate	:	8.0% per annum

Note 1:

The GDV is derived based on the following justifications:-

Components	No. of Unit	Average Proposed Selling Price per Unit*Note	Justification
Rumah Selangorku Type D	1,352 units	RM245,352	We have adopted an average selling price of RM245,352/- per unit with an average floor size of 1,338 square feet as stated in the revision letter by Lembaga Perumahan Dan Hartanah Selangor.

*Note: We have allocated 50% Bumi quota. There is no Bumi discount allocated for affordable housing.

Note 2:

The GDC are based on the following material parameters:-

Item	Estimated Cost	Remarks
Earthwork & Site Clearance	RM723,730 per acre	We have relied on the information provided by the developer.
Building Construction Cost	RM85 psf	Based on the JUBM & Arcadis Construction Cost Handbook Malaysia 2023 as well as our investigation, we have estimated the building construction cost for affordable housing at RM85 per square foot.
Infrastructure	RM10,000/- per unit	The cost is estimated based on our survey and enquiries with developers. The cost adopted is in line with the industry standard.
Finance Cost	8.00%	The finance cost of 8.0% per annum is based on our enquiries with financial institutions, i.e. Base Lending Rate (BLR) of 6.65% to 6.89% per annum plus security margin of 1.0% to 2.5% per annum. The rate adopted is in line with the industry standard.
Professional Fees	5.00%	The rate adopted is line with the industry standard.
Developer's Profit & Risk	10.0% of the GDV	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development.

Based on the above parameters adopted in the Income Approach (Residual Method), the market value of the subject property is derived at RM42,949,218.79/- and rounded to RM43,000,000/-.

VALUE CONSIDERATION

PT 52459 - Comparison Approach

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

Details	Comparable 1 *Note	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Location	Bandar Banting	Kampong Baru Jenjarom	Village of Telok Panglima Garang
Title No.	Pajakan Negeri 15861	HSD Kekal 27277	GM 7607 (previously known as HSM 17051)
Lot No.	Lot 1102, Seksyen 3	PT 136	Lot 21347 (previously known as PT 1293)
Mukim/Pekan/ Town	Bandar Banting	Pekan Jenjarom	Telok Panglima Garang
District	Kuala Langat		
State	Selangor		
Land Area	4,980 square metres (approximately 53,604 square feet / 1.231 acres)	6,500 square metres (approximately 69,965 square feet / 1.606 acres)	4,148 square metres (approximately 44,649 square feet / 1.025 acres)
Tenure	Leasehold expiring on 26 December 2049	Term in Perpetuity	Term in Perpetuity
Date	14/03/2022	05/05/2021	14/12/2020
Vendor	MARACORP SDN BHD	SERIEMAS DEVELOPMENT SDN BERHAD	DM EQUIPMENT SDN BHD
Purchaser	YONG BOON THIAM + 1	ABLE DAIRIES SDN BHD	TNO MOLECQ (SA) SDN BHD
Consideration	RM3,700,000/-	RM4,155,624/-	RM4,500,000/-
Analysis (RM per square foot)	RM 69/-	RM 59/-	RM 101/-
Adjustments	Adjustments are made on Location – General, Accessibility/Visibility, Shape, Land Area, Tenure and With/Without Planning Approval.		
Adjusted Value (RM per square foot)	RM52/-	RM39/-	RM48/-

From the above analysis, the adjusted values range from RM39/- per square foot to RM52/- per square foot.

Having regard to the foregoing, we have adopted the average value of Comparable 1 and Comparable 2, as they represent the most recent transactions and are closest in location, respectively. Therefore, we have adopted a rounded value of RM45/- per square foot for the land in our valuation. .

The market value of Lot PT 52459 based on RM45/- per square foot is derived at RM1,100,835/-, Say RM1,000,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the total market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to transfer, lease, charge and free from all encumbrances at **RM44,000,000/- (Ringgit Malaysia: Forty Four Million Only)**.

8. Lot Nos. PT 32122 & PT 32124, Mukim of Tanjong Duabelas, District of Kuala Langat, Selangor (Our Ref : WTW/01/V/002584I/22/IVAN)

PROPERTY IDENTIFICATION

The Property	:	Two (2) adjoining parcels of agricultural land with residential potential
Location	:	Off Jalan Klang - Banting, Kota Seri Langat, 42700 Banting, Selangor.
Title Nos./ Lot Nos./ Land Area	:	See table below

Title No.	Lot No.	Land Area
HSD 41135	PT 32122	21.531 hectares
HSD 29914	PT 32124	25.927 hectares
Total		**47.458 hectares (Approximately 474,580 square metres / 5,108,332 square feet / 117.2687 acres)**

All within Mukim Tanjong Duabelas, District of Kuala Langat, Selangor

Tenure	:	Term in perpetuity (Freehold)
Category of Land Use	:	Agriculture
Registered Owner	:	NALURI WIJAYA SDN BHD
Express Condition	:	Tanaman Kekal (Industri)
Encumbrances	:	Lot No. PT 32122 i) Charged to CIMB ISLAMIC BANK BERHAD Lot No. PT 32124 i) Charged to CIMB ISLAMIC BANK BERHAD ii) Charged twice to CIMB BANK BERHAD

GENERAL DESCRIPTION

Both of the subject property is irregular in shape, generally flat in terrain and lies at the same level to the unsealed frontage road, Persiaran Kota Seri Langat which is presently under construction.

During our site inspection, we noted that the site was an oil palm plantation which has been abandoned with bushes and wild trees and the boundaries were not demarcated by any form of fencing.

PLANNING PROVISION

The subject property is designated for agricultural use as per the Express Condition in the document of title. However, based on the Rancangan Tempatan Kuala Langat 2030, the subject property is zoned under residential use.

Vide on a letter issued by Lembaga Perumahan Dan Hartanah Selangor dated 22 May 2020, the subject property is not subject to affordable housing development as all the requirements were moved to Lot No. PT 32121.

METHOD OF VALUATION

We have adopted the Comparison Approach as the only method of valuation as the subject property has yet to obtain development order / planning approval and there are adequate sales comparables for us to relied upon for us to relied upon.

VALUE CONSIDERATION

Comparison Approach

In arriving at the market value of the subject property, we have considered the following vacant agricultural land with industrial mix development potential and residential mix development potential as market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)	Bursa Announcement dated 30 August 2021	Bursa Announcement dated 3 June 2021
Locality	Jenjarom	Jenjarom	Banting
Title No.	Geran Mukim 7165 Geran 311877 to 311881 (Inclusive)	Geran 335293, Geran Mukim 1839 to 1842 (Inclusive)	Geran 252112
Lot No.	Lot No. 15752 and Lot Nos. 540 to 544 Seksyen 1 (Inclusive)	Lot No. 4567 Seksyen 3 and Lot Nos. 421 to 424 (Inclusive)	Lot 5049
Mukim/Pekan/Town	Bandar Jenjarom & Pekan Jenjarom	Pekan Jenjarom & Mukim Teluk Panglima Garang	Bandar
District	Kuala Langat		
State	Selangor		
Type	Agricultural land with industrial mix development potential	Agricultural land with residential mix development potential	Agricultural land with industrial mix development potential
Land Area	282.453 acres (12,303,891 square feet / 1,143,070 square metres / 114.307 hectares)	250.788 acres (10,924,325 square feet / 1,014,925 square metres / 101.493 hectares)	297.5084 acres (12,959,736 square feet / 1,204,000 square metres / 120.40 hectares)
Tenure	Term in Perpetuity (Freehold)		
Date	15 November 2021	30 August 2021	3 June 2021
Vendor	SERIEMAS DEVELOPMENT SDN BHD	SERIEMAS DEVELOPMENT SDN BHD	PNB DEVELOPMENT SDN BHD
Purchaser	WISDOM INFINITY SDN BHD	SCIENTAX PARK (M) SDN BHD	ABLE DAIRIES SDN BHD UNICAN INDUSTRIES SDN BHD ABLE DEVELOPMENT SDN BHD
Consideration	RM236,849,354/-	RM207,562,538/-	RM169,800,000/-
Analysis (RM per square foot)	RM19/-	RM19/-	RM13/-
Adjustments	Adjustment on Location – General, Location – Accessibility/Visibility, Shape, Land Area, Zoning, Negative Factor and Affordable Housing Component		
Adjusted Value (RM per square foot)	RM15/-	RM14/-	RM16/-

VALUE CONSIDERATION (Cont'd)

Comparison Approach (Cont'd)

From the above analysis, the adjusted values range from RM14/- per square foot to RM16/- per square foot.

Having regard to the foregoing, we have adopted Comparable 2 as the best comparable as it is near to the subject property with similar land size and similar zoning. We have adopted a rounded figure of RM14/- per square foot in our valuation.

The total market value derived from Comparison Approach is RM71,516,648/-, Say RM72,000,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the total market value of the subject property free from all encumbrances at **RM72,000,000/- (Ringgit Malaysia: Seventy Two Million Only)**.

9. Part of an ongoing mixed development township known as "La Casa Lunas"
[Our Ref : WTW/03/V/002545/23/PEH/cpk(luq)]

TERMS OF REFERENCE

The valuation is carried out based on the following **BASES**:-

1) The subject property is part of an ongoing mixed development township comprising the following:-

(A) Uncompleted phases formed by :

i) 5 phases launched for sale and with ongoing construction

Phase	Type of Development	Lot No.
Phase 3B (Phase 1B)	320 units of Double-storey Terraced Houses "Guarded" concept	PT 8074 to PT 8393
Phase 2 (Phase 1C)	116 units of Double-storey Terraced Houses and 66 units of Double-storey Medium Cost Terraced Houses	PT 7892 to PT 8073
Phase 4A (Phase 2B)	106 units of Double-storey Zero Lot Houses "Guarded" concept	PT 9116 to PT 9221
Phase 4C (Phase 2D)	96 units of Double-storey Zero Lot Houses "Guarded" concept	PT 8747 to PT 8842
Phase 4D (Phase 2E)	162 units of Double-storey Zero Lot Houses "Guarded" concept and 3 units of Double-storey Detached Houses "Guarded" concept	PT 8843 to PT 9007

ii) 1 future phase not launched yet but already under construction

Phase	Type of Development	Lot No.
Phase 4B (Phase 2C)	108 units of Double-storey Zero Lot Houses "Guarded" concept	PT 9008 to PT 9115

iii) 5 future phases not launched yet but not under construction

Phase	Type of Development	Lot No.
Phase 5 (Phase 2A)	78 units of Double-storey Zero Lot Houses "Guarded" concept	PT 8669 to PT 8746
Phase 1B (Phase 3A)	126 units of Single-storey Low Medium Cost Terraced Houses and 31 units of Single-storey Medium Cost Terraced Houses	PT 7524 to PT 7680
Phase 1A (Phase 3B)	161 units of Single-storey Medium Cost Terraced Houses and 50 units of Single-storey Low Medium Cost Terraced Houses	PT 7681 to PT 7891
Phase 4F (Phase 4A)	268 units of Double-storey Low Cost Cluster Houses "Town House" (Strata Title)	PT 7512 to PT 7517
Phase 4E (Phase 4B)	184 units of Double-storey Low Cost Cluster Houses "Town House" (Strata Title)	PT 7518 to PT 7523

TERMS OF REFERENCE (Cont'd)

The valuation is carried out based on the following **BASIS**:- (Cont'd)

1) The subject property is part of an ongoing mixed development township comprising the following:- (Cont'd)

(B) 5 Plots for Future Development

Designated Land Use	Lot No.
Residential (2 plots)	PT 9222 and PT 9223
Commercial (3 plots)	PT 9224 to PT 9226

(C) 14 Plots for TNB Substations and TNB Rentice Reserve

Designated Land Use	Lot No.
TNB Substation (11 plots)	PT 9270 to PT 9280
TNB Rentice Reserve (3 plots)	PT 9284 to PT 9286

2) The valuation is based on the Planning Permission bearing reference no. MPKK.JP&P/KP01/41084/2018(41A) dated 27 June 2018, Amended Planning Permission bearing reference no. MPKK.JP&P/KP01/41128/2021(23A) dated 27/05/2021, Amended Planning Permission bearing reference no. MPKK.JP&P/KP01/41140/2022(33A) dated 16/05/2022, and Approved Building Plans furnished to us by the client;

3) The stage of completion of the building is based on the summary of completion works progress reports for Phase 1 [Phase 3B (Phase 1B) and Phase 2 (Phase 1C)] and Phase 2 [Phase 4A (Phase 2B), Phase 4B (Phase 2C), Phase 4C (Phase 2D), and Phase 4D (Phase 2E)] as at 30 March 2024 as provided to us by the client; and

4) We have considered the sale status report dated 31 March 2024 as provided to us by the client.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASES WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASES IS INVALID / INCORRECT.

PROPERTY IDENTIFICATION

The property : Part of an ongoing mixed development township known as "La Casa Lunas"

(A) Uncompleted phases formed by :

i) 5 phases launched for sale and with ongoing construction

Phase	Type of Development	Lot No.
Phase 3B (Phase 1B)	320 units of Double-storey Terraced Houses "Guarded" concept	PT 8074 to PT 8393
Phase 2 (Phase 1C)	1. 116 units of Double-storey Terraced Houses; and 2. 66 units of Double-storey Medium Cost Terraced Houses	PT 7892 to PT 8073
Phase 4A (Phase 2B)	106 units of Double-storey Zero Lot Houses "Guarded" concept	PT 9116 to PT 9221
Phase 4C (Phase 2D)	96 units of Double-storey Zero Lot Houses "Guarded" concept	PT 8747 to PT 8842
Phase 4D (Phase 2E)	1) 162 units of Double-storey Zero Lot Houses "Guarded" concept; and 2) 3 units of Double-storey Detached Houses "Guarded" concept	PT 8843 to PT 9007

ii) 1 future phase not launched yet but already under construction

Phase	Type of Development	Lot No.
Phase 4B (Phase 2C)	108 units of Double-storey Zero Lot Houses "Guarded" concept	PT 9008 to PT 9115

iii) 5 future phases not launched yet and not under construction

Phase	Type of Development	Lot No.
Phase 5 (Phase 2A)	78 units of Double-storey Zero Lot Houses "Guarded" concept	PT 8669 to PT 8746
Phase 1B (Phase 3A)	1. 126 units of Single-storey Low Medium Cost Terraced Houses; and 2. 31 units of Single-storey Medium Cost Terraced Houses	PT 7524 to PT 7680

PROPERTY IDENTIFICATION (Cont'd)

The property (Cont'd) : Part of an ongoing mixed development township known as "La Casa Lunas" (Cont'd)

(A) Uncompleted phases formed by : (Cont'd)

iii) 5 future phases not launched yet and not under construction (Cont'd)

Phase	Type of Development	Lot No.
Phase 1A (Phase 3B)	1. 161 units of Single-storey Medium Cost Terraced Houses; and 2. 50 units of Single-storey Low Medium Cost Terraced Houses	PT 7681 to PT 7891
Phase 4F (Phase 4A)	3. 268 units of Double-storey Low Cost Cluster Houses "Town House" (Strata Title)	PT 7512 to PT 7517
Phase 4E (Phase 4B)	184 units of Double-storey Low Cost Cluster Houses "Town House" (Strata Title)	PT 7518 to PT 7523

(B) 5 plots for Future Development

Designated Land Use	Lot No.
Residential (2 plots)	PT 9222 and PT 9223
Commercial (3 plots)	PT 9224 to PT 9226

(C) 14 plots for TNB substations and TNB Rentice Reserve

Designated Land Use	Lot No.
TNB Substation (11 plots)	PT 9270 to PT 9280
TNB Rentice Reserve (3 plots)	PT 9284 to PT 9286

All within Section 11, Town of Lunas, District of Kulim, Kedah

Location : Accessible from Jalan Lunas, within the locality of Lunas, in Kulim, Kedah

Title No. / Lot No. :

Title No.	Lot No.
HSD 79179 to HSD 80060	PT 7512 to PT 8393
HSD 80364 to HSD 80921	PT 8669 to PT 9226
HSD 80922 to HSD 80932	PT 9270 to PT 9280
HSD 80933 to HSD 80935	PT 9284 to PT 9286

Tenure : Term in perpetuity (Freehold) (all lots)

PROPERTY IDENTIFICATION (Cont'd)

Total Land Area : 404,844.10 square metres
(approximately 4,357,701 square feet / 100.04 acres)

Category of Land Use : Lot Nos. PT 7512 to PT 8393, PT 8669 to PT 9226, and PT 9284 to PT 9286
Building

Lot Nos. PT 9270 to PT 9280
Industry

Registered Owner : DAYANG GEMILANG SDN BHD

Express Condition :

Lot Nos. PT 7512 to PT 8393, PT 8669 to PT 9223	Residential
Lot Nos. PT 9224 to PT 9226	Commercial
Lot Nos. PT 9270 and PT 9280	Industrial (TNB)
Lot Nos. PT 9284 to PT 9286	Residential/Commercial

Restriction In Interest : Ditegah tuan tanah membuat sebarang perkiraan (dealings) di atas tanah yang hendak dimajukan ini melainkan tuan tanah bina dan pelihara simpanan jalan itu dan taruh batu tar menurut taraf Jabatan Kerja Raya serta perbuat parit-parit itu dengan sepuas hati Penguasa Tempatan dan Jabatan Kerja Raya bahawa jalan-jalan dan parit-parit itu dapat disempurnakan.

Additional Restriction : Lot Nos. PT 7512 to PT 7515, PT 7520, PT 7521, PT 7524 to PT 7564, PT 7822 to PT 7891, PT 7983 to PT 8024, PT 8047 to PT 8057, PT 8074 to PT 8192, PT 8669, PT 8670, PT 8681 to PT 8701, and PT 8937 to PT 9079
Pindah milik pertama hendaklah mengikut keputusan Majlis Mesyuarat Kerajaan Kertas No. 7 (C) 88/2020 bertarikh 10 Jun 2020 dan pindah milik seterusnya hendaklah mendapat kebenaran Pihak Berkuasa Negeri.

Lot Nos. PT 7516 to PT 7519, PT 7522, PT 7523, PT 7565 to PT 7821, PT 7892 to PT 7982, PT 8025 to PT 8046, PT 8058 to PT 8073, PT 8193 to PT 8393, PT 8671 to PT 8680, PT 8702 to PT 8936, PT 9080 to PT 9221, PT 9222 to PT 9226, PT 9270 to PT 9280, and PT 9284 to PT 9286
-

Encumbrances : Lot Nos. PT 7512 to PT 7891, PT 9222,
PT 9224 to PT 9226, and PT 9270 to PT 9271
Charged to MAYBANK ISLAMIC BERHAD

Lot Nos. PT 7892 to PT 8393, PT 8669 to PT 9221,
PT 9272 to PT 9280 and PT 9284 to PT 9286
Nil

GENERAL DESCRIPTION

Site

The subject property consists of 1,454 lots, encompassing a total land area of 404,844.10 square metres (approximately 4,357,701 square feet / 100.04 acres). All the subject land plots are generally flat in terrain and lie at the same level as the surrounding frontage roads. During our site inspection, we noted that the sites of Phase 3B (Phase 1B), Phase 2 (Phase 1C), Phase 4A (Phase 2B), Phase 4C (Phase 2D), Phase 4D (Phase 2E), and Phase 4B (Phase 2C) were undergoing construction works while the sites of Phase 1B (Phase 3A), Phase 1A (Phase 3B), Phase 4E (Phase 4B), and Phase 4F (Phase 4A) were not developed yet and were still being cultivated with oil palms. The sites of Phase 5 (Phase 2A) and 5 plots for future development (Lot Nos. PT 9222 to 9226) were mainly vacant and partly overgrown with bushes.

Besides, we also noticed that there were temporary workers' quarters erected on the Lot Nos. PT 9225 and PT 9226. The TNB buildings on the Lot Nos. PT 9272 to 9275, 9278 to 9280 have been constructed except for the Lot Nos. PT 9270, 9271, PT 9276, and PT 9277 are yet to be built. There were rentice on the Lot Nos. PT 9284 to PT 9286.

The subject sites were not demarcated by any form of fencing except Phase 3B (Phase 1B) which was enclosed with metal cladding sheet and metal wire mesh.

Proposed Development

According to the Site Layout Plan of Planning Permission dated 27 June 2018 and Amended Planning Permission dated 27/05/2021 and 16/05/2022, the parent lots of the subject property have been approved for development as follows:

Component	Total Unit
Double-storey Terraced Houses	116
Double-storey Terraced Houses "Guarded" concept	595
Double-storey Detached Houses "Guarded" concept	3
Double-storey Zero Lot Houses "Guarded" concept	550
Double-storey Low Cost Cluster Houses "Town House" (Strata Title)	452
Single-storey Medium Cost Terraced Houses	192
Double-storey Medium Cost Terraced Houses	66
Single-storey Low Medium Cost Terraced Houses	176
Future Development (Residential)	2
Commercial Plot	3
Site for TNB / PPU substation	11
TNB Rentice (Transmission Line)	2

GENERAL DESCRIPTION (Cont'd)

Proposed Development (Cont'd)

The subject property forms part of the mixed residential and commercial development as follows:-

Phase	Type of Development	Lot No.
Phase 3B (Phase 1B)	320 units of Double-storey Terraced Houses "Guarded" concept	PT 8074 to PT 8393
Phase 2 (Phase 1C)	116 units of Double-storey Terraced Houses and 66 units of Double-storey Medium Cost Terraced Houses	PT 7892 to PT 8073
Phase 5 (Phase 2A)	78 units of Double-storey Zero Lot Houses "Guarded" concept	PT 8669 to PT 8746
Phase 4A (Phase 2B)	106 units of Double-storey Zero Lot Houses "Guarded" concept	PT 9116 to PT 9221
Phase 4B (Phase 2C)	108 units of Double-storey Zero Lot Houses "Guarded" concept	PT 9008 to PT 9115
Phase 4C (Phase 2D)	96 units of Double-storey Zero Lot Houses "Guarded" concept	PT 8747 to PT 8842
Phase 4D (Phase 2E)	162 units of Double-storey Zero Lot Houses "Guarded concept and 3 units of Double-storey Detached Houses "Guarded" concept	PT 8843 to PT 9007
Phase 1B (Phase 3A)	126 units of Single-storey Low Medium Cost Terraced Houses and 31 units of Single-storey Medium Cost Terraced Houses	PT 7524 to PT 7680
Phase 1A (Phase 3B)	161 units of Single-storey Medium Cost Terraced Houses and 50 units of Single-storey Low Medium Cost Terraced Houses	PT 7681 to PT 7891
Phase 4F (Phase 4A)	268 units of Double-storey Low Cost Cluster Houses "Town House" (Strata Title)	PT 7512 to PT 7517
Phase 4E (Phase 4B)	184 units of Double-storey Low Cost Cluster Houses "Town House" (Strata Title)	PT 7518 to PT 7523
Plots for future development (residential)		PT 9222 and PT 9223
Plots for future development (commercial)		PT 9224 to PT 9226
Plots for TNB substation		PT 9270 to PT 9280
Plots for TNB Rentice reserve		PT 9284 to PT 9286

As at the date of valuation, Phase 3B (Phase 1B), Phase 2 (Phase 1C), Phase 4A (Phase 2B), Phase 4C (Phase 2D), and Phase 4D (Phase 2E) were launched. The launched date and targeted completion date for the phases that have been launched for sale are as follows :

Phases	Launched Date	Targeted Completion Date
Phase 3B (Phase 1B)	Q4 2020	Q2 2024
Phase 2 (Phase 1C)	Q4 2021	Q3 2024
Phase 4A (Phase 2B)	Q3 2022	Q3 2024
Phase 4C (Phase 2D)	Q3 2022	Q3 2024
Phase 4D (Phase 2E)	Q3 2023	Q3 2025

(Source: SPB Development Sdn Bhd)

On the other hand, Phase 4B (Phase 2C), Phase 5 (Phase 2A), Phase 1B (Phase 3A), Phase 1A (Phase 3B), Phase 4F (Phase 4A) and Phase 4E (Phase 4B) have yet to be launched.

GENERAL DESCRIPTION (Cont'd)

Proposed Development (Cont'd)

Based on the sales status for Phase 3B (Phase 1B), Phase 2 (Phase 1C), Phase 4A (Phase 2B), Phase 4C (Phase 2D), and Phase 4D (Phase 2E) as at 31 March 2024 and the Monthly Progress Reports dated 30 March 2024 as provided to us by the client are as follows:-

Phase	Type	Total Unit	Total Sold Unit	Total Booked/ Unsold Unit	Sale Status	Construction Stage*Note
Phase 3B (Phase 1B)	Double-storey Terraced House	320	320	0	100%	99%
Phase 2 (Phase 1C)	Double-storey Terraced House	116	116	0	100%	96%
	Double-storey Medium Cost Terraced House	66	0	66	0%	
Phase 4A (Phase 2B)	Double-storey Zero Lot Bungalow	106	99	7	93%	92%
Phase 4C (Phase 2D)	Double-storey Zero Lot Bungalow	96	89	7	93%	80%
Phase 4D (Phase 2E)	Double-storey Zero Lot Bungalow	162	124	38	77%	63%
	Double-storey Detached House	3	1	2	33%	31%

*Note : As per Monthly Progress Reports dated 30 March 2024

We were given to understand by the client that Phase 3B (Phase 1B) and Phase 2 (Phase 1C) have been issued with Certificate of Completion and Compliance in June 2024 and July 2024, respectively.

We were also given to understand by the client that Phase 4A (Phase 2B) and Phase 4C (Phase 2D) will be completed by third quarter of 2024 and Phase 4D (Phase 2E) will be completed by third quarter of 2025.

PLANNING PROVISION

Based on the Approved Planning dated 27 June 2018 and Amended Planning Permission dated 27/05/2021 and 16/05/2022, the Parent Lots of the subject property have been approved for a mixed residential and commercial development.

METHOD OF VALUATION

Lot Nos. PT 7512 to PT 8393 and PT 8669 to PT 9221 (Ongoing Development)

We have adopted the Income Approach (Residual Method) as the only method of valuation as the subject property (Lot Nos. PT 7512 to PT 8393 and PT 8669 to PT 9221) forms part of the ongoing development.

Lot Nos. PT 9222 to PT 9226 (Plots for Future Development)

We have adopted the Comparison Approach as the only method of valuation as the subject property (Lot Nos. PT 9222 to PT 9226) are vacant development lands with no individual planning approval and there are adequate comparable sales transaction within the vicinity.

The land areas of Lot Nos. PT 9222, PT 9224 to PT 9226 range from 2.60 acres to 6.72 acres, making them suitable for development planning. In contrast, the land area of Lot No. PT 9223 is only 0.55 acre and is triangular in shape, which poses challenges for an optimum development.

Hence, we have conducted 2 sets of workings :

i) Lot Nos. PT 9222, PT 9224 to PT 9226
The selected comparables are typical development lands with land areas ranging from 1.31 acres to 10.16 acres and are all regular in shape.

ii) Lot No. PT 9223
The selected comparables are substandard development land, with land areas less than 1 acre and are all triangular in shape.

These 2 different sets of workings are to reflect the different characteristics of both lands.

Lot Nos. PT 9270 to PT 9280 and PT 9284 to PT 9286
(Plots for TNB substations & TNB Rentice Reserve)

The plots for TNB substations and rentice form part of the utility infrastructure to be developed to support the entire township. These plots are not saleable and thus the market values are not assessed / assessable.

VALUE CONSIDERATION

Lot Nos. PT 7512 to PT 8393 and PT 8669 to PT 9221 (Ongoing Development)

Summary of Parameters

Gross Development Value (GDV)	:	RM283,670,742.94 - (Note 1)
Gross Development Value (GDC)	:	RM253,553,122.19- (Note 2)
Developer's profit	:	20.00% [except for affordable housing (Medium Cost, Low-Medium Cost, and Low-Cost Types), 10.00% developer's profit & risk was adopted]
Development period	:	6 years
Discount Rate	:	8.0% per annum

Note 1 :

The GDV is derived based on the following justifications: -

Phase	Sale Status	Rate Adopted	Justification
Phase 3B (Phase 1B), Phase 2 (Phase 1C), Phase 4A (Phase 2B), Phase 4C (Phase 2D), and Phase 4D (Phase 2E)	Sold Units	Actual selling price • Phase 3B (Phase 1B) : RM341,888/- to RM615,888/- • Phase 2 (Phase 1C) : RM343,981/- to RM618,698/- • Phase 4C (Phase 2D) : RM446,888/- to RM754,297/- • Phase 4D (Phase 2E) : RM444,715/- to RM941,299/- • Phase 4A (Phase 2B) : RM428,813/- to RM654,188/-	Based on the actual selling price as stated in the sale status provided by the client.
Phase 4A (Phase 2B), Phase 4C (Phase 2D), and Phase 4D (Phase 2E), Phase 4B (Phase 2C), and Phase 5 (Phase 2A)	Unsold Units	RM506,050/- to RM566,958/-	Based on the average net selling price of the sold units and the transactions of semi-detached houses and detached houses within the vicinity.
Phase 2 (Phase 1C), Phase 1B (Phase 3A), Phase 1A (Phase 3B), Phase 4F (Phase 4A), and Phase 4E (Phase 4B)	Unsold Units	• Low Cost – RM45,000/- per unit • Low Medium Cost – RM90,000/- per unit • Medium Cost – RM200,000/- per unit	Based on the "Dasar Perumahan Negeri Kedah Darul Aman 2014" for the fixed statutory prices of "Rumah Aman Makmur Kedah" (RAMK).

15. VALUATION CERTIFICATES *(Cont'd)*

VALUE CONSIDERATION (Cont'd)

Note 1 : (Cont'd)
The total GDV is tabulated as follows: -

Phase	No. of Unit	Total Selling Price	Rebate/Bumi Discount	Net Selling Price	Amount Billed as at 31 March 2024	Balance
Phase 3B (Phase 1B)	320 units - Sold	RM133,175,965.89	RM13,598,805.89	RM119,577,160.00	RM98,168,370.00	RM21,408,790.00
Sub-Total	**320 units**	**RM133,175,965.89**	**RM13,598,805.89**	**RM119,577,160.00**	**RM98,168,370.00**	**RM21,408,790.00**
Phase 2 (Phase 1C)	116 units - Sold	RM51,284,339.79	RM5,059,846.79	RM46,224,493.00	RM36,655,280.80	RM9,569,212.20
	66 units - Unsold*	RM13,200,000.00	RM200,000.00	RM13,000,000.00	-	RM13,000,000.00
Sub-Total	**182 units**	**RM64,484,339.79**	**RM5,259,846.79**	**RM59,224,493.00**	**RM36,655,280.80**	**RM22,569,212.20**
Phase 4A (Phase 2B)	99 units - Sold	RM51,567,912.00	RM5,347,386.00	RM46,220,526.00	RM37,230,944.80	RM8,989,581.20
	7 units - Unsold*	RM4,361,216.00	RM392,509.68	RM3,968,706.32	-	RM3,968,706.32
Sub-Total	**106 units**	**RM55,929,128.00**	**RM5,739,895.68**	**RM50,189,232.32**	**RM37,230,945.80**	**RM12,958,287.52**
Phase 4C (Phase 2D)	89 units - Sold	RM48,526,032.00	RM4,773,168.00	RM43,752,864.00	RM33,075,807.20	RM10,677,056.80
	7 units - Unsold*	RM3,928,216.00	RM343,121.84	RM3,585,094.16	-	RM3,585,094.16
Sub-Total	**96 units**	**RM52,454,248.00**	**RM5,116,289.84**	**RM47,337,958.16**	**RM33,075,807.20**	**RM14,262,150.96**
Phase 4D (Phase 2E)	125 units - Sold	RM67,173,295.58	RM7,771,660.58	RM59,401,635.00	RM31,770,829.60	RM27,630,805.40
	40 units - Unsold*	RM23,758,016.42	RM2,735,549.56	RM21,022,466.86	RM0.00	RM21,022,466.87
Sub-Total	**165 units**	**RM90,931,312.00**	**RM10,507,210.14**	**RM80,424,101.86**	**RM31,770,829.60**	**RM48,653,272.26**
Phase 4B (Phase 2C)	**108 units**	**RM54,243,067.00**	**RM1,028,981.00**	**RM53,214,086.00**	**-**	**RM53,214,086.00**
Phase 5 (Phase 2A)	**78 units**	**RM39,334,949.00**	**RM1,813,505.00**	**RM37,521,444.00**	**-**	**RM37,521,444.00**
Phase 1B (Phase 3A)	**157 units**	**RM17,540,000.00**	**RM184,500.00**	**RM17,355,500.00**	**-**	**RM17,355,500.00**
Phase 1A (Phase 3B)	**211 units**	**RM36,700,000.00**	**RM700,000.00**	**RM36,000,000.00**	**-**	**RM36,000,000.00**
Phase 4F (Phase 4A)	**268 units**	**RM12,060,000.00**	**RM432,000.00**	**RM11,628,000.00**	**-**	**RM11,628,000.00**
Phase 4E (Phase 4B)	**184 units**	**RM8,280,000.00**	**RM180,000.00**	**RM8,100,000.00**	**-**	**RM8,100,000.00**
Total	**1,875 units**	**RM565,133,009.68**	**RM44,561,034.34**	**RM520,571,975.34**	**RM236,901,232.40**	**RM283,670,742.94**

** Inclusive of booked units*

VALUE CONSIDERATION (Cont'd)

Note 1 : (Cont'd)

According to the letter issued by Pejabat Pengarah Tanah Dan Galian Negeri Kedah dated 7 July 2020, the sale of units under this project are subject to the following :

i) Non low-cost units:
30% to Malay (and/or Bumiputera) and 70% to others

ii) Low-cost units :
60% to Malay (and/or Bumiputera) and 40% to others

As the subject scheme has been subdivided into individual lots and issued with individual titles, the Malay (and/or Bumiputera) allocation has been provided for in the individual titles. A 5% discount has been applied to all Malay (and/or Bumiputera) lots under general market practices.

Note 2 :
The GDC are based on the following main parameters: -

Item	Contract Sum/Revised Contract Sum /Amount Adopted	Certified Amount	Balance Amount to be Paid	Remarks
Building Cost – Phase 3B (Phase 1B)	RM64,575,000.00	RM61,346,250.00	RM3,228,750.00	Based on the anticipated final contract sum and Certificates of Payment provided by the client. The awarded contract sum is in accordance with the industry average cost. For Phase 5 (Phase 2A), the estimated building construction cost is made reference to the awarded contract of the latest ongoing phase 4A (Phase 2C) as well as JUBM & Arcadis Construction Cost Handbook Malaysia 2023. For the affordable housing of Phase 1B (Phase 3A), Phase 1A (Phase 3B), Phase 4F (Phase 4A), and Phase 4E (Phase 4B), based on the JUBM & Arcadis Construction Cost Handbook Malaysia 2023 as well as our investigation, we have estimated the building construction cost as follows:- ▪ Low-Cost Cluster House (Town House) is RM70 per square foot ▪ Low Medium Cost Terraced House is RM80 per square foot ▪ Medium Cost Terraced House is RM90 per square foot
Building Cost – Phase 2 (Phase 1C)	RM38,850,000.00	RM36,314,500.00	RM2,535,500.00	
Building Cost – Phase 4A (Phase 2B)	RM28,250,000.00	RM22,443,322.47	RM5,806,677.53	
Building Cost – Phase 4C (Phase 2D)	RM25,650,000.00	RM18,598,074.00	RM7,051,926.00	
Building Cost – Phase 4D (Phase 2E)	RM43,150,000.00	RM25,153,861.88	RM17,996,138.12	
Building Cost – Phase 4B (Phase 2C)	RM28,650,000.00	RM10,877,492.77	RM17,772,507.23	
Building Cost – Phase 5 (Phase 2A)	RM15,717,533.68	-	RM15,717,533.68	
Building Cost – Phase 1B (Phase 3A)	RM9,792,000.00	-	RM9,792,000.00	
Building Cost – Phase 1A (Phase 3B)	RM14,592,000.00	-	RM14,592,000.00	
Building Cost – Phase 4F (Phase 4A)	RM13,132,000.00	-	RM13,132,000.00	
Building Cost – Phase 4E (Phase 4B)	RM9,016,000.00	-	RM9,016,000.00	

Note 2 : (Cont'd)

Item	Contract Sum/Revised Contract Sum /Amount Adopted	Certified Amount	Balance Amount to be Paid	Remarks
Developer's Profit & Risk	20.00% [except for affordable housing (Medium Cost, Low-Medium Cost, and Low-Cost Types), 10.00% developer's profit & risk was adopted]	-	RM48,125,798.59	Our surveys and enquiries with developers revealed that the rate of return of about 10.00% to 20.00% of Gross Development Value (GDV) is required for a developer to commit to a project development. We have adopted 20.00% developer's profit & risk except for the affordable housing (Medium Cost, Low-Medium Cost, and Low-Cost Types), we have adopted 10.00% developer's profit & risk due to the nature of the project i.e. government-controlled scheme.

Based on the above parameters adopted in the Income Approach (Residual Method), the market value of the subject property is derived at RM31,319,925.94/- and rounded to RM31,000,000/-.

VALUE CONSIDERATION (Cont'd)

Lot Nos. PT 9222 to PT 9226 (Plots for Future Development)

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

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation and Property Services Department (JPPH)			
Location	Along Jalan Bukit Awi, Kulim	Along Jalan Lunas, Kulim	Along Jalan Seraya Indah, Kulim	Along Lebuhraya Butterworth-Kulim Expressway, Kulim
Lot No.	361 and 709	706A	948 and 1678	2215
Section	-	-	36	-
Town	Kulim	Kulim	Kulim	Lunas
District	Kulim			
State	Kedah			
Tenure	Term in perpetuity (freehold)			
Land Area	41,096 square metres (Approximately 442,353 square feet/ 10.16 acres)	5,300 square metres (Approximately 57,049 square feet/ 1.31 acres)	7,667 square metres (Approximately 82,527 square feet / 1.89 acres)	8,930 square metres (Approximately 96,122 square feet / 2.21 acres)
Zoning	Commercial and Residential	Commercial	Residential	Residential
Date	09/06/2023	28/02/2023	12/09/2022	07/09/2022
Vendor	Infinity Commerce Sdn Bhd	Nadeson A/L Narasimman	Selasih Park Sdn Bhd	Cheah Hock Guan
Purchaser	A.Mart Sdn Bhd	Goay Boon Chin	Hoe Huat Hang Trading Sdn Bhd	Yuvaraaja A/L Shanmugam
Consideration	RM12,700,897/-	RM1,800,000/-	RM3,796,235/-	RM3,150,000/-
Analysis (RM per square foot)	RM28.71 /-	RM31.55 /-	RM46.00 /-	RM32.77 /-
Adjustments	Adjustments have been made on time, location – general, location – accessibility / visibility, size, shape, title- category of land use, and terrain			
Adjusted Value (RM per square foot)	RM32.37 /-	RM31.47 /-	RM37.43 /-	RM31.83 /-

*Adjustment :
In Kulim, the rezoning fee is RM150 per acre, with a minimum fee of RM10,000 per lot. Hence, there is no adjustment made.

From the above analysis, the adjusted values for Lot No. PT 9222 as the base lot range from RM31.47 per square foot to RM37.43 per square foot. Having regard to the foregoing, we have adopted Comparable 1 as the best comparable as it is the latest transaction among the comparables at a rounded value of RM32 per square foot.

The abovementioned base value is then adjusted for differences in size for other subject lots of vacant development lands, i.e. Lot Nos. PT 9224, PT 9225, and PT 9226. The only adjustment made is for PT 9225 for its size. Thus, the adjusted value for Lot Nos. PT 9224 and PT 9226 is at RM 32 per square foot whilst Lot PT 9225 is at RM32.80 per square foot.

VALUE CONSIDERATION (Cont'd)

The market value of Lot Nos. PT 9222, PT 9224, PT 9225 and PT 9226 are as follows:-

Lot No.	Market Value
PT 9222	RM7,900,000/-
PT 9224	RM9,400,000/-
PT 9225	RM3,700,000/-
PT 9226	RM7,500,000/-
Total	**RM28,500,000/-**

Lot No. PT 9223

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

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Location	Along Jalan Bersatu 1, Kulim	Along Persiaran Perdana, Kulim	Along Lorong Bentara, Kulim
Lot No.	6247	72908	1228
Section	43	39	42
Town	Kulim		
District	Kulim		
State	Kedah		
Tenure	Term in perpetuity (freehold)		
Land Area	1,731 square metres (Approximately 18,632 square feet/ 0.428 acre)	566 square metres (Approximately 6,092 square feet/ 0.140 acre)	881 square metres (Approximately 9,483 square feet / 0.218 acre)
Zoning	Residential		
Date	19/06/2023	29/08/2023	05/03/2023
Vendor	LOW AH KIM	KULIM TECHNOLOGY PARK CORPORATION SDN BHD	YUSOF BIN SHEKH ISINDAR
Purchaser	FEFET GROUP SDN BHD	MOHD FAZIL BIN AHMAD	AHMAD HAFIDI BIN HARUN
Consideration	RM500,000/-	RM225,418/-	RM247,000/-
Analysis (RM per square foot)	RM26.84 /-	RM37.00 /-	RM26.05 /-
Adjustments	Adjustments have been made on time, location – general, location – accessibility / visibility, size, adjoining to rentice, and terrain		
Adjusted Value (RM per square foot)	RM22.00 /-	RM26.55 /-	RM21.88 /-

*Adjustment :
For the substandard subject Lot No. PT 9223, the zoning for all comparables are similar to the subject lot. Hence, there is no adjustment made.

From the above analysis, the adjusted values range from RM21.88 per square foot to RM26.55per square foot. Having regard to the foregoing, we have adopted Comparable 1 as the best comparable as it is the one of the latest transactions and similar size with the subject Lot No. PT 9223 at a rounded value of RM22 per square foot.

Hence, the market value for the subject Lot No. PT 9223 is derived at RM526,040/-, say RM500,000/-.

VALUE CONSIDERATION (Cont'd)

Summary of Market Value

Lot No.	Market Value
Lot Nos. PT 7512 to PT 8393 and PT 8669 to PT 9221	RM31,000,000/-
PT 9222 to PT 9226	RM29,000,000/-
Total Market Value	**RM60,000,000/-**

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property **BASED ON THE BASES AND PROVISO AS STATED IN DETAIL UNDER THE TERM OF REFERENCE HEREIN**, with permission to transfer from the local authority, and free from all encumbrances, at **RM60,000,000/- (Ringgit Malaysia: Sixty Million Only)**.

CBRE | WTW

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

10. Lot No. 853, Mukim of Damansara, District of Petaling, Selangor (Our Ref : WTW/01/V/002584K/22/IVAN)

PROPERTY IDENTIFICATION

The Property	:	A parcel of agricultural land with industrial potential
Location	:	Along Jalan Subang 7, Taman Perindustrian Subang, USJ 1, 47500 Subang Jaya, Selangor
Title No.	:	GM 216
Lot No.	:	Lot 853, Mukim of Damansara, District of Petaling, Selangor
Land Area	:	1.1888 hectares (Approximately 11,888 square metres / 127,961 square feet / 2.9376 acres)
Tenure	:	Term in perpetuity (Freehold)
Category of Land Use	:	Agriculture
Registered Owner	:	JENDELA HIJAU SDN.BHD
Express Condition	:	Tanaman Kelapa
Encumbrances	:	i) Charged twice to CIMB BANK BERHAD ii) Charged to CIMB ISLAMIC BANK BERHAD

GENERAL DESCRIPTION

The site is elongated in shape. It is generally flat in terrain and lies at the same level of the existing metalled frontage road, Jalan Subang 7. During our site inspection, we noted that the site was overgrown with shrubs, bushes and wild trees and the boundaries were demarcated with metal decking sheets.

PLANNING PROVISION

The subject property is designated for agricultural use as per the Express Condition in the document of title. However, based on the Draf Rancangan Tempatan Subang Jaya 2035, the subject property is zoned under industrial use.

METHOD OF VALUATION

We have adopted the Comparison Approach as the only method of valuation as the subject property has yet to obtain development order / planning approval and there are adequate sales comparables for us to rely upon.

VALUE CONSIDERATION

In arriving at the market value of the subject property, we have considered the following vacant industrial land / agricultural land with industrial potential as market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Locality	Kampung Bukit Lanchong	Kampung Bukit Lanchong	Sungai Penaga
Title No.	HS(M) Pajakan 2477	Pajakan Mukim 3092	HS(M) Pajakan 226 & HS(M) Pajakan 227
Lot No.	PT 9603	Lot 3629	PT 870 & PT 871
Mukim	Damansara		
District	Petaling		
State	Selangor		
Property Type	Agricultural land with industrial potential	Industrial Land	Two (2) adjoining parcels of Industrial Land
Land Area	9,980 square metres (107,424 square feet / 2.466 acres / 0.998 hectare)	7,920 square metres (85,250 square feet / 1.957 acres / 0.792 hectare)	29,719.389 square metres (319,897 square feet / 7.344 acres / 2.9719 hectares)
Tenure	Leasehold expiring on 20 July 2087	Leasehold expiring on 24 July 2086	Leasehold expiring on 27 August 2068
Date	17/08/2021	12/03/2021	08/02/2021
Vendor	I.S.E.T ENGINEERING SDN BHD	OAG ENGINEERING SDN BHD	LOO SIN SOO
Purchaser	SEPADU EKSPRES SDN BHD	NHG GLASS INDUSTRIES SDN BHD	SCYTHERIAN MAX SDN BHD
Consideration	RM6,000,000/-	RM6,226,405/-	RM26,391,490/-
Analysis (RM per square foot)	RM56/-	RM73/-	RM83/-
Adjustments	Adjustments have been made on Location-General, Accessibility / Visibility, Category of Land Use, Land Area, Tenure, Shape and Planning Approval		
Adjusted Value (RM per square foot)	RM75/-	RM84/-	RM80/-

From the above analysis, the adjusted values range from RM75/- per square foot to RM84/- per square foot.

Having regard to the foregoing, we have adopted Comparable 3 as the best comparable as it is within the same locality. We have adopted RM80/- per square foot in our valuation.

The market value of the subject property is derived at RM10,236,880/-, Say RM10,000,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property free from all encumbrances at **RM10,000,000/- (Ringgit Malaysia: Ten Million Only).**

11. An ongoing residential and commercial development known as "Taman Akasia", Kluang, Johor (Our Ref : WTW/04/V/011653/22/GXZ)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASES**:-

I. The subject property is an ongoing residential and commercial development known as "Taman Akasia";

II. The subject property has obtained planning permission from Majlis Perbandaran Kluang bearing reference nos. MPK/599/800/40/19 and MPK/599/800/45/21 dated 25 January 2021 and 10 January 2022 respectively for the proposed residential and commercial development comprising a total of 794 units;

III. The valuation is based on the building plans prepared by Ong & Ong 360 Consultancy Sdn Bhd and approved by Majlis Perbandaran Kluang on multiple occasions;

IV. We have considered the sale status report dated 31 March 2024 as provided to us by the client.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASES WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCULDING THE MARKET VALUE) IF ANY OF THE ABOVE BASES IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property	:	An ongoing residential and commercial development known as "Taman Akasia" consist of the following :- i. Launched Development Phase 1A - 48 units of double storey cluster house, 32 units of double storey semi-detached house and 9 units of double storey detached house ii. Future Development Phase 1B - 60 units of double storey cluster house, 32 units of double storey semi-detached house and 9 units of double storey detached house Phase 2 - 208 units of double storey cluster house, 60 units of double storey semi-detached house and 8 units of double storey detached house Phase 3 - 113 units of double storey terraced house (RMBJ Type C) and 167 units of double storey terraced house (RMBJ Type D) Phase 4 - 40 units of single storey low-medium cost shop, 5 units of double storey shop office and 3 parcels of commercial land
Address	:	Taman Akasia, 86000 Kluang, Johor
Title Nos.	:	Multiple Subdivided Titles (Refer to "Planning Provision")

PROPERTY IDENTIFICATION (Cont'd)

Lot No.	:	Multiple Subdivided Titles (Refer to "Planning Provision"), all within Mukim of Kluang, District of Kluang, Johor
Tenure	:	Freehold / Term In Perpetuity
Land Area Under Valuation	:	111.00 acres (Approximately 44.92 hectares)
Registered Owner	:	HEKTAR BERLIAN SDN BHD
Encumbrances	:	Nil

GENERAL DESCRIPTION

The site is almost rectangular in shape, generally flat in terrain and lies at the same level of the existing frontage metalled road, Jalan Batu Pahat, 86000 Kluang, Johor.

During our site inspection, we noted that the site clearance / earthwork of the subject property has been completed. Building works for Phase 1A and Phase 1B of the development as well as the infrastructure work for sewerage treatment plant are working in progress.

Proposed Development
Based on the layout plans prepared by P & D Planners Sdn Bhd and approved by Majlis Perbandaran Kluang dated 25 January 2021 and 10 January 2022 respectively, the subject property has been approved for the following development:-

Phase 1A - 48 units of double storey cluster house, 32 units of double storey semi-detached house and 9 units of double storey detached house;

Phase 1B - 60 units of double storey cluster house, 32 units of double storey semi-detached house and 9 units of double storey detached house;

Phase 2 - 208 units of double storey cluster house, 60 units of double storey semi-detached house and 8 units of double storey detached house;

Phase 3 - 113 units of double storey terraced house (RMBJ Type C) and 167 units of double storey terraced house (RMBJ Type D);

Phase 4 - 40 units of single storey low-medium cost shop, 5 units of double storey shop office and 3 parcels of commercial land.

We were made to understand that Phase 1A has been launched for sale in first quarter of 2023. Phase 1B have yet to be launched even though the building works have been commenced as at the date of valuation. Phase 1B is targeted to launched by third quarter of 2024.

Based on the sales status report dated 31 March 2024, we noted that 61 units out of the total 89 units under Phase 1A (approximately 68.5%) were sold.

Based on the Progress Report No. 17 for a period of 27 February 2024 to 26 March 2024, the stage of construction for Phase 1A and 1B was at 56.00% and 22.00%, respectively. We were given to understand by the client that the project of Phase 1A and 1B is targeted to be completed by first quarter of 2025 and second quarter of 2026, respectively.

PLANNING PROVISION

As stipulated under the Category of Land Use and Express Condition in the respective documents of title, the subject property is designated for the following uses: -

Lot No.	Category of Land Use	Express Condition
PTD 106703, PTD 106705, PTD 106706, PTD 106718, PTD 106731, PTD 106732, PTD 106759, PTD 106760, PTD 106773, Lot 96764, PTD 106782, PTD 106791, PTD 106805, PTD 106806, PTD 106835, PTD 106836, PTD 106865, PTD 106866, PTD 106883, PTD 106923, PTD 106924, PTD 106977, PTD 106978, PTD 107033, PTD 107034, PTD 107091 & PTD 107092	Building	Double Storey Detached House
Lot 96674, PTD 106692 to PTD 106702, PTD 106707, PTD 106719, PTD 106730, PTD 106733, PTD 106738, PTD 106745, PTD 106746, PTD 106753, PTD 106758, PTD 106761, PTD 106766 to PTD 106772, PTD 106775, PTD 106780, PTD 106783, PTD 106792 to PTD 106797, PTD 106804, PTD 106807, PTD 106820, PTD 106821, PTD 106834, PTD 106837, PTD 106850, PTD 106851, PTD 106864, PTD 106867 to PTD 106882, PTD 106894 to PTD 106907, PTD 106910 to PTD 106921, PTD 106979, PTD 107032, PTD 107093, PTD 107118, PTD 107119, PTD 107144 & PTD 107146 to PTD 107173	Building	Double Storey Semi-Detached House
PTD 106708 to PTD 106717, PTD 106720 to PTD 106729, PTD 106734 to PTD 106737, PTD 106739 to PTD 106744, PTD 106747 to PTD 106752, PTD 106754 to PTD 106757, PTD 106762 to PTD 106765, PTD 106776 to PTD 106779, PTD 106784 to PTD 106789, PTD 106798 to PTD 106803, PTD 106808 to PTD 106819, PTD 106822, PTD 106823, Lot 96807, PTD 106825 to PTD 106833, PTD 106838 to PTD 106849, PTD 106852 to PTD 106863, PTD 106925 to PTD 106976, PTD 106980 to PTD 107031, PTD 107035 to PTD 107090, PTD 107094 to PTD 107117 & PTD 107120 to PTD 107143	Building	Double Storey Cluster House
PTD 112386 to PTD 112498	Building	RMBJ C
PTD 107177 to PTD 107228, PTD 107230 to PTD 107257, PTD 112356 to PTD 112385, PTD 112499 to PTD 112555	Building	RMBJ D
Lot 96626, PTD 106644 to PTD 106648, Lot 96632, PTD 106650 to PTD 106662 & PTD 106668 to PTD 106687	Building	Single Storey Low Medium Cost Shop
PTD 106663, PTD 106664, Lot 96648, PTD 106666 & PTD 106667	Building	Double Storey Shop Office
PTD 106638, Lot 96671 & PTD 106887	Building	Commercial Land

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Income Approach (Residual Method) and the Comparison Approach.

In valuing ongoing developments which are under construction (i.e. Phase 1A and 1B) and future development (i.e. Phase 2, 3 & 4), we have adopted the Income Approach (Residual Method) as an appropriate method of valuation for the reason that the market value derived takes into account the benefit of development approval, total amount sold, the amount billed for sold units, the contract sum and amount certified for the construction work done.

In valuing the three (3) parcels of vacant commercial land under Phase 4, we have adopted the Comparison Approach considering that the application for detailed planning approval has not been

made. Furthermore, there are adequate sale comparables in the vicinity of the subject property which can be relied upon.

VALUE CONSIDERATION

Income Approach (Residual Method)

Summary of Parameters

Gross Development Value (GDV)	:	RM327,066,765/- (Note 1)
Gross Development Value (GDC)	:	RM296,351,268/- (Note 2)
Developer's profit	:	20% of GDV for Open Market Development Component 10% of GDV for Affordable Development Component
Development period	:	5 years
Discount Rate	:	8.0% per annum

Note 1 :
The total GDV is tabulated as follows: -

Phase	No. of Unit	Total Selling Price	Discount/ Rebate	Net Selling Price	Amount Billed as at 31 March 2024*	Balance
Phase 1A	61 units – Sold	RM36,298,168	RM3,416,176	RM32,881,992	RM14,381,112	RM18,500,880
	28 units – Unsold**	RM17,785,864	RM1,413,406	RM16,372,458	RM0	RM16,372,458
Sub-Total	**89 units**	**RM54,084,032**	**RM4,829,582**	**RM49,254,450**	**RM14,381,112**	**RM34,873,338**
Phase 1B	**101 units**	**RM64,555,126**	**RM3,873,308**	**RM60,681,819**		**RM60,681,819**
Phase 2	**276 units**	**RM171,781,845**	**RM10,306,911**	**RM161,474,934**		**RM161,474,934**
Phase 3	**280 units**	**RM58,700,000**	**RM0**	**RM58,700,000**		**RM58,700,000**
Phase 4	**45 units**	**RM11,549,653**	**RM212,979**	**RM11,336,674**		**RM11,336,674**
Total	**791 units**	**RM360,670,657**	**RM19,222,780**	**RM341,447,877**	**RM14,381,112**	**RM327,066,765**

**Amount billed is inclusive of rebate/discount*
*** Inclusive of booked units*

The GDV is derived based on the following justifications: -

Sale Status	Rate Adopted	Justification
Phase 1A (Sold Units)	Actual average selling price :- Cluster House : RM515,535 per unit Semi-Detached House : RM565,889 per unit Detached House : RM657,963 per unit	Based on the actual selling price as stated in the sale status provided by the client. We noted that the sold units of Phase 1A were mostly given a 6% to 12% rebate.
Phase 1A (Unsold Units)	Proposed Selling Price:- Cluster House : RM524,429 per unit Semi-Detached House : RM577,519 per unit Detached House : RM699,657 per unit	Based on the proposed selling price as stated in the sale status provided by the client. We have adopted a discount of 9% towards the proposed selling prices of the balance unsold units of Phase 1A to reflect the risk and uncertainty.

VALUE CONSIDERATION (Cont'd)

Income Approach (Residual Method) (Cont'd)

Sale Status	Rate Adopted	Justification
Future Phases 1B, 2, 3 & 4	Clustered House: RM265 psf Semi-Detached House: RM285 psf Detached House: RM300 psf Shop Office: RM200 psf RMBJ Type C: RM150,000 per unit RMBJ Type D: RM250,000 per unit Low Cost Shop: RM200,000 per unit	For open market development components, we have made reference to the concluded selling prices of the sold units within the subject scheme, transacted prices of similar properties and the developers' selling prices of other upcoming projects in and around the vicinity. Our valuation has also considered 40% "Bumiputra" and a discount of 15% to the normal-priced development components except for the affordable components of which no discount is provided in our valuation. For affordable development components, as per planning approval letter dated 25 January 2021.

Note 2 :
The GDC are based on the following main parameters: -

Item	Contract Sum/ Revised Contract Sum / Amount Adopted	Certified Amount	Balance Amount to be Paid	Remarks
Building Costs & Infrastructure Costs	RM201,767,567/-	RM22,724,712/-	RM179,042,855/-	Based on the Awarded Contract Sum and Certificate of Payment provided by the client and made reference to JUBM Group Construction Handbook Malaysia 2023. The average building cost is analysed and estimated as follows :- • Open market housing components are RM120 per square foot • Affordable housing components are RM75 per square foot. The estimated infrastructure cost is RM7 per square foot over the gross land area. The awarded contract sum is in accordance with the industry average cost.
Developer's Profit & Risk	Open Market Components : 20.00% Affordable Components : 10.00%	-	RM58,743,353/-	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. In view that the subject development consists of both open market and affordable development components, we have adopted a developer's profit & risk of 20% for open market components and 10% for affordable components.

Based on the above parameters adopted in the Income Approach (Residual Method), the market value of the subject property is derived at RM22,343,448/- and rounded to RM22,500,000/-.

VALUE CONSIDERATION (Cont'd)

Comparison Approach

In valuing the three (3) parcels of vacant commercial land under Phase 4, we have adopted the Comparison Approach considering that these lands are not for immediate development.

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

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Location	Bandar Newpark Kluang	Taman Tasik Indah	Taman Kluang Perdana	Bandar Newpark Kluang
Lot No.	PTD 112348	PTD 102322	PTD 109709 – PTD 109711	PTD 108368
Mukim	Kluang			
District	Kluang			
State	Johor			
Type	Vacant Commercial Land	Vacant Commercial Land	Vacant Commercial Land	Vacant Commercial Land
Land Area	36,575.88 square metres (9.038 acres)	5,026.27 square metres (1.242 acres)	11,288.15 square metres (2.789 acres)	12,368.96 square metres (3.056 acres)
Tenure	Freehold			
Date	29 December 2022	13 January 2022	1 July 2021	23 December 2020
Vendor	MAJUPADU DEVELOPMENT SDN BHD	KEMAJUAN TONG TOR SDN BHD	PARKLAND CITY SDN BHD	MAJUPADU DEVELOPMENT SDN BHD
Purchaser	GOLDEN RESOURCES GROUP SDN BHD	MH UNIQUE SDN BHD	TAIPAN ORACLE SDN BHD	SINCERE SPLENDOUR SDN BHD
Consideration	RM21,653,500/-	RM3,678,936/-	RM6,684,282/-	RM8,500,000/-
Analysis (over Land Area)	RM55 psf	RM68 psf	RM55 psf	RM64 psf
Adjustments	Adjustments are made on location / accessibility, size, shape and plot ratio.			
Adjusted Land Value (RM per square foot)	RM52 /-	RM58 /-	RM52 /-	RM57 /-

We have adopted Lot No. PTD 106887 as our base lot.

The adjusted land values derived from the above comparables range from RM52 to RM58 per square foot. We have placed greater emphasis on Comparables 1 and 2 by reason of they are the latest transaction. The base value adopted for PTD 106887 is at RM55 per square foot.

Further adjustments are made on size/shape, planning approval and visibility to Lot PTD 106638 and PTD 106688. The adjusted values are derived at RM65 per square foot and RM50 per square foot, respectively.

The total market value derived from Comparison Approach is at RM37,500,000/-.

VALUE CONSIDERATION (Cont'd)

The values are then summated to arrive at the market value of the subject property as shown below :-

Valuation Approach	Market Value
Income Approach (Residual Method) Ongoing Development (Phase 1A, 1B, 2 ,3 & 4)	RM22,500,000/-
Comparison Approach Three (3) Parcels of Vacant Commercial Land under Phase 4	RM37,500,000/-
Total	**RM60,000,000/-**

VALUATION

Taking into consideration the above factors, we therefore assess the total market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to sell, charge, lease, transfer and free from all encumbrances at **RM60,000,000/- (Ringgit Malaysia: Sixty Million Only).**

12. Lot 2086, Mukim of Kluang, District of Kluang, Johor (Our Ref : WTW/04/V/011654/22/GXZ)

PROPERTY IDENTIFICATION

The Property	:	A parcel of development land with residential potential
Location	:	Along Jalan Batu Pahat, 86000 Kluang, Johor
Title No.	:	GRN 88851
Lot No.	:	Lot 2086, Mukim of Kluang, District of Kluang, State of Johor
Titled Land Area	:	30.5284 hectares (approximately 75.4375 acres)
Land Area Under Valuation	:	29.3686 hectares (approximately 72.571 acres)
Tenure	:	Freehold / Term in Perpetuity
Registered Owner	:	HEKTAR BERLIAN SDN BHD
Category of Land Use	:	Nil
Express Condition	:	Nil
Restriction in Interest	:	Nil
Encumbrances	:	Charged to PUBLIC ISLAMIC BANK BERHAD

GENERAL DESCRIPTION

The subject property is near rectangular in shape, generally flat in terrain and lies at about level with the neighbouring lots. The boundaries of the subject property were generally not demarcated by any form of fencing.

The north-western portion of the subject site was generally overgrown with wild trees and thick bushes whilst the western portion of the subject site was used as temporary construction workers' quarters. The south-eastern portion was granted to a licensee for agricultural activities purposes. It was planted with banana trees.

PLANNING PROVISION

The subject land is not designated for any specific use as per the Express Condition in the document of title.

In accordance with the Draft Kluang Local Plan 2030 (Replacement), the subject property is proposed for residential development use.

METHOD OF VALUATION

We have adopted the Comparison Approach as the only method of valuation considering the subject property is a parcel of development land without detailed planning approval. Furthermore, there are adequate sale comparables in the vicinity of the subject property which can be relied upon.

VALUE CONSIDERATION

The transactions of similar development land within the locality are as follows: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation and Property Services Department (JPPH)			
Location	Off Jalan Tongkang Pechah, close to Taman Putera Indah, Batu Pahat, Johor	Off Jalan Tanjung Laboh, next to Taman Evergreen Height, Batu Pahat, Johor	Off Kluang – Ayer Hitam main road, Kluang, Johor	Along Jalan Kota Tinggi, next to Bandar Seri Impian, Kluang, Johor
Title No.	GM 4007, 4037, 4082, 2958, 1268, 4016, 4038, 4072 & 1274	Geran 32244 to 32246	HS(D) 74618	HS(D) 63030
Lot No.	Lot Nos. 2342 to 2344, 2346 to 2350 & 2352	Lot Nos. 83, 610 & 612	PTD 89810	PTD 76901
Mukim	Linau	Simpang Kanan	Kluang	
District	Batu Pahat		Kluang	
State	Johor			
Property Type	Development land with potential for residential development use			
Land Area	122,463 square metres (approx. 1,318,180 square feet / 30.261 acres)	315,476 square metres (approx. 3,395,751 square feet / 77.956 acres)	451,300 square metres (approx. 4,857,748 square feet / 111.519 acres)	331,090 square metres (approx. 3,563,820 square feet / 81.814 acres)
Tenure	Freehold / Term In Perpetuity			
Date	06/01/2022	21/11/2018	03/05/2018	08/05/2017
Vendor	MULTIPLE VENDORS	FOBIN KEMAJUAN SDN BHD	SETEGAP SELASIH SDN BHD	KOPERASI KEMAJUAN TANAH NEGERI JOHOR BERHAD
Purchaser	PUNCA REPUTASI SDN BHD	PARKLAND GLOBAL SDN BHD	PARKLAND GLOBAL SDN BHD	TRANSGROW LAND SDN BHD
Consideration	RM13,182,347/-	RM20,374,645/-	RM37,916,120/-	RM22,454,052/-
Analysis (RM per square foot)	RM10.00 /-	RM6.00 /-	RM7.81 /-	RM6.30 /-
Adjustments	Adjustments have been made on Time / Market Condition, Location / Accessibility & Size			
Adjusted Value (RM per square foot)	RM7.88 /-	RM5.94 /-	RM8.16 /-	RM7.25 /-

From the above analysis, the adjusted values range from RM5.94 per square foot to RM8.16 per square foot. Having regard to the foregoing, we have placed greater emphasis on Comparable Nos. 1 and 4 as they are among the latest transactions and similar size with the subject property, respectively.

We have adopted a rounded figure of RM7.50 per square foot for the land in our valuation. Hence, the market value for the subject property is derived at RM23,709,073/-, say RM23,500,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property free from all encumbrances at **RM23,500,000/- (Ringgit Malaysia : Twenty Three Million And Five Hundred Thousand Only).**

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

13. Lot Nos. 96803, 96804, 96808, 96810, 121217, 121218 & 121220, Mukim of Plentong, District of Johor Bahru, Johor
(Our Ref : WTW/04/V/013790/24/LTY)

PROPERTY IDENTIFICATION

The Property	:	Seven (7) parcels of agricultural land with residential potential
Location	:	Within Taman Nusa Damai, 81700 Pasir Gudang, Johor
Title Nos./ Lot Nos. & Land Area	:	

Title No.	Lot No.	Land Area (hectare)	Acquired Area (hectare)	Land Area Under Valuation (hectare)
GRN 293593	Lot 96803	9.0240	-	9.0240
GRN 293632	Lot 96804	5.0620	-	5.0620
GRN 293304	Lot 96808	2.0980	-	2.0980
GRN 293306	Lot 96810	7.0630	-	7.0630
GRN 293635	Lot 121217	17.7700	-	17.7700
GRN 293424	Lot 121218	1.6576	0.1661	1.4915
GRN 293428	Lot 121220	33.5400	0.2230	33.3170
Total		**76.2146 hectares (approximately 188.330 acres)**	**0.3891 hectares (approximately 0.961 acres)**	**75.8255 hectares (approximately 187.369 acres)**

All within Mukim of Plentong, District of Johor Bahru, Johor

Tenure	:	Freehold / Term in Perpetuity
Registered Owner	:	TAMAN BANDAR BARU MASAI SDN BHD*Note
Category of Land Use	:	Agriculture
Express Condition	:	Nil
Restriction in Interest	:	Tanah yang terkandung di dalam hakmilik ini tidak boleh dijual atau dipindahmilik dengan apa cara sekalipun kepada Bukan Warganegara/syarikat Asing tanpa persetujuan Penguasa Negeri.
Encumbrances	:	Charged to AMANAHRAYA DEVELOPMENT SDN BHD

***Note**
Vide the Sale and Purchase Agreement dated 18 April 2024, TAMAN BANDAR BARU MASAI SDN BHD ("the Vendor") had agreed to sell and EKUITI IDAMAN SDN BHD ("the Purchaser") had agreed to purchase the subject property subject to term and conditions stipulated therein. EKUITI IDAMAN SDN BHD is a wholly-owned subsidiary of Sri Pengkalan Binaan Sdn Bhd, which in turn is a subsidiary of SPB Development Berhad.

GENERAL DESCRIPTION

Lot No. 121220 is sited off Jalan Kedidi 31 whilst the remaining lots are sited at the rear of the former lot. Lot Nos. 96810 and 96808 adjoins the eastern boundary of Lot 2237. Lot Nos. 121217, 96804 and 96803 border the western boundary of Taman Scientex. Meanwhile the eastern and southern boundaries of Lot No. 121218 are adjacent to Lot No. 121217 and Lot No. 96810 respectively.

The subject sites are fairly regular in shape and the lands are generally flat to hilly in terrain. We also noticed that there is a huge rock formation of approximately 7.0496 hectares (approximately 17.42 acres) located within Lot No. 121220.

The subject sites were generally covered by bushes and overgrown with wild trees. We also noted that there is a small narrow pond upon Lot 121217 and a small pond upon Lot 96803. The site boundaries are basically not demarcated by any form of fencing.

PLANNING PROVISION

The subject properties are designated for agricultural use as per the Category of Land Use in the documents of title.

Initially, the subject properties are part and parcel of the approved mixed development of Taman Nusa Damai which are including Lot Nos. 95838, 96141, 96790, 96792, 96793, 96805, 96806, 96808 to 96812 (inclusive), 121213 to 121220 (inclusive) and part of Lots 96791, 96802, 96803 and 96804 ("Lands") which was approved on 3 April 2008. Over the years, there are mixed development constructed upon the lands via the above approval known as Taman Nusa Damai. Subsequently, a revised planning approval dated 20 June 2016 involved Lots 95832, 95833, 95838, 96790 and part of Lots 96802, 121217 and 121220 had been granted. Based on the Gazetted Pasir Gudang Local Plan 2030, the subject property is proposed for mixed housing development use. This is in line with the Revised Planning Approval granted.

We were given understand by the client that they have no intention to adopt the above planning approvals and they will amend and re-design the whole development concept of the lands.

METHOD OF VALUATION

We have adopted the Comparison Approach as the only method of valuation since the client have no intention to adopt the planning approvals given and they will amend and re-design the whole development concept of the lands. Furthermore, there are adequate sale comparables in the vicinity of the subject property which can be relied upon.

VALUE CONSIDERATION

The transactions of similar development land within the locality are as follows: -

Details	Comparable 1	Comparable 2	Comparable 3
Source	Bursa Malaysia Company Announcement		Valuation and Property Service Department (JPPH)
Location	Off Jalan Lima Kedai – Gelang Patah, Gelang Patah, Johor	Off Jalan Lima Kedai – Gelang Patah, Gelang Patah, Johor	Off Jalan Indah Gemilang, Ulu Tiram, Johor
Lot No.	Lot Nos. 192 – 197 & Lot Nos. 216 - 221	Lot Nos. 168 – 173, Lot No. 175 & Lot Nos. 177 - 179	Lot No. 2699
Mukim	Pulai		Plentong
District	Johor Bahru		
State	Johor		
Property Type	Development land zoned for mixed residential development use	Development land zoned for mixed residential development use	Agricultural land potentially for industrial development
Land Area	406,305 square metres (approx. 100.400 acres / 40.631 hectares)	306,540 square metres (approx. 75.748 acres / 30.654 hectares)	422,900 square metres (approx. 104.500 acres / 42.290 hectares)
Tenure	Freehold / Term In Perpetuity		
Date	05/04/2024	13/06/2023	09/11/2022
Vendor	AMANAH RAYA BERHAD (AS THE ADMINISTRATOR FOR THE ESTATE OF ALMARHUMAH TUNKU ZANARIAH AHMAD)	AMANAH RAYA BERHAD (AS THE ADMINISTRATOR FOR THE ESTATE OF ALMARHUMAH TUNKU ZANARIAH AHMAD) & MUTIARA KIARA PROPERTIES SDN BHD	TAN TENG CHIU WASI TAN BENG HOE +1
Purchaser	VENICE VIEW DEVELOPMENT SDN BHD	VENICE VIEW DEVELOPMENT SDN BHD	PARAGON BUSINESS HUB SDN BHD
Consideration	RM103,746,850/-	RM76,094,270/-	RM71,500,000/-
Analysis (RM per square foot)	RM24 /-	RM23 /-	RM16 /-
Adjustments	Adjustments have been made on Time / Market Condition, Location, Size & Zoning		
Adjusted Value (RM per square foot)	RM18 /-	RM17 /-	RM17 /-

From the above analysis, the adjusted values range from RM17 per square foot to RM18 per square foot. Having regard to the foregoing, we have selected the average adjusted value of Comparable Nos. 1 and 3 as they are among the latest transactions and similar size with the subject property.

We have adopted the land value at RM17.50 per square foot for the normal land in our valuation. For the huge rock formation area, we have adopted 25% of the adopted value of RM17.50 per square foot for this area as this land can be used as green area in fulfilling the green area requirement. Hence, the adjusted value for rock formation area is derived at RM4.50 per square foot.

Based on the above, the market value of the subject property is derived at RM132,966,564/-, say RM133,000,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property free from all encumbrances at **RM133,000,000/- (Ringgit Malaysia : One Hundred And Thirty Three Million Only).**

14. Lot Nos. 96785, 96802, 96805, 96811, 121216, PTD 149718, PTD 235731, PTD 235734, PTD 235735, PTD 235737, PTD 235739 & PTD 235741, Mukim of Plentong, District of Johor Bahru, State of Johor (Our Ref : WTW/04/V/013791/24/LTY)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS(S)**:-

LOT NO. PTD 235731 HAS A FREEHOLD TENURE/TERM IN PERPETUITY.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCULDING THE MARKET VALUE) IF ANY OF THE ABOVE BASES IS INVALID/INCORRECT.

Based on the letter from the Registry of Land and Mines, Kota Iskandar, Iskandar Puteri bearing the reference no. (20) dlm.PTG(D)15/3/2024(S.380KTN)-JILID 23 dated 13 August 2024, the typographically errors on the tenure on the Private Title Search had been rectified and Lot PTD 235731 is held under freehold tenure.

PROPERTY IDENTIFICATION

The property : Six (6) parcels of agricultural land with residential potential, two (2) parcels of commercial land and four (4) parcels of residential land designated for low-cost and affordable housing

Address : All within Taman Nusa Damai, 81700 Pasir Gudang, Johor

Title Nos., Lot Nos. & Land Area :

Title No.	Lot No.	Land Area (hectare)	Category of Land Use
GRN 293552	Lot 96785	1.4766	Agriculture
GRN 293414	Lot 96802	23.5200	Agriculture
GRN 293418	Lot 96805	10.4500	Agriculture
GRN 293308	Lot 96811	2.9260	Agriculture
GRN 293309	Lot 121216	13.6400	Agriculture
HSD 310462	PTD 149718	0.8498	Agriculture
HSD 584340	PTD 235731	9.7800	Building
HSD 584341	PTD 235734	2.9500	Building
HSD 584342	PTD 235735	2.6000	Building
HSD 584343	PTD 235737	1.2900	Building
HSD 584344	PTD 235739	3.7100	Building
HSD 584345	PTD 235741	3.3800	Building
Total		**76.5724 hectares (or 189.214 acres)**	

All within Mukim of Plentong, District of Johor Bahru, Johor

Tenure : Freehold/ Term in Perpetuity

Registered Owner[*Note] : Lot 96785, Lot 96802, Lot 96805, Lot 96811, Lot 121216 & PTD 149718
BANDAR BARU MASAI SDN BHD

PTD 235731, PTD 235734, PTD 235735, PTD 235737, PTD 235739 & PTD 235741
TAMAN BANDAR BARU MASAI SDN BHD

Encumbrances : Nil

***Note**

Vide a Joint Venture Agreement dated 18 April 2024 ("JVA"), MALAYSIA PACIFIC CORPORATION BERHAD ("MP Corp"), ORIENTAL PEARL CITY PROPERTIES SDN BHD ("OPCP"), LAKEHILL RESORT DEVELOPMENT SDN BHD ("Lakehill"), TAMAN BANDAR BARU MASAI SDN BHD ("TBBM"), MP Corp, OPCP, Lakehill and TBBM are collectively referred to as "MP Corp Group", had entered into a JVA with EKUITI IDAMAN SDN. BHD. ("EISB"), a wholly-owned subsidiary of Sri Pengkalan Binaan Sdn Bhd, which in turn is a subsidiary of SPB Development Berhad.

GENERAL DESCRIPTION

Lot No. PTD 235731 is situated opposite the SMK Taman Nusa Damai on the other side of Jalan Damai Utama while Lot No. 96785 is located along Jalan Sejahtera 23, just adjoining SMK Taman Nusa Damai at its rear. The eastern boundary of Lot PTD 235741 adjoins Persiaran Scientex and its western boundary boarders Lot No. PTD 235739. Adjacent to the western boundary of Lot No. PTD 235739 is Lot No. PTD 235737, followed by Lot Nos. PTD 235735 and PTD 235734.

To the north of the above mentioned lots are Lot Nos. 96802, 96805 and PTD 149718. Lot Nos 96805 and PTD 149718 are facing Persiaran Seri Alam whereas Lot No. 96802 is facing Persiaran Damai. The eastern and northern boundaries of Lot No. 96802 each adjoin the boundaries of Taman Scientex and Lot No. 96803. To its west lies Lot No. 96805, followed by Lot No. PTD 149718.

The subject sites are fairly regular in shape and the lands are generally flat in terrain. It was generally covered by bushes and overgrown with wild trees. Based on the Approved Pre-Computation Plan dated 29 May 2017, we noted that there is a lake with a total area of approximately 12.03 acres located within Lot 96811 and Lot 121216 which has been designated for the usage of "Taman Rekreasi". The site boundaries are basically not demarcated by any form of fencing.

PLANNING PROVISION

Lots 96785, 96802, 96805, 96811, 121216 and PTD 149718 are designated for agricultural use as per the Category of Land Use in the documents of title while Lots PTD 235739 and PTD 235741 are designated for commercial use as per the Category of Land Use in the documents of title. Lots PTD 235731, PTD 235734, PTD 235735 and PTD 235737 are designated for low-cost and affordable housing use as per the Category of Land Use in the documents of title

Initially, the subject properties are part and parcel of the approved mixed development of Taman Nusa Damai which includes Lot Nos. 95838, 96141, 96790, 96792, 96793, 96805, 96806, 96808 to 96812 (inclusive), 121213 to 121220 (inclusive) and part of Lots 96791, 96802, 96803 and 96804 ("Lands") which was approved on 3 April 2008. Over the years, there are mixed development constructed upon the lands via the above approval known as Taman Nusa Damai. Subsequently, a revised planning approval dated 20 June 2016 involved Lots 95832, 95833, 95838, 96790 and part of Lots 96802, 121217 and 121220 had been granted.

Based on the Gazetted Pasir Gudang Local Plan 2030, the subject property is proposed for mixed housing development use. This is in line with the Revised Planning Approval granted

We were given understand by the client that they have no intention to adopt the above planning approvals and they will amend and re-design the whole development concept of the lands.

Lot Nos. PTD 235731, PTD 235734, PTD 235735 and PTD 235737 are designated for affordable and low-cost housing as stated in the respective individual titles. Following the Johor state policy and planning requirement, it is the developer's responsibility to provide affordable components. Therefore, since the respective individual titles had been endorsed for affordable and low-cost housing, we are valued the above four (4) lands in accordance with the express conditions in the documents of title as well as the Planning Approval.

METHOD OF VALUATION

In arriving at the market value of the subject property, we have adopted the Comparison Approach and the Income Approach (Residual Method).

Except for the lands designated for affordable and low-cost housing use, we have adopted the Comparison Approach since the client have no intention to adopt the planning approvals given and they will amend and re-design the whole development concept of the lands. Furthermore, there are adequate sale comparables in the vicinity of the subject property which can be relied upon.

In valuing the lands designated for affordable and low-cost housing components, viz. PTD 235731, PTD 235734, PTD 235735 and PTD 235727, the primary method is Income Approach (Residual Method) as there is a dearth of recent and similar land transactions. Besides, these developments are the responsibility of the developer to provide affordable housing under the relevant state policy and planning requirement.

VALUE CONSIDERATION

Comparison Approach

In arriving at the market value of the agricultural lands with development potential, viz. Lots 96785, 96802, 96805, 96811, 121216 and PTD 149718, we have adopted the Comparison Approach considering the client have no intention to adopt the planning approvals given and they will amend and re-design the whole development concept of the lands .

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

Details	Comparable 1	Comparable 2	Comparable 3
Source	Bursa Malaysia Company Announcement		Valuation and Property Service Department (JPPH)
Location	Off Jalan Lima Kedai – Gelang Patah, Gelang Patah, Johor	Off Jalan Lima Kedai – Gelang Patah, Gelang Patah, Johor	Off Jalan Indah Gemilang, Ulu Tiram, Johor
Lot No.	Lot Nos. 192 – 197 & Lot Nos. 216 - 221	Lot Nos. 168 – 173, Lot No. 175 & Lot Nos. 177 - 179	Lot No. 2699
Mukim	Pulai		Plentong
District	Johor Bahru		
State	Johor		
Property Type	Development land zoned for mixed residential development use	Development land zoned for mixed residential development use	Agricultural land potentially for industrial development
Land Area	406,305 square metres (approx. 100.400 acres / 40.631 hectares)	306,540 square metres (approx. 75.748 acres / 30.654 hectares)	422,900 square metres (approx. 104.500 acres / 42.290 hectares)
Tenure	Freehold / Term In Perpetuity		
Date	05/04/2024	13/06/2023	09/11/2022
Vendor	AMANAH RAYA BERHAD (AS THE ADMINISTRATOR FOR THE ESTATE OF ALMARHUMAH TUNKU ZANARIAH AHMAD)	AMANAH RAYA BERHAD (AS THE ADMINISTRATOR FOR THE ESTATE OF ALMARHUMAH TUNKU ZANARIAH AHMAD) & MUTIARA KIARA PROPERTIES SDN BHD	TAN TENG CHIU WASI TAN BENG HOE +1
Purchaser	VENICE VIEW DEVELOPMENT SDN BHD	VENICE VIEW DEVELOPMENT SDN BHD	PARAGON BUSINESS HUB SDN BHD
Consideration	RM103,746,850/-	RM76,094,270/-	RM71,500,000/-
Analysis (RM per square foot)	RM24 /-	RM23 /-	RM16 /-
Adjustments	Adjustments have been made on Time / Market Condition, Location, Size, Planning Approval, Title Conversion, Zoning & Others		
Adjusted Value (RM per square foot)	RM23 /-	RM22 /-	RM21 /-

From the above analysis, the adjusted values range from RM21 per square foot to RM23 per square foot. Having regard to the foregoing, we have selected the average adjusted value of Comparable Nos. 1 and 3 as they are among the latest transactions and similar size with the subject property.

We have adopted the land value at RM22 per square foot for the land in our valuation.

The market value derived from Comparison Approach is at RM125,000,000/-.

VALUE CONSIDERATION (Cont'd)

Comparison Approach (Cont'd)

In arriving at the market value of the commercial lands, viz. Lots PTD 235739 and PTD 235741, we have adopted the Comparison Approach considering the client have no intention to adopt the planning approvals given and they will amend and re-design the whole development concept of the lands .

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

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Service Department (JPPH)		
Location	Along Persiaran Cemerlang, Taman Perindustrian Cemerlang	Along Jalan Masjid, Pusat Perdagangan Pasir Gudang	Off Jalan ceria, Taman Nusa Indah
Lot No.	Lot No. PTD 210920	Lot No. PTD 204275	Lot No. 168660
Mukim	Plentong		Pulai
District	Johor Bahru		
State	Johor		
Property Type	Commercial land		
Land Area	10,952.646 square metres (approx. 2.706 acres)	7,320 square metres (approx. 1.809 acres)	34,300 square metres (approx. 8.476 acres)
Tenure	Freehold / Term In Perpetuity	Leasehold 99 years expiring on 20 September 2084	Freehold / Term In Perpetuity
Date	17/11/2023	14/08/2023	14/06/2022
Vendor	CRESCENDO PROPERTIES SDN BHD	SUN ROCK DEVELOPMENT SDN BHD	NUSAJAYA GREENS SDN BHD
Purchaser	JVC ASRAMA SDN BHD	SAKSAMA OTOMOBIL SDN BHD	KIRANA TIARA SDN BHD
Consideration	RM10,000,000/-	RM4,727,480/-	RM26,595,994/-
Analysis (RM per square foot)	RM85 /-	RM60 /-	RM72 /-
Adjustments	Adjustments have been made on Time / Market Condition, Location, Accessibility, Size,& Tenure		
Adjusted Value (RM per square foot)	RM51 /-	RM51 /-	RM49 /-

From the above analysis, the adjusted values range from RM49 per square foot to RM51 per square foot. Having regard to the foregoing, we have selected the average adjusted value of Comparable Nos. 1 and 3 as they are among the latest transactions.

We have adopted the land value at RM50 per square foot for the land in our valuation.

The market value derived from Comparison Approach is at RM38,000,000/-.

Income Approach (Residual Method)

In arriving at the market value of the lands designated for affordable and low-cost housing development, i.e PTD 235731, PTD 235734, PTD 235735 and PTD 235727, we have adopted Income Approach (Residual Method).

Summary of Parameters

Gross Development Value (GDV)	:	RM305,650,000/- (Note 1)
Gross Development Value (GDC)	:	RM302,271,993.87/- (Note 2)
Developer's profit	:	5% of GDV for Perumahan Komuniti Johor ("PKJ") A & B 10% of GDV for Rumah Mampu Milik Johor ("RMMJ")
Development period	:	5 years
Discount Rate	:	8.0% per annum

VALUE CONSIDERATION (Cont'd)

Income Approach (Residual Method) (Cont'd)

Note 1 :

There is a total of 2,613 units of low-cost and affordable components within the subject property. Details of the GDV are shown as follows :-

Type	Lot No.	No. of Unit	Adopted Selling Price (RM per unit)	Justification
Perumahan Komuniti Johor (PKJ) A	PTD 235734	510	RM42,000/-	Based on the selling price stated in the revised planning approvcal issued by Majlis Perbandaran Pasir Gudang (now known as Majlis Bandaraya Pasir Gudang) dated 20 June 2016. For Rumah Mampu Milik Johor (RMMJ), we have adopted RM150,000/- which is within the approved selling price.
Perumahan Komuniti Johor (PKJ) B	PTD 235735	446	RM80,000/-	
Rumah Mampu Milik Johor (RMMJ) RM120,000 – RM150,000	PTD 235731 & PTD 235737	1,657	RM150,000/-	

Note 2 :
The GDC are based on the following main parameters: -

Item	Amount Adopted	Remarks
Earthwork	RM200,000 per acre	The site had been cleared and ready for development, hence, the cost adopted is considered in line with the industry standard.
Building Cost - PKJ A - PKJ B - RMMJ	 RM60 psf RM65 psf RM75 psf	Based on the JUBM & Arcadis Construction Cost Handbook Malaysia 2023 as well as our investigation. The cost adopted is in line with the industry standard.
Infrastructure - PKJ A - PKJ B - RMMJ	 RM7,000 per unit RM7,500 per unit RM10,000 per unit	The cost is estimated based on our survey and enquiries with developers. The cost adopted is in line with the industry standard.
Finance Cost	8.0%	The finance cost of 8.0% per annum is based on our enquiries with financial institutions, i.e. Base Lending Rate (BLR) of 6.65% to 6.89% per annum plus security margin of 1.0% to 2.5% per annum. The rate adopted is in line with the industry standard.

VALUE CONSIDERATION (Cont'd)

Income Approach (Residual Method) (Cont'd)

Note 2 (Cont'd)**:**

Item	Amount Adopted	Remarks
Professional Fees	6%	The rate adopted is line with the industry standard.
Developer's Profit & Risk - PKJ A & B - RMMJ	 5.0% 10%	Like any other enterprises, a developer undertaking a development will seek to make profit. The target levels of profit will depend on the nature of the development and allied risks, market condition, size, development mix, competition for development schemes in the market and period of development. However, these developments are the responsibility of the developer to provide affordable housing under the relevant state policy and planning requirement. Hence, we have adopted a developer's profit & risk of 5.0% for low-cost housing components and 10% for affordable housing components to acknowledge the inherent risk and challenges that developer may face throughout the project. .

Based on the above parameters adopted in the Income Approach (Residual Method), the market value is derived at RM2,000,000/-.

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VALUE CONSIDERATION (Cont'd)

The values are then summated to arrive at the market value of the subject property as shown below :-

Valuation Approach	Market Value
Comparison Approach - Six (6) Parcels of Vacant Agricultural Land with Residential Potential	RM125,000,000/-
- Two (2) Parcels of Vacant Commercial Land	RM38,000,000/-
Income Approach (Residual Method) Low-Cost and Affordable Housing Components	RM2,000,000/-
Total	**RM165,000,000/-**

VALUATION

Taking into consideration the above factors, we therefore assess the total market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to sell, charge, lease, transfer and free from all encumbrances at **RM165,000,000/- (Ringgit Malaysia: One Hundred and Sixty Five Million Only)**.

15. An ongoing mixed development known as "Taman Nuri 4"
(Our Ref : WTW/01/V/002584C/22/THP)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS:-**

I. The subject property comprises:-

Phase	Lot Nos.	Property
Phase 4A	PT 16327 to PT 16351 (Inclusive)	An ongoing mixed development
Phase 4B	PT 10806	A parcel of vacant residential land
Phase 4C	PT 10805	A parcel of vacant educational land approved for residential development

II. The valuation is based on the Planning Permission and Approved Building Plans provided to us by the client; and

III. We have considered the sale status report dated 31 March 2024 as provided to us by the client.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCULDING THE MARKET VALUE) IF ANY OF THE ABOVE BASIS IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property : An ongoing mixed development known as "Taman Nuri 4" comprises the following:-

Phase	Lot Nos.	Property
Phase 4A	PT 16327 TO PT 16351 (Inclusive)	An ongoing mixed development
Phase 4B	PT 10806	A parcel of vacant residential land
Phase 4C	PT 10805	A parcel of vacant educational land approved for residential development

Location : Along Jalan Alor Gajah Lama, Taman Nuri, 76100 Durian Tunggal, Melaka

Title Nos. /Lot Nos. :

Phase	Title Nos.	Lot Nos.
Phase 4A	HSD 34295 to HSD 34319 (Inclusive)	PT 16327 to PT 16351 (Inclusive)
Phase 4B	HSD 24927	PT 10806
Phase 4C	HSD 24926	PT 10805

All within Mukim of Durian Tunggal, District of Alor Gajah, Melaka

PROPERTY IDENTIFICATION (Cont'd)

Tenure : Term in perpetuity

Land Area :

Phase	Lot Nos.	Land Area
Phase 4A	PT 16327 to PT 16351	10,876 square metres*Note (Approximately 117,068 square feet/ 2.688 acres)
Phase 4B	PT 10806	18,508 square metres (Approximately 199,218 square feet/ 4.573 acres)
Phase 4C	PT 10805	20,356 square metres (Approximately 219,110 square feet/ 5.030 acres)

*Note: Total net land area of sub-divided lots

Registered Owner : MODAL CERGAS LESTARI SDN. BHD.

Encumbrances : Nil

GENERAL DESCRIPTION

Brief details of the subject property are as follows:-

Phase	Lot Nos.	Shape
Phase 4A	PT 16327 to PT 16351	Regular
Phase 4B	PT 10806	Irregular
Phase 4C	PT 10805	Almost Regular

The lands are generally flat in terrain and lies at the same level of frontage metalled road, Jalan Alor Gajah Lama. During our site inspection, we noted that the site clearance/earthwork of the subject property is working in progress. We also noted that there are site offices which are meant for the Taman Nuri development were erected on the subject property.

As at the date of valuation, Phase 4A is currently ongoing at a preliminary stage whilst other phases (Phase 4B & 4C) are yet to be launched as at the date of valuation. We were given to understand that the project (Phase 4A) is targeted to be completed by second quarter of 2027. Apart from the multi-purpose hall and retail units which have been sold, there is no other component/unit sold within Phase 4A as at the date of valuation.

The launched date and targeted completion date for the Phase 4A are as follows:-

Phases	Launched Date	Targeted Completion Date
Phase 1A & 1B	Q3 2022	Q4 2027
Phase 2	Q1 2025	Q1 2027
Phase 3	Q2 2025	Q2 2027

However, our valuation is based on vacant land basis and the value of the existing buildings/structures erected on the land have been excluded. As such, we have not ascribed any value to the aforesaid building/structure on site.

PLANNING PROVISION

Based on the gazetted Racangan Tempatan Daerah Alor Gajah 2020 Pengubahan, the subject property is zoned under residential use.

Phase 4A

Vide a Planning Approval issued by Majlis Perbandaran Alor Gajah (MPAG) dated 21 July 2021, the subject property (Phase 4A) has been granted with planning permission to develop a mixed development which comprises 16 units of double storey semi-detached house, 1 unit of double storey detached house, a private multipurpose hall together with 4 retail space and 6 units of double storey shop/office subject to the terms and conditions stipulated therein.

Subsequently, vide the building plan approval letters issued by MPAG dated 21 December 2021, 3 February 2023 and 15 June 2023, the application for building plans for Phase 4A has been approved.

Phase 4B

Vide a Planning Approval issued by Majlis Perbandaran Alor Gajah (MPAG) dated 30 November 2021, the subject property (Phase 4B) has been granted with planning permission to develop a residential development which comprises 31 units of double storey cluster house, 4 units of double storey cluster semi-detached house and 2 units of double storey detached house subject to the terms and conditions stipulated therein. Vide the letters issued by MPAG dated 21 November 2022 and 30 November 2023, the Planning Approval has been extended.

Subsequently, vide the building plan approval letter issued by MPAG dated 20 March 2024, the application for building plans for Phase 4B has been approved.

Phase 4C

Vide a Planning Approval issued by Majlis Perbandaran Alor Gajah (MPAG) dated 17 August 2022, the subject property (Phase 4C) has been granted with planning permission to develop a residential development which comprises 44 units of double storey cluster house, 4 units of double storey cluster semi-detached house and 1 unit of double storey detached house subject to the terms and conditions stipulated therein. Vide the letter issued by MPAG dated 29 August 2023, the Planning Approval has been extended.

METHOD OF VALUATION

In arriving at the market value of Phase 4A, we have adopted the Income Approach (Residual Method) as the only method of valuation as the subject property is an ongoing development.

The market value of Phase 4B & Phase 4C is arrived at principally by the Comparison Approach. We have also carried out a check valuation using the Income Approach (Residual Method).

VALUE CONSIDERATION

Phase 4A

Income Approach (Residual Method)

In arriving at the market value of the subject property, we have adopted the Income Approach (Residual Method).

Summary of Parameters

Gross Development Value (GDV)	RM15,983,400.00/- (Note 1)
Gross Development Cost (GDC)	RM11,820,683.57/- (Note 2)
Developer's Profit	20% of GDV
Development Period	2.5 years
Discount Rate	8.0% per annum

Note 1 :
The total GDV is tabulated as follows: -

Component	No. of Unit	Gross Selling Price (before Bumi Discount)	Bumi Discount	Net Selling Price (after Bumi Discount)	Amount Billed as at 31 March 2024	Balance
Double Storey Semi-Detached House	16	RM8,800,000.00	RM528,000.00	RM8,272,000.00	-	RM8,272,000.00
Double Storey Detached House	1	RM710,000.00	RM42,600.00	RM667,400.00	-	RM667,400.00
Double Storey Shop/Office	6	RM5,100,000.00	RM306,000.00	RM4,794,000.00	-	RM4,794,000.00
Multi-purpose Hall and Retail Units*Note	1	RM2,500,000.00	RM0	RM2,500,000.00	RM250,000.00	RM2,250,000.00
Total	**24**	**RM17,110,000.00**	**RM876,600.00**	**RM16,233,400.00**	**RM250,000.00**	**RM15,983,400.00**

*Note: Based on the Sale and Purchase Agreement dated 5 August 2022 and the Sales Status and Amount Billed as at 31 March 2024.

The GDV is derived based on the following justifications :-

Components	No. of Unit	Proposed Selling Price per Unit	Justification
Double Storey Semi-Detached House	16	RM550,000.00	For open market development components, we have made reference to the concluded selling prices of the sold units within the subject scheme, transacted prices of similar properties and the developers' selling prices of other upcoming projects in and around the vicinity.
Double Storey Detached House	1	RM710,000.00	
Double Storey Shop/Office	6	RM850,000.00	
Multi-purpose Hall and Retail Units	1	RM2,500,000.00	Based on the Sale and Purchase Agreement dated 5 August 2022 and the Sales Status and Amount Billed as at 31 March 2024

Based on the letter issued by Pejabat Tanah dan Galian, Melaka dated 30 August 2022, the Malay (and/or Bumiputera) allocation are as follows:-
i) Residential Lots – 60%; and
ii) Commercial Lots – 40%

A 10% Bumi discount has been applied to all Malay (and/or Bumiputera) lots taking into consideration the general policy adopted by Majlis Perbandaran Alor Gajah (MPAG).

We are of the opinion that the GDV adopted is fair representation and in line with the market condition.

VALUE CONSIDERATION (Cont'd)

Phase 4A (Cont'd)

Note 2 :
The total GDC are based on the following main parameters:-

Item	Estimated Cost		Remarks
Building Construction Cost	Semi-Detached House	RM90 psf	Based on the JUBM & Arcadis Construction Cost Handbook Malaysia 2023 as well as our investigation. The cost adopted is in line with the industry standard.
	Detached House	RM120 psf	
	Shop/Office	RM80 psf	
	Retail Space	RM70 psf	
	Multi-purpose Hall	RM100 psf	
Infrastructure Works	Semi-Detached House	RM15,000 per unit	The cost is estimated based on our survey and enquiries with developers. The cost adopted is in line with the industry standard.
	Detached House	RM20,000 per unit	
	Shop/Office	RM15,000 per unit	
	Retail Space	RM10,000 per unit	
	Multi-purpose Hall	RM20,000 per unit	
Finance Cost	8.00%		The finance cost of 8.0% per annum is based on our enquiries with financial institutions, i.e. Base Lending Rate (BLR) of 6.65% to 6.89% per annum plus security margin of 1.0% to 2.5% per annum. The rate adopted is in line with the industry standard.
Developer's Profit & Risk	20.0% of the GDV		Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. For the subject development, we have adopted 20.0% developer's profit in our valuation after taking into account the stage of construction and the sales status.

Based on the above parameters adopted in the Income Approach – (Residual Method), the market value of the Phase 4A is derived at RM3,434,241.05/- and rounded to RM3,400,000/-.

VALUE CONSIDERATION (Cont'd)

Phase 4B & 4C – Comparison Approach

We have adopted Phase 4B as our base lot.

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

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Location	Off Taman Nuri, Off Jalan Alor Gajah Lama	Along Jalan Durian Tunggal – Batu Berendam	Off Jalan Durian Tunggal
Title No.	Geran 5499	Geran Mukim 1729	Geran Mukim 692
Lot No.	Lot 953	Lot 63397	Lot 583
Mukim	Mukim Durian Tunggal		
District	Alor Gajah		
State	Melaka		
Land Area	45,199 square metres (approximately 486,518 square feet / 11.169 acres)	32,760 square metres (approximately 352,625 square feet / 8.095 acres)	26,680 square metres (approximately 287,181 square feet / 6.593 acres)
Tenure	Term in perpetuity (Freehold)		
Date	31/07/2019	27/01/2022	24/03/2021
Vendor	CHIN HUAN NGI	CHAN HOI CHAU +3	CHONG LAN MOI +1
Purchaser	SINMAH DEVELOPMENT SDN BHD	SKYWIZ GROUP SDN BHD	FAITHVIEW GROUP HOLDING SDN. BHD.
Consideration	RM7,297,825/-	RM6,783,207/-	RM2,872,239/-
Analysis (RM per square foot)	RM 15 /-	RM 19 /-	RM 10 /-
Adjustment	Adjustments are made on Location – General, Accessibility/Visbility, Size, Shape, Terrain, Category of Land Use and With/Without Planning Approval.		
Adjusted Value (RM per square foot)	RM 20/-	RM 25/-	RM 15/-

From the above analysis, the adjusted values range from RM15 per square foot to RM25 per square foot. Having regard to the foregoing, we have adopted the adjusted value of Comparable 1 since it is located nearest to the subject property. The base value for Phase 4B adopted is RM 20 per square foot.

Further adjustments are made on land area, land use/express condition, shape and accessibility /visibility to Phase 4C - PT 10805. Hence, the adjusted value adopted for Phase 4C - PT 10805 is at RM21 per square foot.

The market value derived from Comparison Approach are as follows

Lot	Market Value
Phase 4B - PT 10806	RM4,000,000/-
Phase 4C - PT 10805	RM4,600,000/-
Total	**RM8,600,000/-**

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VALUE CONSIDERATION (Cont'd)

Phase 4B & 4C – Income Approach (Residual Method)

In arriving at the market value of Phase 4B & 4C, we have adopted the Income Approach (Residual Method) as a check.

Income Approach (Residual Method) - Phase 4B

Summary of Parameters

Gross Development Value (GDV)	RM18,847,000.00/- (Note 1)
Gross Development Cost (GDC)	RM14,078,643.29/- (Note 2)
Developer's Profit	20% of GDV
Development Period	3.0 years
Discount Rate	8.0% per annum

Note 1 :
The total GDV is tabulated as follows: -

Component	No. of Unit	Gross Selling Price (before Bumi Discount)	Bumi Discount	Net Selling Price (after Bumi Discount)
Double Storey Cluster House (36' x 68')	12	RM6,360,000.00	RM381,600.00	RM5,978,400.00
Double Storey Cluster House (36' x 60')	19	RM10,070,000.00	RM604,200.00	RM9,465,800.00
Double Storey Cluster Semi-Detached House (36' x 70')	4	RM2,200,000.00	RM132,000.00	RM2,068,000.00
Double Storey Detached House (46' x 60')	2	RM1,420,000.00	RM85,200.00	RM1,334,800.00
Total	**37**	**RM20,050,000.00**	**RM1,203,000.00**	**RM18,847,000.00**

The GDV is derived based on the following justifications :-

Components	No. of Unit	Proposed Selling Price per Unit	Justification
Double Storey Cluster House (36' x 68')	12	RM530,000.00	For open market development components, we have made reference to the concluded selling prices of the sold units within the subject scheme, transacted prices of similar properties and the developers' selling prices of other upcoming projects in and around the vicinity.
Double Storey Cluster House (36' x 60')	19	RM530,000.00	
Double Storey Cluster Semi-Detached House (36' x 70')	4	RM550,000.00	
Double Storey Detached House (46' x 60')	2	RM710,000.00	

The subject scheme is subject to 60% Bumi quota and 10% Bumi discount taking into consideration the general policy adopted by Majlis Perbandaran Alor Gajah (MPAG).

We are of the opinion that the GDV adopted is fair representation and in line with the market condition.

VALUE CONSIDERATION (Cont'd)

Income Approach (Residual Method) - Phase 4B (Cont'd)

Note 2 :
The total GDC are based on the following main parameters:-

Item	Estimated Cost		Remarks
Building Construction Cost	Clustered House	RM85 psf	Based on the JUBM & Arcadis Construction Cost Handbook Malaysia 2023 as well as our investigation. The cost adopted is in line with the industry standard.
	Semi-Detached House	RM90 psf	
	Detached House	RM120 psf	
Infrastructure Works	Clustered House/ Semi-Detached House	RM15,000 per unit	The cost is estimated based on our survey and enquiries with developers. The cost adopted is in line with the industry standard.
	Detached House	RM20,000 per unit	
Finance Cost	8.00%		The finance cost of 8.0% per annum is based on our enquiries with financial institutions, i.e. Base Lending Rate (BLR) of 6.65% to 6.89% per annum plus security margin of 1.0% to 2.5% per annum. The rate adopted is in line with the industry standard.
Developer's Profit & Risk	20.0% of the GDV		Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. For the subject development, we have adopted 20.0% developer's profit in our valuation.

Based on the above parameters adopted in the Income Approach – (Residual Method), the market value of the Phase 4B is derived at RM3,785,121.56/- and rounded to RM3,800,000/-.

Income Approach (Residual Method) - Phase 4C

Summary of Parameters

Gross Development Value (GDV)	RM24,656,200.00/- (Note 1)
Gross Development Cost (GDC)	RM18,482,476.20/- (Note 2)
Developer's Profit	20% of GDV
Development Period	3.5 years
Discount Rate	8.0% per annum

VALUE CONSIDERATION (Cont'd)

Income Approach (Residual Method) - Phase 4C (Cont'd)

Note 1 :
The total GDV is tabulated as follows: -

Component	No. of Unit	Gross Selling Price (before Bumi Discount)	Bumi Discount	Net Selling Price (after Bumi Discount)
Double Storey Cluster House (36' x 60')	44	RM23,320,000.00	RM1,399,200.00	RM21,920,800.00
Double Storey Cluster Semi-Detached House (36' x 70')	4	RM2,200,000.00	RM132,000.00	RM2,068,000.00
Double Storey Detached House (46' x 60')	1	RM710,000.00	RM42,600.00	RM667,400.00
Total	**49**	**RM26,230,000.00**	**RM1,573,800.00**	**RM24,656,200.00**

The GDV is derived based on the following justifications :-

Components	No. of Unit	Proposed Selling Price per Unit	Justification
Double Storey Cluster House (36' x 60')	44	RM530,000.00	For open market development components, we have made reference to the concluded selling prices of the sold units within the subject scheme, transacted prices of similar properties and the developers' selling prices of other upcoming projects in and around the vicinity.
Double Storey Cluster Semi-Detached House (36' x 70')	4	RM550,000.00	
Double Storey Detached House (46' x 60')	1	RM710,000.00	

The subject scheme is subject to 60% Bumi quota and 10% Bumi discount taking into consideration the general policy adopted by Majlis Perbandaran Alor Gajah (MPAG).

We are of the opinion that the GDV adopted is fair representation and in line with the market condition.

Note 2 :
The total GDC are based on the following main parameters:-

Item	Estimated Cost		Remarks
Building Construction Cost	Clustered House	RM85 psf	Based on the JUBM & Arcadis Construction Cost Handbook Malaysia 2023 as well as our investigation. The cost adopted is in line with the industry standard.
	Semi-Detached House	RM90 psf	
	Detached House	RM120 psf	
Infrastructure Works	Clustered House/ Semi-Detached House	RM15,000 per unit	The cost is estimated based on our survey and enquiries with developers. The cost adopted is in line with the industry standard.
	Detached House	RM20,000 per unit	

VALUE CONSIDERATION (Cont'd)

Income Approach (Residual Method) - Phase 4C (Cont'd)

Item	Estimated Cost	Remarks
Finance Cost	8.00%	The finance cost of 8.0% per annum is based on our enquiries with financial institutions, i.e. Base Lending Rate (BLR) of 6.65% to 6.89% per annum plus security margin of 1.0% to 2.5% per annum. The rate adopted is in line with the industry standard.
Developer's Profit & Risk	20.0% of the GDV	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. For the subject development, we have adopted 20.0% developer's profit in our valuation.

Based on the above parameters adopted in the Income Approach – (Residual Method), the market value of the Phase 4C is derived at RM4,716,107.61/- and rounded to RM4,700,000/-.

RECONCILIATION OF VALUE

Phase 4A

The market value derived from Income Approach (Residual Method) is at RM3,400,000/-.

We have only adopted one (1) valuation approach, i.e Income Approach (Residual Method) in arriving at our valuation as the subject property (Phase 4A) is an ongoing development.

Phase 4B & 4C

The market value for the subject property derived from Comparison Approach and Income Approach (Residual Method) are shown as follows:-

Phase	Comparison Approach	Income Approach (Residual Method)
Phase 4B	RM4,000,000/-	RM3,800,000/-
Phase 4C	RM4,600,000/-	RM4,700,000/-

We have adopted the market value derived from Comparison Approach as a fair representation of the market value of the subject property as there are adequate and reliable transaction data within the immediate vicinity.

The summary of market value adopted are as follows:-

Phase	Market Value
Phase 4A	RM3,400,000/-
Phase 4B	RM4,000,000/-
Phase 4C	RM4,600,000/-
Total Market Value	**RM12,000,000/-**

VALUATION

Taking into consideration the above factors, we therefore assess the total market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to transfer, lease, charge and free from all encumbrances at **RM12,000,000/- (Ringgit Malaysia: Twelve Million Only).**

16. An ongoing residential development known as "Taman Nuri 3 – Phase 3B5" (Our Ref : WTW/01/V/002584J/22/THP)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS:-**

i) The subject property is an ongoing residential development comprises 77 units of Double Storey Terraced House;

ii) The valuation is based on the approved building plans prepared by NORAZAM BEN AHMAD ARCHITECT bearing reference no. MPAG 431/102/625 approved on 28 February 2023;

iii) The stage of completion of the building is based on the summary of completion works progress reports as provided to us by the client; and

iv) We have considered the sale status report dated 31 March 2024 as provided to us by the client.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCULDING THE MARKET VALUE) IF ANY OF THE ABOVE BASIS IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property	:	An ongoing residential development known as "Taman Nuri 3 – Phase 3B5" comprises 77 units of double storey terraced house
Location	:	Taman Nuri 3, 76100 Durian Tunggal, Melaka
Title No.	:	HSD 24464 to HSD 24540 (Inclusive)
Lot No.	:	Lot No. PT 10343 to PT 10419 (Inclusive), Mukim of Durian Tunggal, District of Alor Gajah, Melaka
Total Net Land Area	:	13,519 square metres (Approximately 146,517 square feet / 3.341 acres)
Tenure	:	Term in perpetuity (Freehold)
Registered Owner	:	MODAL CERGAS LESTARI SDN. BHD..
Category of Land Use	:	Building
Express Condition	:	For Residential House Only
Restriction in Interest	:	Kod A Tanah ini tidak boleh dipindahmilik atau dipajak kecuali dengan kebenaran Pihak Berkuasa Negeri. Sekatan kepentingan ini dikecualikan kepada orang Melayu.
Encumbrances	:	Nil

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Our Ref: WTW/01/V/002584/22/THP
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GENERAL DESCRIPTION

Site
The site is regular in shape and generally flat in terrain and lies at the same level of the existing frontage metalled roads. At the time of inspection, we noted that the subject site has been cleared and ready for development. We also noted that there are some temporary structures which meant for Taman Nuri development were erected on the subject property.

Proposed Development
Based on the amended building plans prepared by NORAZAM BEN AHMAD ARCHITECT and approved by Majlis Perbandaran Alor Gajah (MPAG) dated 28 February 2023, the subject property has been approved for a residential development of 77 units double storey terraced house.

Based on the Sale Status Report dated 31 March 2024 provided by the client, we noted that 10 units of the 77 units (about 13%) were booked but the transactions are yet to be completed.

As at the date of valuation, the subject property is currently ongoing at a preliminary stage. We were given to understand that the project will be launched in forth quarter of 2024 and is targeted to be completed by forth quarter of 2026.

PLANNING PROVISION

The subject property is designated for residential use as per the Express Condition in the documents of title.

METHOD OF VALUATION

We have only adopted one valuation approach ie. Income Approach (Residual Method) in arriving at our valuation as the subject property is an ongoing development.

VALUE CONSIDERATION

Income Approach (Residual Method)

Summary of Parameters

Gross Development Value (GDV)	:	RM31,828,686.16/- (Note 1)
Gross Development Value (GDC)	:	RM23,610,377.41/- (Note 2)
Developer's profit	:	20% of GDV
Development period	:	3 years
Discount Rate	:	8.0% per annum

Note 1 :
The total GDV is tabulated as follows: -

Phase	No. of Unit	Total Selling Price	Rebate/Bumi Discount	Net Selling Price	Amount Billed as at 31 March 2024	Balance
Phase 3B5	10 units – Booked	RM4,709,867	RM767,707	RM3,942,160	-	RM3,942,160
	67 units – Unsold	RM33,317,236	RM5,430,709	RM27,886,526	-	RM27,886,526
Total	**77 units**	**RM38,027,102**	**RM6,198,416**	**RM31,828,686**	**-**	**RM31,828,686**

VALUE CONSIDERATION (Cont'd)

The GDV is derived based on the following justifications: -

Sale Status	Rate Adopted	Justification
Booked Units	Average of RM394,216 per unit	Based on the actual selling price as stated in the sale status provided by the client.
Unsold Units	Average of RM416,217 per unit	We have made reference to the concluded selling prices of the development units within the subject scheme, the transacted prices of similar properties and the developers' selling prices of other upcoming projects.

Note 2 :

The GDC are based on the following main parameters: -

Item	Contract Sum/Revised Contract Sum /Amount Adopted	Certified Amount	Balance Amount to be Paid	Remarks
Building Cost – Phase 3B5	RM13,291,545.21	-	RM13,291,545.21	Based on the anticipated revised contract sum and Certificates of Payment provided by the client. The awarded contract sum is in accordance with the industry average cost.
Developer's Profit & Risk	20.0%	-	RM6,365,737.23	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. For the subject development, we have adopted 20.0% developer's profit in our valuation after taking into account the stage of construction and the sales status.

Based on the above parameters adopted in the Income Approach – (Residual Method), the market value of the subject property is derived at RM7,055,933.20/- and rounded to RM7,000,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to transfer, lease, charge and free from all encumbrances at **RM7,000,000/- (Ringgit Malaysia: Seven Million Only).**

15. VALUATION CERTIFICATES *(Cont'd)*

HENRY BUTCHER MALAYSIA
International Asset Consultants

Our Ref : V/PG/DY2351 (AG)
Date : 9th August 2024

PRIVATE & CONFIDENTIAL
SPB DEVELOPMENT BERHAD
No. 16 & 17, Plaza Seri Kubu
Jalan Tan Chay Yan
75300 Melaka

Dear Sirs,

VALUATION CERTIFICATE OF TWENTY FOUR (24) PARCELS OF LAND IDENTIFIED AS LOT NOS. 275, 779, 1031, 1032, 1033, 1034, 1045, 1055, 1059, 1060, 1061, 1193, 1201, 1228, 1256, 1257, 1258, 1259, 1260, 2333, 5834, 5835, 5836 AND 5837, ALL WITHIN MUKIM 13, DISTRICT OF SEBERANG PERAI UTARA, PULAU PINANG. ("SUBJECT PROPERTIES").

This Valuation Certificate has been prepared for the inclusion in the Prospectus in relation to the proposed initial public offering of ordinary shares in SPB Development Berhad ("**SPB**") and proposed listing of and quotation for the entire enlarged issued share capital of SPB on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

In accordance with the instruction from SPB, we have valued the Subject Properties vide our valuation report bearing Reference No. V/PG/DY2351 dated 9th August 2024. The material date of valuation for this valuation exercise is taken as at 31st March 2024.

This Valuation Certificate is a summary of the relevant facts and information set out in our valuation report and to be read in conjunction with our valuation report bearing Reference No. V/PG/DY2351 dated 9th August 2024.

The valuation has been carried out in compliance with the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia (*6th Edition of MVS and effective from 1st January 2019*) and the Asset Valuation Guidelines (*1st Revision Series No.SC-GL/AV-2009 (R1-2017) dated 19th January 2017 and effective from 20th March 2017*) issued by the Securities Commission Malaysia.

The basis of valuation adopted for the purpose of this valuation is **Market Value**. The term **Market Value**, as defined in the Malaysian Valuation Standards 6th Edition 2019, is "the estimated amount for which an asset or liability should exchange on the valuation date 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".

15. VALUATION CERTIFICATES *(Cont'd)*

TERMS OF REFERENCE

We are instructed by SPB to ascertain the Market Values of the Subject Properties for the purpose of submission to the Securities Commission Malaysia as well as inclusion of the Valuation Certificate in the Prospectus in relation to the proposed initial public offering of ordinary shares in SPB and proposed listing of and quotation for the entire enlarged issued share capital of SPB on the Main Market of Bursa Securities.

INTEREST TO BE VALUED

The interests to be valued comprise the following:-

Subject Property A comprises nineteen (19) parcels of freehold land identified as Lot Nos. 275, 1031, 1032, 1033, 1034, 1045, 1055, 1059, 1060, 1061, 1193, 1201, 1228, 1256, 1257, 1258, 1259, 1260 & 2333, all within Mukim 13, District of Seberang Perai Utara, Pulau Pinang;

Subject Property B comprises a parcel of freehold land identified as Lot No. 5837, Mukim 13, District of Seberang Perai Utara, Pulau Pinang;

Subject Property C comprises three (3) adjoining parcels of freehold land identified as Lot Nos. 5834, 5835 & 5836, all within Mukim 13, District of Seberang Perai Utara, Pulau Pinang; and

Subject Property D comprises a parcel of freehold land identified as Lot No. 779, Mukim 13, District of Seberang Perai Utara, Pulau Pinang.

Subject Property A to Subject Property D above are collectively known as the "**Subject Properties**".

DESCRIPTION AND LOCATION OF THE SUBJECT PROPERTIES

The Subject Properties are located in a locality popularly known as Ara Kuda in the District of Seberang Perai Utara, Pulau Pinang.

Subject Property A, Subject Property B and Subject Property C are situated adjacent to the West Coast railway line (also known as Main Trunk Line).

Subject Property A is sited on the eastern side of the West Coast railway line and is located along Jalan Paya Tok Akil while Subject Property B and Subject Property C are both situated on the western side of the West Coast railway line and are located along Jalan Permatang Manggis.

Subject Property D is sited off Jalan Permatang Manggis, along Lorong Cempedak 5 and situated adjacent to an existing completed residential scheme known as Taman Cempedak.

The immediate locality is generally mixed in character comprising tracts of undeveloped agricultural land interspersed with terraced and semi-detached houses, village houses and warehouses.

The Subject Properties are located approximately 1.8 km due southeast of the Tasek Gelugor Town Centre and is about 14.2 km due southeast of the Bertam / Kepala Batas Interchange (Exit 166) of the North-South Expressway.

Subject Property A is approachable from the Tasek Gelugor Town Centre via the main thoroughfare of Jalan Gelugor, Jalan Ara Kuda and thence onto Jalan Paya Tok Akil, all being well-maintained metalled roads. Subject Property B and Subject Property C are approachable from the Tasek Gelugor Town Centre via the main thoroughfare of Jalan Tasek Gelugor and thence onto Jalan Permatang Manggis, both being well-maintained metalled roads. Subject Property D is approachable from the Tasek Gelugor Town Centre via the main thoroughfare of Jalan Tasek Gelugor, Jalan Permatang Manggis and thence onto Lorong Cempedak 5, all being well-maintained metalled roads.

The sites in respect of the Subject Properties are generally undulating in terrain and lies slightly below the level of the existing metalled roads.

15. VALUATION CERTIFICATES *(Cont'd)*

The Subject Properties are presently cultivated with oil palm trees aged between 5 and 20 years old.

In accordance with the Site Survey Plan provided by SPB, we noted that there is a semi concrete house (formerly used as estate workers' quarter), a store room and a toilet erected on the middle portion of Lot No. 1256 in respect of Subject Property A.

Apart from the above, we also noted that there are some buildings or structures comprises concrete houses, semi-concrete houses, shed, garage, workshop, barns and stores being built on or encroached upon parts of Lot Nos. 1228 and 2333 in respect of Subject Property A, part of Lot No. 5836 in respect of Subject Property C as well as part of Lot No. 779 in respect of Subject Property D. Based on the abovementioned Site Survey Plan, the estimated total encroached area of the abovementioned buildings and structures is approximately 3,352 sq. ft..

According to the vacant possession confirmation letters provided by SPB, we noted that the transactions of the Subject Properties have been completed on 26th January 2024 and vacant possession has been obtained on 29th January 2024.

In view of the above, we have valued the Subject Properties based on vacant possession and did not assign any value on the above mentioned buildings or structures being built on or encroached upon the Subject Properties.

We are given to understand by SPB that the aforementioned semi concrete & semi wooden house, store room and toilet erected on Lot No. 1256 in respect of Subject Property A will be demolished in due course for the purpose to carry out development on the site.

SPB has also indicated that the areas currently encroached upon by the remaining concrete houses, semi-concrete houses, shed, garage, workshop, barns and stores on Lot Nos. 1228, 2333, 5836 and 779 in respect the Subject Properties will be designated as open space upon development.

TITLES PARTICULARS

Brief particulars of titles of the Subject Property as extracted from title searches conducted and obtained from the Penang Land Registry and Seberang Perai Utara Land Office are as follows:-

Subject Property A

Lot Nos.	275, 1031, 1032, 1033, 1034, 1045, 1055, 1059, 1060, 1061, 1193, 1201, 1228, 1256, 1257, 1258, 1259, 1260 & 2333, all within Mukim 13, District of Seberang Perai Utara, Pulau Pinang.		
Title Nos.	Geran Mukim 56, Geran 20175, Geran Mukim 64, Geran 20176, Geran Mukim 58, Geran Mukim 63, Geran Mukim 285, Geran Mukim 117, Geran Mukim 118, Geran Mukim 121, Geran 23701, Geran Mukim 120, Geran Mukim 60, Geran 20179, Geran Mukim 59, Geran Mukim 65, Geran 25661, Geran 25662 & Geran 129546 respectively.		
Tenure	Freehold *(in respect of all Titles)*		
Category of Land Use	*Tiada (in respect of all Titles)*		
Title Land Area	Lot No. 275	-	12,593.8159 square metres ("**sq. metres**")
	Lot No. 1031	-	87,132.8565 sq. metres
	Lot No. 1032	-	33,791.2476 sq. metres
	Lot No. 1033	-	101,171.25 sq. metres
	Lot No. 1034	-	35,737.7853 sq. metres
	Lot No. 1045	-	10,194.0303 sq. metres
	Lot No. 1055	-	15,021.9295 sq. metres
	Lot No. 1059	-	133.0402 sq. metres
	Lot No. 1060	-	3,111.0159 sq. metres
	Lot No. 1061	-	29,643.1763 sq. metres
	Lot No. 1193	-	92,697.2835 sq. metres
	Lot No. 1201	-	9,257.1694 sq. metres
	Lot No. 1228	-	32,524.5817 sq. metres
	Lot No. 1256	-	14.73 hectares
	Lot No. 1257	-	1.948 hectares

15. VALUATION CERTIFICATES *(Cont'd)*

Subject Property A ***(cont.)***

Title Land Area (cont.)	Lot No. 1258 - 0.0301 hectares Lot No. 1259 - 0.8648 hectares Lot No. 1260 - 0.2869 hectares Lot No. 2333 - 4.934 hectares
Registered Proprietor	**DAYANG GEMILANG SDN. BHD.** – Full share *(in respect of all Titles)*
Express Conditions	The land comprised in this title :- (a) Shall not be affected by any provision of the National Land Code or any other written law prohibiting mining or the removal of specified materials beyond the boundaries of the land; (b) Shall not be affected by any provision of the National Land Code limiting the compensation payable on the creation of a Collector's right of way to compensation for damage in respect of trees, crops or buildings. *(in respect of all Titles)*
Restriction-In-Interest	*Tiada (in respect of all Titles)*
Encumbrances	Charged to CIMB ISLAMIC BANK BERHAD vide Presentation No. 0702SC2024000105 registered on 16th January 2024. *(in respect of Lot Nos. 275, 1034, 1045, 1228 & 1257 only)* Charged to CIMB ISLAMIC BANK BERHAD vide Presentation No. 0799SC2024001376 registered on 16th January 2024. *(in respect of Lot Nos. 1031, 1033, 1193 & 1256 only)* Charged to CIMB ISLAMIC BANK BERHAD vide Presentation No. 0702SC2024000098 registered on 15th January 2024. *(in respect of Lot Nos. 1032, 1059, 1060, 1201 & 1258 only)* Charged to CIMB ISLAMIC BANK BERHAD vide Presentation No. 0702SC2024000112 registered on 16th January 2024. *(in respect of Lot Nos. 1055 & 1061 only)* Charged to CIMB ISLAMIC BANK BERHAD vide Presentation No. 0799SC2024001390 registered on 16th January 2024. *(in respect of Lot Nos. 1259, 1260 & 2333 only)*
Endorsement	Nil *(in respect of all Titles)*

Subject Property B

Lot No.	5837, Mukim 13, District of Seberang Perai Utara, Pulau Pinang.
Title No.	Geran 155813
Tenure	Freehold
Category of Land Use	*Tiada*
Title Land Area	0.4645 hectare
Registered Proprietor	**DAYANG GEMILANG SDN. BHD.** – Full share
Express Conditions	The land comprised in this title :- (a) Shall not be affected by any provision of the National Land Code or any other written law prohibiting mining or the removal of specified materials beyond the boundaries of the land; (b) Shall not be affected by any provision of the National Land Code limiting the compensation payable on the creation of a Collector's right of way to compensation for damage in respect of trees, crops or buildings.
Restriction-In-Interest	*Tiada*
Encumbrances	Charged to CIMB ISLAMIC BANK BERHAD vide Presentation No. 0799SC2024001390 registered on 16th January 2024.
Endorsement	Nil

15. VALUATION CERTIFICATES *(Cont'd)*

Subject Property C

Lot Nos.	5834, 5835 & 5836, all within Mukim 13, District of Seberang Perai Utara, Pulau Pinang.
Title Nos.	Geran Mukim 814, Geran Mukim 812 & Geran Mukim 813 respectively.
Tenure	Freehold *(in respect of all Titles)*
Category of Land Use	*Tiada (in respect of all Titles)*
Title Land Area	Lot No. 5834 - 1.4 hectares Lot No. 5835 - 2.331 hectares Lot No. 5836 - 1.189 hectares
Registered Proprietor	**DAYANG GEMILANG SDN. BHD.** – Full share *(in respect of all Titles)*
Express Conditions	The land comprised in this title :- (a) Shall not be affected by any provision of the National Land Code or any other written law prohibiting mining or the removal of specified materials beyond the boundaries of the land; (b) Shall not be affected by any provision of the National Land Code limiting the compensation payable on the creation of a Collector's right of way to compensation for damage in respect of trees, crops or buildings. *(in respect of all Titles)*
Restriction-In-Interest	*Tiada (in respect of all Titles)*
Encumbrances	Charged to CIMB ISLAMIC BANK BERHAD vide Presentation No. 0702SC2024000112 registered on 16th January 2024. *(in respect of all Titles)*
Endorsement	Nil *(in respect of all Titles)*

Subject Property D

Lot No.	779, Mukim 13, District of Seberang Perai Utara, Pulau Pinang.
Title No.	Geran Mukim 57
Tenure	Freehold
Category of Land Use	*Tiada*
Title Land Area	18,270.3408 sq. metres
Registered Proprietor	**MODAL CERGAS LESTARI SDN BHD** – Full share
Express Conditions	The land comprised in this title :- (a) Shall not be affected by any provision of the National Land Code or any other written law prohibiting mining or the removal of specified materials beyond the boundaries of the land; (b) Shall not be affected by any provision of the National Land Code limiting the compensation payable on the creation of a Collector's right of way to compensation for damage in respect of trees, crops or buildings.
Restriction-In-Interest	*Tiada*
Encumbrances	Nil
Endorsement	Nil

15. VALUATION CERTIFICATES *(Cont'd)*

LOCAL AUTHORITY SEARCHES

In accordance with the Zoning Verification Letters issued by Town Planning Department, Seberang Perai City Council, we noted that the planning aspects of the Subject Properties are tabulated as follows :-

Lot No.	*Rancangan Struktur Negeri Pulau Pinang 2030* ("**RSNPP 2030**")	*Peta Cadangan Draf Rancangan Tempatan Seberang Perai 2030* ("**DRTSP 2030**")
Subject Property A		
1045, 1061, 1228, 1256, 1257, 1258, 1259, 1260 & 2333	*Kawasan Keutamaan Pembangunan 2 ("**KKP2**")*	*Perumahan Terancang ("**R2**")*
275, 1032, 1033, 1034, 1055 & 1193	*Pertanian*	*Lain-Lain Pertanian*
1031, 1059 & 1060	*KKP2*	
1201	*KKP2 dan Pertanian*	
Subject Property B		
5837	*Pertanian*	*Lain-Lain Pertanian*
Subject Property C		
5834	*Pertanian*	*R2*
5835	*KKP2 dan Pertanian*	*Lain-Lain Pertanian*
5836	*KKP2*	
Subject Property D		
779	*Jelapang Padi*	*Jelapang Padi Negara*

Subsequently, based on the Approval Letters issued by Town Planning Department, Seberang Perai City Council on 10th January 2024, we noted that Lot Nos. 275, 1031, 1032, 1033, 1034, 1055, 1059, 1060, 1193, 1201 in respect of Subject Property A has been approved for *"Pembangunan Bercampur"* with approved density of 30 units per acre and Lot No. 5837, Lot Nos. 5834, 5835 & 5836 and Lot No. 779 in respect of Subject Property B, Subject Property C and Subject Property D respectively, all have been approved for *"Pembangunan Perumahan"* with approved density of 30 units per acre.

In view of the above, we have valued Lot Nos. 275, 1031, 1032, 1033, 1034, 1055, 1059, 1060, 1193, 1201, 5837, 5834, 5835 & 5836 and 779 in respect of the Subject Properties based on the approved zoning and density.

VALUATION METHODOLOGY

We have adopted the **Comparison Approach** of valuation to assess the Market Values of the Subject Properties.

Comparison Approach is the Market Approach of comparing the Subject Properties with similar properties that were transacted recently, due consideration is given to factors such as time (market improvement), size (land area), location (macro & micro), railway line, river, shape and zoning to arrive at our opinion of Market Values of the Subject Properties.

It is pertinent to note that valuation of property for submission to SC has to be undertaken by two recognised Methods of Valuation (Paragraph 4.06 of Asset Valuation Guidelines). However, for this valuation we have adopted only one (1) method of valuation i.e. Comparison Approach in this valuation as other alternative methods such as the Income Approach or Cost Approach as defined in the Malaysian Valuation Standards Sixth Edition 2019 are not applicable. The reason is due to the fact that the Subject Properties do not have any planning permission or layout plan approved by the Local Authority as at the date of valuation.

15. VALUATION CERTIFICATES *(Cont'd)*

SUMMARY OF COMPARISON APPROACH

For the purpose of this valuation, we have utilised 3 comparables for Subject Property A and 3 comparables for Subject Property B, Subject Property C & Subject Property D with similar aspects located in the District of Seberang Perai Utara in our valuation computation of Comparison Approach.

Details of the comparables are presented as follows :-

	Subject Property A		
	Comparable No. 1	**Comparable No. 2**	**Comparable No. 3**
Property particulars	Lot No. 4358 held under Title No. Geran 57798, Mukim 12, District of Seberang Perai Utara, Pulau Pinang.	Lot Nos. 248 & 249 held under Title Nos. Geran Mukim 288 & Geran 19398 respectively, both within Mukim 12, District of Seberang Perai Utara, Pulau Pinang.	Lot Nos. 535, 567, 568, 3262, 3263 & 5688, all within Mukim 12, District of Seberang Perai Utara, Pulau Pinang.
Location	Located along the main thoroughfare of Jalan Pokok Machang, Pokok Sena	Located along Jalan Permatang Indah, Pokok Sena	Located along Jalan Kubang Menerung, Tasek Gelugor
Distance from Subject Property A	6.8 km	7.5 km	4.7 km
Type of property	A parcel of development land (First Grade title)	2 parcels of development land (both are First Grade titles)	6 adjoining parcels of development land (all are First Grade titles except Lot Nos. 535 & 3263)
Vendor	Sunrich Conquest Sdn Bhd	Titanium Greenview Sdn Bhd	Palma Indah Sdn Bhd
Purchaser	Scientex Quatari Sdn Bhd	Scientex (Skudai) Sdn Bhd	Scientex (Skudai) Sdn Bhd
Transaction date	5th April 2021	5th April 2021	10th June 2019
Zoning (DRTSP 2030)	*Perumahan Terancang (R2)*	*Perumahan Terancang (R2)*	*Industri*
Tenure	Freehold interest		
Share	Full Share		
Source	*Jabatan Penilaian dan Perkhidmatan Hartanah*		
Land area	8,916,823 sq. ft.	6,033,087 sq. ft.	7,827,616 sq. ft.
	204.702 acres	138.501 acres	179.697 acres
Consideration	RM147,126,078	RM99,545,490	RM109,585,489
Based Value	**RM16.50 per sq. ft.**	**RM16.50 per sq. ft.**	**RM14.00 per sq. ft.**
Adjustment Factors made for Subject Property A	Size (land area), location (macro & micro) & railway line	Size (land area), location (macro) & railway line	Time (market improvement), location (macro), railway line & zoning
Adjusted Value for Subject Property A	**RM12.37 per sq. ft.**	**RM12.37 per sq. ft.**	**RM12.60 per sq. ft.**

Justification for Subject Property A :-

Post adjustments have been made to the Comparables after taking into consideration of the positive and negative factors of time (market improvement), size (land area), location (macro & micro), railway line and zoning. From these Comparables, we have concluded that Comparable No. 1 would be a reasonable benchmark due to the fact that Comparable No. 1 is the latest freehold residential development land transaction and is located nearer to the Subject Property A. Having considered the above, we have adopted RM12.40 per sq. ft. (rounded up from RM12.37 per sq. ft.) to be the fair market rate applicable to Subject Property A.

15. VALUATION CERTIFICATES *(Cont'd)*

We are given to understand by the Client the following :-

I) Title conversion premium of Lot Nos. 1045, 1061, 1228, 1256, 1257, 1258, 1259, 1260 & 2333 in respect of Subject Property A has yet to be finalised by and paid to Penang Land Registry / Seberang Perai Utara Land Office, Penang as at date of valuation i.e. 31st March 2024. In view of this, we have factored in a 10% discount as the title conversion premium payable [RM12.40 per sq. ft. - 10% = RM11.16 per sq. ft.] and adopted RM11.20 per sq. ft. as the fair market rate for Lot Nos. 1045, 1061, 1228, 1256, 1257, 1258, 1259, 1260 & 2333 in respect of Subject Property A.

II) Title conversion and rezoning premiums of Lot Nos. 275, 1031, 1032, 1033, 1034, 1055, 1059, 1060, 1193 & 1201 in respect of Subject Property A have yet to be finalised by and paid to Penang Land Registry / Seberang Perai Utara Land Office, Penang and Town Planning Department of Seberang Perai City Council respectively, both as at date of valuation i.e. 31st March 2024. In view of this, we have factored in a 25% discount as the title conversion and rezoning premiums payable [RM12.40 per sq. ft. - 25% = RM9.30 per sq. ft.] and adopted RM9.30 per sq. ft. as the fair market rate for Lot Nos. 275, 1031, 1032, 1033, 1034, 1055, 1059, 1060, 1193 & 1201 in respect of Subject Property A.

Market Value of the Subject Property A is tabulated as follows:-

Lot Nos.	Total Land Area	Market Rate (per sq. ft.)	Market Value
1045, 1061, 1228, 1256, 1257, 1258, 1259, 1260 & 2333 (Zoned as "*Perumahan Terancang*" with maximum density of 30 units per acre)	3,232,400 sq. ft.	RM11.20	RM36,202,880
275, 1031, 1032, 1033, 1034, 1055, 1059, 1060, 1193 & 1201 (Approved for "*Pembangunan Bercampur*" with maximum density of 30 units per acre)	4,204,893 sq. ft.	RM9.30	RM39,105,505
Total	**7,437,293 sq. ft.**		**RM75,308,385**
Market Value of Subject Property A as at 31st March 2024		**Says**	**RM75,310,000**

	Comparables For Subject Property B, Subject Property C & Subject Property D		
	Comparable No. 1	**Comparable No. 2**	**Comparable No. 3**
Property particulars	Lot Nos. 4231 & 4233 held under Title Nos. Geran 48578 & Geran 48576 respectively, both within Mukim 12, District of Seberang Perai Utara, Pulau Pinang.	Lot No. 24816 held under Title No. H.S.(M) 2714, Mukim 6, District of Seberang Perai Utara, Pulau Pinang.	Lot No. 965 held under Geran Mukim 182, Mukim 6, District of Seberang Perai Utara, Pulau Pinang.
Location	Located along Jalan Kubang Menerung, Tasek Gelugor	Located at the intersection of Persiaran Seksyen 6/11 and Jalan Kampung Tok Bedu, Bertam	Located along Persiaran Bertam Perdana 1, Bertam
Distance from :			
Subject Property B	7.6 km	8.1 km	13.9 km
Subject Property C	8.0 km	8.5 km	14.3 km
Subject Property D	8.0 km	8.5 km	14.3 km
Type of property	2 adjoining parcels of development land (both are First Grade titles)	A parcel of development land (First Grade title)	
Vendor	Abidin Bin Talib +4 others	Desa Temamaju Sdn Bhd	Ong Saw Yean
Purchaser	Longwan Retail & Wholesales (GC) Sdn Bhd	Hartananh Anggun Inovasi Sdn Bhd	Billion Site Sdn Bhd

15. VALUATION CERTIFICATES *(Cont'd)*

	Comparables For Subject Property B, Subject Property C & Subject Property D		
	Comparable No. 1	**Comparable No. 2**	**Comparable No. 3**
Transaction date	25th July 2023	4th July 2023	7th March 2023
Zoning (DRTSP 2030)	*Perumahan Terancang (R2)*		*Perumahan Terancang (R4)*
Tenure	Freehold interest		
Share	Full Share		
Source	*Jabatan Penilaian dan Perkhidmatan Hartanah*		
Land area	120,448 sq. ft.	105,217 sq. ft.	183,768 sq. ft.
	2.765 acres	2.415 acres	4.219 acres
Consideration	RM2,410,035	RM2,570,000	RM3,399,717
Based Value	**RM20.01 per sq. ft.**	**RM24.43 per sq. ft.**	**RM18.50 per sq. ft.**

Adjustment Factors made for Subject Property B	Size (land area), location (macro), railway line & shape	Size (land area), location (macro & micro), railway line & shape	Size (land area), location (macro & micro), railway line, shape & zoning
Adjusted Value for Subject Property B	RM15.01 per sq. ft.	**RM15.88 per sq. ft.**	**RM14.80 per sq. ft.**

Justification for Subject Property B :-

Post adjustments have been made to the Comparables after taking into consideration of the positive and negative factors of size (land area), location (macro & micro), railway line, shape and zoning. From these Comparables, we have concluded that Comparable No. 1 would be a reasonable benchmark due to the fact that Comparable No. 1 is the latest similar freehold residential development land transaction (both with maximum density of 30 units per acre) and is located nearer to the Subject Property B. Having considered the above, we have adopted **RM15.00 per sq. ft.** (rounded down from RM15.01 per sq. ft.) to be the fair market rate applicable to Subject Property B.

We are given to understand by the Client that the title conversion and rezoning premiums of Lot No. 5837 in respect of Subject Property B have yet to be finalised by and paid to Penang Land Registry and Town Planning Department of Seberang Perai City Council respectively, both as at date of valuation i.e. 31st March 2024.

In view of this, we have factored in a 25% discount as the title conversion and rezoning premiums payable [RM15.00 per sq. ft. - 25% = RM11.25 per sq. ft.] and adopted RM11.25 per sq. ft. as the fair market rate for Lot No. 5837 in respect of Subject Property B.

Market Value of the Subject Property B is tabulated as follows:-

Lot No.	Land Area	Market Rate (per sq. ft.)	Market Value
5837 (Approved for "*Pembangunan Perumahan*" with maximum density of 30 units per acre)	49,998 sq. ft.	RM11.25	RM562,478
Market Value of Subject Property B as at 31st March 2024		**Says**	**RM560,000**

15. VALUATION CERTIFICATES *(Cont'd)*

Adjustment Factors made for Subject Property C	Size (land area), location (macro) & railway line	Size (land area), location (macro & micro) & railway line	Size (land area), location (macro & micro), railway line & zoning
Adjusted Value for Subject Property C	**RM14.01 per sq. ft.**	**RM14.66 per sq. ft.**	**RM13.88 per sq. ft.**

Justification for Subject Property C :-

Post adjustments have been made to the Comparables after taking into consideration of the positive and negative factors of size (land area), location (macro & micro), railway line and zoning. From these Comparables, we have concluded that Comparable No. 1 would be a reasonable benchmark due to the fact that Comparable No. 1 is the latest similar freehold residential development land transaction (both with maximum density of 30 units per acre) and is located nearer to the Subject Property C. Having considered the above, we have adopted RM14.00 per sq. ft. (rounded down from RM14.01 per sq. ft.) to be the fair market rate applicable to Subject Property C.

We are given to understand by the Client that the title conversion and rezoning premiums of Lot Nos. 5834, 5835 & 5836 in respect of Subject Property C have yet to be finalised by and paid to Seberang Perai Utara Land Office, Penang and Town Planning Department of Seberang Perai City Council respectively, both as at date of valuation i.e. 31st March 2024.

In view of this, we have factored in a 25% discount as the title conversion and rezoning premiums payable [RM14.00 per sq. ft. - 25% = RM10.50 per sq. ft.] and adopted RM10.50 per sq. ft. as the fair market rate for Lot Nos. 5834, 5835 & 5836 in respect of Subject Property C.

Market Value of the Subject Property C is tabulated as follows:-

Lot Nos.	Total Land Area	Market Rate (per sq. ft.)	Market Value
5834, 5835 & 5836 (Approved for "*Pembangunan Perumahan*" with maximum density of 30 units per acre)	529,585 sq. ft.	RM10.50	RM5,560,643
Market Value of Subject Property C as at 31st March 2024		**Says**	**RM5,560,000**

15. VALUATION CERTIFICATES *(Cont'd)*

Adjustment Factors made for Subject Property D	Size (land area), location (macro & micro) & river	Size (land area), location (macro & micro) & river	Location (macro & micro), river & zoning
Adjusted Value for Subject Property D	**RM15.01 per sq. ft.**	**RM14.66 per sq. ft.**	**RM14.80 per sq. ft.**

Justification for Subject Property D :-

Post adjustments have been made to the Comparables after taking into consideration of the positive and negative factors of size (land area), location (macro & micro), river and zoning. From these Comparables, we have concluded that Comparable No. 1 would be a reasonable benchmark due to the fact that Comparable No. 1 is the latest similar freehold residential development land transaction (both with maximum density of 30 units per acre) and is located nearer to the Subject Property D. Having considered the above, we have adopted **RM15.00 per sq. ft.** (rounded down from RM15.01 per sq. ft.) to be the fair market rate applicable to Subject Property D.

We are given to understand by the Client that the title conversion and rezoning premiums of Lot No. 779 in respect of Subject Property D have yet to be finalised by and paid to Seberang Perai Utara Land Office, Penang and Town Planning Department of Seberang Perai City Council respectively, both as at date of valuation i.e. 31st March 2024.

In view of this, we have factored in a 25% discount as the title conversion and rezoning premiums payable [RM15.00 per sq. ft. - 25% = RM11.25 per sq. ft.] and adopted RM11.25 per sq. ft. as the fair market rate for Lot No. 779 in respect of Subject Property D.

Market Value of the Subject Property D is tabulated as follows:-

Lot Nos.	Land Area	Market Rate (per sq. ft.)	Market Value
779 (Approved for "*Pembangunan Perumahan*" with maximum density of 30 units per acre)	196,660 sq. ft.	RM11.25	RM2,212,425
Market Value of Subject Property D as at 31st March 2024		**Says**	**RM2,210,000**

REGISTERED TRANSACTIONS / TRANSACTION HISTORY

Based on the Sale and Purchase Agreements, both dated 16th June 2023 made between Saw Poh Enterprises Sdn Bhd (the Vendor) and Dayang Gemilang Sdn Bhd (the Purchaser of Subject Property A, Subject Property B, & Subject Property C) and Modal Cergas Lestari Sdn Bhd (the Purchaser of Subject Property D), we noted that Subject Property A, Subject Property B and Subject Property C were transacted at a total consideration of RM56,119,093.10 while Subject Property D was transacted at RM1,376,622.10.

Based on the Letters of Approval for the rezoning of the Subject Properties dated 10th January 2024, we noted that the Subject Properties was originally zoned for agricultural as at 16th June 2023 based on the date of Sale and Purchase Agreements. However, the Subject Properties have been subsequently rezoned and approved for mixed development / residential use as at 31st March 2024, being the date of valuation. The rezoning has thus enhanced the value of the Subject Properties due to the changed in land use.

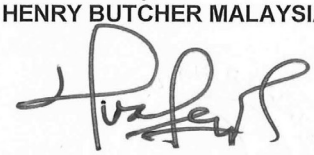
15. VALUATION CERTIFICATES *(Cont'd)*

OPINION OF VALUES

Having regard to the foregoing, our opinion of the **Market Values** of the full share freehold interests of the **Subject Properties** identified as Lot Nos. 275, 779, 1031, 1032, 1033, 1034, 1045, 1055, 1059, 1060, 1061, 1193, 1201, 1228, 1256, 1257, 1258, 1259, 1260, 2333, 5834, 5835, 5836 and 5837, all within Mukim 13, District of Seberang Perai Utara, Pulau Pinang, as at 31st March 2024, **ON AN "AS IS WHERE IS" BASIS I.E. WITH VACANT POSSESSION AND SUBJECT TO THE TITLES BEING GOOD, REGISTRABLE, MARKETABLE, FREE FROM ALL ENCUMBRANCES, ENDORSEMENTS, STATUTORY NOTICES AND OUTGOINGS** are as follows :-

Subject Properties	Market Value	
Lot Nos. 275, 1031, 1032, 1033, 1034, 1045, 1055, 1059, 1060, 1061, 1193, 1201, 1228, 1256, 1257, 1258, 1259, 1260 & 2333 ("**Subject Property A**")	RM75,310,000	Ringgit Malaysia Seventy Five Million Three Hundred And Ten Thousand Only
Lot No. 5837 ("**Subject Property B**")	RM560,000	Ringgit Malaysia Five Hundred And Sixty Thousand Only
Lot Nos. 5834, 5835 & 5836 ("**Subject Property C**")	RM5,560,000	Ringgit Malaysia Five Million Five Hundred And Sixty Thousand Only
Lot No. 779 ("**Subject Property D**")	RM2,210,000	Ringgit Malaysia Two Million Two Hundred And Ten Thousand Only
Summation of Market Value	**RM83,640,000**	**Ringgit Malaysia Eighty Three Million Six Hundred And Forty Thousand Only**

Yours faithfully,
HENRY BUTCHER MALAYSIA (PENANG) SDN BHD



SR. DR. TEOH POH HUAT (V-296)
FRICS, FRISM
Chartered Surveyor / Registered Valuer
Designation: Director
Registered Number: V-296

16. ADDITIONAL INFORMATION

16.1 EXTRACT OF OUR CONSTITUTION

The following provisions are extracted from our Company's Constitution.

The words and expressions appearing in this section shall bear the same meanings used in our Company's Constitution unless they are otherwise defined or the context otherwise requires.

Words	Meaning
"Applicable Laws"	All laws, by-laws, regulations, rules, orders and/or official directions for the time being in force affecting the Company and its subsidiaries, including but not limited to the Act, the Securities Laws, the Listing Requirements and every other law for the time being in force concerning companies and affecting the Company and any other directives or requirements imposed by the Securities Commission Malaysia and/or other relevant regulatory bodies and/or authorities
"Board"	Board of directors of the Company
"Central Depositories Act"	The Securities Industry (Central Depositories) Act 1991 and any statutory modification, amendment, re-enactment thereof
"Deposited Security"	A security as defined in Section 2 of the Central Depositories Act
"Depository"	Bursa Malaysia Depository Sdn Bhd or such other name by which it may be known from time to time
"Member"	Any person for the time being holding shares in the Company and whose name appears in the Register of Members including Depositors whose name appears on the Record of Depositors except Bursa Malaysia Depository Nominees Sdn Bhd
"Office"	The registered office for the time being of the Company
"Register of Members"	The register of members to be kept pursuant to the Act
"Record of Depositors"	A record of depositors provided by the Depository to the Company under Chapter 24.0 of the Rules
"Rules"	The Rules of the Depository, and any appendices thereto, as amended from time to time
"Secretary"	Any person appointed to perform the duties of a secretary of the Company
"Securities Laws"	Has the meaning assigned to it under the Securities Commission Malaysia Act 1993, which shall include the Securities Commission Malaysia Act 1993, Capital Markets and Services Act 2007, Central Depositories Act and any guidelines, written notices and circulars issued by the Securities Commission Malaysia

(i) Remuneration of Directors

The provisions in our Constitution in relation to remuneration of Directors are as follows:

Clause 104 - Directors' Remuneration

16. ADDITIONAL INFORMATION *(Cont'd)*

104. The fees and any benefits payable to the Directors including compensation for loss of employment of Director shall be determined by an ordinary resolution of the Company in general meeting and such remuneration (unless such resolution otherwise provided) shall be divided among the Directors as they may agree provided always that:

(a) fees and any benefits payable to Directors shall be subject to annual shareholders' approval at a meeting of Members;

(b) fees payable to non-executive Directors shall be a fixed sum, and not by a commission on or percentage of profits or turnover;

(c) salaries payable to executive Directors may not include a commission on or percentage of turnover; and

(d) any fee paid to an alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Clause 105 - Reimbursement of expenses

105. The Directors shall be paid their travelling or such reasonable expenses properly and necessarily expended by them in and about the business of the Company including reasonable expenses incurred in attending meetings of the Board or of committees of the Board or meetings of Members in the course of the performance of their duties as Directors.

Clause 126(1) - Alternate Director

126. (1) Each Director shall have power from time to time to nominate any person to act as his alternate provided that:

(a) such person is not a Director of the Company;

(b) such person does not act as an alternate for more than one Director of the Company;

(c) the appointment is approved by a majority of the other Directors; and

(d) any fee paid by the Company to the alternate Director shall be deducted from the appointing Director's remuneration.

The appointing Director may at his discretion terminate or remove such alternate Director and subject to Clause 126(1)(a) to (d) above,appoint another in his place, if any.

Clause 128 - Remuneration of Managing Director

128. The remuneration of a Managing Director or Managing Directors from time to time shall be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any, or all of these modes, but shall not include a commission on or percentage of turnover.

(ii) Voting and borrowing powers of Directors

Clause 108 - Directors' borrowing powers

16. ADDITIONAL INFORMATION *(Cont'd)*

108. (1) Subject to the provisions in the Act and the Listing Requirements, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company, or of any related party.

(2) The Directors shall not borrow any money or mortgage or charge any of the Company's or its subsidiaries' undertaking, property, or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

Clause 121 - Chairman to have casting vote

121. Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote except where only two (2) directors form a quorum or only two (2) Directors are competent to vote on the question at issue.

Clause 123 - Disclosure of interest

123. Every Director shall comply with the provisions of Sections 219 and 221 of the Act in connection with the disclosure of his shareholding and interests in any contract or proposed contract with the Company and in connection with the disclosure of the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company.

Clause 124 - Restriction on voting

124. Subject to the Act, a Director shall not participate in any discussion or vote in respect of any contract or proposed contract or arrangement in which he has in any way whether directly or indirectly, an interest. If he shall do so, his vote shall not be counted nor shall his vote be counted for the purpose of any resolution regarding the same. A Director shall, notwithstanding his interest, be counted in the quorum for any meeting where a decision is to be taken upon any contract or proposed contract or arrangement in which he is in any way interested.

Clause 126(2) - Alternate Director

126. (2) An alternate Director shall (except as regards power to appoint an alternate director and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Directors, and shall be entitled to receive notices of all meetings of the Directors and to attend, speak and vote at any such meeting at which his appointer is not present.

Clause 135 - Directors' Circular Resolution

135. A resolution in writing signed, approved or assented by letter, electronic mail, facsimile, electronic communication or any other electronic communication as may be determined or approved by the Directors by a majority of the Directors and who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted; provided that where a Director is not so present but has an alternate, then such resolution may also be signed by such alternate. All such

16. ADDITIONAL INFORMATION *(Cont'd)*

resolutions shall be described as "Directors' Circular Resolution" and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by the Secretary in the Company's minute book. Any such resolution may consist of several documents in like form, each signed or assented by one (1) or more directors.

(iii) Changes in share capital

The provisions in our Constitution in relation to changes in share capital are as follows:

Clause 9 - Alteration of share capital

9. Subject always to the provisions in this Constitution and the Act, the Company shall have power to increase or reduce the capital, and to issue all or any part of the original or any additional capital as fully paid or partly paid shares, and with any special or preference rights, privileges or subject to any special terms or conditions and with or without any special designation, and also from time to time to alter, modify, commute, abrogate or deal with such rights, privileges, terms and conditions or designations in accordance with the Constitution for the time being of the Company.

Clause 10 - Allotment of shares

10. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of this Constitution, the Act and to the provisions of any resolution of the Company, shares in the Company may be issued by the Directors who may allot, grant options over or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions, and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:

(1) no shares shall be issued or allotted which shall have the effect of transferring a controlling interest in the Company without the prior approval of the Members in meeting of Members;

(2) in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution;

(3) no Director shall participate in a scheme that involves a new issuance of shares or other convertible securities to employees unless the Members of the Company have approved the specific allotment to be made to such Director; and

(4) no shares shall be issued at a discount except in compliance with the provisions of Section 79 of the Act.

Clause 58 - Power to increase capital

58. The Company may from time to time, whether all the shares for the time being shall have been fully called up or not, by ordinary resolution (subject to or unless exempted by the provisions of the Act or the Listing Requirements) increase its share capital by the creation and issue of new shares of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase directs.

16. ADDITIONAL INFORMATION *(Cont'd)*

Clause 62 - Power to alter capital

62. The Company may alter its share capital in any or more of the following ways from time to time by ordinary resolution:

(a) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; and/or

(b) subdivide its shares or any of the shares, whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived.

Clause 63 - Power to reduce capital

63. The Company may by special resolution reduce its share capital in any manner and with, and subject to, any authorisation, and consent required by law.

(iv) Transfer of securities

The provisions in our Constitution in relation to transfer of securities are as follows:

Clause 40 - Transfer of securities

40. The transfer of shares or securities of the Company, which have been deposited with the Depository, shall be by way of book entry by the Depository in accordance with the Rules of the Depository and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to subsection 148(2) of the Act and any exemption that may be made from compliance with subsection 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such shares or securities.

Clause 41 - Instrument of transfer

41. Subject to this Constitution and the Applicable Laws, any member may transfer all or any of his shares which are not Deposited Security by a duly executed and stamped instrument of transfer lodged at the Office accompanied by the certificate of shares to be transferred (if any) and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer. All instruments of transfer which shall be registered shall be retained by the Company. Subject to the Constitution and the Applicable Laws, the instrument of transfer of any share which are not Deposited Security shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members and/or the Record of Depositors as the case may be.

Clause 42 - No restriction on transfer

42. Subject to Clause 43, there shall be no restriction on the transfer of fully paid shares or securities except where required by Applicable Laws.

16. ADDITIONAL INFORMATION *(Cont'd)*

Clause 43 - Refusal to register transfer

43. The Directors may in their absolute discretion decline to register any transfer of shares not fully paid up and may also decline to register the transfer of any share by a registered member on which the Company has a lien. The Depository may refuse to register any transfer of Deposited Security that does not comply with the Applicable Laws.

Clause 44 - No transfer to minor, etc

44. No shares shall in any circumstances be transferred to any minor, bankrupt, person of unsound mind, or unincorporated association or body.

Clause 45 - Closing of register of transfers

45. The registration of transfers may be suspended or closed at such time and for such period as the Directors may from time to time determine provided always that such registration shall not be suspended or closed for more than thirty (30) days in any year. At least ten (10) Market Days' (or such other period of notice as may be prescribed under the Listing Requirements from time to time) notice of such suspension or closure shall be given to Bursa Securities stating the period and the purposes of such suspension or closure. The Company shall give notice to the Depository in accordance with the Rules to enable the Depository to prepare the appropriate Record of Depositors.

Clause 47 - Non-liability of Company, its Directors and officers in respect of transfer

47. Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reasons of any fraud or other cause not known to the Company or its Directors or other officers be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee of the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

(v) Rights, preferences and restrictions of class rights

The provisions in our Constitution in relation to rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights are as follows:

Clause 8 - Class of shares

8. The shares in the original or any increased capital may be divided into several classes and they may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

16. ADDITIONAL INFORMATION *(Cont'd)*

Clause 11 - Rights of preference shares

11. Subject to the Act and this Constitution, any preference share may with the sanction of an ordinary resolution of shareholders be issued on the terms that they are, or at the option of the Company are liable, to be redeemed provided that:

(1) Preference shareholders shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements, and attending meetings of Members of the Company but shall only have the right to vote at any meeting convened in each of the following circumstances:

(a) When the dividend or part of the dividend on the preference share is in arrears for more than six (6) months;

(b) On a proposal to reduce the Company's share capital;

(c) On a proposal for the disposal of the whole of the Company's property, business and undertaking;

(d) On a proposal that affect rights attached to the preference share;

(e) On a proposal to wind up the Company; and

(f) During the winding up of the Company.

(2) Notwithstanding the provisions in this Constitution, the repayment of preference capital other than redeemable preference shares, or any other alteration of preference shareholders' rights, may only be made pursuant to a special resolution of the preference shareholders concerned, provided always that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing if obtained from the holders of not less than seventy five per centum (75%) of the preference capital concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Clause 13 - Modification of class rights

13. Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, either with the consent in writing of the holders of not less than seventy five per centum (75%) of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of such holders (but not otherwise), be varied, modified or abrogated. To every such separate meetings the provisions of this Constitution relating to meetings or to the proceedings thereat shall, *mutatis mutandis* apply, except that the necessary quorum shall be two (2) persons holding or representing by proxy at least one third (1/3) of the issued shares of the class and that any holder of shares of the class or by proxy may demand a poll. To every such resolution, the provisions of the Act shall apply with such adaptations as are necessary.

16. ADDITIONAL INFORMATION *(Cont'd)*

Clause 14 - Ranking of class rights

14. The rights conferred upon the holders of any shares or class of shares issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of such shares be deemed to be modified by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

Clause 61 - Ranking of new shares

61. Except so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

16.2 SHARE CAPITAL

(i) As at the date of this Prospectus, we only have 1 class of shares namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.

(ii) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than 6 months after the date of issue of this Prospectus.

(iii) The share capital of our Group as at the LPD and changes in their respective share capital for the Period Under Review or since incorporation (as the case may be) are as set out in Sections 6.2 and 6.5 of this Prospectus.

(iv) Save for the new Shares issued pursuant to the Acquisitions as disclosed in Section 6.3 of this Prospectus, not more than 10% of the share capital of our Company or our Subsidiaries has been paid for with assets other than cash, within the past 3 years preceding the LPD.

(v) None of the share capital of our Company or any of our Subsidiaries is under option, or agreed conditionally or unconditionally to be put under option as at the date of this Prospectus.

(vi) Save for the Issue Shares reserved for application by the Eligible Persons as disclosed in Section 4.2.2(i) of this Prospectus, there is no other scheme involving our Directors and employees in the share capital of our Company as at the date of this Prospectus.

(vii) Our Group does not have any outstanding warrants, options, convertible securities and uncalled capital as at the date of this Prospectus.

16. ADDITIONAL INFORMATION *(Cont'd)*

16.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date fixed, failing which our Share Registrar will be required to transfer his Shares to the Minister of Finance, Inc. and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be affected by a Depositor by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares will be deemed to be a shareholder of our Company and will be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

16.4 LIMITATION ON THE RIGHT TO OWN SECURITIES

Subject to **Section 16.3** above, as at the date of this Prospectus, there is no limitation on the right to own our Shares, including limitations on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares imposed by law or by our Constitution.

16.5 MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, as at the LPD, we are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which might materially and adversely affect our financial position or business:

(i) Notice of demand issued by purchasers of 53 units of Taman Bukit Cheng

On 5 February 2024, there was a notice of demand issued by the solicitors acting on behalf of purchasers on the allegations of, amongst others, breach of contract and misrepresentation with regard to the sale and purchase of the units of a housing project in Melaka known as Taman Bukit Cheng to SPBSB, Good Rate and Panglima Juara ("**Notice of Demand**"). On the same date, the solicitors acting for SPB Group in relation to the development of Taman Bukit Cheng ("**Project Solicitors**") informed Panglima Juara and SPBSB that the Project Solicitors have received a letter from the purchasers' solicitors instructing them to retain the stakeholder sum. The stakeholder sum which is still held by the Project Solicitors for Taman Bukit Cheng development in respect of the purchasers of the 53 units is RM743,207.20 without interest.

On 21 March 2024, SPBSB received a letter from Majlis Tindakan Pengguna Negara requesting an explanation after receiving complaints from the purchasers of Taman Bukit Cheng on the alleged failure to construct the perimeter fencing and guardhouse. Between March 2024 to April 2024, representatives of SPBSB had meetings and communication with Majlis Tindakan Pengguna Negara to explain the issue concerning the construction of the perimeter fencing and guardhouse. The perimeter fencing and guardhouse were not included in the initial building plan because pursuant to the Guidelines for Planning and Establishment of Guarded Community Scheme (Non-Strata Housing) issued by the Town and Country Planning Department, a department under the Ministry of Housing and Local Government, application for guarded community scheme can only be made to the local authority by residents' associations registered under the Registry of Societies and not the developer. In addition, CCC must have been obtained before an application for guarded community scheme can be made in respect of a non-strata housing development such as Taman Bukit Cheng.

16. ADDITIONAL INFORMATION *(Cont'd)*

The solicitors acting for SPB Group in relation to the Notice of Demand are not able to quantify SPB Group's maximum exposure. The total amount demanded in the Notice of Demand appears to be RM5.3 million (based on the claim of RM100,000 for each unit x 53 units). The solicitors of SPB Group are of the view that the allegations are unlikely to succeed because the most likely and reasonable measure of damages of the allegation would be the cost of construction of the perimeter fencing and guardhouse, which the Company estimated to be approximately RM110,000. Having considered the view by the solicitors acting for our Group, our Board is of the view that the Notice of Demand will not have any material adverse impact on our Group's financial position or business operations.

Taman Bukit Cheng Phases 1 and 2 Resident Association ("**Resident Association**"), with Good Rate's assistance, applied to Majlis Bandaraya Melaka Bersejarah for approval to build a guardhouse for Taman Bukit Cheng in June 2023 even before the Notice of Demand was served on Good Rate. In a letter dated 21 July 2023 from Majlis Bandaraya Melaka Bersejarah to the Resident Association, Majlis Bandaraya Melaka Bersejarah required the Resident Association to submit an application to Pejabat Daerah dan Tanah Melaka Tengah ("**PDT Melaka Tengah**") for a temporary occupation licence. After an initial rejection in February 2024 and an appeal by Good Rate, PDT Melaka Tengah has granted a temporary occupation licence to the Resident Association in September 2024 to acquire a part of government's land in Mukim Cheng, District of Melaka Tengah, Melaka for the purpose of erecting a guardhouse.

The approval from the local authority for the construction of the guardhouse has been obtained in December 2024 and all the necessary approvals for the construction of the perimeter fencing are expected to be obtained by February 2025. The construction of the guardhouse and perimeter fencing are expected to be completed by March 2025.

(ii) Litigation case against Panglima Juara by a purchaser of a property unit in Taman Bukit Cheng

Subsequent to the Notice of Demand set out in paragraph (i) above, on 13 June 2024, Panglima Juara received a writ of summons and statement of claim both dated 5 June 2024 from the solicitors representing Ong Lan Fung ("**Plaintiff**"), a purchaser of a property unit in Taman Bukit Cheng ("**Property**"), who is also one of the purchasers in the Notice of Demand.

The Plaintiff alleged, among others, the following:

(a) defects to the Property, including the staircase is not uniform and does not comply with the by-law regulations, water leakage and water stain marks on several areas in the Property, large gap between one of the doors and the floor, drainpipe leakage, poor quality painting job, issues with painting of the Property, and rusty storm drain;

(b) late delivery of vacant possession;

(c) breach of contract; and

(d) misrepresentation that Taman Bukit Cheng is a 'gated and guarded' project.

In respect of the delivery of vacant possession, the Plaintiff contends that she received vacant possession of the Property on 15 March 2022 when she accepted the house keys and there is late delivery of vacant possession of the Property of 174 days commencing from 23 September 2021.

Panglima Juara contends that it has sent the notice for delivery of vacant possession to the Plaintiff on 18 January 2022 and pursuant to the SPA of the Property, the vacant possession of the Property is deemed to have been delivered to the Plaintiff 35 days from the postage date, which is on 22 February 2022.

16. ADDITIONAL INFORMATION *(Cont'd)*

The last date for Panglima Juara to deliver vacant possession based on 24 months from the date of payment of booking fee and the original extended date pursuant to the 2 extensions of time granted by the Ministry of Housing and Local Government is 22 September 2021. Pursuant to the terms of the SPA between the parties, the last date for Panglima Juara to serve the notice of delivery of vacant possession so that there would not be any late delivery of vacant possession would be 35 days prior to 22 September 2021, which is 18 August 2021.

In view of the above, Panglima Juara contends that there is only a late delivery of vacant possession of 153 days (for the period from 23 September 2021 to 22 February 2022).

The Plaintiff is seeking for reliefs including rectification of defects or costs of repair and restoration work which the Plaintiff estimates to be RM120,440 if Panglima Juara fails to rectify the defects; liquidated and ascertained damages in the sum of RM30,361.24 for late delivery of vacant possession; punitive damages for misrepresentations; general damages to be assessed; special damages of RM701.20 and cost on indemnity basis for the suit.

Panglima Juara and the Plaintiff have agreed to proceed with court mediation to resolve this matter on 6 August 2024. In September 2024, Panglima Juara was served a summary judgment filed by the Plaintiff. For clarification, the solicitors acting for Panglima Juara informed that in a litigation process, it is not uncommon for a litigant to file an application for summary judgment while engaging in a settlement negotiation or mediation. The solicitors acting for Panglima Juara are of the view that the Plaintiff's summary judgment application is unlikely to succeed due to multiple triable issues. The parties have entered into the last stage of court mediation whereby a joint inspection will be carried out on 22 January 2025. Once both parties have completed the joint inspection and agree on the rectification method statement, a consent judgement will be recorded with the court whereby it will put an end to this litigation case.

The court has fixed the next court mediation on 6 February 2025.

The next case management for the summary judgment application and main suit is fixed on 19 February 2025.

The solicitors acting for Panglima Juara are of the view that the Plaintiff is likely to partially succeed in her claim for LAD for late delivery of vacant possession for only RM26,696.95 based on Panglima Juara's calculation, and is likely to succeed in her claim for special damages of RM701.20 for the issuance of the Notice of Demand. However, the solicitors acting for Panglima Juara are of the view that the Plaintiff is unlikely to succeed in her claim for the costs of repair and restoration work of RM120,440 as Panglima Juara has rectified the alleged defects and the Plaintiff has not produced any report by the relevant professional to substantiate her claim. It is also unlikely that the Plaintiff will succeed in (1) her claim for punitive damages for misrepresentations due to a lack of pleading and legal basis; and (2) her claim for general damages for breach of contract as the remedies for such breach have been covered in the claims above, namely costs of repair and restoration work and LAD for late delivery of vacant possession. The solicitors acting for Panglima Juara are of the view that the matter can be resolved amicably in a short period of time as the Plaintiff's solicitor has indicated that the Plaintiff has no intention to engage in a protracted litigation.

As such, having considered the view by the solicitors acting for Panglima Juara in relation to this litigation case, our Board is of the view that this claim will not have any material adverse impact on our Group's financial position or business operations.

16. ADDITIONAL INFORMATION *(Cont'd)*

16.6 MATERIAL CONTRACTS

Save as disclosed in **Annexure F** of this Prospectus, we have not entered into any contracts which are material (not being contracts entered into in the ordinary course of business) within the period covered by the Period Under Review up to the date of this Prospectus.

16.7 CONSENTS

(i) Our Principal Adviser, Bookrunner, Underwriter, Financial Adviser, Company Secretary, Solicitors for our IPO, Share Registrar and Issuing House have given and have not subsequently withdrawn their written consents before the date of issue of the Prospectus with the inclusion of their names and all references thereto in the form, manner and context in which they are included in this Prospectus.

(ii) Our Auditors and Reporting Accountants have given and have not subsequently withdrawn their written consent before the date of issue of the Prospectus with the inclusion of their name and all references thereto, the Accountants' Report and the Reporting Accountants' Report on the Pro Forma Consolidated Financial Information, in the form, manner and context in which they are included in this Prospectus.

(iii) Our IMR has given and has not subsequently withdrawn its written consent before the date of issue of the Prospectus with the inclusion of its name and all references thereto and the IMR Report in the form, manner and context in which they are included in this Prospectus.

(iv) Our Independent Valuers have given and have not subsequently withdrawn its written consent before the date of issue of the Prospectus with inclusion of their name and all references thereto and the valuation certificates in the form, manner and context in which they are included in this Prospectus.

16.8 RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholders have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

HLIB, being the Principal Adviser, Bookrunner and Underwriter acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts relating to our IPO.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office during office hours for a period of 6 months from the date of this Prospectus:

(i) our Constitution;

(ii) the IMR Report referred to in **Section 8** of this Prospectus;

(iii) audited financial statements of each of our Subsidiaries for the Period Under Review;

(iv) audited financial statements of our Company for the financial period from 6 October 2022 (incorporation date) to 31 December 2023;

(v) Accountants' Report as included in **Section 13** of this Prospectus;

(vi) Reporting Accountants' Report on the Compilation of Pro Forma Statements of Financial Position as included in **Section 14** of this Prospectus;

(vii) Valuation certificates as set out in **Section 15** of this Prospectus and valuation reports prepared by Independent Valuers dated 9 August 2024;

(viii) the material contracts referred to in **Section 16.6** and **Annexure F** of this Prospectus; and

(ix) the letters of consent referred to in **Section 16.7** of this Prospectus.

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18. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE "DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE" ACCOMPANYING THE ELECTRONIC COPY OF THIS PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in this Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

18.1 OPENING AND CLOSING OF APPLICATION

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., [●].

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., [●].

In the event there is any change to the dates and times stated above, we will announce and advertise the notice of the change in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia, and make an announcement on Bursa Securities' website

Any late Applications will not be accepted.

18.2 METHODS OF APPLICATIONS

18.2.1 Institutional Offering

Institutional and selected investors being allocated our IPO Shares under the Institutional Offering will be contacted directly by the Bookrunner and will follow the instructions as communicated by the Bookrunner.

Selected investors and Eligible Persons may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

18.2.2 Retail Offering

Application must accord with this Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

Types of Application and category of investors		Application Method
Applications by Eligible Persons		Pink Application Form only
Applications by the Malaysian Public:		
(a)	Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b)	Non-Individuals	White Application Form only

18. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

18.3 ELIGIBILITY

18.3.1 General

You must have a CDS Account and a correspondence address in Malaysia. If you do not have a CDS Account, you may open a CDS Account by contacting any of the ADAs set out in the Detailed Procedures for Application and Acceptance accompanying the electronic copy of this Prospectus on the website of Bursa Securities. **The CDS Account must be in your own name**. **Invalid, nominee or third party CDS Accounts will not be accepted for the Applications**.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

18.3.2 Application by the Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

(i) You must be one of the following:

  (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or

  (b) a corporation / institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors / trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

  (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia;

(ii) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and

(iii) You must submit Applications by using only one of the following methods:

  (a) White Application Form;

  (b) Electronic Share Application; or

  (c) Internet Share Application.

18.3.3 Application by Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated IPO Shares. Applicants must follow the notes and instructions in the said document and where relevant, in this Prospectus.

18. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

18.4 APPLICATION BY WAY OF APPLICATION FORM

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of this Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM[●] for each IPO Share.

Payment must be made out in favour of **"TIIH SHARE ISSUE ACCOUNT NO. [●]"** and crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

(i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

(ii) **DELIVER BY HAND AND DEPOSITED** in the Drop-in Boxes provided at Tricor Customer Service Centre, Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, so as to arrive not later than 5.00 p.m. on [*] 2024 or such other time and date specified in any change to the date or time for closing.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to the Issuing House.

18.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATION

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Electronic Participating Financial Institutions.

18.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATION

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

18. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, Malayan Banking Berhad, Public Bank Berhad, CGS International Securities Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd), Malacca Securities Sdn Bhd and Moomoo Securities Malaysia Sdn Bhd. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

18.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board reserves the right to:

(i) reject Applications which:

  (a) do not conform to the instructions of this Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or

  (b) are illegible, incomplete or inaccurate; or

  (c) are accompanied by an improperly drawn up, or improper form of, remittance; or

(ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

(iii) bank in all Application monies (including those from unsuccessful / partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with **Section 18.9** below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

18.8 OVER/ UNDER-SUBSCRIPTION

In the event of over-subscription, the Issuing House, will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at https://tiih.online within **one (1) Market Day** after the balloting date.

18. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Pursuant to the Listing Requirements we are required to have a minimum of 25% of our Company's issued share capital to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our IPO Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation as set out in **Section 4.2.6** of this Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by our Underwriter based on the terms of the Underwriting Agreement.

18.9 UNSUCCESSFUL/ PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful / partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner.

18.9.1 For applications by way of Application Forms

(i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful Applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/ distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary / registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.

(ii) If your Application is rejected because you did not provide a CDS Account number, your Application monies will be refunded via banker's draft sent by ordinary / registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

(iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).

(iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or by issuance of banker's draft sent by registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

18. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

18.9.2 For applications by way of Electronic Share Application and Internet Share Application

(i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institution or Internet Participating Financial Institution or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.

(ii) You may check your account on the 5th Market Day from the balloting date.

(iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

18.10 SUCCESSFUL APPLICANTS

If you are successful in your Application: -

(i) Our IPO Shares allotted to you will be credited into your CDS Account.

(ii) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.

(iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued / offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.

(iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS Accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

18. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

18.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services at telephone no. 603-2783 9299.
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution, Participating Securities Firms and Authorised Financial Institution

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at the Issuing House's website at https://tiih.online, 1 Market Day after the balloting date.

You may also check the status of your Application at the above website, 5 Market Days after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in the Detailed Procedures for Application and Acceptance accompanying the electronic copy of this Prospectus on the website of Bursa Securities.

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ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS

As at the LPD, we hold the following major approvals, licences and permits for our business operations:

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
1.	Certificate of registration as contractor for Grade 7 Registration No.: 1960315-ML000654	CIDB	SPBSB	Issuance date: 7 June 2024 Commencement date: 7 June 2024 Expiry date: 10 August 2026	General terms: 1. The certificate is not transferable. 2. CIDB has the right to review the contractor's registration grade from time to time. Responsibilities and Obligations of a Contractor: 1. The contractor shall not participate in any tender or execute any construction works after the expiration of this certificate unless it is renewed. 2. The contractor shall not undertake to build any construction project that exceeds the value of construction work specified under the registered grade and shall not carry out any construction project outside of its registered category. 3. The contractor shall submit information regarding any construction works or contracts within 14 days of the award or before the commencement of construction, whichever is earlier. 4. The contractor shall display the certificate of registration issued by CIDB or a copy of the certificate of registration certified by CIDB at the place of business. 5. The contractor shall display its registration number on the signboard at each of its construction sites.	 Noted Noted Complied Complied Complied Complied Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					6. The contractor must apply to renew its registration within 60 days before the expiration date specified in the certificate.	Noted
					7. The contractor must employ skilled construction workers and site supervisor who is accredited and certified by the CIDB.	Complied
					8. All workers at the construction site must have a valid construction personnel card.	Complied
					Disciplinary action	Noted
					The contractor's registration shall be cancelled or suspended if:	
					(i) the contractor fails to comply with the requirement of any other written law;	
					(ii) the contractor has been adjudicated bankrupt;	
					(iii) a winding-up petition in relation to the contractor has been presented;	
					(iv) the contractor contravenes or fails to comply with any provision of the Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994;	
					(v) the contractor has obtained the certificate by making or causing to be made any false or fraudulent declaration, certification or representation either in writing or otherwise;	
					(vi) the contractor abandons any construction work undertaken without any reasonable cause;	

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					(vii) the contractor is found negligent by the court or any board of enquiry established under any written law in connection with any construction work undertaken; or	
					(viii) the contractor has breached any of the terms and conditions of its responsibilities and obligations as set out above.	
2.	Advertisement and Sale Permit for the development of 77 units of double storey terrace house on PT 10343 - PT 10419 in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka known as "Taman Nuri" Serial No.: P44-20230516-00002078 Permit No.: 12354-15/07-2025/0796(N)-(L)	Ministry of Housing and Local Government	Laman Exotika	Issuance date: 4 July 2023 Commencement date: 10 July 2023 Expiry Date: 9 July 2025	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer.	N/A(1)
					2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit.	Noted
					3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA.	Complied
					4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price.	Complied
					5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA.	Complied
					6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA).	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	Complied
3.	Advertisement and Sale Permit for the development of 102 units and 126 units of double storey flat/condominium on Lot 948, Mukim Durian Tunggal, District of Alor Gajah, State of Melaka known as "Taman Nuri Botani" Serial No.: P44-20230720-00002467 Permit No.: 12354-18/09-2026/1003(N)-(S)	Ministry of Housing and Local Government	Laman Exotika	Issuance date: 6 September 2023 Commencement date: 6 September 2023 Expiry Date: 5 September 2026	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer.	Complied
					2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit.	Noted
					3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA.	Complied
					4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price.	Complied
					5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA.	Complied
					6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA).	Complied
					7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
4.	Advertisement and Sale Permit for the development of 22 units of double storey semi-detached house on PT 9116, PT 9117, PT 9138 - PT 9141, PT 9162 - PT 9165, PT 9186 - PT 9189, PT 9198 - PT 9201, PT 9210 - PT 9213, in Bandar Lunas, District of Kulim, State of Kedah known as "Taman La Casa Lunas" Serial No.: P44-20230517-00002087 Permit No.: 12354-16/08-2025/0884(N)-(L)	Ministry of Housing and Local Government	Laman Exotika	Issuance date: 2 August 2023 Commencement date: 3 August 2023 Expiry date: 2 August 2025	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer. 2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit. 3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA. 4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price. 5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA. 6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA). 7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	N/A(1) Noted Complied Complied Complied Complied Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
5.	Advertisement and Sale Permit for the development of 78 units of double storey semi-detached house on PT 8749 - PT 8762, PT 8767 - PT 8774, PT 8777 - PT 8782, PT 8785 - PT 8792, PT 8797 - PT 8804, PT 8807 - PT 8816, PT 8819 - PT 8842, in Bandar Lunas, District of Kulim, State of Kedah known as "La Casa Lunas" Serial No.: P45-20240520-00011978 Permit No.: 12354-12/07-2025/0461(R)-(L)	Ministry of Housing and Local Government	Laman Exotika	Issuance date: 5 June 2024 Commencement date: 20 July 2024 Expiry Date: 19 July 2025	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer. 2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit. 3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA. 4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price. 5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA. 6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA). 7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	N/A(1) Noted Complied Complied Complied Complied Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
6.	Advertisement and Sale Permit for the development of 18 units of double storey semi-detached house on PT 8747, PT 8748, PT 8763 - PT 8766, PT 8775, PT 8776, PT 8783, PT 8784, PT 8793 - PT 8796, PT 8805, PT 8806, PT 8817 and PT 8818 in Bandar Lunas, District of Kulim, State of Kedah known as "Taman La Casa Lunas" Serial No.: P44-20230524-00002123 Permit No.: 12354-17/08-2025/0972(N)-(L)	Ministry of Housing and Local Government	Laman Exotika	Issuance date: 28 August 2023 Commencement date: 28 August 2023 Expiry Date: 27 August 2025	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer. 2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit. 3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA. 4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price. 5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA. 6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA). 7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	N/A(1) Noted Complied Complied Complied Complied Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
7.	Advertisement and Sale Permit for the development of 150 units of double storey semi-detached house on PT 8845 - PT 8878, PT 8880 - PT 8891, PT 8894 - PT 8909, PT 8911 - PT 8924, PT 8929 - PT 8942, PT 8944 - PT 8959, PT 8962 - PT 8991 and PT 8994 - PT 9007, in Bandar Lunas, District of Kulim, State of Kedah known as "La Casa Lunas" Serial No.: P44-20230223-00001603 Permit No.: 12354-13/06-2025/0651(N)-(L)	Ministry of Housing and Local Government	Laman Exotika	Issuance date: 6 June 2023 Commencement date: 6 June 2023 Expiry Date: 5 June 2025	1. If there is no SPA being stamped within 2 years from the date of issuance of the Advertisement and Sale Permit, the Advertisement and Sale Permit will be automatically revoked.	Complied
					2. The developer is prohibited from offering "Interest Capitalisation Scheme" package including Developer Interest Bearing Scheme (DIBS)" or other similar scheme.	Complied
					3. The developer must give priority to sell houses priced below RM300,000 to first time house buyer.	N/A(1)
					4. The developer must ensure that the surrounding of the housing development approved under this licence fulfils the requirements imposed under Section 11, Destruction of Disease-Bearing Insects Act 1975 and Guidelines on Aedes Mosquito Control in Construction Sites.	Complied
					5. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit.	Noted
					6. The landowner, as the registered owner of the land title, must be one of the parties in the SPA.	Complied
					7. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser.	Complied
					8. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					9. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA.	Complied
					10. A copy of the plan approved by the Local Authority must be submitted with the SPA in accordance with Regulation 11, Housing Development (Control and Licensing) Regulations (Amendment) 2015 in the form of hardcopy of AO or Al size; or in the form of soft copy (pdf format) by using compact disc or other appropriate electronic media.	Complied
					11. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	Complied
8.	Advertisement and Sale Permit for the development of 12 units of double storey semi-detached house and 3 units of double storey bungalow house on PT 8843, PT 8844, PT 8879, PT 8892, PT 8893, PT 8910, PT 8925, PT 8926, PT 8927, PT 8928, PT 8943, PT 8960, PT 8961, PT 8992 and PT 8993 in Bandar Lunas, District of Kulim, State of Kedah known as "Taman La Casa Lunas" Serial No.: P44-20230518-00002094 Permit No.: 12354-14/07-2025/0775(N)-(L)	Ministry of Housing and Local Government	Laman Exotika	Issuance date: 4 July 2023 Commencement date: 5 July 2023 Expiry Date: 4 July 2025	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer.	N/A[1]
					2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit.	Noted
					3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA.	Complied
					4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA.	Complied
					6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA).	Complied
					7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	Complied
9.	Advertisement and Sale Permit for the development of 108 units of double storey semi-detached house on PT 9008 - PT 9115 in the Mukim of Lunas, District of Kulim, State of Kedah known as "La Casa Lunas" Serial No.: P44-20240315-00003911 Permit No.: 12354-19/05-2026/0460(N)-(L)	Ministry of Housing and Local Government	Laman Exotika	Issuance date: 24 May 2024 Commencement date: 27 May 2024 Expiry Date: 26 May 2026	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer.	N/A(1)
					2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit.	Noted
					3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA.	Complied
					4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price.	Complied
					5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA).	Complied
					7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	Complied
10.	Advertisement and Sale Permit for the development of 84 units of double storey semi-detached house on PT 9118 - PT 9137, PT 9142 - PT 9161, PT 9166 - PT 9185, PT 9190 - PT 9197, PT 9202 - PT 9209, PT 9214 - PT 9221, in Bandar Lunas, District of Kulim, State of Kedah known as "La Casa Lunas" Serial No.: P45-20240419-00011715 Permit No.: 12354-11/03-2025/0155(A)-(L)	Ministry of Housing and Local Government	Laman Exotika	Issuance date: 29 April 2024 Commencement date: 1 March 2024 Expiry date: 1 March 2025	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer.	N/A(1)
					2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit.	Noted
					3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA.	Complied
					4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price.	Complied
					5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA).	Complied
					7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	Complied
11.	Advertisement and Sale Permit for the development of 9 units of double storey bungalow house, 48 units of double storey cluster house, and 32 units of double storey semi-detached house on PTD 106691 to PTD 106703; PTD 106705 to PTD 106773; PTD 106775 to PTD 106781, in the Mukim of Kluang, District of Kluang, State of Johor known as "Taman Akasia" Serial No.: P45-20240222-00011152 Permit No.: 20100-1/04-2025-0264(R)-(L)	Ministry of Housing and Local Government	Hektar Berlian	Issuance date: 28 February 2024 Commencement date: 16 April 2024 Expiry Date: 15 April 2025 (CCC is intended to be obtained by the first quarter of 2025. If obtained this permit will not be renewed)	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer.	N/A(1)
					2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit.	Noted
					3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA.	Complied
					4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price.	Complied
					5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA).	Complied
					7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	Complied
12.	Advertisement and Sale Permit for the development of 9 units of double storey bungalow house, 60 units of double storey cluster house and 32 units of double storey semi-detached house on PTD 106782, PTD 106791, PTD 106805, PTD 106806, PTD 106835, PTD 106836, PTD 106865, PTD 106866, PTD 106883, PTD 106786 - PTD 106789, PTD 106798, PTD 106799, PTD 106802, PTD 106803, PTD 106808 - PTD 106811, PTD 106814, PTD 106815, PTD 106818, PTD 106819, PTD 106824 - PTD 106827, PTD 106830 - PTD 106833, PTD 106838, PTD 106839, PTD 106842, PTD 106843, PTD 106846, PTD 106847, PTD 106852 - PTD 106855, PTD 106858, PTD 106859, PTD 106862, PTD 106863, PTD 106784,	Ministry of Housing and Local Government	Hektar Berlian	Issuance date: 11 May 2024 Commencement date: 13 May 2024 Expiry date: 12 May 2026	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer.	N/A(1)
					2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit.	Noted
					3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA.	Complied
					4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price.	Complied
					5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
	PTD 106785, PTD 106800, PTD 106801, PTD 106812, PTD 106813, PTD 106816, PTD 106817, PTD 106822, PTD 106823, PTD 106828, PTD 106829, PTD 106840, PTD 106841, PTD 106844, PTD 106845, PTD 106848, PTD 106849, PTD 106856, PTD 106857, PTD 106860, PTD 106861, PTD 106783, PTD 106792 - PTD 106797, PTD 106804, PTD 106807, PTD 106820, PTD 106821, PTD 106834, PTD 106837, PTD 106850, PTD 106851, PTD 106864, PTD 106867- PTD 106882 in Mukim Kluang, District of Kluang, State of Johor known as "Taman Akasia" Serial No.: P44-20240322-00003961 Permit No.: 20100-2/05-2026/0407(N)-(L)				6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA).	Complied
					7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
13.	Advertisement and Sale Permit for the development of 136 units of double storey terrace house on PTD 107177 - PTD 107201, PTD 112356 - PTD 112412, PTD 112442 - PTD 112468, PTD 112499 - PTD 112525 in Mukim Kluang, District of Kluang, State of Johor, known as "Taman Akasia" Serial No.: P44-20240718-00004736 Permit No.: 20100-3/08/2026/0756(N)-(L)	Ministry of Housing and Local Government	Hektar Berlian	Issuance date: 19 August 2024 Commencement date: 20 August 2024 Expiry date: 19 August 2026	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer. 2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit. 3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA. 4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price. 5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA. 6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA). 7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	To be complied Noted To be complied Complied To be complied To be complied To be complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
14.	Advertisement and Sale Permit for the development of 144 units of double storey terrace house on PTD 107202 - PTD 107228, PTD 107230 - PTD 107257, PTD 112413 - PTD 112441, PTD 112469 - PTD 112498 and PTD 112526 - PTD 112555 in Mukim Kluang, District of Kluang, State of Johor, known as "Taman Akasia RMBJ" Serial No.: P44-20240718-00004735 Permit No.: 20100-4/08-2026/0757(N)-(L)	Ministry of Housing and Local Government	Hektar Berlian	Issuance date: 19 August 2024 Commencement date: 20 August 2024 Expiry date: 19 August 2026	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer. 2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit. 3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA. 4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price. 5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA. 6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA). 7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	To be complied Noted To be complied Complied To be complied To be complied To be complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
15.	Advertisement and Sale Permit for the development of 180 units of double storey flats/condominium on PT 52457, in Mukim Tanjong Dua Belas, District of Kuala Langat, State of Selangor, known as "Adiwarna" Serial No.: P44-20240626-00004587 Permit No.: 30388-1/08-2027/0691 (N)-(S)	Ministry of Housing and Local Government	Naluri Wijaya	Issuance date: 2 August 2024 Commencement date: 2 August 2024 Expiry date: 1 August 2027	1. The developer must give priority to sell houses priced below RM300,000 to first time house buyer. 2. The developer is required to apply for renewal of the Advertisement and Sale Permit not later than 60 days before the expiry date of the Advertisement and Sale Permit. 3. The landowner, as the registered owner of the land title, must be one of the parties in the SPA. 4. The developer must display the selling price in detail, including all offers of goods, services and payment offered to the purchaser. The purchaser is entitled to reject or refuse to accept the developer's offer in the form of goods, services and payment, where the developer must reduce such value from the selling price. 5. Developers who intend to make bulk sale for more than 4 units of houses to an individual/company must register the relevant purchaser with Housing Controller within 14 days from the date of execution of the SPA. 6. Developers which have been approved for the Advertisement and Sale Permit through the Housing Integrated Management System (HIMS) must adopt Schedule G, H, I or J SPAs which are generated through HIMS (e-SPA). 7. The developer must use the SPAs in the prescribed form of Schedule G, H, I, J of the Housing Development (Control and Licensing) Regulations (Amendment) 2015.	To be complied Noted To be complied Complied To be complied To be complied To be complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
16.	Housing Developer Licence Licence No.: 12354/02-2029/0086(R)	Ministry of Housing and Local Government	Laman Exotika	Issuance date: 16 January 2024 Commencement date: 1 March 2024 Expiry Date: 28 February 2029	1. The developer is required to apply for the renewal of Housing Developer Licence not later than 60 days before the expiration of the valid Housing Developer Licence. 2. The developer is required to submit an amendment application to update any amended information that has been submitted to the Housing Controller during the Housing Developer Licence application including information related to the company, finance or land for the licensed company within 4 weeks of any changes made.	Noted Complied
17.	Housing Developer Licence Licence No.: 20100/04-2028/0807(R)	Ministry of Housing and Local Government	Hektar Berlian	Issuance date: 17 April 2023 Commencement date: 16 April 2023 Expiry Date: 15 April 2028	1. The developer is required to apply for the renewal of Housing Developer Licence not later than 60 days before the expiration of the valid Housing Developer Licence. 2. The developer is required to submit an amendment application to update any amended information that has been submitted to the Housing Controller during the Housing Developer Licence application including information related to the company, finance or land for the licensed company within 4 weeks of any changes made.	Noted Complied
18.	Housing Developer Licence Licence No.: 30388/03-2028/0065(N)	Ministry of Housing and Local Government	Naluri Wijaya	Issuance date: 1 March 2023 Commencement date: 6 March 2023 Expiry Date: 5 March 2028	1. The developer is required to apply for the renewal of Housing Developer Licence not later than 60 days before the expiration of the valid Housing Developer Licence. 2. The developer is required to submit an amendment application to update any amended information that has been submitted to the Housing Controller during the Housing Developer Licence application including information related to the company, finance or land for the licensed company within 4 weeks of any changes made.	Noted Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
19.	Temporary business licence for No. 16A and 17A, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka for management offices	Majlis Bandaraya Melaka Bersejarah	SPBSB	Issuance date: 14 December 2023 Expiry date: 10 January 2025 (The renewal application will be submitted by the end of November 2024)	1. SPBSB shall comply with the by-laws and regulations of Majlis Bandaraya Melaka Bersejarah at all times while managing and operating the business.	Complied
					2. The licence shall be displayed at all times in a conspicuous location at the licensed premises.	Complied
					3. SPBSB is prohibited from conducting any other business or trade on the premises other than as licensed.	Complied
					4. The licence cannot be transferred to another party without the written permission of Majlis Bandaraya Melaka Bersejarah.	Complied
					5. The licence may be revoked at any time or not renewed if found to be in violation of the conditions set by the Majlis Bandaraya Melaka Bersejarah or any relevant by-laws or regulations.	Noted
					6. SPBSB shall comply with the health standards as well as conditions issued by other relevant agencies such as Fire and Rescue Department of Malaysia, Department of Environment and Royal Malaysia Police.	Complied
20.	Licence for illuminated signboards at No. 16A & 17A, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka	Majlis Bandaraya Melaka Bersejarah	SPBSB	Issuance date: 1 February 2024 Expiry date: 10 January 2025 (The renewal application will be submitted by the end of November 2024)	1. SPBSB shall comply with the by-laws and regulations of Majlis Bandaraya Melaka Bersejarah at all times while managing and operating the business.	Complied
					2. The licence shall be displayed at all times in a conspicuous location at the licensed premises.	Complied
					3. SPBSB is prohibited from conducting any other business or trade on the premises other than as licensed.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					4. The licence cannot be transferred to another party without the written permission of Majlis Bandaraya Melaka Bersejarah.	Complied
					5. The licence may be revoked at any time or not renewed if found to be in violation of the conditions set by Majlis Bandaraya Melaka Bersejarah or any relevant by-laws or regulations.	Noted
					6. SPBSB shall comply with the health standards as well as conditions issued by other relevant agencies such as Fire and Rescue Department of Malaysia, Department of Environment and Royal Malaysia Police.	Complied
21.	Temporary business licence for No. 16, 16B, and 17 Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka for management offices	Majlis Bandaraya Melaka Bersejarah	Laman Exotika	Issuance date: 1 July 2024 Expiry date: 8 August 2025	1. Laman Exotika shall comply with the by-laws and regulations of Majlis Bandaraya Melaka Bersejarah's at all times while managing and operating the business.	Complied
					2. The licence shall be displayed at all times in a conspicuous location at the licensed premises.	Complied
					3. Laman Exotika is prohibited from conducting any other business or trade on the premises other than as licensed.	Complied
					4. The licence cannot be transferred to another party without the written permission of Majlis Bandaraya Melaka Bersejarah.	Complied
					5. The licence may be revoked at any time or not renewed if found to be in violation of the conditions set by the Majlis Bandaraya Melaka Bersejarah or any relevant by-laws or regulations.	Noted
					6. Laman Exotika shall comply with the health standards as well as conditions issued by other relevant agencies such as Fire and Rescue Department of Malaysia, Department of Environment and Royal Malaysia Police.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
22.	Licence for billboards advertisement and non-illuminated advertisement boards at Lot 1692 & 2086, Jalan Batu Pahat - Kluang, Mukim Kluang, 86000 Kluang, Johor	Majlis Perbandaran Kluang	Hektar Berlian	Issuance date: 17 January 2024 Commencement date: January 2024 Expiry date: December 2024 (The renewal application will be submitted before 28 February 2025 in accordance with the conditions of the licence)	1. It is an offence under Section 104 of the Local Government Act 1976 if it is found that a person is acting as a trader/ hawker in the premises without written permission of Majlis Perbandaran Kluang.	Complied
					2. Each licence issued will expire on 31 December every year and must be renewed before 28 February.	Noted
					3. Majlis Perbandaran Kluang may cancel the licence if the licence is not renewed for more than a year.	Noted
					4. Any changes in the rights, ownership and address of the licence must first obtain the prior permission of Majlis Perbandaran Kluang.	Complied
					5. Majlis Perbandaran Kluang will not hesitate to cancel the licence if the licensee fails to comply with directives or legal requirements of the licence, including by-laws or any other directives issued by the government.	Complied
					6. The licence shall be displayed at all times in a conspicuous location and be presented upon request by any authorised officer of Majlis Perbandaran Kluang.	Complied
					7. Licensee must also comply with any other instruction or directives issued by the Majlis Perbandaran Kluang or its authorised officers.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
23.	Licence for No. 113-1 (Tingkat 1), Jalan Sultan Abdul Samad, 42700 Banting: (a) business office; (b) sales office / show room; and (c) illuminated advertisement boards	Majlis Perbandaran Kuala Langat	Naluri Wijaya	Issuance date: 1 January 2025 Expiry date: 31 December 2025	1. The licence shall be displayed at all times in a conspicuous location.	Complied
					2. The licence may be revoked if any conditions or licensing requirements, including the by-laws or directives issued by the Majlis Perbandaran Kuala Langat are not complied with.	Complied
					3. The licence is valid until 31 December of the year it is issued. The licence must be renewed within the period from November to December. Failure to do so may result in fines being imposed or the revocation and cancellation of the licence.	Noted
					4. Renewal of licence after 1 January of the following year will incur a penalty of 20% of the licence fee imposed.	Noted
					5. Business licence cannot be rented or used to employ foreign employees without permit.	Complied
24.	Certificate for accommodation for employees' accommodation on B/S T/L, JKM 6, Lot 2086, 86000 Kluang, Johor Certificate no.: AC/10100/2023/1162 PAC/10103/2023/84968	Ministry of Human Resources	SPBSB	Issuance date: 19 October 2023 Commencement date: 19 October 2023 Expiry date: 19 October 2026	1. The employees' accommodation shall not have more than 24 employees.	Complied
					2. The employer shall comply with the conditions under the EMSHAA Regulations.	Complied
					3. The employer shall not charge or deduct rental from the employees' wages.	Complied
					4. The employer shall report the closure of this accommodation.	Noted
					5. This certificate shall be displayed on the exterior wall of the accommodation premises, where it is appropriate and visible.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
25.	Certificate for accommodation for employees' accommodation on La Casa Lunas, being part of HS(D) 80921 PT 9226, 09600, Lunas, Kulim, Kedah Certificate no.: PAC/10203/2023/85905	Ministry of Human Resources	SPBSB	Issuance date: 7 February 2024 Commencement date: 7 February 2024 Expiry date: 7 February 2027	1. The employees' accommodation shall not have more than 104 employees. 2. The employer shall comply with the conditions under the EMSHAA Regulations 2020. 3. The employer shall not charge or deduct rental from the employees' wages. 4. The employer shall report the closure of this accommodation. 5. This certificate shall be displayed on the exterior wall of the accommodation premises, where it is appropriate and visible.	Complied Complied Complied Noted Complied
26.	Certificate for accommodation for employees' accommodation on La Casa Lunas, being part of PT 1714, 09600, Lunas, Kulim, Kedah[(2)] Certificate no.: PAC/10203/2024/97736	Ministry of Human Resources	SPBSB	Issuance date: 18 August 2024 Commencement date: 18 August 2024 Expiry date: 18 August 2027	1. The employees' accommodation shall not have more than 220 employees. 2. The employer shall comply with the conditions under the EMSHAA Regulations 2020. 3. The employer shall not charge or deduct rental from the employees' wages. 4. The employer shall report the closure of this accommodation. 5. This certificate shall be displayed on the exterior wall of the accommodation premises, where it is appropriate and visible.	Noted Complied Noted Noted Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
27.	Certificate for accommodation for employees' accommodation on Lot 11, Lot 12, Lot 13, PT 9753, PT 9854, PT 9755, PT 9728, PT 9729, PT 9730, PT 9731 and PT 7635, Mukim Durian Tunggal, 76100 Durian Tunggal, Alor Gajah, Melaka Certificate no.: PAC/10401/2023/87973	Ministry of Human Resources	SPBSB	Issuance date: 17 April 2024 Commencement date: 17 April 2024 Expiry date: 4 December 2026	1. The employees' accommodation shall not have more than 16 employees. 2. The employer shall comply with the conditions under the EMSHAA Regulations. 3. The employer shall not charge or deduct rental from the employees' wages. 4. The employer shall report the closure of this accommodation. 5. This certificate shall be displayed on the exterior wall of the accommodation premises, where it is appropriate and visible.	Complied Complied Complied Noted Complied
28.	Temporary building permit for employees' housing, accommodations and amenities for part of the Lots 1960 to 1965, and government lands (reserved river), in Bandar Lunas, Section 11, 09600 Lunas, District of Kulim, State of Kedah(3)	Majlis Perbandaran Kulim	Laman Exotika	Issuance date: 9 September 2021(4)	1. Laman Exotika is required to pay an annual permit fee at the beginning of the year which is in January. If the permit fee is not paid within 3 months, Majlis Perbandaran Kulim will issue a notice to pay the permit fee within 14 days and if Laman Exotika fails to make the payment, the permit will automatically be cancelled. 2. The permitted built-up area is in accordance with the sketch plan / additional approved plans. 3. Laman Exotika should ensure exit routes / lanes should be clear at all times and 2 units of 9kg dry powder fire extinguishers should always be in good condition. 4. Laman Exotika should ensure that the exterior of the building, the drain and the surrounding areas must always be in a clean and perfect condition. 5. The arrangements in the premises should always be in a neat and orderly manner.	Refer to Note (4) Complied Complied Complied Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					6. Laman Exotika should ensure compliance with the controls and standard operating procedures to combat COVID-19 as set by the government.	Complied
					7. This approval is subject to the conditions of the relevant technical department.	Complied
					8. The Guidelines for the Minimum Standards of Accommodation under Section 24D of the EMSHAA must be complied with.	Refer to Note (5)
29.	Temporary building permit for employees' housing, accommodations and amenities on HS(D) 80921 PT 9226, 09600 Lunas, Kulim, Kedah	Majlis Perbandaran Kulim	Laman Exotika	Issuance date: 4 October 2023(6)	1. Laman Exotika is required to pay an annual permit fee at the beginning of the year which is in January. If the permit fee is not paid within 3 months, Majlis Perbandaran Kulim will issue a notice to pay the permit fee within 14 days and if Laman Exotika fails to make the payment, the permit will automatically be cancelled.	Complied
					2. The permitted built-up area is in accordance with the sketch plan / additional approved plans.	Complied
					3. Laman Exotika should ensure exit routes / lanes should be clear at all times and 2 units of 9kg dry powder fire extinguishers should always be in good condition.	Complied
					4. Laman Exotika should ensure that the exterior of the building, the drain and the surrounding areas must always be in a clean and perfect condition.	Complied
					5. The arrangements in the premises should always be in a neat and orderly manner.	Complied
					6. Laman Exotika should ensure compliance with the controls and standard operating procedures to combat COVID-19 as set by the government.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					7. This approval is subject to the conditions of the relevant technical department.	Complied
					8. The Guidelines for the Minimum Standards of Accommodation under Section 24D of the EMSHAA must be complied with.	Complied
30.	Temporary building permit for work shed containing site office, employees' cabins and amenities, guardhouse and wash through on Lot 948 (Hakmilik Tanah GRN 22870), Mukim Durian Tunggal, District of Alor Gajah, State of Melaka(7)	Majlis Perbandaran Alor Gajah	Laman Exotika	Issuance date: 9 October 2024 Commencement date: 1 October 2024 Expiry date: 31 March 2025 (The renewal application will be submitted at least one month before the expiry)	1. The structure should be built as approved.	Noted
					2. The surrounding areas should always be kept in a clean condition.	Complied
31.	Temporary building permit for work shed containing site office, employees' housing and toilet on Lot 11, Lot 12 and Lot 13, PT 9753, PT 9754, PT 9755, PT 9728, PT 9729, PT 9730, PT 9731 and PT 7635, Mukim Durian Tunggal, District of Alor Gajah, State of Melaka	Majlis Perbandaran Alor Gajah	Laman Exotika	Issuance date: 10 May 2024 Commencement date: 1 June 2024 Expiry date: 31 May 2025	1. The existing work shed should be demolished/relocated pursuant to the approved plan.	Complied
					2. The structure should be kept in a clean and safe condition for occupation.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
32.	Temporary building permit for employees' housing and amenities, guardhouse, store and site office on PTD 107560 (Lot 2086, GRN 88851), Mukim Kluang, District of Kluang, State of Johor	Majlis Perbandaran Kluang	Hektar Berlian	Issuance date: 19 August 2024[8]	1. The validity period of the endorsed plan is until 6 June 2025. An application for the renewal of the plan should be submitted 30 days before the expiry of the plan. Failure to comply with this condition will result in the forfeiture of trust fund.	Noted
					2. Hektar Berlian is required to complete the process of amending the express condition of the land and submit a copy of the temporary title / deed for the land in both digital (PDF) and hardcopy to Jabatan Kawalan Bangunan, Majlis Perbandaran Kluang.	Complied
					3. This temporary building permit is granted on a yearly basis for a period of 3 years in line with the approval of the limited planning permission (kebenaran merancang terhad) granted, subject to the conditions imposed by Jabatan Perancang Bandar dan Lanskap, Majlis Perbandaran Kluang.	Noted
					4. This temporary building permit may be revoked at any time by Majlis Perbandaran Kluang due to government's policy, non-compliance with the specified conditions, complaint of nuisance or technical reasons.	Noted
					5. Hektar Berlian is required to pay an annual permit fee in January each year.	Noted
					6. Hektar Berlian is required to submit a Gantt Chart to Majlis Perbandaran Kluang which contains the summary of the timeline and stages of completion for the construction of building and infrastructure, by month and year, starting from the submission of Form B until the completion of construction.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
33.	Temporary building permit for employees' cabin and amenities, site office, guardhouse and temporary structures on Lot PT 52457, Lot PT 52459 and Lot PT 52465, being part of PT 32121, Mukim Tanjung Dua Belas, District of Kuala Langat, State of Selangor[9]	Majlis Perbandaran Kuala Langat	Naluri Wijaya	Issuance date: 13 May 2024 Commencement date: 13 May 2024 Expiry date: 12 May 2025	1. The application for the renewal of this permit should be submitted within 3 months before its expiry. Failure to renew will result in Majlis Perbandaran Kuala Langat imposing overdue permit fees, which must be settled before the issuance of CCC.	Noted
					2. The developer shall comply with the conditions imposed by the Department of Solid Waste Management and Environmental Health, Majlis Perbandaran Kuala Langat.	Complied
					3. Failure of the developer to comply with the conditions imposed by the Department of Solid Waste Management and Environmental Health, Majlis Perbandaran Kuala Langat shall result in legal action under the Refuse Collection, Removal and Disposal (Kuala Langat District Council) By-Laws 2007.	Noted
					4. The temporary structures shall be built in accordance with the approved plan.	Complied
					5. The owner/operator and the person submitting the plan are responsible for modifying any part of the premises that is built not in accordance with the approval which is based on the laws and regulations under the Street, Drainage and Building Act 1974 and the Uniform Building By-Laws 1984.	Noted
					6. Preventive and control measures for infectious disease (such as Covid-19 or mosquito breeding of Aedes or Anopheles) at the construction site shall be implemented.	Complied
					7. Adequate sanitation for employees' accommodation, including clean water supply, waste disposal system, toilet facilities, flush toilet and proper sewerage system to prevent infectious diseases shall be provided.	Complied

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Issuance / Commencement / Expiry date	Major conditions	Compliance Status
					8. This permit may be revoked at any time if: (a) additional temporary buildings are constructed beyond what is approved in the approved plan without prior written consent from Majlis Perbandaran Kuala Langat; (b) any of the above conditions are violated or for any other reason Majlis Perbandaran Kuala Langat deems appropriate. Thereafter, the permit holder shall, within 14 days from the date of receipt of the notice, demolish all temporary buildings and related items/buildings from the construction site; or (c) if the constructed temporary buildings are found to be not in accordance with the approved plan, Majlis Perbandaran Kuala Langat may take action to demolish them.	Noted

Notes:

(1) The selling price of all the properties in the respective housing developments exceed RM300,000.

(2) The address stated in the certificate for accommodation in PT 1714, 09600, Lunas, Kulim, Kedah, which is the former land title for a piece of land now known as HS(D) 80920, PT 9225, which is part of Lots 1960 to 1965 and government lands (reserved river), in Bandar Lunas, Section 11, 09600 Lunas, District of Kulim, State of Kedah where the Initial Kulim Accommodation is erected. As at the LPD, no employees are occupying this employees' accommodation.

(3) This temporary building permit is for the Initial Kulim Accommodation.

(4) This temporary building permit was first issued by Majlis Perbandaran Kulim to Laman Exotika in September 2021 for, amongst others, 10 units of employees housing. In October 2021, Majlis Perbandaran Kulim issued a temporary building permit for, amongst others, additional 12 units of employees housing. Laman Exotika did not pay the annual permit fee for year 2022 and year 2023. In March 2023, Laman Exotika paid the annual permit fee for year 2022 and year 2023, and Majlis Perbandaran Kulim approved the temporary building permit for the year 2022 and year 2023 subject to existing conditions and payment of permit fees, which have been settled by Laman Exotika in March 2023.The temporary building permit has been renewed for the year 2024 in January 2024. As at the LPD, no employees are occupying this employees' accommodation. The renewal application will be submitted at the beginning of the year which is in January 2025 in accordance with the condition of the licence,

ANNEXURE A - MAJOR APPROVALS, LICENCES AND PERMITS *(Cont'd)*

(5) *Laman Exotika did not comply with this condition between September 2021 and February 2024. One of our Subsidiaries, SPBSB who is the main contractor appointed by Laman Exotika for the development of Taman La Casa Lunas in Kulim, Kedah, provided accommodation to employees employed by subcontractors of our Group on the Initial Kulim Accommodation. SPBSB provided the Initial Kulim Accommodation since September 2021 prior to obtaining a certificate for accommodation under Section 24D of the EMSHAA. Since February 2024, SPBSB has provided another accommodation for employees employed by subcontractors of our Group on a piece of land held by our Group under HS(D) 80921, PT 9226, Section 11 in Bandar Lunas, District of Kulim, State of Kedah, namely the New Kulim Accommodation, which complies with the requirements under the EMSHAA and EMSHAA Regulations. In February 2024, SPBSB has obtained the certificate for accommodation for the New Kulim Accommodation and relocated the employees employed by subcontractors of our Group from the Initial Kulim Accommodation to the New Kulim Accommodation. As such, the breach of this condition has ceased since February 2024. In August 2024, SPBSB has obtained a certificate for accommodation for the Initial Kulim Accommodation as set out in item 28 in the table above. As at the LPD, no employees are occupying the Initial Kulim Accommodation.*

(6) *The temporary building permit for employees' housing, accommodations and amenities on HS(D) 80921 PT 9226, 09600 Lunas, Kulim Kedah was first issued by Majlis Perbandaran Kulim to Laman Exotika in October 2023. The temporary building permit has been renewed for the year 2024 in January 2024. The renewal application will be submitted at the beginning of the year which is in January 2025 in accordance with the condition of the licence.*

(7) *As at the LPD, no employees are occupying Lot 948 (Hakmilik Tanah GRN 22870), Mukim Durian Tunggal, District of Alor Gajah, State of Melaka. As such, no certificate for accommodation is required.*

(8) *The temporary building permit for employees' housing and amenities, guardhouse, store and site office on PTD 107560 (Lot 2086, GRN 88851), Mukim Kluang, District of Kluang, State of Johor was issued by Majlis Perbandaran Kluang to Hektar Berlian on a yearly basis for a period of 3 years subject to the conditions imposed by Majlis Perbandaran Kluang.*

(9) *As at the LPD, no employees are occupying Lot PT 52457, Lot PT 52459 and Lot PT 52465, being part of PT 32121, Mukim Tanjung Dua Belas, District of Kuala Langat, State of Selangor Darul Ehsan. As such, no certificate for accommodation is required.*

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ANNEXURE B - INTELLECTUAL PROPERTY

1. TRADEMARK REGISTERED

As at the LPD, the following are the trademark registered by the Group:

No.	Trademark Application No.	Trademark	Issuing authority	Registered owner / Applicant	Class / Description	Country	Status
1.	TM2019029231		MyIPO	SPBSB	Class 16: Paper, cardboard and goods made from these materials, not included in other classes; printed matter, books, appointment books, announcement cards (stationery), art prints, cards; all included in Class 16	Malaysia	Registered from 9 August 2019 to 9 August 2029
2.	TM2019029232		MyIPO	SPBSB	Class 36: Real estate affairs, real estate services comprising sale of properties, realty administration and management of properties, property and housing development services, real estate agency services, real estate brokerage, real estate and land acquisitions, real estate and property investments; all included in Class 36	Malaysia	Registered from 9 August 2019 to 9 August 2029
3.	TM2019029234		MyIPO	SPBSB	Class 16: Paper, cardboard and goods made from these materials, not included in other classes; printed matter, books, appointment books, announcement cards (stationery), art prints, cards; all included in Class 16	Malaysia	Registered from 9 August 2019 to 9 August 2029
4.	TM2019029235		MyIPO	SPBSB	Class 36: Real estate affairs, real estate services comprising sale of properties, realty administration and management of properties, property and housing development services, real estate agency services, real estate brokerage, real estate and land acquisitions, real estate and property investments; all included in Class 36	Malaysia	Registered from 9 August 2019 to 9 August 2029

ANNEXURE B - INTELLECTUAL PROPERTY *(Cont'd)*

No.	Trademark Application No.	Trademark	Issuing authority	Registered owner / Applicant	Class / Description	Country	Status
5.	TM2019029236		MyIPO	SPBSB	Class 37: Building construction, building and construction services, development of real estate, land and property (building and construction services); all included in Class 37	Malaysia	Registered from 9 August 2019 to 9 August 2029
6.	TM2019029237		MyIPO	SPBSB	Class 16: Paper, cardboard and goods made from these materials, not included in other classes; printed matter, books, appointment books, announcement cards (stationery), art prints, cards; all included in Class 16	Malaysia	Registered from 9 August 2019 to 9 August 2029

2. TRADEMARK APPLICATION

As at the LPD, the following are the trademark where the applications for registration have been submitted by the Group:

No.	Trademark Application No.	Trademark	Issuing authority	Registered owner / Applicant	Class / Description	Country	Status
1.	TM2019029233		MyIPO	SPBSB	Class 37: Building construction, building and construction services, development of real estate, land and property (building and construction services); all included in Class 37	Malaysia	Objected hearing[(1)]
2.	TM2019029238		MyIPO	SPBSB	Class 36: Real estate affairs, real estate services comprising sale of properties, realty administration and management of properties, property and housing development services, real estate agency services, real estate brokerage, real estate and land acquisitions, real estate and property investments; all included in Class 36	Malaysia	Objected hearing[(2)]

ANNEXURE B - INTELLECTUAL PROPERTY *(Cont'd)*

No.	Trademark Application No.	Trademark	Issuing authority	Registered owner / Applicant	Class / Description	Country	Status
3.	TM2019029239	VILLAMENT	MyIPO	SPBSB	Class 37: Building construction, building and construction services, development of real estate, land and property (building and construction services); all included in Class 37	Malaysia	Objected hearing(3)
4.	TM2024018286	SPB Since 1981 BUILDING DREAMS. IMPROVING LIVES	MyIPO	SPBSB	Class 16 as summarised below: Paper, cardboard and goods made from these materials, not included in other classes; printed matter, books, appointment books, announcement cards (stationery), art prints, cards Class 36 as summarised below: Real estate affairs, real estate services comprising sale of properties, realty administration and management of properties, property and housing development services, real estate agency services, real estate brokerage, real estate and land acquisitions, real estate and property investments Class 37 as summarised below: Building construction, building and construction services, development of real estate, land and property (building and construction services)	Malaysia	Under substantive examination(4)

Notes:

(1) SPBSB submitted the application on 9 August 2019, which was provisionally refused for registration by MyIPO. MyIPO quoted the following reasons for its objection:

The use of the trademark may deceive or cause confusion to the public or contrary to the law. The trademark is found to resemble/similar to with other trademarks that have been filed or registered before SPB's application by other applicant/proprietor in respect of the same goods/services or description of goods/services that are closely related to those goods/services.

As at the LPD, we are waiting for a hearing date from MyIPO. In the event our Group fails this appeal, this is not expected to have a material impact on our Group's business operations.

ANNEXURE B - INTELLECTUAL PROPERTY *(Cont'd)*

(2) SPBSB submitted the application on 9 August 2019, which was provisionally refused for registration by MyIPO. MyIPO quoted the following reasons for its objection:

(i) the trademark consists of word or words which are not invented. It does not comply with the requirements of section 10(1)(c) of the Trade Marks Act 1976;

(ii) the trademark uses words which directly reflect the nature or quality of the goods or services. It does not comply with the requirements of section 10(1)(d) of the Trade Marks Act 1976; and

(iii) the trademark is not a distinctive mark which can distinguish the goods or services of the applicant from others in the course of trade. It does not comply with the requirements of section 10(1)(e) of the Trade Marks Act 1976.

As at the LPD, we are waiting for a hearing date from MyIPO. In the event our Group fails this appeal, this is not expected to have a material impact on our Group's business operations.

(3) SPBSB submitted the application on 9 August 2019 which was provisionally refused for registration by MyIPO. MyIPO quoted the following reasons for its objection:

(i) the trademark consists of word or words which are not invented. It does not comply with the requirements of section 10(1)(c) of the Trade Marks Act 1976;

(ii) the trademark uses words which directly reflect the nature or quality of the goods or services. It does not comply with the requirements of section 10(1)(d) of the Trade Marks Act 1976; and

(iii) the trademark is not a distinctive mark which can distinguish the goods or services of the applicant from others in the course of trade. It does not comply with the requirements of section 10(1)(e) of the Trade Marks Act 1976.

As at the LPD, we are waiting for a hearing date from MyIPO. In the event our Group fails this appeal, this is not expected to have a material impact on our Group's business operations.

(4) SPBSB submitted the application for the registration of the trademark on 24 June 2024. The examination process of this application is expected to be completed within 8 to 12 months from the date of filing.

ANNEXURE B - INTELLECTUAL PROPERTY *(Cont'd)*

3. UTILITY INNOVATION GRANTED

No.	Application No.	Issuing authority	Inventor	Registered owner / Applicant	Title	Abstract	Date of Filing	Country	Status / Registration validity
1.	UI2019005686	MyIPO	Yap Jyh Haur	SPBSB	A building with dedicated access	A building, a cluster of buildings (200) and a building development layout is disclosed. The building has a long wall (100) and a short wall (102) and comprises at least one level, wherein each level extends through the long wall (100) of the building. The long wall (100) of the building is oriented parallel to a front street and the short wall (102) of the building is oriented perpendicular to the front street. Each level includes at least one unit (104) comprising at least one habitable space (106); one or more openings (108) extending along the wall of the building; at least one supporting area (110); and at least one dedicated access (112) to the unit (104).	27 September 2019	Malaysia	Certificate for a Utility Innovation granted on 21 August 2024

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP

1. MATERIAL PROPERTIES OWNED BY OUR GROUP

As at the LPD, the material properties owned by our Group are as follows:

1.1 LAND HELD FOR ONGOING DEVELOPMENT

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[(1)]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
Taman Nuri Heights (Phase 1A and 1B) and Taman Nuri Botani (Phase 1 and 2)									
1.	1 unit of multi-purpose hall and 4 units of 2 storey retail unit built / to be built on HS(D) 34319 PT 16351, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located along Jalan Alor Gajah Lama, Taman Nuri, 76100 Durian Tunggal, Melaka	For commercial building (private hall) only / Building	Restriction of interest: This land cannot be transferred, leased or charged without the consent of the State Authority. Encumbrance: Nil	Part of an ongoing mixed development known as Taman Nuri Heights Phase 1A and 1B / Held for development and sale	Modal Cergas	0.97 / N/A	Freehold	N/A	432
2.	Development into 228 units of 2 storey rumah pangsa mampu milik built / to be built on part of HS(D) 34326 PT 16354, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located in Taman Nuri Botani, off Jalan Nuri	For rumah mampu milik building only (strata title) / Building	Restrictions in interest: (a) This land shall not be transferred, leased or charged without the consent of the State Authority; (b) The restriction of interest is excluded for transfer, lease or charge to / by the first buyer; (c) The restriction of interest for transactions under the National Land Code 1965 will be applicable for 10 years from the date of the registration of transfer / charge by	An ongoing affordable residential development known as Taman Nuri Botani (Phase 1	Modal Cergas	7.75 / N/A	Freehold	N/A	7,409

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[(1)]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	Utama, Taman Nuri, 76100 Durian Tunggal, Melaka		the first buyer except with the consent of the State Authority. Encumbrances: Nil	and Phase 2) / Held for development and sale					
Taman La Casa Lunas (Phase 4A, 4B, 4C and 4D)									
3.	96 units of 2 storey semi-detached zero lot house (35' x 65') built / to be built on HS(D) 80442 PT 8747 to HS(D) 80537 PT 8842 in Section 11, Bandar Lunas, District of Kulim, State of Kedah located off the western side of Jalan Lunas, within the locality of Lunas, Kulim, Kedah	The land held under this title shall be used as residential building site only / Building	Restrictions in interest: The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and makes the ditches to the satisfaction of the local authority and the Public Works Department that the roads and ditches can be completed. Encumbrances: Nil	Part of an ongoing mixed development township known as Taman La Casa Lunas Phase 4C / Held for development and sale	Dayang Gemilang	5.54 / N/A	Freehold	N/A	2,483
4.	162 units of 2 storey semi-detached zero lot house (35' x 65') built / to be built on: • HS(D) 80538 PT 8843 to HS(D) 80573 PT 8878; • HS(D) 80575 PT 8880 to HS(D) 80604 PT 8909;	The land held under this title shall be used as residential building site only / Building	Restrictions in interest: (a) The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and build ditches to the satisfaction of the local authority and the Public Works	Part of an ongoing mixed development township known as Taman La Casa Lunas Phase 4D /	Dayang Gemilang	9.03 / N/A	Freehold	N/A	6,407

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	• HS(D) 80606 PT 8911 to HS(D) 80637 PT 8942; and • HS(D) 80639 PT 8944 to HS(D) 80702 PT 9007, Section 11 in Bandar Lunas, District of Kulim, State of Kedah located off the western side of Jalan Lunas, within the locality of Lunas, Kulim, Kedah		Department so that the roads and ditches can be completed. (b) All those pieces of land held under: • HS(D) 80632 PT 8937 to HS(D) 80637 PT 8942; and • HS(D) 80639 PT 8944 to HS(D) 80702 PT 9007, the first transfer shall follow the decision of the State Executive Council Meeting Paper No. 7 (C) 88/2020 dated 10 June 2020 and the consent of the State Authority shall be obtained for the subsequent transfer. Encumbrances: Nil	Held for development and sale					
5.	3 units of 2 storey bungalow built / to be built on: • HS(D) 80574 PT 8879; • HS(D) 80605 PT 8910; and • HS(D) 80638 PT 8943, Section 11 in Bandar Lunas, District of Kulim, State of Kedah located off the western side of	The land held under this title shall be used as residential building site only / Building	Restrictions in interest: (a) The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and build ditches to the satisfaction of the local authority and the Public Works Department so that the roads and ditches can be completed. (b) All that piece of land held under HS(D) 80638 PT 8943: The first transfer shall follow the decision of	Part of an ongoing mixed development township known as Taman La Casa Lunas Phase 4D / Held for development and sale	Dayang Gemilang	0.41 / N/A	Freehold	N/A	291

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	Jalan Lunas, within the locality of Lunas, Kulim, Kedah		the State Executive Council Meeting Paper No. 7 (C) 88/2020 dated 10 June 2020 and the consent of the State Authority shall be obtained for the subsequent transfer. Encumbrances: Nil						
6.	106 units of 2 storey semi-detached zero lot house (35' x 65') built / to be built on HS(D) 80811 PT 9116 to HS(D) 80916 PT 9221, Section 11, Bandar Lunas, District of Kulim, State of Kedah located off the western side of Jalan Lunas, within the locality of Lunas, Kulim, Kedah	The land held under this title shall be used as residential building site only / Building	Restrictions in interest: The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and makes the ditches to the satisfaction of the local authority and the Public Works Department that the roads and ditches can be completed. Encumbrances: Nil	Part of an ongoing mixed development township known as Taman La Casa Lunas Phase 4A / Held for development and sale	Dayang Gemilang	5.90 / N/A	Freehold	N/A	2,750
7.	108 units of 2 storey semi-detached zero lot house (35'x 65') built / to be built on HS(D) 80703 PT 9008 to HS(D) 80810 PT 9115, Section 11 in Bandar Lunas, District of Kulim,	The land held under this title shall be used as residential building site only / Building	Restrictions in interest: (a) The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and build ditches to the satisfaction of the Local	Part of an ongoing mixed development township known as Taman La Casa Lunas Phase 4B /	Dayang Gemilang	5.96 / N/A	Freehold	N/A	3,057

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	State of Kedah located off the western side of Jalan Lunas, within the locality of Lunas, Kulim, Kedah		Authority and the Public Works Department that the roads and ditches can be completed. (b) All those pieces of land held under HS(D) 80703 PT 9008 to HS(D) 80774 PT 9079: The first transfer shall follow the decision of the State Executive Council Meeting Paper No. 7 (C) 88/2020 dated 10 June 2020 and the consent of the State Authority shall be obtained for the subsequent transfer. Encumbrances: Nil	Held for development and sale					
Taman Akasia (Phase 1)									
8.	9 units of 2 storey bungalow built / to be built on: • HS(D) 87317 PTD 106703; • HS(D) 87318 PTD 106705; • HS(D) 87319 PTD 106706; • HS(D) 87344 PTD 106731; • HS(D) 87345 PTD 106732;	(a) This land shall be used for a 2 storey residential house, built according to the plan approved by the relevant local authority. (b) All filth and pollution resulting from this	Restrictions in interest: (a) All those pieces of land held under: • HS(D) 87317 PTD 106703; • HS(D) 87318 PTD 106705; • HS(D) 87319 PTD 106706; • HS(D) 87372 PTD 106759; • HS(D) 87373 PTD 106760; and • HS(D) 87386 PTD 106773, shall not be sold or transferred by whatever means to non-citizen / foreign company without the consent of the State Authority.	An ongoing phase known as Taman Akasia (Phase 1), within an ongoing residential and commercial development known as Taman Akasia /	Hektar Berlian	6.20[2] / N/A	Freehold	N/A	6,382

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	• HS(D) 87372 PTD 106759; • HS(D) 87373 PTD 106760; • HS(D) 87386 PTD 106773; and • Geran 625166 Lot 96764, in Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor[2]	activity shall be channeled / disposed of to the places that have been determined by the relevant authority. (c) All policies and conditions that have been set and enforced from time to time by the relevant authority must be complied with. / Building	(b) All those pieces of land held under: • HS(D) 87344 PTD 106731; • HS(D) 87345 PTD 106732; and • Geran 625166 Lot 96764, are allocated for Bumiputera. Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company without the consent of the State Authority. Encumbrances: Nil	Held for development and sale					
	32 units 2 storey semi-detached house built / to be built on: • Geran 625223 Lot 96674	(a) This land shall be used for a 2 storey semi-detached house of permanent	Restrictions in interest: (a) All that piece of land held under HS(D) 87331 PTD 106718 shall not be sold or transferred by whatever means to non-citizen / foreign company without the consent of the State Authority.						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	• HS(D) 87306 PTD 106692 to HS(D) 87316 PTD 106702; • HS(D) 87320 PTD 106707; • HS(D) 87331 PTD 106718; • HS(D) 87332 PTD 106719; • HS(D) 87343 PTD 106730; • HS(D) 87346 PTD 106733; • HS(D) 87351 PTD 106738; • HS(D) 87358 PTD 106745 to HS(D) 87359 PTD 106746; • HS(D) 87366 PTD 106753; • HS(D) 87371 PTD 106758; • HS(D) 87374 PTD 106761; • HS(D) 87379 PTD 106766 to HS(D) 87385 PTD 106772; • HS(D) 87387 PTD 106775; and	type to be built in accordance with the plan approved by the relevant local authority. (b) All filth and pollution resulting from this activity shall be channelled / disposed of to the places that have been determined by the relevant authority. (c) All policies and conditions that have been set and enforced from time to time by the relevant	(b) All those pieces of land held under: • Geran 625223 Lot 96674 and HS(D) 87306 PTD 106692 to HS(D) 87308 PTD 106694; • HS(D) 87313 PTD 106699 to HS(D) 87316 PTD 106702; • HS(D) 87320 PTD 106707; • HS(D) 87332 PTD 106719; • HS(D) 87351 PTD 106738; • HS(D) 87358 PTD 106745; • HS(D) 87359 PTD 106746; • HS(D) 87366 PTD 106753; • HS(D) 87371 PTD 106758; • HS(D) 87374 PTD 106761; • HS(D) 87379 PTD 106766 to HS(D) 87381 PTD 106768; • HS(D) 87385 PTD 106772; and • HS(D) 87387 PTD 106775, (i) shall not be sold or transferred by whatever means to a non-citizen / foreign company without the consent of the State Authority; and (ii) cannot be transferred by whatever means unless building has begun to be constructed in accordance with a plan that has been approved by the relevant local authority.						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	• HS(D) 87392 PTD 106780, in Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor(2)	authority shall be complied with. / Building	(c) All those pieces of land held under: • HS(D) 87309 PTD 106695 to HS(D) 87312 PTD 106698; • HS(D) 87343 PTD 106730; • HS(D) 87346 PTD 106733; • HS(D) 87382 PTD 106769 to HS(D) 87384 PTD 106771; and • HS(D) 87392 PTD 106780, (i) are allocated for Bumiputera, Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company without the consent of the State Authority; and (ii) cannot be transferred by whatever means unless building has begun to be constructed in accordance with a plan that has been approved by the relevant local authority. Encumbrances: Nil						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	48 units 2 storey cluster house built / to be built on: • HS(D) 87321 PTD 106708 to HS(D) 87330 PTD 106717; • HS(D) 87333 PTD 106720 to HS(D) 87342 PTD 106729; • HS(D) 87347 PTD 106734 to HS(D) 87350 PTD 106737; • HS(D) 87352 PTD 106739 to HS(D) 87357 PTD 106744; • HS(D) 87360 PTD 106747 to HS(D) 87365 PTD 106752; • HS(D) 87367 PTD 106754 to HS(D) 87370 PTD 106757; • HS(D) 87375 PTD 106762 to HS(D) 87378 PTD 106765; and • HS(D) 87388 PTD 106776 to HS(D)	(a) This land shall be used for a 2 storey cluster residential house, built according to the plan approved by the relevant local authority. (b) All filth and pollution resulting from this activity shall be channelled / disposed of to the places that have been determined by the relevant authority. (c) All policies and conditions that have been set and	Restriction in interest: (a) All those pieces of land held under: • HS(D) 87324 PTD 106711 to HS(D) 87326 PTD 106713; • HS(D) 87329 PTD 106716; • HS(D) 87330 PTD 106717; • HS(D) 87333 PTD 106720; • HS(D) 87334 PTD 106721; • HS(D) 87337 PTD 106724 to HS(D) 87340 PTD 106727; • HS(D) 87349 PTD 106736; • HS(D) 87350 PTD 106737; • HS(D) 87354 PTD 106741 to HS(D) 87357 PTD 106744; • HS(D) 87360 PTD 106747 to HS(D) 87363 PTD 106750; • HS(D) 87367 PTD 106754 to HS(D) 87370 PTD 106757; • HS(D) 87375 PTD 106762 to HS(D) 87378 PTD 106765; • HS(D) 87388 PTD 106776; and • HS(D) 87389 PTD 106777, shall not be sold or transferred by whatever means to non-citizen / foreign company without the consent of the State Authority. (b) All those pieces of land held under: • HS(D) 87321 PTD 106708 to HS(D) 87323 PTD 106710;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	87391 PTD 106779, in Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor[2]	enforced from time to time by the relevant authority shall be complied with. / Building	• HS(D) 87327 PTD 106714; • HS(D) 87328 PTD 106715; • HS(D) 87335 PTD 106722; • HS(D) 87336 PTD 106723; • HS(D) 87341 PTD 106728; • HS(D) 87342 PTD 106729; • HS(D) 87347 PTD 106734; • HS(D) 87348 PTD 106735; • HS(D) 87352 PTD 106739; • HS(D) 87353 PTD 106740; • HS(D) 87364 PTD 106751; • HS(D) 87365 PTD 106752; and • HS(D) 87390 PTD 106778; and • HS(D) 87391 PTD 106779, are allocated for Bumiputera. Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company without the consent of the State Authority. Encumbrances: Nil						
9.	9 units of 2 storey bungalow built / to be built on: • HS(D) 87394 PTD 106782;	(a) This land shall be used for a 2 storey residential house to be	Restrictions in interest: (a) All those pieces of land held under: • HS(D) 87417 PTD 106806; • HS(D) 87446 PTD 106835 • HS(D) 87447 PTD 106836;	An ongoing phase known as Taman Akasia (Phase 1), within an	Hektar Berlian	7.18[2] / N/A	Freehold	N/A	7,655

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	• HS(D) 87402 PTD 106791; • HS(D) 87416 PTD 106805 • HS(D) 87417 PTD 106806; • HS(D) 87446 PTD 106835 • HS(D) 87447 PTD 106836; • HS(D) 87476 PTD 106865 • HS(D) 87477 PTD 106866; • HS(D) 87494 PTD 106883, in Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor[2]	built in accordance with the plan approved by the relevant local authority. (b) All filth and pollution as a result of this activity shall be channelled / disposed of to the places that have been determined by the relevant authority. (c) All policies and conditions set and enforced from time to time by the relevant authority	• HS(D) 87476 PTD 106865 • HS(D) 87477 PTD 106866; and • HS(D) 87494 PTD 106883, shall not be sold or transferred by whatever means to non-citizen / foreign company without the consent of the State Authority. (b) All those pieces of land held under: • HS(D) 87394 PTD 106782; • HS(D) 87402 PTD 106791; and • HS(D) 87416 PTD 106805, are allocated for Bumiputera. Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company without the consent of the State Authority. Encumbrances: Nil	ongoing residential and commercial development known as Taman Akasia / Held for development and sale					

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		shall be complied with. / Building							
	60 units of 2 storey cluster house to be built on: • HS(D) 87396 PTD 106784 to HS(D) 87401 PTD 106789; • HS(D) 87409 PTD 106798 to HS(D) 87414 PTD 106803; • HS(D) 87419 PTD 106808 to HS(D) 87430 PTD 106819; • HS(D) 87433 PTD 106822; • HS(D) 87434 PTD 106823; • Geran 625104 Lot 96807; • HS(D) 87436 PTD 106825 to HS(D) 87444 PTD 106833;	(a) This land shall be used for a 2 storey cluster residential house to be built in accordance with the plan approved by the relevant local authority. (b) All filth and pollution resulting from this activity shall be channelled / disposed of to the places that have been determined	Restrictions in interest: (a) All those pieces of land held under: • HS(D) 87398 PTD 106786 to HS(D) 87401 PTD 106789; • HS(D) 87409 PTD 106798; • HS(D) 87410 PTD 106799; • HS(D) 87413 PTD 106802; • HS(D) 87414 PTD 106803; • HS(D) 87419 PTD 106808 to HS(D) 87422 PTD 106811; • HS(D) 87425 PTD 106814; • HS(D) 87426 PTD 106815; • HS(D) 87429 PTD 106818; • HS(D) 87430 PTD 106819; • Geran 625104 Lot 96807 • HS(D) 87436 PTD 106825 to HS(D) 87438 PTD 106827; • HS(D) 87441 PTD 106830 to HS(D) 87444 PTD 106833; • HS(D) 87449 PTD 106838; • HS(D) 87450 PTD 106839; • HS(D) 87453 PTD 106842; • HS(D) 87454 PTD 106843; • HS(D) 87457 PTD 106846;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	• HS(D) 87449 PTD 106838 to HS(D) 87460 PTD 106849; and • HS(D) 87463 PTD 106852 to HS(D) 87474 PTD 106863, in Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor(2)	by the relevant authority. (c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with. / Building	• HS(D) 87458 PTD 106847; • HS(D) 87463 PTD 106852 to HS(D) 87466 PTD 106855; • HS(D) 87469 PTD 106858; • HS(D) 87470 PTD 106859; and • HS(D) 87473 PTD 106862; • HS(D) 87474 PTD 106863, shall not be sold or transferred by whatever means to non-citizen / foreign company without the consent of the State Authority. (b) All those pieces of land held under: • HS(D) 87396 PTD 106784; • HS(D) 87397 PTD 106785; • HS(D) 87411 PTD 106800; • HS(D) 87412 PTD 106801; • HS(D) 87423 PTD 106812; • HS(D) 87424 PTD 106813; • HS(D) 87427 PTD 106816 • HS(D) 87428 PTD 106817; • HS(D) 87433 PTD 106822; • HS(D) 87434 PTD 106823; • HS(D) 87439 PTD 106828; • HS(D) 87440 PTD 106829; • HS(D) 87451 PTD 106840; • HS(D) 87452 PTD 106841; • HS(D) 87455 PTD 106844; • HS(D) 87456 PTD 106845;					

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			• HS(D) 87459 PTD 106848; • HS(D) 87460 PTD 106849; • HS(D) 87467 PTD 106856; • HS(D) 87468 PTD 106857; • HS(D) 87471 PTD 106860; and • HS(D) 87472 PTD 106861, are allocated for Bumiputera. Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company without the consent of the State Authority. Encumbrances: Nil						
	32 units of 2 storey semi-detached house to be built on: • HS(D) 87395 PTD 106783; • HS(D) 87403 PTD 106792 to HS(D) 87408 PTD 106797; • HS(D) 87415 PTD 106804; • HS(D) 87418 PTD 106807;	(a) This land shall be used for a 2 storey semi-detached house of permanent type to be built in accordance with the plan approved by the relevant local authority.	(a) All those pieces of land held under: • HS(D) 87403 PTD 106792; • HS(D) 87404 PTD 106793; • HS(D) 87407 PTD 106796; • HS(D) 87408 PTD 106797; • HS(D) 87418 PTD 106807; • HS(D) 87445 PTD 106834; • HS(D) 87448 PTD 106837; • HS(D) 87462 PTD 106851; • HS(D) 87475 PTD 106864; • HS(D) 87478 PTD 106867 to HS(D) 87481 PTD 106870;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	• HS(D) 87431 PTD 106820; • HS(D) 87432 PTD 106821; • HS(D) 87445 PTD 106834; • HS(D) 87448 PTD 106837; • HS(D) 87461 PTD 106850; • HS(D) 87462 PTD 106851; • HS(D) 87475 PTD 106864; and • HS(D) 87478 PTD 106867 to HS(D) 87493 PTD 106882, in Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor(2)	(b) All filth and pollution resulting from this activity shall be channelled / disposed of to the places that have been determined by the relevant authority. (c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with. / Building	• HS(D) 87486 PTD 106875 to HS(D) 87488 PTD 106877; • HS(D) 87492 PTD 106881; and • HS(D) 87493 PTD 106882, (i) shall not be sold or transferred by whatever means to a non-citizen / foreign company without the consent of the State Authority; and (ii) cannot be transferred by whatever means unless building has begun to be constructed in accordance with a plan that has been approved by the relevant local authority. (b) All those pieces of land held under: • HS(D) 87395 PTD 106783; • HS(D) 87405 PTD 106794; • HS(D) 87406 PTD 106795; • HS(D) 87415 PTD 106804; • HS(D) 87431 PTD 106820; • HS(D) 87432 PTD 106821; • HS(D) 87461 PTD 106850; • HS(D) 87482 PTD 106871 to HS(D) 87485 PTD 106874; and • HS(D) 87489 PTD 106878 to HS(D) 87491 PTD 106880,					

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[(1)]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			(i) are allocated for Bumiputera. Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company without the consent of the State Authority; and (ii) cannot be transferred by whatever means unless building has begun to be constructed accordance with a plan that has been approved by the relevant local authority. Encumbrances: Nil						

Notes:

(1) Land title for properties which have been sold to buyers with end-financing have been / will be transferred to the respective buyers and charged to their respective end-financiers prior to the first drawdown.

(2) As at the LPD, the lands held by Hektar Berlian for ongoing development have been / will be alienated for the purpose of issuance of final titles. Save for title details starting with "Geran", the title details and land area specified here are based on the qualified titles.

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

1.2 LAND HELD FOR FUTURE DEVELOPMENT (WITH PLANNING PERMISSION)

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
Taman Nuri (Phases 3B5, 4B, 4C, and 7, Taman Nuri Heights (Phases 2 and 3) and Taman Nuri Botani (Phases 3 and 4))									
1.	77 units of 2 storey terrace house (26' x 60') built / to be built on HS(D) 24464 PT 10343 to HS(D) 24540 PT 10419, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located within Taman Nuri 3, 76100 Durian Tunggal, Melaka	For residential house only / Building	Restrictions in interest: This land cannot be transferred or leased without the consent of the State Authority. This restriction in interest is excluded for Malays. Encumbrances: Nil	A residential development known as Taman Nuri (Phase 3B5) / Held for development and sale	Modal Cergas	3.34 / N/A	Freehold	N/A	1,194
2.	12 units of 2 storey cluster house (36' x 68'), 19 units of 2 storey cluster house (36' x 60'), 4 units of 2 storey cluster house (36' x 70') and 2 units of 2 storey bungalow (46' x 60') to be built on HS(D) 35178 PT 16385 to HS(D) 35214 PT 16421, in the Mukim of Durian Tunggal,	The land held under this title shall be used as residential building site only / Building	Restrictions in interest: (a) All those pieces of land held under: • HS(D) 35178 PT 16385 to HS(D) 35181 PT 16388; • HS(D) 35183 PT 16390 to HS(D) 35186 PT 16393; • HS(D) 35190 PT 16397 to HS(D) 35195 PT 16402; and • HS(D) 35201 PT 16408 to HS(D) 35208 PT 16415, cannot be transferred, leased or charged without the consent	A parcel of vacant residential land, intended to be developed into a new phase known as Phase 4B, within an ongoing mixed development known as Taman Nuri /	Modal Cergas	2.54 / N/A	Freehold	N/A	1,036

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	District of Alor Gajah, State of Melaka located along Jalan Alor Gajah Lama, Taman Nuri, 76100 Durian Tunggal, Melaka		of the State Authority. This restriction in interest is excluded for transfer, lease or charge to / by Malay. (b) All those pieces of land held under: • HS(D) 35182 PT 16389; • HS(D) 35187 PT 16394 to HS(D) 35189 PT 16396; • HS(D) 35196 PT 16403 to HS(D) 35200 PT 16407; and • HS(D) 35209 PT 16416 to HS(D) 35214 PT 16421, cannot be transferred, leased or charged without the consent of the State Authority. This restriction in interest is excluded for transfer, lease or charge to / by the first buyer. Encumbrances: Nil	Held for development and sale					
3.	44 units of 2 storey cluster house (36' x 60'), 4 units 2 storey cluster semi-detached house (36' x 70') and 1 unit of 2 storey bungalow	For educational purpose(2) / Building	Restrictions in interest: This land cannot be transferred or leased unless with the consent of the State Authority. This restriction of interest is exempted for the first transfer or lease. Encumbrances: Nil	A parcel of vacant land approved for residential development, intended to be developed into a new phase	Modal Cergas	5.03 / N/A	Freehold	N/A	587

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	(46' x 60') to be built on HS(D) 24926 PT 10805, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located along Jalan Alor Gajah Lama, Taman Nuri, 76100 Durian Tunggal, Melaka			known as Phase 4C, within an ongoing mixed development known as Taman Nuri / Held for development and sale					
4.	86 units of 2 storey terrace house to be built on HS(M) 4339 PT 13881, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at Off Jalan Nuri Utama, Taman Nuri, 76100 Durian Tunggal, Melaka	Nil / Nil	Restrictions in interest: Nil Encumbrances: Nil	A parcel of vacant land approved for residential development, intended to be developed into a new phase known as Phase 7, within an ongoing mixed development known as Taman Nuri / Held for development and sale	Good Rate	6.93 / N/A	Freehold	N/A	2,751

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
5.	16 units of 2 storey semi-detached house (36' x 70'), 1 unit of 2 storey bungalow (46' x 70'), 6 units of 2 storey shoplots (34' x 80') and a guard house built / to be built on HS(D) 34295 PT 16327 to HS(D) 34318 PT 16350, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located along Jalan Alor Gajah Lama, Taman Nuri, 76100 Durian Tunggal, Melaka	For all those pieces of land held under HS(D) 34295 PT 16327 to HS(D) 34311 PT 16343: For residential building only / Building	Restrictions in interest: (a) All those pieces of land held under: • HS(D) 34295 PT 16327; and • HS(D) 34300 PT 16332 to HS(D) 34305 PT 16337, cannot be transferred, leased or charged without the consent of the State Authority. This restriction in interest is excluded for transfer, lease or charge to / by the first buyer. (b) All those pieces of land held under: • HS(D) 34296 PT 16328 to HS(D) 34299 PT 16331; and • HS(D) 34306 PT 16338 to HS(D) 34311 PT 16343, cannot be transferred, leased or charged without the consent of the State Authority. This restriction in interest is excluded for transfer, lease or charge to / by Malay. Encumbrances: Nil	Development into Taman Nuri Heights (Phases 2 and 3) within an ongoing mixed development / Held for development and sale	Modal Cergas	1.72 / N/A	Freehold	N/A	763

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		For all those pieces of land held under HS(D) 34312 PT 16344 to HS(D) 34317 PT 16349: For commercial building (shop / office) only / Building	Restrictions in interest: (a) All those pieces of land held under: • HS(D) 34312 PT 16344; • HS(D) 34313 PT 16345; • HS(D) 34316 PT 16348; and • HS(D) 34317 PT 16349, cannot be transferred, leased or charged without the consent of the State Authority. This restriction in interest is excluded for transfer, lease or charge to / by the first buyer. (b) All those pieces of land held under HS(D) 34314 PT 16346 and HS(D) 34315 PT 16347, cannot be transferred, leased or charged without the consent of the State Authority. This restriction in interest is excluded for transfer, lease or charge to / by Malay. Encumbrances: Nil						
		For HS(D) 34318 PT 16350: For guard house only / Building	Restriction of interest: All those pieces of land held under HS(D) 34318 PT 16350 cannot be transferred, leased or charged without the consent of the State Authority. Encumbrance: Nil						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
6.	Development into 280 units of 2 storey rumah pangsa mampu milik built / to be built on part of HS(D) 34326 PT 16354, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located in Taman Nuri Botani, off Jalan Nuri Utama, Taman Nuri, 76100 Durian Tunggal, Melaka	For rumah mampu milik building only (strata title) / Building	Restrictions in interest: (a) This land shall not be transferred, leased or charged without the consent of the State Authority; (b) The restriction of interest is excluded for transfer, lease or charge to / by the first buyer; (c) The restriction of interest for transactions under the National Land Code 1965 will be applicable for 10 years from the date of the registration of transfer / charge by the first buyer except with the consent of the State Authority. Encumbrances: Nil	Development into Taman Nuri Botani Phases 3 and 4 within an ongoing affordable residential development known as Taman Nuri Botani / Held for development and sale	Modal Cergas	10.57 / N/A	Freehold	N/A	4,036
Taman La Casa Lunas (Phases 1A, 1B, 4E, 4F and 5)									
7.	78 units of 2 storey zero lot house (35'x 70') to be built on HS(D) 80364 PT 8669 to HS(D) 80441 PT 8746, Section 11 in Bandar Lunas, District of Kulim, State of Kedah located off the western side of Jalan Lunas,	The land held under this title shall be used as residential building site only / Building	Restrictions in interest: (a) The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and build ditches to the satisfaction of the Local Authority and the Public Works	Future phase to be known as Taman La Casa Lunas Phase 5, within an ongoing mixed development township known as Taman La Casa Lunas /	Dayang Gemilang	4.82 / N/A	Freehold	N/A	3,393

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	within the locality of Lunas, Kulim, Kedah		Department that the roads and ditches can be completed. (b) All those pieces of land held under: • HS(D) 80364 PT 8669; • HS(D) 80365 PT 8670; and • HS(D) 80376 PT 8681 to HS(D) 80396 PT 8701: The first transfer shall follow the decision of the State Executive Council Meeting Paper No. 7 (C) 88/2020 dated 10 June 2020 and the consent of the State Authority shall be obtained for the subsequent transfer. Encumbrances: Nil	Held for development and sale					

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
8.	192 units of single-storey medium cost terrace house (22' x 65') and 176 units of single-storey medium-low-cost terrace house (22' x 65') to be built on HS(D) 79191 PT 7524 to HS(D) 79558 PT 7891, Section 11 in Bandar Lunas, District of Kulim, State of Kedah located off the western side of Jalan Lunas, within the locality of Lunas, Kulim, Kedah	The land held under this title shall be used as residential building site only / Building	Restrictions in interest: (a) The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and build ditches to the satisfaction of the local authority and the Public Works Department that the roads and ditches can be completed. (b) All those pieces of land held under HS(D) 79191 PT 7524 to HS(D) 79231 PT 7564 and HS(D) 79489 PT 7822 to HS(D) 79558 PT 7891: The first transfer shall follow the decision of the State Executive Council Meeting Paper No. 7(C) 88/2020 dated 10 June 2020 and the consent of the State Authority shall be obtained for the subsequent transfer. Encumbrances: Charged to Maybank Islamic Bank Berhad; (a) HS(D) 79191 PT 7524 to HS(D) 79200 PT 7533: Presentation No. 21852/2022	Future phases to be known as Taman La Casa Lunas Phase 1A and 1B, within an ongoing mixed development township known as Taman La Casa Lunas / Held for development and sale	Dayang Gemilang	13.62 / N/A	Freehold	N/A	9,185

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			dated 25 September 2022; (b) HS(D) 79201 PT 7534 to HS(D) 79208 PT 7541: Presentation No. 21858/2022 dated 25 September 2022; (c) HS(D) 79209 PT 7542 to HS(D) 79218 PT 7551: Presentation No. 21861/2022 dated 25 September 2022; (d) HS(D) 79219 PT 7552 to HS(D) 79228 PT 7561: Presentation No. 21864/2022 dated 25 September 2022; (e) HS(D) 79229 PT 7562 to HS(D) 79238 PT 7571: Presentation No. 21865/2022 dated 25 September 2022; (f) HS(D) 79239 PT 7572 to HS(D) 79248 PT 7581: Presentation No. 21866/2022 dated 25 September 2022; (g) HS(D) 79249 PT 7582 to HS(D) 79258 PT 7591: Presentation No. 21867/2022 dated 25 September 2022; (h) HS(D) 79259 PT 7592 to HS(D) 79268 PT 7601: Presentation No. 21868/2022 dated 25 September 2022; (i) HS(D) 79269 PT 7602 to HS(D) 79278 PT 7611: Presentation No. 21869/2022 dated 25 September 2022;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			(j) HS(D) 79279 PT 7612 to HS(D) 79288 PT 7621: Presentation No. 21870/2022 dated 25 September 2022; (k) HS(D) 79289 PT 7622 to HS(D) 79298 PT 7631: Presentation No. 21871/2022 dated 25 September 2022; (l) HS(D) 79299 PT 7632 to HS(D) 79308 PT 7641: Presentation No. 21872/2022 dated 25 September 2022; (m) HS(D) 79309 PT 7642 to HS(D) 79318 PT 7651: Presentation No. 21873/2022 dated 25 September 2022; (n) HS(D) 79319 PT 7652 to HS(D) 79328 PT 7661: Presentation No. 21874/2022 dated 25 September 2022; (o) HS(D) 79329 PT 7662 to HS(D) 79338 PT 7671: Presentation No. 21875/2022 dated 25 September 2022; (p) HS(D) 79339 PT 7672 to HS(D) 79348 PT 7681: Presentation No. 21876/2022 dated 25 September 2022; (q) HS(D) 79349 PT 7682 to HS(D) 79358 PT 7691: Presentation No. 21879/2022 dated 25 September 2022;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			(r) HS(D) 79359 PT 7692 to HS(D) 79368 PT 7701: Presentation No. 21880/2022 dated 25 September 2022; (s) HS(D) 79369 PT 7702 to HS(D) 79378 PT 7711: Presentation No. 21884/2022 dated 25 September 2022; (t) HS(D) 79379 PT 7712 to HS(D) 79388 PT 7721: Presentation No. 21782/2022 dated 25 September 2022; (u) HS(D) 79389 PT 7722 to HS(D) 79398 PT 7731: Presentation No. 21788/2022 dated 25 September 2022; (v) HS(D) 79399 PT 7732 to HS(D) 79408 PT 7741: Presentation No. 21789/2022 dated 25 September 2022; (w) HS(D) 79409 PT 7742 to HS(D) 79418 PT 7751: Presentation No. 21790/2022 dated 25 September 2022; (x) HS(D) 79419 PT 7752 to HS(D) 79428 PT 7761: Presentation No. 21795/2022 dated 25 September 2022; (y) HS(D) 79429 PT 7762 to HS(D) 79438 PT 7771: Presentation No. 21799/2022 dated 25 September 2022;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			(z) HS(D) 79439 PT 7772 to HS(D) 79448 PT 7781: Presentation No. 21805/2022 dated 25 September 2022; (aa) HS(D) 79449 PT 7782 to HS(D) 79458 PT 7791: Presentation No. 21808/2022 dated 25 September 2022; (bb) HS(D) 79459 PT 7792 to HS(D) 79468 PT 7801: Presentation No. 21811/2022 dated 25 September 2022; (cc) HS(D) 79469 PT 7802 to HS(D) 79478 PT 7811: Presentation No. 21815/2022 dated 25 September 2022; (dd) HS(D) 79479 PT 7812 to HS(D) 79488 PT 7821: Presentation No. 21823/2022 dated 25 September 2022; (ee) HS(D) 79489 PT 7822 to HS(D) 79498 PT 7831: Presentation No. 21827/2022 dated 25 September 2022; (ff) HS(D) 79499 PT 7832 to HS(D) 79508 PT 7841: Presentation No. 21832/2022 dated 25 September 2022; (gg) HS(D) 79509 PT 7842 to HS(D) 79518 PT 7851: Presentation No. 21838/2022 dated 25 September 2022;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			(hh) HS(D) 79519 PT 7852 to HS(D) 79528 PT 7861: Presentation No. 21841/2022 dated 25 September 2022; (ii) HS(D) 79529 PT 7862 to HS(D) 79538 PT 7871: Presentation No. 21843/2022 dated 25 September 2022; (jj) HS(D) 79539 PT 7872 to HS(D) 79548 PT 7881: Presentation No. 21844/2022 dated 25 September 2022; and (kk) HS(D) 79549 PT 7882 to HS(D) 79558 PT 7891: Presentation No. 21846/2022 dated 25 September 2022.						
9.	452 units of 2 storey low -cost cluster townhouse to be built on HS(D) 79179 PT 7512 to HS(D) 79190 PT 7523, Section 11 in Bandar Lunas, District of Kulim, State of Kedah located off the western side of Jalan Lunas, within the locality	The land held under this title shall be used as residential building site only / Building	Restrictions in interest: (a) The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and build ditches to the satisfaction of the local authority and the Public Works Department that the roads and ditches can be completed.	Future phases to be known as Taman La Casa Lunas Phases 4E and 4F, within an ongoing mixed development township known as Taman La Casa Lunas /	Dayang Gemilang	10.79 / N/A	Freehold	N/A	5,802

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	of Lunas, Kulim, Kedah		(b) All those pieces of land held under HS(D) 79179 PT 7512 to HS(D) 79182 PT 7515, HS(D) 79187 PT 7520 and HS(D) 79188 PT 7521: The first transfer shall follow the decision of the State Executive Council Meeting Paper No. 7 (C) 88/2020 dated 10 June 2020 and the consent of the State Authority shall be obtained for the subsequent transfer. Encumbrances: Charged to Maybank Islamic Bank Berhad; Presentation No. 21851/2022 dated 25 September 2022.	Held for development and sale					
Taman Akasia (Phases 2, 3 and 4)									
10.	8 units of 2 storey bungalow to be built on: • HS(D) 87525 PTD 106923; • HS(D) 87526 PTD 106924; • HS(D) 87579 PTD 106977; • HS(D) 87580 PTD 106978;	(a) This land shall be used for a 2 storey residential house, built according to the plan approved by the relevant local authority.	Restrictions in interest: (a) All those pieces of land held under: • HS(D) 87525 PTD 106923; • HS(D) 87526 PTD 106924; • HS(D) 87635 PTD 107033; and • HS(D) 87636 PTD 107034, shall not be sold or transferred by whatever means to non-citizen / foreign company	Future phase to be known as Taman Akasia (Phase 2), within an ongoing residential and commercial development known as Taman Akasia /	Hektar Berlian	27.60 / N/A	Freehold	N/A	10,505

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	• HS(D) 87635 PTD 107033; • HS(D) 87636 PTD 107034; • HS(D) 87693 PTD 107091; and • HS(D) 87694 PTD 107092, in the Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor(4)	(b) All filth and pollution as a result of this activity shall be channelled / disposed of to the places that have been determined by the relevant authority. (c) All policies and conditions set and enforced from time to time by the relevant authority shall be complied with.	without the consent of the State Authority. (b) All those pieces of land held under: • HS(D) 87579 PTD 106977; • HS(D) 87580 PTD 106978; • HS(D) 87693 PTD 107091; and • HS(D) 87694 PTD 107092, are allocated for Bumiputera. Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company without the consent of the State Authority. Encumbrances: Refer to Note (3)	Held for development and sale					
	208 units of 2 storey cluster house to be built on:	(a) This land shall be used for a 2 storey cluster / Building	Restrictions in interest: (a) All those pieces of land held under:						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	• HS(D) 87527 PTD 106925 to HS(D) 87578 PTD 106976; • HS(D) 87582 PTD 106980 to HS(D) 87633 PTD 107031; • HS(D) 87637 PTD 107035 to HS(D) 87692 PTD 107090; • HS(D) 87696 PTD 107094 to HS(D) 87719 PTD 107117; and • HS(D) 87722 PTD 107120 to HS(D) 87745 PTD 107143, in the Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor(4)	residential house, built according to the plan approved by the relevant local authority. (b) All filth and pollution resulting from this activity shall be channelled / disposed of to the places that have been determined by the relevant authority. (c) All policies and conditions that have been set and enforced from time to time by the	• HS(D) 87530 PTD 106928 to HS(D) 87532 PTD 106930; • HS(D) 87536 PTD 106934 to HS(D) 87543 PTD 106941; • HS(D) 87546 PTD 106944 to HS(D) 87550 PTD 106948; • HS(D) 87555 PTD 106953 to HS(D) 87557 PTD 106955; • HS(D) 87560 PTD 106958 to HS(D) 87569 PTD 106967; • HS(D) 87573 PTD 106971 to HS(D) 87575 PTD 106973; • HS(D) 87583 PTD 106981 to HS(D) 87586 PTD 106984; • HS(D) 87590 PTD 106988 to HS(D) 87593 PTD 106991; • HS(D) 87597 PTD 106995 to HS(D) 87600 PTD 106998; • HS(D) 87604 PTD 107002 to HS(D) 87611 PTD 107009;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		relevant authority shall be complied with. / Building	• HS(D) 87616 PTD 107014 to HS(D) 87618 PTD 107016; • HS(D) 87622 PTD 107020 to HS(D) 87626 PTD 107024; • HS(D) 87630 PTD 107028 to HS(D) 87632 PTD 107030; • HS(D) 87637 PTD 107035; • HS(D) 87638 PTD 107036; • HS(D) 87641 PTD 107039; • HS(D) 87642 PTD 107040; • HS(D) 87646 PTD 107044 to HS(D) 87653 PTD 107051; • HS(D) 87657 PTD 107055 to HS(D) 87661 PTD 107059; • HS(D) 87667 PTD 107065 to HS(D) 87672 PTD 107070; • HS(D) 87676 PTD 107074 to HS(D) 87682 PTD 107080; • HS(D) 87686 PTD 107084 to HS(D) 87688 PTD 107086; • HS(D) 87698 PTD 107096 to HS(D) 87700 PTD 107098;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			• HS(D) 87704 PTD 107102; • HS(D) 87705 PTD 107103; • HS(D) 87708 PTD 107106; • HS(D) 87709 PTD 107107; • HS(D) 87712 PTD 107110; • HS(D) 87713 PTD 107111; • HS(D) 87717 PTD 107115 to HS(D) 87719 PTD 107117; • HS(D) 87722 PTD 107120 to HS(D) 87724 PTD 107122; • HS(D) 87728 PTD 107126; • HS(D) 87729 PTD 107127; • HS(D) 87732 PTD 107130; • HS(D) 87733 PTD 107131; • HS(D) 87736 PTD 107134 to HS(D) 87739 PTD 107137; and • HS(D) 87743 PTD 107141 to HS(D) 87745 PTD 107143, shall not be sold or transferred by whatever means to non-citizen / foreign company without the consent of the State Authority. (b) All those pieces of land held under:						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			• HS(D) 87527 PTD 106925 to HS(D) 87529 PTD 106927; • HS(D) 87533 PTD 106931 to HS(D) 87535 PTD 106933; • HS(D) 87544 PTD 106942; • HS(D) 87545 PTD 106943; • HS(D) 87551 PTD 106949 to HS(D) 87554 PTD 106952; • HS(D) 87558 PTD 106956; • HS(D) 87559 PTD 106957; • HS(D) 87570 PTD 106968 to HS(D) 87572 PTD 106970; • HS(D) 87576 PTD 106974 to HS(D) 87578 PTD 106976; • HS(D) 87582 PTD 106980; • HS(D) 87587 PTD 106985 to HS(D) 87589 PTD 106987; • HS(D) 87594 PTD 106992 to HS(D) 87596 PTD 106994; • HS(D) 87601 PTD 106999 to HS(D) 87603 PTD 107001;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			• HS(D) 87612 PTD 107010 to HS(D) 87615 PTD 107013; • HS(D) 87619 PTD 107017 to HS(D) 87621 PTD 107019; • HS(D) 87627 PTD 107025 to HS(D) 87629 PTD 107027; • HS(D) 87633 PTD 107031; • HS(D) 87639 PTD 107037 to HS(D) 87640 PTD 107038; • HS(D) 87643 PTD 107041 to HS(D) 87645 PTD 107043; • HS(D) 87654 PTD 107052 to HS(D) 87656 PTD 107054; • HS(D) 87662 PTD 107060 to HS(D) 87666 PTD 107064; • HS(D) 87673 PTD 107071 to HS(D) 87675 PTD 107073; • HS(D) 87683 PTD 107081 to HS(D) 87685 PTD 107083; • HS(D) 87689 PTD 107087 to HS(D) 87692 PTD 107090; • HS(D) 87696 PTD 107094;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			• HS(D) 87697 PTD 107095; • HS(D) 87701 PTD 107099 to HS(D) 87703 PTD 107101; • HS(D) 87706 PTD 107104; • HS(D) 87707 PTD 107105; • HS(D) 87710 PTD 107108; • HS(D) 87711 PTD 107109; • HS(D) 87714 PTD 107112 to HS(D) 87716 PTD 107114; • HS(D) 87725 PTD 107123 to HS(D) 87727 PTD 107125; • HS(D) 87730 PTD 107128; • HS(D) 87731 PTD 107129; • HS(D) 87734 PTD 107132; • HS(D) 87735 PTD 107133; and • HS(D) 87740 PTD 107138 to HS(D) 87742 PTD 107140, are allocated for Bumiputera. Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company without the consent of the State Authority.					

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			Encumbrances: Charged to Public Islamic Bank Berhad: (a) HS(D) 87697 PTD 107095 to HS(D) 87707 PTD 107105 and HS(D) 87734 PTD 107132 to HS(D) 87745 PTD 107143: Presentation No. 76548/2024 dated 31 July 2024; and (b) HS(D) 87710 PTD 107108 to HS(D) 87719 PTD 107117 and HS(D) 87722 PTD 107120 to HS(D) 87733 PTD 107131: Presentation No. 76487/2024 dated 31 July 2024. Refer to Note (3) for the remaining titles.						
	60 units of 2 storey semi-detached house to be built on: • HS(D) 87499 PTD 106894 to HS(D) 87524 PTD 106921; • HS(D) 87581 PTD 106979;	(a) This land shall be used for a 2 storey semi-detached house of permanent type, built according to the plan approved by the relevant	Restrictions in interest: (a) All that piece of land held under HS(D) 87634 PTD 107032 are allocated for Bumiputera. Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	• HS(D) 87634 PTD 107032; • HS(D) 87695 PTD 107093; • HS(D) 87720 PTD 107118; • HS(D) 87721 PTD 107119; • HS(D) 87746 PTD 107144; and • HS(D) 87747 PTD 107146 to HS(D) 87774 PTD 107173, in the Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor(4)	local authority. (b) All filth and pollution resulting from this activity shall be channelled / disposed of to the places that have been determined by the relevant authority. (c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with. / Building	without the consent of the State Authority. (b) All those pieces of land held under: • HS(D) 87502 PTD 106897 to HS(D) 87505 PTD 106900; • HS(D) 87508 PTD 106903 to HS(D) 87515 PTD 106912; • HS(D) 87518 PTD 106915; • HS(D) 87519 PTD 106916; • HS(D) 87523 PTD 106920; • HS(D) 87524 PTD 106921; • HS(D) 87720 PTD 107118; • HS(D) 87721 PTD 107119; • HS(D) 87750 PTD 107149 to HS(D) 87752 PTD 107151; • HS(D) 87756 PTD 107155 to HS(D) 87762 PTD 107161; • HS(D) 87766 PTD 107165 to HS(D) 87768 PTD 107167; and • HS(D) 87772 PTD 107171 to HS(D) 87774 PTD 107173, (i) shall not be sold or transferred by whatever					

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			means to a non-citizen / foreign company without the consent of the State Authority; and (ii) cannot be transferred by whatever means unless building has begun to be constructed in accordance with a plan that has been approved by the relevant local authority. (c) All those pieces of land held under: • HS(D) 87499 PTD 106894 to HS(D) 87501 PTD 106896; • HS(D) 87506 PTD 106901; • HS(D) 87507 PTD 106902; • HS(D) 87516 PTD 106913; • HS(D) 87517 PTD 106914; • HS(D) 87520 PTD 106917 to HS(D) 87522 PTD 106919; • HS(D) 87581 PTD 106979; • HS(D) 87695 PTD 107093; • HS(D) 87746 PTD 107144; • HSD 87747 PTD 107146 to HS(D) 87749 PTD 107148;						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			• HS(D) 87753 PTD 107152 to HS(D) 87755 PTD 107154; • HS(D) 87763 to PTD 107162 to HS(D) 87765 PTD 107164; and • HS(D) 87769 PTD 107168 to HS(D) 87771 PTD 107170, (i) are allocated for Bumiputera. Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company without the consent of the State Authority; and (ii) cannot be transferred by whatever means unless building has begun to be constructed accordance with a plan that has been approved by the relevant local authority. Encumbrances: Charged to Public Islamic Bank:						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			(a) HS(D) 87746 PTD 107144 and HS(D) 87747 PTD 107146 to HS(D) 87762 PTD 107161: Presentation No. 76548/2024 dated 31 July 2024. (b) HS(D) 87720 PTD 107118, HS(D) 87721 PTD 107119 and HS(D) 87763 PTD 107162 to HS(D) 87774 PTD 107173: Presentation No. 76487/2024 dated 31 July 2024. Refer to Note (3) for the remaining titles.						
11.	40 units of single storey shoplots (22' x 55') to be built on: Geran 625079 Lot 96626; • HS(D) 87260 PTD 106644 to HS(D) 87264 PTD 106648; • Geran 625085 Lot 96632; • HS(D) 87266 PTD 106650 to HS(D) 87278	(a) This land shall be used for a single-storey medium-low-cost shoplot, built according to the plan approved by the relevant local authority. (b) In accordance	Restrictions in interest: The subsequent landowner (after the developer) shall not sell or transfer the land by whatever means including through any agreement with the purpose of releasing / selling this land without the consent of the State Authority. Encumbrances: Charged to Public Islamic Bank Berhad: Presentation No. 76559/2024 dated 31 July 2024.	Future phase to be known as Taman Akasia (Phase 4), within an ongoing residential and commercial development known as Taman Akasia / Held for development and sale	Hektar Berlian	1.16	Freehold	N/A	1,156

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	PTD 106662; and • HS(D) 87284 PTD 106668 to HS(D) 87303 PTD 106687, in the Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor(4)	with the powers of the State Authority under section 122 of the National Land Code, it is hereby stipulated that the construction of the single-storey medium-low-cost shoplot shall commence within 2 years from the date of the registration of title. (c) All policies and conditions that have been set and enforced from time to time by the relevant							

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		authority shall be complied with. / Building							
12.	5 units of 2 storey office shop (22' x 70') to be built on: • HS(D) 87279 PTD 106663; • HS(D) 87280 PTD 106664; • Geran 625271 Lot 96648; • HS(D) 87282 PTD 106666; and • HS(D) 87283 PTD 106667, in the Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor(4)	(a) This land shall be used for 2 storey office shop which is used as business and office, built according to the plan approved by the relevant local authority. (b) All filth and pollution resulting from this activity shall be channelled / disposed of to the places that have been determined	Restrictions in interest: (a) All those pieces of land held under: • HS(D) 87279 PTD 106663; • HS(D) 87280 PTD 106664; and • Geran 625271 Lot 96648, shall not be sold or transferred by whatever means to non-citizen / foreign company without the consent of the State Authority. (b) All those pieces of land held under HS(D) 87282 PTD 106666 and HS(D) 87283 PTD 106667 are allocated for Bumiputera. Once the land is transferred to a Bumiputera / Bumiputera company, it shall not be sold, leased or transferred by whatever means to non-Bumiputera / non-Bumiputera company	Future phase to be known as Taman Akasia (Phase 4), within an ongoing residential and commercial development known as Taman Akasia / Held for development and sale	Hektar Berlian	0.20	Freehold	N/A	199

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		by the relevant authority. (c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with. / Building	without the consent of the State Authority. Encumbrances: Charged to Public Islamic Bank Berhad: Presentation No. 76559/2024 dated 31 July 2024.						
13.	113 units of double storey Rumah Mampu Biaya Johor Type C *(20' x 55')* and 167 units of double storey Rumah Mampu Biaya Johor Type D *(20' x 70')* to be built on: • HS(D) 87778 PTD 107177 to	For all those pieces of land held under HS(D) 94678 PTD 112386 to HS(D) 94790 PTD 112498: (a) This land shall be used for a residential house under the Kategori	Restrictions in interest: The subsequent landowner (after the developer) shall not sell, lease or transfer the ownership of the land by whatever means including through any agreement with the purpose of releasing / selling this land without the consent of the State Authority. Encumbrances: Charged to Public Islamic Bank Berhad: (a) HS(D) 94678 PTD 112386 to	Future phase to be known as Taman Akasia (Phase 3), within an ongoing residential and commercial development known as Taman Akasia / Held for development and sale	Hektar Berlian	8.50	Freehold	N/A	13,766

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
	HS(D) 87829 PTD 107228; • HS(D) 87831 PTD 107230 to HS(D) 87858 PTD 107257; and • HS(D) 94648 PTD 112356 to HS(D) 94847 PTD 112555, in the Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor(4)	Rumah Mampu Biaya ("**RMBJ C**") double storey, built according to the plan approved by the relevant local authority. (b) In accordance with the powers of the State Authority under section 122 of the National Land Code, it is hereby stipulated that the construction of the residential house under the RMBJ C shall commence within 2	HS(D) 94704 PTD 112412 and HS(D) 94734 PTD 112442 to HS(D) 94751 PTD 112459: Presentation No. 76604/2024 dated 31 July 2024; (b) HS(D) 94752 PTD 112460 to HS(D) 94760 PTD 112468: Presentation No. 76534/2024 dated 31 July 2024; and (c) HS(D) 94777 PTD 112485 to HS(D) 94790 PTD 112498: Presentation No. 76554/2024. Refer to Note (3) for HS(D) 94705 PTD 112413 to HS(D) 94733 PTD 112441 and HS(D) 94761 PTD 112469 to HS(D) 94776 PTD 112484.						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		years from the date of the registration of title. (c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with.							
		/ Building							
		For all those pieces of land held under: • HS(D) 87778 PTD 107177 to HS(D) 87829 PTD 107228; and • HS(D) 87831 PTD 107230 to HS(D)	Restrictions in interest: The subsequent landowner (after the developer) shall not sell, pledge, charge, lease or transfer the land by whatever means including through any agreement with the purpose of releasing / selling this land without the consent of the State Authority. Encumbrances: Refer to Note (3)						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		87858 PTD 107257, (a) This land shall be used for a residential house under the Kategori Rumah Mampu Biaya Johor Type D ("**RMBJ D**"), built according to the plan approved by the relevant local authority. (b) In accordance with the powers of the State Authority under section 122 of the National Land Code, it is hereby stipulated							

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		that the construction of the residential house under the RMBJ D shall commence within 2 years from the date of the registration of title. (c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with. / Building							
		For all those pieces of land held under:	Restrictions in interest: The subsequent landowner (after the developer) shall not sell, lease						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		• HS(D) 94648 PTD 112356 to HS(D) 94677 PTD 112385; and • HS(D) 94791 PTD 112499 to HS(D) 94847 PTD 112555, (a) This land shall be used for a residential house under the kategori Rumah Mampu Biaya Johor type D ("**RMBJ D**") double storey, built according to the plan approved by the relevant local authority.	or transfer the land by whatever means including through any agreement with the purpose of releasing / selling this land without the consent of the State Authority. Encumbrances: Charged to Public Islamic Bank Berhad: (a) HS(D) 94673 PTD 112381 to HS(D) 94677 PTD 112385: Presentation No. 76604/2024 dated 31 July 2024; (b) HS(D) 94791 PTD 112499 to HS(D) 94817 PTD 112525: Presentation No. 76534/2024 dated 31 July 2024; and (c) HS(D) 94818 PTD 112526 to HS(D) 94847 PTD 112555: Presentation No. 76554/2024 dated 31 July 2024. Refer to Note (3) for the remaining titles.						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		(b) In accordance with the powers of the State Authority under section 122 of the National Land Code, it is hereby stipulated that the construction of the residential house under the RMBJ D shall commence within 2 years from the date of the registration of title.							
		(c) All policies and conditions that have been set and enforced from time to							

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
		time by the relevant authority shall be complied with. / Building							
Banting, Kota Seri Langat, Selangor (Phases 1, 2, 3. 4. 5. 6 and 7)									
14.	1 unit club house to be built on HS(D) 49879 PT 52459 in the Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor located at Off Jalan Klang – Banting, Kota Seri Langat, 42700 Banting, Selangor	Commercial building / Building	Restrictions in interest: Nil Encumbrances: Nil	A parcel of vacant commercial land designated for private clubhouse development for Pangsapuri Adiwarna, Kota Seri Langat (Phase 1) which is part of Rumah Selangorku (affordable homes) / Held for development	Naluri Wijaya	0.56 / N/A	Freehold	N/A	577

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner(1)	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
15.	548 units of 2 storey Villament (22' x 38') to be built on HS(D) 49877 PT 52457, in the Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor located at Off Jalan Klang – Banting, Kota Seri Langat, 42700 Banting, Selangor	Residential building / Building	Restrictions in interest: (a) This land shall not be transferred, leased or charged unless the consent of the State Authority has been obtained. (b) The restrictions in transfer shall apply for 5 years from the registration date of the transfer from the developer to the transferee. (c) Within 5 years from the date of transfer of ownership, every subsequent application for the consent to transfer shall be accompanied by an approval letter from the Selangor Housing and Real Estate Board; and (d) For the transfer from the developer to the transferee who is not subject to the application for the consent, the subsequent transfer shall be accompanied by a confirmation letter from the Selangor Housing and Real Estate Board.	A parcel of vacant residential land designated for affordable housing development which is part of Rumah Selangorku (affordable homes) comprising: • 180 units of 2 storey Villament (22' x 38') in Pangsapuri Adiwarna, Kota Seri Langat (Phase 1); • 206 units of 2 storey Villament (22' x 38') in Pangsapuri Adiwarna, Kota Seri Langat (Phase 2); and	Naluri Wijaya	20.14 / N/A	Freehold	N/A	20,760

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			Encumbrances: Nil	• 162 units of 2 storey Villament (22' x 38') in Pangsapuri Adiwarna, Kota Seri Langat (Phase 3) / Held for development and sale					
16.	804 units of 2 storey Villament (22' x 38') to be built on HS(D) 49878 PT 52458, in the Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor located at Off Jalan Klang – Banting, Kota Seri Langat, 42700 Banting, Selangor	Residential building / Building	Restrictions in interest: (a) This land shall not be transferred, leased or charged unless the consent of the State Authority has been obtained. (b) The restrictions in transfer shall apply for 5 years from the registration date of the transfer from the developer to the transferee. (c) Within 5 years from the date of transfer of ownership, every subsequent application for the consent to transfer shall be accompanied by an approval letter from the Selangor	A parcel of vacant residential land designated for affordable housing development which is part of the Rumah Selangorku development comprising: • 204 units of 2 storey Villament (22' x 38') in Banting Phase 4;	Naluri Wijaya	28.50 / N/A	Freehold	N/A	23,956

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner[1]	Land area (acres) / Built-up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CCC	Audited NBV as at 31 December 2023 (RM'000)
			Housing and Real Estate Board; and (d) For the transfer from the developer to the transferee who is not subject to the application for the consent, the subsequent transfer shall be accompanied by a confirmation letter from the Selangor Housing and Real Estate Board. Encumbrances: Nil	• 240 units of 2 storey Villament (22' x 38') in Banting Phase 5; • 108 units of 2 storey Villament (22' x 38') in Banting Phase 6; and • 252 units of 2 storey Villament (22' x 38') in Banting Phase 7 / Held for development and sale					

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

Notes:

(1) Land title for properties which have been sold to buyers with end-financing have been / will be transferred to the respective buyers and charged to their respective end-financiers prior to the first drawdown.

(2) The State Authority had on 5 April 2024 approved the alienation of the land held under HS(D) 24926 PT 10805, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka to Debunga Istimewa. Under the new titles to be issued, the category of land use will be "building" and express condition "for residential only". As at the LPD, the Group has paid the premium in full and is currently pending issuance of the new titles. The category of land use stated in the table above i.e. "for educational purpose" is based on the existing qualified title.

(3) Hektar Berlian has presented Form 16A (Charge) of the lands on 31 July 2024 for registration of charge at the Johor Land Registry in favour of Public Islamic Bank Berhad as security for the bank facilities granted by Public Islamic Bank Berhad to Hektar Berlian. As at LPD, the issuance of new land titles to reflect the charge to Public Islamic Bank Berhad is still pending.

(4) As at the LPD, the lands held by Hektar Berlian for future development where the planning permission has been obtained have been / will be alienated for the purpose of issuance of final titles. The title details and land area specified here are based on the qualified titles.

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ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

1.3 LANDBANK

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
1.	All that piece of land held under HS(M) 4338 PT 13880 in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at Off Jalan Nuri Utama, Taman Nuri, 76100 Durian Tunggal, Melaka	Nil / Nil	Restrictions in interest: Nil Encumbrances: Nil	A parcel of vacant land with residential potential / Held for development	Good Rate	1.34 / N/A	Freehold	N/A	520
2.	All that piece of land held under GM 930 Lot 955, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located along Jalan Perdana 13, 76100 Durian Tunggal, Melaka	Not stated / Nil	Restrictions in interest: Nil Encumbrances: Nil	A parcel of vacant land with residential potential / Held for development	Good Rate	5.13 / N/A	Freehold	N/A	1,876
3.	12 pieces of land held under: • Geran 20065 Lot 178; • Geran 20045 Lot 179; • Geran 20046 Lot 180;	• Geran 20065 Lot 178: Not stated / Nil; • Geran 20045 Lot 179: Not stated / Nil;	Restrictions in interest: Nil Encumbrances: Nil	12 parcels of development land with commercial potential / Held for development	Mantap Megajuta	1.54 / N/A	Freehold	N/A	7,658

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
	• Geran 20047 Lot 181; • Geran 69543 Lot 417; • Geran 20049 Lot 185; • Geran 20050 Lot 186; • Geran 20051 Lot 187; • Geran 20066 Lot 188; • Geran 69544 Lot 419; • Geran 69545 Lot 420 and • Geran 69546 Lot 12038, all in Kawasan Bandar VIII, District of Melaka Tengah, State of Melaka located along Jalan Tun Ali, 75300 Melaka	• Geran 20046 Lot 180: Not stated / Nil; • Geran 20047 Lot 181: Not stated / Nil; • Geran 69543 Lot 417: Nil / Nil; • Geran 20049 Lot 185: Not stated / Nil; • Geran 20050 Lot 186: Not stated / Nil; • Geran 20051 Lot 187: Not stated / Nil; • Geran 20066 Lot 188: Not stated / Nil; • Geran 69544 Lot 419: Nil / Nil; • Geran 69545 Lot 420: Nil / Nil: and • Geran 69546 Lot 12038: Not stated / Nil							

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
4.	All that piece of land held under Geran 12690 Lot 654, in the Mukim of Parit Melana, District of Alor Gajah, State of Melaka located off Jalan Alor Gajah Lama, Parit Melana, Durian Tunggal, 76100 Alor Gajah, Melaka	Not stated / Not stated	Restrictions in interest: Nil Encumbrances: Private caveat registered by Datuk Yap: Presentation No. 0400B2018004820 dated 5 November 2018.	A parcel of land with residential potential / Rented an area of 30.23 acres for dragon fruit plantation	Modal Cergas	30.69 / N/A	Freehold	N/A	10,700
5.	All that piece of land held under Geran 66280 Lot 19493, in the Mukim of Kelemak, District of Alor Gajah, State of Melaka along Jalan Kasa Height, 78000 Alor Gajah, Melaka	For fruit plantation only / Agriculture	Restrictions in interest: This land cannot be transferred or leased unless with the consent of the State Authority. Encumbrances: Nil	Vacant land / Held for development	Rentas Dinamik	1.05 / N/A	Freehold	N/A	500
6.	2 pieces of land held under HS(D) 80917 PT 9222 and HS(D) 80918 PT 9223, Section 11 in Bandar Lunas, District of Kulim, State of Kedah located off the western side of Jalan Lunas,	The land held under this title shall be used as residential building site only / Building	Restrictions in interest: The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and build ditches to the satisfaction of the local authority and the Public	2 units of residential plots for future development, within an ongoing mixed development township known as	Dayang Gemilang	6.24 / N/A	Freehold	N/A	1,269

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
	within the locality of Lunas, Kulim, Kedah		Works Department that the roads and ditches can be completed. Encumbrances: (a) HS(D) 80917 PT 9222: Charged to Maybank Islamic Berhad; Presentation No. 21849/2022 dated 25 September 2022. (b) HS(D) 80918 PT 9223: Nil	Taman La Casa Lunas / Held for development					
7.	3 pieces of land held under HS(D) 80919 PT 9224 to HS(D) 80921 PT 9226, Section 11 in Bandar Lunas, District of Kulim, State of Kedah located off the western side of Jalan Lunas, within the locality of Lunas, Kulim, Kedah	The land held under this title shall be used as a commercial building site only / Building	Restrictions in interest: The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and build ditches to the satisfaction of the local authority and the Public Works Department that the roads and ditches can be completed. Encumbrances: Charged to Maybank Islamic Berhad; Presentation No. 21849/2022 dated 25 September 2022.	3 units of commercial plots for future development, within an ongoing mixed development township known as Taman La Casa Lunas / Held for development	Dayang Gemilang	14.72 / N/A	Freehold	N/A	4,251

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
8.	3 pieces of land held under: • HS(D) 87258 PTD 106638; • Geran 625100 Lot 96671; and • HS(D) 87496 PTD 106887, in the Mukim of Kluang, District of Kluang, State of Johor located along Jalan Batu Pahat (Ayer Hitam – Kluang main road), 86000 Kluang, Johor[(1)]	(a) This land shall be used for commercial plot of which its building component has yet to be determined, to be built in accordance with the plan approved by the relevant local authority. (b) All filth and pollution resulting from this activity shall be channelled / disposed of to the places that have been determined by the relevant authority.	Restrictions in interest: (a) This land shall not be sold or transferred by whatever means to a non-citizen / foreign company without the consent of the State Authority. (b) In the event the registered owner applicant intends to carry out development on this land, it shall be through the Serah Balik Kurnia Semula (SBKS) process, Pindaan Pelan Leaut and shall be carried out through Ubahsyarat. Encumbrances: Charged to Public Islamic Bank Berhad: Presentation No. 76559/2024 dated 31 July 2024.	3 units of commercial plots, within an ongoing residential and commercial development known as Taman Akasia / Held for development	Hektar Berlian	16.43[(1)] / N/A	Freehold	N/A	5,288

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
		(c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with. / Building							
9.	All that piece of land held under Geran 88851 Lot 2086, in the Mukim of Kluang, District of Kluang, State of Johor ("**Lot 2086**") along Jalan Batu Pahat, 86000 Kluang, Johor	Nil / Nil	Restrictions in interest: Nil Encumbrances: Charged to Public Islamic Bank Berhad; Presentation No. 32162/2018 dated 8 May 2018.	A parcel of development land with residential potential / Granted right of access to a third party to use a portion of Lot 2086, measuring approximately 49.11 acres for planting and harvesting short term or cash corps	Hektar Berlian	72.57[(2)] / N/A	Freehold	N/A	17,236

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
10.	All that piece of land held under HS(D) 41135 PT 32122, in the Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor located on Off Jalan Klang – Banting, Kota Seri Langat, 42700 Banting, Selangor	Permanent plantation (industrial) / Agriculture	Restrictions in interest: Nil Encumbrances: Charged to CIMB Islamic Bank Berhad; Presentation No. 66684/2023 dated 2 August 2023.	Agricultural land with residential potential / Held for development	Naluri Wijaya	53.20 / N/A	Freehold	N/A	26,603
11.	All that piece of land held under HS(D) 29914 PT 32124, in the Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor located on Off Jalan Klang – Banting, Kota Seri Langat, 42700 Banting, Selangor	Permanent plantation (industrial) / Agriculture	Restrictions in interest: Nil Encumbrances: (a) Charged to CIMB Bank Berhad; Presentation No. 00SC104653/2023 dated 3 November 2023; (b) Charged to CIMB Islamic Bank Berhad; Presentation No. 00SC104654/2023 dated 3 November 2023; (c) Charged to CIMB Bank Berhad; Presentation No. 00SC104655/2023 dated 3 November 2023; and (d) Charged to CIMB Islamic Bank Berhad, Presentation No. 00SC120104/2024 dated 4 July 2024.	Agricultural land with residential potential / Held for development	Naluri Wijaya	64.07 / N/A	Freehold	N/A	32,035

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
12.	All that piece of land held under Geran Mukim 216 Lot 853, in the Mukim of Damansara, Sungai Penaga, District of Petaling, State of Selangor located along Jalan Subang 7, Taman Perindustrian Subang, USJ 1, 47500 Subang Jaya, Selangor	Coconut plantation / Agriculture	Restrictions in interest: Nil Encumbrances: (a) Charged to CIMB Bank Berhad; Presentation No. 081SC1500/2020 dated 13 July 2020; (b) Charged to CIMB Islamic Bank Berhad; Presentation No.081SC1890/2021 dated 23 August 2021; (c) Charged to CIMB Bank Berhad; Presentation No. 081SC1361/2022 dated 28 April 2022; and (d) Charged to CIMB Islamic Bank Berhad; Presentation No. 08SC6060/2024 dated 2 July 2024.	A parcel of vacant agricultural land with industrial potential / Held for development	Jendela Hijau	2.94 / N/A	Freehold	N/A	6,537
13.	All that piece of land held under Pajakan Negeri 408558, Lot 31935 and Pajakan Negeri 408559, Lot 31936, Mukim Bidor, District of Batang Padang, State of Perak located at Off	Residential house / Building	Restrictions in interest: This land may be transferred or leased with the written consent of the State Authority. Encumbrances: Charged to CIMB Islamic Bank Berhad; Presentation No. 00SC33239/2021 dated 14 October 2021	2 parcels of vacant residential land / Granted licence to a third party of a portion of the	Setara Hijau	199.96 / N/A	Leasehold 99 years', expiring on 17 October 2111	N/A	12,107

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
	Jalan Teluk Intan-Bidor, 35500 Bidor, Perak			land as access road					
Penang Land 1									
14.	5 pieces of land held under: • Geran Mukim 56 Lot 275; • Geran Mukim 58 Lot 1034; • Geran Mukim 59 Lot 1257; • Geran Mukim 60 Lot 1228; and • Geran Mukim 63 Lot 1045, in Mukim 13, District of Seberang Perai Utara, State of Penang located along Jalan Paya Tok Akil, 14400 Ara Kuda, Seberang Perai Utara, Penang	The land comprised of this title: (a) Shall not be affected by any provision of the National Land Code or any other written law prohibiting mining or the removal of specified materials beyond the boundaries of the land.	Restrictions in interest: Nil Encumbrances: Charged to CIMB Islamic Bank Berhad; Presentation No. 0702SC2024000105 dated 16 January 2024.	Geran Mukim 63 Lot 1045, Geran Mukim 121 Lot 1061, Geran Mukim 60 Lot 1228, Geran 20179 Lot 1256, Geran Mukim 59 Lot 1257, Geran Mukim 65 Lot 1258, Geran 25661 Lot 1259, Geran 25662 Lot 1260 and Geran 129546 Lot 2333, are currently zoned for residential use;	Dayang Gemilang	184.04 / N/A	Freehold	N/A	Refer to Note (3)
	5 pieces of land held under: • Geran Mukim 64 Lot 1032; • Geran Mukim 65 Lot 1258;	(b) Shall not be affected by any provision of the National Land Code	Restrictions in interest: Nil Encumbrances: Charged to CIMB Islamic Bank Berhad; Presentation No. 0702SC2024000098 dated 15 January 2024.	Geran Mukim 56 Lot 275, Geran 20175 Lot 1031, Geran Mukim 64 Lot 1032,					

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
	• Geran Mukim 117 Lot 1059; • Geran Mukim 118 Lot 1060; and • Geran Mukim 120 Lot 1201, in Mukim 13, District of Seberang Perai Utara, State of Penang located along Jalan Paya Tok Akil, 14400 Ara Kuda, Seberang Perai Utara, Penang 5 pieces of land held under: • Geran Mukim 121 Lot 1061; • Geran Mukim 285 Lot 1055; • Geran Mukim 812 Lot 5835; • Geran Mukim 813 Lot 5836; and • Geran Mukim 814 Lot 5834, in Mukim 13, District of Seberang Perai Utara, State of Penang located along Jalan Permatang Manggis. 14400 Ara Kuda,	limiting the compensation payable on the creation of a Collector's right of way to compensation for damage in respect of trees, crops or buildings. / Nil	Restrictions in interest: Nil Encumbrances: Charged to CIMB Islamic Bank Berhad; Presentation No. 0702SC2024000112 dated 16 January 2024.	Geran 20176 Lot 1033, Geran Mukim 58 Lot 1034, Geran Mukim 285 Lot 1055, Geran Mukim 117 Lot 1059, Geran Mukim 118 Lot 1060, Geran 23701 Lot 1193 and Geran Mukim 120 Lot 1201, are currently zoned for agricultural use and have been approved for mixed development use; and Geran Mukim 814 Lot 5834, Geran Mukim 812 Lot 5835, Geran Mukim 813 Lot 5836, Geran 155813 Lot 5837, currently zoned for agricultural					

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
	Seberang Perai Utara, Penang (except for Geran Mukim 121 Lot 1061 and Geran Mukim 285 Lot 1055 which are located along Jalan Paya Tok Akil, 14400 Ara Kuda, Seberang Perai Utara, Penang)			use and has been approved for residential use / Held for Development					
	4 pieces of land held under: • Geran 20175 Lot 1031; • Geran 20176 Lot 1033; • Geran 20179 Lot 1256; and • Geran 23701 Lot 1193, in Mukim 13, District of Seberang Perai Utara, State of Penang located along Jalan Paya Tok Akil, 14400 Ara Kuda, Seberang Perai Utara, Penang		Restrictions in interest: Nil Encumbrances: Charged to CIMB Islamic Bank Berhad; Presentation No. 0799SC2024001376 dated 16 January 2024.						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
	4 pieces of land held under: • Geran 25661 Lot 1259; • Geran 25662 Lot 1260; • Geran 129546 Lot 2333; and • Geran 155813 Lot 5837, in Mukim 13, District of Seberang Perai Utara, State of Penang located along Jalan Paya Tok Akil, 14400 Ara Kuda, Seberang Perai Utara, Penang (except for Geran 155813 Lot 5837 located along Jalan Permatang Manggis, 14400 Ara Kuda, Seberang Perai Utara, Penang)		Restrictions in interest: Nil Encumbrances: Charged to CIMB Islamic Bank Berhad; Presentation No. 0799SC2024001390 dated 16 January 2024.						

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
Penang Land 2									
15.	Geran Mukim 57 Lot 779, in Mukim 13, District of Seberang Perai Utara, State of Penang located off Jalan Permatang Manggis, along Lorong Cempedak 5, 14400 Ara Kuda, Seberang Perai Utara, Penang	The land comprised of this title: (a) shall not be affected by any provision of the National Land Code or any other written law prohibiting mining or the removal of specified materials beyond the boundaries of the land. (b) shall not be affected by any provision of the National Land Code limiting the compensation payable on the creation of a Collector's	Restrictions in interest: Nil Encumbrances: Nil	Zoned for agricultural use and has been approved for residential use / Held for development and the entire Penang Land 2 is licensed to a third party for upkeep, maintenance and harvesting of oil palm(5)	Modal Cergas	4.51 / N/A	Freehold	N/A	Refer to Note (4)

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Description / Existing use	Registered / Beneficial owner	Land area (acres) / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
		right of way to compensation for damage in respect of trees, crops or buildings. / Nil							

Notes:

(1) As at the LPD, the land held by Hektar Berlian has been / will be alienated for the purpose of issuance of final titles. The title details and land area specified here are based on the qualified titles.

(2) Based on the land title of Lot 2086, the land area is 30.5284 hectares (approximately 75.44 acres). Based on the pre-computation plan prepared by the licensed land surveyor, the surveyed land area for Lot 2086 is 29.3686 hectares (72.57 acres). The valuation conducted is the surveyed land area of 72.57 acres.

*(3) The audited NBV as at 31 December 2023 is not available as Penang Land 1 did not form part of SPB Group's material real properties as at 31 December 2023. Please refer to Item (i) of **Annexure F** of this Prospectus for the details of this SPA.*

*(4) The audited NBV as at 31 December 2023 is not available as Penang Land 2 did not form part of SPB Group's material real properties as at 31 December 2023. Please refer to Item (ii) of **Annexure F** of this Prospectus for the details of this SPA.*

(5) Modal Cergas grants a licence to a third party over the entire Penang Land 2 for upkeep, maintenance and harvesting of oil palm for a period of 1 year, commencing on 15 July 2024 and expiring on 14 July 2025.

1.4 COMPLETED UNITS HELD FOR SALE

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
Taman Bukit Cheng									
1.	8 units of 2 storey terrace house (20' x 70') held under Geran Mukim 1498 Lot 3546 to Geran Mukim 1499 Lot 3547 and Geran Mukim 1501 Lot 3549 to Geran Mukim 1506 Lot 3554 all in Mukim Cheng, District of Melaka Tengah, State of Melaka located at No. 45, 47, 51, 53, 55, 57, 59 and 61, Jalan TBC 39, Taman Bukit Cheng, 75260 Melaka	For residential house only / Building	Restrictions in interest: (a) All those pieces of lands held under Geran Mukim 1498 Lot 3546 and Geran Mukim 1499 Lot 3547 shall not be transferred, leased or charged without the consent of the State Authority. This restriction in interest is excluded for Malays. (b) All those pieces of lands held under Geran Mukim 1501 Lot 3549 to Mukim 1506 Lot 3554 and shall not be transferred or leased without the consent of the State Authority. This restriction in interest is excluded for Malays. Encumbrances: Nil	2 storey terrace house in Taman Bukit Cheng / Pending for sale	Good Rate	0.2570/ 13,950	Freehold	14 January 2022	[(1)]1,662

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
2.	3 units of 3 storey terrace (20' x 75') held under HS(M) 3311 PT 9881 to HS(M) 3313 PT 9883, in the Mukim Cheng, District of Melaka Tengah, State of Melaka located at No. 14, 16 and 18, Jalan TBC 20A, Taman Bukit Cheng, 75260 Melaka	For residential building only / Building	Restrictions in interest: This land shall not be transferred, leased or charged without the consent of the State Authority. This restriction in interest is excluded for transfer, lease or charge to / by Malay. Encumbrances: Nil	3-storey terrace house in Taman Bukit Cheng / Pending for sale	Good Rate	0.21 / 10,874	Freehold	23 August 2023	(2)1,005
Taman Nuri Sentosa									
3.	1 unit within 2 storey flat under Rumah Mampu Milik ("**RMM**") (38' x 42') held under Geran 62270 Lot 64174, Building No. M9, Level 1, Parcel No. 104 in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at No. 3-1, Jalan Nuri Sentosa 2 Taman Nuri Sentosa, 76100 Durian Tunggal, Melaka	For residential house only / Building	Restrictions in interest: This land cannot be transferred or leased without the consent of the State Authority. Encumbrances: Nil	2 storey flat RMM in Taman Nuri Sentosa / Pending for sale	Modal Cergas	N/A / 1,130	Freehold	13 April 2022	(3)123

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
Taman Nuri Phase 3 (Phase 3B1)									
4.	2 units of 2 storey cluster (34' x 60') held under HS(D) 24636 PT 10515 and HS(D) 24640 PT 10519, all in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at: • DT675, Jalan Nuri 39; and • DT671, Jalan Nuri 37, all in Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka; and 1 unit of 2 storey bungalow (60' x 80') held under HS(D) 24656 PT 10535, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at DT655, Jalan Nuri 37, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka	For residential house only / Building	Restrictions in interest: This land shall not be transferred or leased without the consent of the State Authority. This restriction of interest is exempted for the first transfer or lease. Encumbrances: Nil	2 storey cluster and 2 storey bungalow in Taman Nuri Phase 3 (Phase 3B1) / Pending for sale	Modal Cergas	0.25 / 5,879	Freehold	25 August 2020	[(4)]1,014

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
Taman Nuri Phase 3 (Phase 3A3)									
5.	2 units of 2 storey cluster (34' x 60') held under HS(D) 24768 PT 10647 and HS(D) 24810 PT 10689, all in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at: • DT550, Jalan Nuri 32; and • DT508, Jalan Nuri 30, all in Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka	For residential house only / Building	Restrictions in interest: This land shall not be transferred or leased without the consent of the State Authority. This restriction of interest is exempted for the first transfer or lease. Encumbrances: Nil	2 storey cluster in Taman Nuri Phase 3 (Phase 3A3) / Pending for sale	Modal Cergas	0.11 / 3,322	Freehold	20 December 2019	[5]482
Taman Nuri Phase 3 (Phase 3A2)									
6.	1 unit of 2 storey semi-detached zero lot (45' x 80') held under HS(D) 24854 PT 10733 in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at DT464, Jalan Nuri 29, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka;	For residential house only / Building	Restrictions in interest: (a) All those pieces of land held under HS(D) 24854 PT 10733 shall not be transferred or leased without the consent of the State Authority. This restriction of interest is exempted for the first transfer or lease.	2 storey semi-detached zero lot and 2 storey terrace house in Taman Nuri Phase 3 (Phase 3A2) / Pending for sale	Modal Cergas	0.29 / 10,426	Freehold	20 December 2019	[6]1,290

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
	1 unit of 2 storey semi-detached zero lot (45' x 70') held under HS(D) 24870 PT 10749 in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at DT448, Jalan Nuri 29, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka; and		(b) All those pieces of land held under HS(D) 24870 PT 10749, HS(D) 24832 PT 10711 and HS(D) 24852 PT10731 shall not be transferred or leased without the consent of the State Authority. This restriction in interest is excluded for Malays. Encumbrances: Nil						
	2 units of 2 storey terrace house (24' x 60') held under HS(D) 24832 PT 10711 and HS(D) 24852 PT 10731, all in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at DT486 and DT466, Jalan Nuri 29, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka								

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
Taman Nuri Phase II									
7.	3 units of 2 storey bungalow (60' x 80') held under Geran 62081 Lot 64008, Geran 62166 Lot 64027, and Geran 62167 Lot 64028, all in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at: • DT322, Jalan Nuri 21; • DT301, Jalan Nuri 19; • DT288, Jalan Nuri 27, all in Taman Nuri Fasa 2, 76100 Durian Tunggal, Melaka; 2 units of 2 storey semi-detached (45' x 70') held under Geran 62071 Lot 63986 and Geran 62085 Lot 64009, all in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at: • DT323, Jalan Nuri 23;	For residential house only / Building	Restriction in interest: This land shall not be transferred or leased without the consent of the State Authority. This restriction of interest is exempted for the first transfer or lease. Encumbrances: Nil	2 storey bungalow, 2 storey semi-detached house and 2 storey cluster in Taman Nuri Phase II / Pending for sale	All owned by Modal Cergas, except for Geran 62167 Lot 64028 which is owned by Laman Exotika	0.97 / 9,586	Freehold	8 January 2016	[(7)]2,915

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
	• DT302, Jalan Nuri 21, all in Taman Nuri Fasa 2, 76100 Durian Tunggal, Melaka; and 1 unit of 2 storey cluster (34' x 60') Geran 62260 Lot 64167, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at DT158, Jalan Nuri 22, Taman Nuri Fasa 2, 76100 Durian Tunggal, Melaka								
Taman Nuri (Phase 1B)									
8.	1 unit town house terrace RMM (22' x 70') held under Geran 55072 Lot 62136, Building No. M1, Level 1, Parcel No. 11 in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at DT 11, Jalan Nuri 8, Taman Nuri, 76100 Durian Tunggal, Melaka	For RMM only / Building	Restrictions in interest: This land shall not be transferred or leased without the consent of the State Authority. This restriction in interest is excluded for Malays. Encumbrances: Nil	Town house terrace RMM in Taman Nuri (Phase 1B) / Pending for sale	Modal Cergas	N/A / 1,184	Freehold	25 April 2016	[8]78

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
Taman Nuri Phase 3 (Phase 3B2 and 3B3)									
9.	4 units of 2 storey bungalow (60' x 110') held under HS(D) 24608 PT 10487, HS(D) 24613 PT 10492, HS(D) 24615 PT 10494 and HS(D) 24616 PT 10495 all in Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at: • DT 710, Jalan Nuri 40; • DT 705, Jalan Nuri 40; • DT 703, Jalan Nuri 41; • DT 702, Jalan Nuri 41, all in Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka 2 units of 2 storey bungalow (60' x 80') held under HS(D) 24595 PT 10474 and HS(D) 24607 PT 10486 all in Mukim of Durian Tunggal, District of Alor Gajah,	For residential house only / Building	Restrictions in interest: (a) All those pieces of land held under HS(D) 24552 PT 10431 HS(D) 24553 PT 10432, HS(D) 24557 PT 10436 and HS(D) 24568 PT 10447 cannot be transferred or leased without the consent of the State Authority. This restriction in interest is excluded for Malays. (b) All those pieces of land held under HS(D) 24595 PT 10474, HS(D) 24607 PT 10486, HS(D) 24608 PT 10487, HS(D) 24613 PT 10492, HS(D) 24615 PT 10494 and HS(D) 24616 PT 10495 cannot be transferred or leased without the consent of the State Authority. This restriction of interest is exempted for the first transfer or lease. Encumbrances: Nil	2 storey bungalow and 2 storey cluster in Taman Nuri Fasa 3 (Phase 3B2 and 3B3) / Pending for sale	Modal Cergas	1.20 / 19,708	Freehold	11 September 2023 for Phase 3B2 and 4 October 2023 for Phase 3B3	[9]7,136

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
	State of Melaka located at: • DT 723, Jalan Nuri 41; • DT 711, Jalan Nuri 40, all in Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka; and 4 units of 2 storey cluster house (34' x 60') held under HS(D) 24552 PT 10431, HS(D) 24553 PT 10432, HS(D) 24557 PT 10436 and HS(D) 24568 PT 10447 all in Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka located at • DT 766, Jalan Nuri 45; • DT 765, Jalan Nuri 45; • DT 761, Jalan Nuri 45; • DT 750, Jalan Nuri 43, all in Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka								

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
Taman Kasa Heights									
10.	1 unit 2 storey triplex held under Geran 58475 Lot 19467 in the Mukim of Kelemak, District of Alor Gajah, State of Melaka located at KM 24, Jalan Kasa Heights 13, Taman Kasa Heights, 78000 Alor Gajah, Melaka; and 1 unit 2 storey cluster held under Geran 58139 Lot 19166 in the Mukim of Kelemak, District of Alor Gajah, State of Melaka located at KM 319, Jalan Kasa Heights 32, Taman Kasa Heights, 78000 Alor Gajah, Melaka	For residential house only / Building	Restrictions in interest: (a) All that pieces of land held under Geran 58475 Lot 19467 shall not be transferred or leased without the consent of the State Authority. This restriction of interest is exempted for the first transfer or lease. (b) All that piece of land held under Geran 58139 Lot 19166 shall not be transferred or leased without the consent of the State Authority. This restriction in interest is excluded for Malays. Encumbrances: Nil	2 storey triplex and 2 storey cluster in Taman Kasa Heights / Pending for sale	Rentas Dinamik	0.17 / 3,482	Freehold	For 2 storey triplex held under Geran 58475 Lot 19467: 23 November 2016 For 2 storey cluster held under Geran 58139 Lot 19166: 14 April 2016	[10]559

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
Taman Rembia Setia									
11.	1 unit of single storey office shoplot (20' x 65') held under Pajakan Mukim 436 Lot 2116 in the Mukim of Rembia, District of Alor Gajah, State of Melaka located at RM 691, Jalan Rembia Setia Utama, Taman Rembia Setia, 78000 Alor Gajah, Melaka.	For commercial building only / Building	Restrictions in interest: The land shall not be transferred or leased without the consent of the State Authority. This restriction of interest is exempted for the first transfer or lease. Encumbrances: Nil	Single storey shoplot in Taman Rembia Setia / Pending for sale	Laman Exotika	0.03 / 1,049	Leasehold 99 years', expiring on 15 October 2100	24 May 2004	(11)162
Taman La Casa Lunas Phase 3A									
12.	2 units of 2 storey terrace house (22' x 65') held under HS(D) 80352 PT 8657 and HS (D) 80353 PT 8658 all in Section 11, Bandar Lunas, District of Kulim, State of Kedah located at No. 8 and 9, Jalan La Casa Lunas 1/2, all in Taman La Casa Lunas Fasa 1, 09600 Bandar Lunas, Kulim, Kedah.	For residential house only / Building	Restrictions in interest: The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and makes the ditches to the satisfaction of the local authority and the Public Works Department that the roads and ditches can be completed. Encumbrances: Nil	2 storey terrace house in Taman La Casa Lunas Phase 3A / Pending for sale	Dayang Gemilang	0.10 / 2,393	Freehold	22 January 2024	(12)322

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
Taman La Casa Lunas Phase 2									
13.	1 unit of 2 storey terrace house (22' x 65') held under HS(D) 79691 PT 8024 in Section 11, Bandar Lunas, District of Kulim, State of Kedah located at 133, Jalan La Casa Lunas 3/2, Taman La Casa Lunas Fasa 3, 09600 Lunas, Kedah; and 66 units of 2 storey medium cost terrace house (22' x 65') held under HS(D) 79614 PT 7947 to HS(D) 79701 PT 8034, all Section 11, Bandar Lunas, District of Kulim, State of Kedah located at: • No. 56 to No. 63, Jalan La Casa Lunas 3/2; • 63A, Jalan La Casa Lunas 3/2; • No. 65 to No. 73, Jalan La Casa Lunas 3/2; • No. 73A, Jalan La Casa Lunas 3/2;	For residential house only / Building	Restrictions in interest: (a) The landowner is prohibited from making any dealings on the land to be developed unless the landowner builds and maintains the reserved road and lays tar stones in accordance with the standards of the Public Works Department and makes the ditches to the satisfaction of the local authority and the Public Works Department that the roads and ditches can be completed. (b) All those pieces of land held under HS(D) 79650 PT 7983 to HS(D) 79691 PT 8024: The first transfer shall follow the decision of the State Executive Council Meeting Paper No. 7 (C) 88/2020 dated 10 June 2020 and the consent of the State Authority shall be obtained for the subsequent transfer. Encumbrances: Nil	2 storey terrace house in Taman La Casa Lunas Phase 2 / Pending for sale	Dayang Gemilang	2.52 / 102,855	Freehold	4 July 2024	[13]13,254

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal Address	Express Conditions / Category of land use	Restrictions in Interest / Encumbrances	Description / Existing Use	Registered / Beneficial Owner	Land Area (acres) / Built-Up Area (sq. ft.)	Tenure / Date of Expiry of Lease	Date of issuance of CF / CCC	Audited NBV as at 31 December 2023 (RM'000)
	• No. 75 to No. 83, Jalan La Casa Lunas 3/2; • No. 83A, Jalan La Casa Lunas 3/2; • No. 85 to No. 93, Jalan La Casa Lunas 3/2; • No. 93A, Jalan La Casa Lunas 3/2; • No. 95 to No. 103, Jalan La Casa Lunas 3/2; • No. 103A, Jalan La Casa Lunas 3/2; • No. 105 to No. 111, Jalan La Casa Lunas 3/2; • No. 133A, Jalan La Casa Lunas 3/2; • No. 135 to No. 143, Jalan La Casa Lunas 3/2, all in Taman La Casa Lunas Fasa 3, 09600 Lunas, Kedah.								

Notes:

(1) Based on audited NBV of 9 units of 2 storey terrace house (20' x 70') held under Geran Mukim 1498 Lot 3546 to Geran Mukim 1506 Lot 3554, all in Mukim Cheng, District of Melaka Tengah, State of Melaka, being the units unsold as of 31 December 2023.

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

(2) Based on audited NBV of 3 units of 3-storey terrace (20' x 75') held under HS(M) 3311 PT 9881 to HS(M) 3313 PT 9883, all in Mukim Cheng, District of Melaka Tengah, State of Melaka, being the units unsold as of 31 December 2023.

(3) Based on audited NBV of 1 unit within 2 storey flat under Rumah Mampu Milik ("RMM") (38' x 42') held under Geran 62270 Lot 64174, Building No. M9, Level 1, Parcel No. 104, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka, being the unit unsold as of 31 December 2023.

(4) Based on audited NBV of 2 units of 2 storey cluster (34' x 60') held under HS(D) 24636 PT 10515 and HS(D) 24640 PT 10519, and 1 unit of 2 storey bungalow (60' x 80') held under HS(D) 24656 PT 10535, all in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka, being the units unsold as of 31 December 2023.

(5) Based on audited NBV of 2 unit of 2 storey cluster (34' x 60') held under HS(D) 24768 PT 10647 and HS(D) 24810 PT 10689, all in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka, being the units unsold as of 31 December 2023.

(6) Based on audited NBV of 1 unit of 2 storey semi-detached zero lot (45' x 80') held under HS(D) 24854 PT 10733, 1 unit of 2 storey semi-detached zero lot (45' x 70') held under HS(D) 24870 PT 10749, and 2 units of 2 storey terrace house (24' x 60') held under HS(D) 24832 PT 10711 and HS(D) 24852 PT 10731, all in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka, being the units unsold as of 31 December 2023.

(7) Based on audited NBV of 3 units of 2 storey bungalow (60' x 80') held under Geran 62081 Lot 64008, Geran 62166 Lot 64027, and Geran 62167 Lot 64028, 2 units of 2 storey semi-detached (45' x 70') held under Geran 62071 Lot 63986 and Geran 62085 Lot 64009, and 1 unit of 2 storey cluster (34' x 60') Geran 62260 Lot 64167, all in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka, being the units unsold as of 31 December 2023.

(8) Based on audited NBV of 1 unit of town house terrace RMM (22' x 70') held under Geran 55072 Lot 62136, Building No. M1, Level 1, Parcel No. 11, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka, being the unit unsold as of 31 December 2023.

(9) Based on audited NBV of 6 units of 2 storey bungalow (60' x 110') held under HS(D) 24608 PT 10487, HS(D) 24610 PT 10489, HS(D) 24611 PT 10490, HS(D) 24613 PT 10492, HS(D) 24615 PT 10494, and HS(D) 24616 PT 10495, 2 units of 2 storey bungalow (60' x 80') held under HS(D) 24595 PT 10474 and HS(D) 24607 PT 10486, 4 units of 2 storey semi-detached zero lot (45' x 70') held under HS(D) 24589 PT 10468, HS(D) 24618 PT 10497, HS(D) 24622 PT 10501, and HS(D) 24628 PT 10507, 1 unit of 2 storey bungalow (60' x 80') held under HS(D) 24594 PT 10473, and 8 units of 2 storey cluster house (34' x 60') held under HS(D) 24549 PT 10428 to HS(D) 24553 PT 10432, HS(D) 24557 PT 10436, HS(D) 24567 PT 10446, and HS(D) 24568 PT 10447, all in Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka, being the units unsold as of 31 December 2023.

(10) Based on audited NBV of 1 unit of 2 storey triplex held under Geran 58475 Lot 19467 and 1 unit of 2 storey cluster held under Geran 58139 Lot 19166, all in the Mukim of Kelemak, District of Alor Gajah, State of Melaka, being the units unsold as of 31 December 2023.

(11) Based on audited NBV of 1 unit of single storey office shoplot (20' x 65') held under Pajakan Mukim 436 Lot 2116, in the Mukim of Rembia, District of Alor Gajah, State of Melaka, being the unit unsold as of 31 December 2023.

(12) Based on audited NBV of 2 units of 2 storey terrace house (22' x 65') held under HS(D) 80352 PT 8657 and HS (D) 80353 PT 8658, all in Section 11, Bandar Lunas, District of Kulim, State of Kedah, being the units unsold as of 31 December 2023.

(13) Based on audited NBV of 1 unit of 2 storey terrace house (22' x 65') held under HS(D) 79691 PT 8024 and 66 units of 2 storey medium cost terrace house (22' x 65') held under HS(D) 79614 PT 7947 to HS(D) 79701 PT 8034, all Section 11, in Bandar Lunas, District of Kulim, State of Kedah, being the units unsold as of 31 December 2023.

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

1.5 PROPERTIES TO BE ACQUIRED BY OUR GROUP

The details of the Plentong Land to be acquired by our Group pursuant to SPA dated 18 April 2024 between Ekuiti Idaman, Taman Bandar Baru Masai Sdn Bhd and Amanahraya Development Sdn Bhd are as follows. Please refer to Item (iv) of **Annexure F** of this Prospectus for the details of the relevant SPA:

No.	Title details / Postal address	Registered owner	Description / Existing use	Express conditions / Category of land use	Restrictions in interest / Encumbrances	Land area (acres) / Built-up area (sq. ft.)	Tenure	Audited NBV as at 31 December 2023 (RM'000)
1.	7 pieces of land held under: • Geran 293593 Lot 96803; • Geran 293632 Lot 96804; • Geran 293304 Lot 96808; • Geran 293306 Lot 96810; • Geran 293635 Lot 121217; • HS(D) 635236 PTD 243927(1); and • HS(D) 635235 PTD 243926(2), all in the Mukim of Plentong, District of Johor Bahru, State of Johor located within Taman Nusa Damai, 81700 Pasir Gudang, Johor	Taman Bandar Baru Masai Sdn Bhd	7 parcels of agricultural land with residential potential / Investment property	Nil / Agriculture	Restriction in interest: The land contained in this title shall not be sold or transferred by whatever means to non-citizen / foreign company without the consent of the State Authority. Encumbrances: (a) Charged to Amanahraya Development Sdn Bhd; Presentation No. 62132/2014 dated 23 July 2014. (b) Private caveat registered by Ekuiti Idaman: Presentation No. 32779/2024 dated 23 July 2024.	187.37(3) / N/A	Freehold	Refer to Note (4)

Notes:

(1) On 1 July 2024, all that piece of land held under Geran 293424 Lot 121218 was issued with a new land title of HS(D) 635236 PTD 243927, in the Mukim of Plentong, District of Johor Bahru, State of Johor after the completion of acquisition of a portion of the land by the government pursuant to the Land Acquisition Act 1960.

(2) On 1 July 2024, all that piece of land held under Geran 293428 Lot 121220 was issued with a new land title of HS(D) 635235 PTD 243926, in the Mukim of Plentong, District of Johor Bahru, State of Johor after the completion of acquisition of a portion of the land by the government pursuant to the Land Acquisition Act 1960.

(3) The land area is based on the aggregation of land area stated in each of the 7 titles of Plentong Land including the new land titles of HS(D) 635236 PTD 243927 and HS(D) 635235 PTD 243926, in the Mukim of Plentong, District of Johor Bahru, State of Johor after the completion of acquisition of a portion of the land by the government pursuant to the Land Acquisition Act 1960.

(4) The audited NBV of the Plentong Land as at 31 December 2023 is not available as it did not form part of SPB Group's material real properties as at 31 December 2023.

1.6 LAND TO BE DEVELOPED PURSUANT TO THE JOINT VENTURE AGREEMENT WITH THIRD PARTIES

The details of the Plentong JV Land to be developed pursuant to a joint venture agreement dated 18 April 2024 between Malaysia Pacific Corporation Berhad, Oriental Pearl City Properties Sdn Bhd, Lakehill Resort Development Sdn Bhd, Taman Bandar Baru Masai Sdn Bhd; and Ekuiti Idaman are as follows. Please refer to Item (v) of **Annexure F** of this Prospectus for details of the joint venture agreement.

No.	Title details / Postal address	Registered owner	Description / Existing use	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Land area (acres) / Built-up area (sq. ft.)	Tenure	Audited NBV as at 31 December 2023 (RM'000)
1.	6 pieces of land held under: • HS(D) 310462 PTD 149718; • Geran 293552 Lot 96785; • Geran 293414 Lot 96802; • Geran 293418 Lot 96805; • Geran 293308 Lot 96811; and • Geran 293309 Lot 121216, all in the Mukim of Plentong, District of Johor Bahru, State of Johor located within Taman Nusa Damai, 81700 Pasir Gudang, Johor	Taman Bandar Baru Masai Sdn Bhd	6 parcels of agricultural land with residential potential, 2 parcels of commercial land and 4 parcels of residential land designated for low-cost and affordable housing / Held for development	Nil / Agriculture	Restriction in interest: The land contained in this title shall not be sold or transferred by whatever means to non-citizen / foreign company without the consent of the State Authority. Encumbrances: Nil	189.21 / N/A	Freehold	Refer to Note (1)

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Registered owner	Description / Existing use	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Land area (acres) / Built-up area (sq. ft.)	Tenure	Audited NBV as at 31 December 2023 (RM'000)
	6 pieces of land held under: • HS(D) 584340 PTD 235731; • HS(D) 584341 PTD 235734; • HS(D) 584342 PTD 235735; • HS(D) 584343 PTD 235737; • HS(D) 584344 PTD 235739; and • HS(D) 584345 PTD 235741, all in the Mukim of Plentong, District of Johor Bahru, State of Johor located within Taman Nusa Damai, 81700 Pasir Gudang, Johor			For all those pieces of land held under HS(D) 584340 PTD 235731 and HS(D) 584343 PTD 235737, (a) This land shall be used for a residential house under the kategori Rumah Mampu Milik Johor, built according to the plan approved by the relevant local authority. (b) In accordance with the powers of the State Authority under section 122 of the National Land Code, it is hereby stipulated that the construction of the residential house shall commence within 2 years from the date of the registration of title. (c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with. / Building	Restriction in interest: All those pieces of land held under HS(D) 584340 PTD 235731 and HS(D) 584343 PTD 235737, if the high-rise building erected on this land has been divided and the strata title is registered, the owner of the building plot (after the developer's name) may not sell, lease or transfer ownership of this land by whatever means including through any agreement that aims to release / sell this land without the consent of the State Authority. Encumbrances: Nil			

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Registered owner	Description / Existing use	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Land area (acres) / Built-up area (sq. ft.)	Tenure	Audited NBV as at 31 December 2023 (RM'000)
				For all those pieces of land held under HS(D) 584341 PTD 235734, (a) This land shall be used for a residential house under the kategori "Perumahan Komuniti Johor (PKJ) A", built according to the plan approved by the relevant local authority. (b) In accordance with the powers of the State Authority under section 122 of the National Land Code, it is hereby stipulated that the construction of the residential house shall commence within 2 years from the date of the registration of title. (c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with. / Building	Restriction in interest: All those pieces of land held under HS(D) 584341 PTD 235734 and HS(D) 584342 PTD 235735, if the high-rise building erected on this land has been divided and the strata title is registered, the owner of the building plot (after the developer's name) may not sell, lease or transfer ownership of this land by whatever means including through any agreement that aims to release / sell this land without the consent of the State Authority. Encumbrances: Nil			

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Registered owner	Description / Existing use	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Land area (acres) / Built-up area (sq. ft.)	Tenure	Audited NBV as at 31 December 2023 (RM'000)
				For all those pieces of land held under HS(D) 584342 PTD 235735, (a) This land shall be used for a residential house under the kategori "Perumahan Komuniti Johor (PKJ) B", built according to the plan approved by the relevant local authority. (b) In accordance with the powers of the State Authority under section 122 of the National Land Code, it is hereby stipulated that the construction of the residential house shall commence within 2 years from the date of the registration of title. (c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with. / Building				

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Title details / Postal address	Registered owner	Description / Existing use	Express Conditions / Category of land use	Restrictions in interest / Encumbrances	Land area (acres) / Built-up area (sq. ft.)	Tenure	Audited NBV as at 31 December 2023 (RM'000)
				For all those pieces of land held under HS(D) 584344 PTD 235739 and HS(D) 584345 PTD 235741, (a) The land is categorised for oil palm purposes. (b) The ownership with agricultural category is for the purpose of block titles registration that has been specified with its development components in the Serah Balik Kurnia Semula (SBKS) approval, and is not referring to the actual agricultural land. (c) The SBKS approval for this land will be revoked upon: (i) expiry of 5 years from the date of registration of the block title; (ii) the owner transfers the ownership by any means including through any agreement or "Deed of Assignment". / Building	Restriction in interest: All those pieces of land held under HS(D) 584344 PTD 235739 and HS(D) 584345 PTD 235741, (a) The land contained in this title shall not be sold or transferred by any means to non-citizen / foreign company without the consent of the State Authority. (b) The development of this block title must be through the planning permission process and Serah Balik Kurnia Semula (SBKS), and not through the usual change of conditions (ubahsyarat) application. Encumbrances: Nil			

Note:

(1) The audited NBV of the Plentong JV Land as at 31 December 2023 is not available as it did not form part of SPB Group's material real property as at 31 December 2023.

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

2. MATERIAL PROPERTIES RENTED BY OUR GROUP COMPANIES

As at the LPD, the details of the material properties rented by our Group are set out as follows:

No.	Landlord / Tenant	Postal address	Description / Existing use	Period of tenancy	Land area (acres) / Built-up area (sq. ft.)	Date of issuance of CF / CCC	Rental payable per year (RM)
1.	PSRSB / SPBSB	A portion of the premise known as No 16A & 17A, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka	Office shoplot / Office	2 years from 1 October 2022 to 30 September 2024[1]	N/A / 3164.59	17 February 1996	30,000
2.	PSRSB / Laman Exotika	A portion of the premise known as No 16, 17 & 16B, Plaza Seri Kubu, Jalan Tan Chay Yan, 75300 Melaka	Office shoplot / Office	2 years from 1 October 2022 to 30 September 2024[2]	N/A / 4,499.31	17 February 1996	69,600
3.	Chu Kien Seong & Tan Ah Lan / Naluri Wijaya	(a) No. 113-1 (First Floor), Jalan Sultan Abdul Samad, Bandar Banting, 42700 Banting, Selangor; (b) No. 113-2 (Second Floor), Jalan Sultan Abdul Samad, Bandar Banting, 42700 Banting, Selangor; and (c) signboard space of the external side wall of No. 113-1 (First Floor) and No. 113-2 (Second Floor), Jalan Sultan Abdul Samad, Bandar Banting, 42700 Banting, Selangor	Office shoplot / Sales and administration office and/or showroom	2 years from 15 June 2023 to 14 June 2025	N/A / 3,315.28	27 March 1997	(a) 36,000 (for first and second floor); and (b) 24,000 (for the rental of signboard space)

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Landlord / Tenant	Postal address	Description / Existing use	Period of tenancy	Land area (acres) / Built-up area (sq. ft.)	Date of issuance of CF / CCC	Rental payable per year (RM)
4.	Mohd Omar bin Mohd Tab / Laman Exotika	No. 4, Jalan Nuri Sentosa Utama, Taman Nuri Sentosa, 76100 Durian Tunggal, Melaka	Rumah Pangsa Mampu Milik / Show unit for Taman Nuri project	1 year from 14 January 2024 to 13 January 2025	N/A / 1,166	13 April 2022	9,000
5.	Mohamad Shahman bin Zulkapli / Laman Exotika	No. 4-1, Jalan Nuri Sentosa Utama, Taman Nuri Sentosa, 76100 Durian Tunggal, Melaka	Rumah Pangsa Mampu Milik / Show unit for Taman Nuri project	1 year from 1 April 2024 to 30 March 2025	N/A / 1,369	13 April 2022	7,800

Notes:

(1) PSRSB and SPBSB have entered into a new tenancy agreement dated 26 April 2024. The new tenancy agreement is for a period of 2 years from 1 October 2024 to 30 September 2026 for a monthly rental of RM2,500.

(2) PSRSB and Laman Exotika have entered into a new tenancy agreement dated 26 April 2024. The new tenancy agreement is for a period of 2 years from 1 October 2024 to 30 September 2026 for a monthly rental of RM5,800.

Save for past non-compliance which has been rectified as disclosed in **Annexure D** of this Prospectus, none of the material properties owned or rented by our Group are in breach of any land use conditions and / or are in non-compliance with current statutory requirements, land rules or building regulations which will have a material adverse impact on our operations or the utilisation of our assets on the said properties.

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

The market value as at 31 March 2024 of material properties owned by our Group as set out in **Section 1.1** of this **Annexure C** (other than completed units held for sale in **Section 1.4**) which have been valued by our Independent Valuers are as follows. No valuation has been conducted on completed units held for sale set out in **Section 1.4** of this **Annexure C**.

No.	Property details	Market value as at 31 March 2024 (RM)
Melaka		
1.	Taman Nuri Heights (Phases 1A, 1B, 2 and 3) Please refer to item 1 of **Section 1.1** and item 5 of **Section 1.2** of this **Annexure C**.	3,400,000
2.	Taman Nuri Botani (Phases 1, 2, 3 and 4) Please refer to item 2 of **Section 1.1** and item 6 of **Section 1.2** of this **Annexure C**.	11,000,000
3.	Taman Nuri (Phase 3B5) Please refer to item 1 of **Section 1.2** of this **Annexure C**.	7,000,000
4.	HS(D) 35178 PT 16385 to HS(D) 35214 PT 16421, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka Please refer to item 2 of **Section 1.2** of this **Annexure C**.	4,000,000
5.	HS(D) 24926 PT 10805, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka Please refer to item 3 of **Section 1.2** of this **Annexure C**.	4,600,000
6.	HS(M) 4338 PT 13880 and HS(M) 4339 PT 13881, all in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka Please refer to item 1 of **Section 1.3** and item 4 of **Section 1.2** of this **Annexure C**.	5,900,000
7.	12 pieces of land held under: (a) Geran 20065 Lot 178; (b) Geran 20045 Lot 179; (c) Geran 20046 Lot 180; (d) Geran 20047 Lot 181; (e) Geran 69543 Lot 417; (f) Geran 20049 Lot 185; (g) Geran 20050 Lot 186; (h) Geran 20051 Lot 187; (i) Geran 20066 Lot 188; (j) Geran 69544 Lot 419; (k) Geran 69545 Lot 420; and (l) Geran 69546 Lot 12038, all in Kawasan Bandar VIII, District of Melaka Tengah, State of Melaka Please refer to item 3 of **Section 1.3** of this **Annexure C**.	7,950,001
8.	All that piece of land held under Geran 12690 Lot 654, in the Mukim of Parit Melana, District of Alor Gajah, State of Melaka Please refer to item 4 of **Section 1.3** of this **Annexure C**.	10,700,000
9.	All that piece of land held under GM 930, Lot 955, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka Please refer to item 2 of **Section 1.3** of this **Annexure C**.	3,800,000

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Property details	Market value as at 31 March 2024 (RM)
Kedah		
10.	Taman La Casa Lunas (Phases 1A, 1B, 4A, 4B, 4C, 4D, 4E, 4F and 5) Please refer to items 3 to 7 of **Section 1.1** and items 7 to 9 of **Section 1.2** of this **Annexure C**.	Refer to Note (1)
11.	5 pieces of land held under HS(D) 80917 PT 9222 to HS(D) 80921 PT 9226, all in Section 11 in Bandar Lunas District of Kulim, State of Kedah Please refer to items 6 and 7 of **Section 1.3** of this **Annexure C**.	29,000,000
Johor		
12.	Taman Akasia (Phases 1, 2, 3 and 4) and 3 pieces of land held under HS(D) 87258 PTD 106638, Geran 625100 Lot 96671, and HS(D) 87496 PTD 106887, in the Mukim of Kluang, District of Kluang, State of Johor) Please refer to items 8 and 9 of **Section 1.1**, items 10 to 13 of **Section 1.2** and item 8 of **Section 1.3** of this **Annexure C**.	60,000,000
13.	All that piece of land held under Geran 88851, Lot 2086, in the Mukim of Kluang, District of Kluang, State of Johor Please refer to item 9 of **Section 1.3** of this **Annexure C**.	23,500,000
14.	Plentong Land Please refer to item 1 of **Section 1.5** of this **Annexure C**.	133,000,000
15.	Plentong JV Land Please refer to item 1 of **Section 1.6** of this **Annexure C**.	[(2)]165,000,000
Selangor		
16.	Pangsapuri Adiwarna, Kota Seri Langat (Phases 1 to 3), which is part of Rumah Selangorku (affordable homes) and all that piece of land held under HS(D) 49878 PT 52458, all in the Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor Please refer to items 15 and 16 of **Section 1.2** of this **Annexure C**.	43,000,000
17.	All that piece of land held under HS(D) 49879 PT 52459 in the Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor Please refer to item 14 of **Section 1.2** of this **Annexure C**.	1,000,000
18.	2 pieces of land held under HS(D) 41135 PT 32122 and HS(D) 29914 PT 32124, in the Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor Please refer to items 10 and 11 of **Section 1.3** of this **Annexure C**.	72,000,000
19.	All that piece of land held under Geran Mukim 216 Lot 853, in the Mukim of Damansara, Sungai Penaga, District of Petaling, State of Selangor Please refer to item 12 of **Section 1.3** of this **Annexure C**.	10,000,000
Perak		
20.	2 pieces of land held under Pajakan Negeri 408558, Lot 31935 and Pajakan Negeri 408559, Lot 31936, Mukim Bidor, District of Batang Padang, State of Perak Please refer to item 13 of **Section 1.3** of this **Annexure C**.	18,000,000

ANNEXURE C - MATERIAL PROPERTIES OWNED AND RENTED BY OUR GROUP *(Cont'd)*

No.	Property details	Market value as at 31 March 2024 (RM)
Penang		
21.	Penang Land 1 (a) Geran Mukim 56 Lot 275; (b) Geran Mukim 58 Lot 1034; (c) Geran Mukim 59 Lot 1257; (d) Geran Mukim 60 Lot 1228; (e) Geran Mukim 63 Lot 1045; (f) Geran Mukim 64 Lot 1032; (g) Geran Mukim 65 Lot 1258; (h) Geran Mukim 117 Lot 1059; (i) Geran Mukim 118 Lot 1060; (j) Geran Mukim 120 Lot 1201; (k) Geran Mukim 121 Lot 1061; (l) Geran Mukim 285 Lot 1055; (m) Geran 20175 Lot 1031; (n) Geran 20176 Lot 1033; (o) Geran 20179 Lot 1256; (p) Geran 23701 Lot 1193; (q) Geran 25661 Lot 1259; (r) Geran 25662 Lot 1260; (s) Geran 129546 Lot 2333;	75,310,000
	(t) Geran 155813 Lot 5837;	560,000
	(u) Geran Mukim 814 Lot 5834; (v) Geran Mukim 812 Lot 5835; and (w) Geran Mukim 813 Lot 5836, all in Mukim 13, District of Seberang Perai Utara, State of Penang Please refer to items 14 of **Section 1.3** of this **Annexure C**.	5,560,000
22.	Penang Land 2 Please refer to item 15 of **Section 1.3** of this **Annexure C**.	2,210,000

No valuation was conducted for all that piece of land held under Geran 66280 Lot 19493, in the Mukim of Kelemak, District of Alor Gajah, State of Melaka as the audited NBV of this property as at 31 December 2023 is less than RM2.3 million, which was deemed immaterial for valuation purposes. Please refer to item 5 of **Section 1.3** of this **Annexure C** for details of the land.

Notes:

*(1) The total market value for Phases 1A, 1B, 2, 3B, 4A, 4B, 4C, 4D, 4E, 4F and 5 of Taman La Casa Lunas as of 31 March 2024 as valued by our Independent Valuer, CBRE WTW Valuation & Advisory Sdn Bhd is RM31 million. It should be noted that CCC for Phases 2 and 3B of Taman La Casa Lunas have since been obtained and they are no longer material properties of our Group save for completed units held for sale as of the LPD as set out in **Section 1.4** of this **Annexure C**.*

(2) The total market value of the Plentong JV Land as of 31 March 2024 as valued by our Independent Valuer, CBRE WTW Valuation & Advisory Sdn Bhd is RM165 million based on 6 parcels of agricultural land with residential potential, 2 parcels of commercial land and 4 parcels of residential land designated for low-cost and affordable housing. The category of land use for HS(D) 636875 PTD 235739 and HS(D) 636876 PTD 235741 have been changed from building to agriculture, with the new titles issued on 13 October 2024. The estimated total market value for 8 parcels of agricultural land with residential potential and 4 parcels of residential land designated for low-cost and affordable housing is RM144 million.

ANNEXURE D - REGULATORY REQUIREMENTS AND ENVIRONMENTAL ISSUES

The following is an overview of the material laws and regulations that are relevant to the conduct of our Group's business operations. The following does not purport to be an exhaustive description of all laws and regulations of which our business is subject to.

(a) Housing Development (Control and Licensing) Act 1966 ("HDA") and Housing Development (Control and Licensing) Regulations 1989 ("HDA Regulations")

The HDA provides for control and licensing of housing development in Peninsular Malaysia, the protection of the interest of purchasers and related matters.

Housing developer licence

Section 5 of the HDA stipulates that no housing development shall be engaged in, carried on, undertaken or caused to be undertaken except by a housing developer in possession of a licence issued under the HDA. Except with the written consent of the Controller of Housing ("**Controller**"), no housing developer other than a licensed housing developer shall assume or use in relation to his business or any part of his business the words "housing developer" or any of its derivatives or any other word(s) indicating the carrying on of the business of housing development.

Any housing developer who contravenes the above shall be guilty of an offence and shall be liable on conviction to a fine which shall not be less than RM250,000 but which shall not exceed RM500,000 or to imprisonment for a term not exceeding 5 years or to both.

Advertisement and sale permit

Regulation 5 of the HDA Regulations stipulates that no advertisement or sale shall be made by any housing developer without an advertisement and sale permit having first been obtained from the Controller. Any person who contravenes the regulation shall be guilty of an offence and shall be liable on conviction to a fine not exceeding RM50,000 or to a term of imprisonment not exceeding 5 years or to both.

Collection of booking fees

Regulation 11(2) of the HDA Regulations stipulates that no person including parties acting as stakeholders shall collect any payment by whatever name called except as prescribed by the contract of sale, which is the SPA prescribed under the HDA Regulations. Any person who contravenes the regulation shall be guilty of an offence and shall be liable on conviction to a fine not exceeding RM50,000 or to a term of imprisonment not exceeding 5 years or to both.

Panglima Juara, Laman Exotika, Hektar Berlian and our property agencies collected booking fees or earnest deposits, which are not prescribed by the contract of sale, from purchasers for some of our housing developments before August 2023. We were not aware of the prohibition of collection of booking fees and such restriction was brought to the attention of our Group during the due diligence conducted by our solicitors for the purposes of our IPO. Upon being aware of the prohibition, our Group ceased to collect booking fees or earnest deposits since August 2023 and we sent written notice to our property agencies in August 2023 to instruct them to cease collection of booking fees or earnest deposits from August 2023 onwards. Going forward, we and our property agencies will not be collecting booking fees or earnest deposits in contravention of the HDA Regulations for the sale of our property units before execution of SPAs.

The potential maximum penalty for the non-compliance under the HDA Regulations is a financial penalty of RM150,000 (based on the maximum financial penalty of RM50,000 which may be imposed on each of the relevant Subsidiaries upon conviction) and a term of imprisonment of each director of the relevant Subsidiaries of not exceeding 5 years.

We have not experienced any material adverse impact on our business operations or financial performance, and we have not been imposed with any penalties by the relevant authority as at the LPD arising from the above non-compliance with the HDA and its regulations.

(b) Town and Country Planning Act 1976 ("TCPA")

The TCPA provides for proper control and regulation of town and country planning in Peninsular Malaysia and related matters.

Section 19 of the TCPA states that no person, other than a local authority, shall commence, undertake, or carry out any development unless planning permission in respect of the development has been granted to him under the TCPA. Under Section 26(1)(b), a person who, permits to be carried out, any development in contravention of Section 19 of the TCPA commits an offence and is liable, on conviction, to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 2 years or to both and, in the case of a continuing offence, to a further fine which may extend to RM5,000 for each day during which the offence continues after the first conviction for the offence.

We have not experienced any material adverse impact on our business operations or financial performance, and we have not been imposed with any penalties by the relevant authority as at the LPD arising from the non-compliance with the TCPA as set out below:

Concrete batching plant erected within Land PT 9226

One of our Subsidiaries, Dayang Gemilang had granted tenancy and right of access to a concrete batching plant operator to erect a concrete batching plant on Dayang Gemilang's land held under HS(D) 80921, PT 9226, Section 11, in Bandar Lunas, District of Kulim, State of Kedah ("**Land PT 9226**"). We are not aware of the breach under the TCPA and such breach was only brought to our attention during the due diligence conducted by our solicitors for the purposes of our IPO. The said concrete batching plant operator had erected the concrete batching plant without planning permission from the local authority since July 2020.

Pursuant to the terms of the respective tenancy and right of access agreements, Dayang Gemilang served a 6 months' notice in March 2023 to terminate the tenancy agreement and 3 months' notice in September 2023 to terminate the right of access agreement unless the concrete batching plant operator provided the required approvals from the local authority. The tenancy agreement and the right of access agreement were terminated in September 2023 and December 2023 respectively because the concrete batching plant operator was unable to obtain the necessary approval.

Dayang Gemilang served a further notice in January 2024 to the said concrete batching plant operator to instruct the latter to vacate Land PT 9226 by February 2024. The said concrete supplier required additional time until March 2024 to vacate and deliver vacant possession, which Dayang Gemilang granted on a goodwill basis. The concrete batching plant operator has ceased its operation of the concrete batching plant on Land PT 9226 and delivered vacant possession to Dayang Gemilang in March 2024.

The potential maximum penalty for the non-compliance under the TCPA is a financial penalty of RM500,000 on Dayang Gemilang upon conviction and a term of imprisonment of each director of Dayang Gemilang not exceeding 2 years. We made an enquiry with Majlis Perbandaran Kulim and they verbally confirmed that it is unlikely that penalty will be imposed as the non-compliance had been rectified.

Batching plant erected on Lot 654, Alor Gajah, Melaka

One of our Subsidiaries, Modal Cergas has granted tenancy to a company which is in the business of manufacturing and trading of ready-mix concrete products on a portion of the land owned by Modal Cergas held under Geran 12690, Lot 654, Mukim Parit Melana, District of Alor Gajah, State of Melaka ("**Tenanted Area**"). We are not aware of the breach under the TCPA and such breach was only brought to our attention during the due diligence conducted by our solicitors for the purposes of our IPO. The tenant has erected a batching plant on the Tenanted Area without planning permission from the local authority since 2019.

Pursuant to the terms of the tenancy agreement, Modal Cergas served a 2 months' notice in May 2024 to terminate the tenancy agreement. As at the LPD, notwithstanding the notice period has expired, the tenant has not delivered vacant possession of the Tenanted Area. On 31 July 2024, Modal Cergas via its solicitors served a further notice to notify the tenant that the tenancy agreement has ended on 20 July 2024 and the tenant is to deliver vacant possession of the Tenanted Area by 5 August 2024.

The tenant requires additional time until end of August 2024 to vacate and deliver vacant possession of the Tenanted Area which Modal Cergas has granted on a goodwill basis. The tenant has delivered the vacant possession of the Tenanted Area on 13 August 2024 and our Group has rectified the non-compliance matter.

The potential maximum penalty for the non-compliance under the TCPA is a financial penalty of RM500,000 on Modal Cergas upon conviction and a term of imprisonment of each director of Modal Cergas not exceeding 2 years. We made an enquiry with Majlis Perbandaran Alor Gajah and they verbally confirmed that it is unlikely that penalty will be imposed as the non-compliance had been rectified.

Employees' accommodation and amenities and temporary buildings on land held by our Group under Geran 88851, Lot 2086, in the Mukim of Kluang, District of Kluang, State of Johor

One of our Subsidiaries, Hektar Berlian which is the landowner and developer of the development of Taman Akasia in Kluang, Johor, has erected accommodation and amenities for employees employed by subcontractors of our Group and temporary buildings on a piece of land held by Hektar Berlian under Geran 88851, Lot 2086, in the Mukim of Kluang, District of Kluang, State of Johor ("**Lot 2086**") since May 2023 prior to obtaining planning permission. In September 2023, Hektar Berlian received a supporting letter from Majlis Perbandaran Kluang for the erection of employees' accommodation and amenities and temporary buildings on Lot 2086, which we initially understood that it was an approval. However, it was brought to our attention during the due diligence conducted by our solicitors for the purposes of our IPO that such supporting letter was not considered as an approval. In this regard, Hektar Berlian has submitted application for the planning permission in February 2024. Majlis Perbandaran Kluang issued the planning permission in June 2024.

The potential maximum penalty for the non-compliance under the TCPA is a financial penalty of RM500,000 on Hektar Berlian upon conviction and a term of imprisonment of each director of Hektar Berlian not exceeding 2 years. We made an enquiry with Majlis Perbandaran Kluang and they verbally confirmed that it is unlikely that penalty will be imposed as the non-compliance had been rectified.

Sales gallery located at DT 465, Jalan Nuri 29, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka

One of our Subsidiaries, Laman Exotika had not obtained a planning permission prior to erecting a temporary sales gallery on the land located at DT 465, Jalan Nuri 29, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka in November 2017. We are not aware of the breach under the TCPA and such breach was only brought to our attention during the due diligence conducted by our solicitors for the purposes of our IPO. Laman Exotika had demolished its sale gallery in November 2023.

The potential maximum penalty for the non-compliance under the TCPA is a financial penalty of RM500,000 on Laman Exotika upon conviction and a term of imprisonment of each director of Laman Exotika not exceeding 2 years. We made an enquiry with Majlis Perbandaran Alor Gajah and they verbally confirmed that it is unlikely that penalty will be imposed as the non-compliance had been rectified.

(c) Street, Drainage and Building Act 1974 ("SDBA") and Uniform Building By-Laws 1984 ("UBBL")

The SDBA regulates street, drainage and building in local authority areas in Peninsular Malaysia and related matters.

Sections 70(1) and 70(2) of the SDBA stipulate that no person shall erect any building without the prior written permission of the local authority and submission of the required plans to the local authority. By-Law 19 of the UBBL further provides that a temporary permit may be issued by the local authority for the erection of a temporary building. Section 70(13)(c) of the SDBA provides that any person who erects a building in contravention of SDBA or of any by-laws made thereunder (including the UBBL) shall be liable on conviction to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 3 years or to both and shall also be liable to a further fine of RM1,000 for every day during which the offence is continued after conviction. Our Group has not been convicted of any offence under the SDBA and UBBL and the non-compliance has been rectified before any potential conviction. As such, the daily fine to be imposed for the continued offence after the conviction is not applicable.

We have not experienced any material adverse impact on our business operations or financial performance, and we have not been imposed with any penalties by the relevant authority as at the LPD arising from the non-compliance with the SDBA and UBBL as set out below:

Employees' accommodation and amenities and temporary buildings on land held by our Group under Geran 88851, Lot 2086, in the Mukim of Kluang, District of Kluang, State of Johor

One of our Subsidiaries, Hektar Berlian which is the landowner and developer of the development of Taman Akasia in Kluang, Johor, has erected accommodation and amenities for employees employed by subcontractors of our Group and temporary buildings on a piece of land held by Hektar Berlian under Lot 2086 since May 2023 prior to obtaining a temporary building permit. In September 2023, Hektar Berlian received a supporting letter from Majlis Perbandaran Kluang for the erection of employees' accommodation and amenities and temporary buildings on Lot 2086, which we initially understood that it was an approval. However, it was brought to our attention during the due diligence conducted by our solicitors for the purposes of our IPO that such supporting letter was not considered as an approval. In this regard, Hektar Berlian has submitted application for the temporary building permit in February 2024. Majlis Perbandaran Kluang has approved and issued the temporary building permit on 19 August 2024.

The potential maximum penalty for the non-compliance under the SDBA is a financial penalty of RM50,000 on Hektar Berlian upon conviction (not taking into account the penalty for continuing offence which may be subject to a further fine of RM1,000 for every day during which the offence is continued after conviction) and a term of imprisonment of each director of Hektar Berlian not exceeding 3 years. We made an enquiry with Majlis Perbandaran Kluang and they verbally confirmed that it is unlikely that penalty will be imposed as the non-compliance had been rectified.

Sales gallery located at DT 465, Jalan Nuri 29, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka

One of our Subsidiaries, Laman Exotika did not have a temporary building permit for its temporary sales gallery on the land located at DT 465, Jalan Nuri 29, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka since the erection of the sales gallery in November 2017. We are not aware of the breach under the SDBA and such breach was only brought to our attention during the due diligence conducted by our solicitors for the purposes of our IPO. Laman Exotika had demolished its sale gallery in November 2023.

The potential maximum penalty for the non-compliance under the SDBA is a financial penalty of RM50,000 on Laman Exotika upon conviction and a term of imprisonment of each director of Laman Exotika not exceeding 3 years. We made an enquiry with Majlis Perbandaran Alor Gajah and they verbally confirmed that it is unlikely that penalty will be imposed as the non-compliance had been rectified.

(d) EMSHAA and EMSHAA Regulations

The EMSHAA and its regulations prescribe the minimum standards of accommodations for employees and matters incidental thereto.

Section 24F of the EMSHAA and Regulation 3 of the EMSHAA Regulations stipulate that any accommodation provided for employees shall comply with the minimum standards required under the EMSHAA and the EMSHAA Regulations. An employer under the EMSHAA who contravenes such provision shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 and to a further fine not exceeding RM1,000 a day for each day during which the offence continues.

Section 24D of the EMSHAA further states that no accommodation shall be provided to an employee unless it is certified with a certificate for accommodation. An employer who fails to obtain the certificate for accommodation is liable to a fine not exceeding RM50,000 on conviction.

An employer is required under Section 24E of the EMSHAA to inform the Director General of Labour of such occupation within 30 days from the date an accommodation is occupied by his employee. An employer who fails to give notice of occupation within the stipulated timeline is liable to a fine not exceeding RM10,000 on conviction.

We have not experienced any material adverse impact on our business operations or financial performance, and we have not been imposed with any penalties by the relevant authority as at the LPD arising from the non-compliance with the EMSHAA and its regulations as set out below:

Employees' accommodation located at Bandar Lunas, Kulim, Kedah

One of our Subsidiaries, SPBSB, who is the main contractor appointed by our Group to carry out project management responsibilities for the development of Taman La Casa Lunas in Kulim, Kedah, provided accommodation to employees employed by subcontractors of our Group on a piece of land owned by our Group under HS(D) 80920, PT 9225, Bandar Lunas, District of Kulim, State of Kedah, namely the Initial Kulim Accommodation, since September 2021 prior to obtaining a certificate for accommodation. We are not aware of the breach under the EMSHAA and such breach was only brought to our attention during the due diligence conducted by our solicitors for the purposes of our IPO. SPBSB failed to give notice of occupation to the Director General of Labour within 30 days from the date the accommodation was occupied.

SPBSB has since then provided another accommodation for employees employed by subcontractors of our Group on Land PT 9226, namely the New Kulim Accommodation, which complies with the requirements under the EMSHAA and EMSHAA Regulations. SPBSB has obtained the certificate for accommodation for the New Kulim Accommodation in February 2024. SPBSB has relocated the employees employed by subcontractors of our Group from the Initial Kulim Accommodation to the New Kulim Accommodation in February 2024 and informed the Director General of Labour of the occupation of the New Kulim Accommodation in March 2024 in accordance with Section 24E of the EMSHAA.

In August 2024, SPBSB has obtained a certificate for accommodation for the Initial Kulim Accommodation. As at the LPD, no employees are occupying the Initial Kulim Accommodation.

Employees' accommodation located at Taman Akasia in Kluang, Johor

SPBSB, who is the main contractor appointed by our Group to carry out project management responsibilities for the development of Taman Akasia in Kluang, Johor, also provided accommodation to employees employed by our subcontractors on a piece of our land held under Geran 86370, Lot 1691, Mukim Kluang, District of Kluang, State of Johor ("**Initial Kluang Accommodation**") since February 2023 prior to obtaining a certificate for accommodation. We are not aware of the breach under the EMSHAA and such breach was only brought to our attention during the due diligence conducted by our solicitors for the purposes of our IPO. SPBSB failed to give notice of occupation to the Director General of Labour within 30 days from the date the accommodation was being occupied.

SPBSB has since then provided another accommodation for employees employed by our subcontractors on a piece of our land held under Lot 2086 ("**New Kluang Accommodation**") which complies with the requirements under the EMSHAA and EMSHAA Regulations. SPBSB has obtained the certificate for accommodation for the New Kluang Accommodation in October 2023. SPBSB has relocated the employees employed by our subcontractors from the Initial Kluang Accommodation to the New Kluang Accommodation in October 2023. SPBSB gave a notice of occupation to the Director General of Labour in November 2023 ("**First Notice**") within the 30-day period stipulated under Section 24E of the EMSHAA. However, the date of occupation provided by SPBSB in the First Notice was incorrect. Upon realising the error, SPBSB gave a corrected notice of occupation to the Director General of Labour in December 2023, which exceeded the 30-day period as stipulated under Section 24E of the EMSHAA. SPBSB had demolished the Initial Kluang Accommodation in January 2024.

The potential maximum penalty for past non-compliance in respect of failure to (1) ensure the Initial Kulim Accommodation and Initial Kluang Accommodation comply with the minimum standards required under the EMSHAA and EMSHAA Regulations; and (2) obtain certificate for accommodation and notify the Director General of Labour of the occupation of accommodation in respect of the Initial Kulim Accommodation and Initial Kluang Accommodation in accordance with the EMSHAA; and (3) notify the Director General of Labour of the occupation of accommodation in respect of the New Kluang Accommodation within the stipulated timeline in accordance with the EMSHAA is RM230,000 (not taking into account the penalty for continuing failure to ensure the Initial Kulim Accommodation and Initial Kluang Accommodation comply with the minimum standards which may be subject to a further fine not exceeding RM1,000 a day for each day during which the offence continues). We made an enquiry with the Ministry of Human Resources and they verbally confirmed that it is unlikely that penalty will be imposed as the non-compliances had been rectified.

(e) Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994 ("CIDB Act")

The CIDB Act regulates, amongst others, the registration of contractors and construction personnel.

Section 25 of the CIDB Act stipulates that no person shall carry out or complete, undertake to carry out or complete any construction work or hold himself out as a contractor, unless he is registered with CIDB and holds a valid certificate of registration issued by CIDB under the CIDB Act.

Contravention of Section 25 is an offence, and the offender shall, on conviction, be liable to a fine of not less than RM10,000 but not more than RM100,000.

Laman Exotika (the developer) and SPBSB (the main contractor) have entered into contracts and variation orders in relation to construction work to develop projects of our Group.

Pursuant to the CIDB Act, SPBSB as a contractor, is required to pay levy for contracts having a contract sum of above RM500,000 to the CIDB.

SPBSB paid the levy imposed on the variation orders to the principal contracts after the prescribed period by the CIDB for the following development projects:

(i) Taman La Casa Lunas Phase 2B (known as Taman La Casa Lunas Phase 4A);

(ii) Taman La Casa Lunas Phase 2D (known as Taman La Casa Lunas Phase 4C); and

(iii) Taman La Casa Lunas Phase 2E (known as Taman La Casa Lunas Phase 4D).

The non-compliance in respect of the delay in payment of levy for the variation orders was due to an error by the issuing bank, which incorrectly stated the name of the payee on the bank cheque intended for CIDB, causing the bank cheque to be rejected during the bank clearance process. This error was subsequently rectified.

The potential maximum penalty for non-compliance is a financial penalty of RM150,000 on SPBSB (based on RM50,000 for each of the development projects).

We have not experienced any material adverse impact on our business operations or financial performance, and we have not been imposed with any penalties by the relevant authority as at the LPD arising from the above non-compliance with CIDB Act. Further, we made an enquiry with CIDB and they verbally confirmed that it is unlikely that CIDB will take further action or penalty.

(f) Local Government Act 1976 ("LGA")

The LGA sets out the powers for local councils to grant licences or permits for any trade, occupation, or premises in the local authority areas through by-laws.

The LGA provides that every person who is guilty of any offence against the LGA 1976 or any by-laws, rules or regulations for which no penalty is expressly provided shall on conviction be liable to a fine not exceeding RM2,000 or to imprisonment of a term not exceeding 1 year or to both.

Our Group's operations are governed and regulated by the by-laws of the respective local councils and authorities under which our business fall under.

Licencing of Trades (Alor Gajah Municipal Council) By-Laws 2010 ("Alor Gajah By-Laws")

By-Law 3 of the Alor Gajah By-Laws stipulates that no person shall operate any activity of trade or use any place or premise in the local area of the Alor Gajah Municipal Council without a licence issued by the council. Any person who contravenes such provision commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or imprisonment for a term not exceeding 1 year or both.

One of our Subsidiaries, Laman Exotika had not obtained business premise licence for its sales gallery located at DT 465, Jalan Nuri 29, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka since the erection of the sales gallery in November 2017. The non-compliance was due to our oversight in obtaining the business premise licence. Laman Exotika had demolished its sales gallery and ceased to carry out business activity at DT 465, Jalan Nuri 29, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka in November 2023.

The potential maximum penalty for the non-compliance under the Alor Gajah By-Laws is a financial penalty of RM2,000 on Laman Exotika upon conviction and imprisonment of each director of Laman Exotika for a term not exceeding 1 year.

We have not experienced any material adverse impact on our business operations or financial performance, and we have not been imposed with any penalties by the relevant authority as at the LPD arising from above the non-compliance with the Alor Gajah By-Laws. Further, we made an enquiry with Majlis Perbandaran Alor Gajah and they verbally confirmed that it is unlikely that penalty will be imposed as the non-compliance had been rectified.

(g) National Land Code ("NLC")

We are governed by the NLC, an Act which deals with land tenure, registration of titles relating to land, transfer of land, leases and charges in respect of land, and easements and other rights and interests in land in respect of the lands in Peninsular of Malaysia and Federal Territory of Labuan.

Section 104 of the NLC stipulates that every condition or restriction in interest shall run with the land to which it relates and shall bind the proprietor thereof for the time being and every person or body having or claiming any interest in the land. Any breach of condition to which any alienated land is being subject may result in the land become liable to forfeiture to the State Authority or a fine of not less than RM500 and in the case of continuing breach, a further fine of not less than RM100 for each day during which the breach continues.

(h) Strata Management Act 2013 ("SMA")

The SMA regulates, amongst others, maintenance and management of buildings and common property by developer before establishment of management corporation and other related matters.

Section 6(1) of the SMA stipulates that a developer of any building or land intended for subdivision into parcels in a development area shall not sell any parcel or proposed parcel unless a schedule of parcels showing the proposed share units of each parcel or proposed parcel and the total share units of all the parcels has been filed with the Commissioner of Buildings. Any developer who fails to comply with Section 6(1) commits an offence and shall, on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 5 years or to both.

We had not filed a schedule of parcels before the commencement of the Taman Nuri Phase 1B sale in August 2016. We had in October 2016 filed the schedule of parcels to the Commissioner of Buildings and the Commissioner of Buildings had in January 2017 certified the schedule of parcels filed. The non-compliance was due to the miscommunication between the relevant departments on the timeline to file the schedule of parcel to the Commissioner of Buildings and the execution of the SPAs.

In addressing this non-compliance incident, our Group had in July 2024 implemented a compliance monitoring checklist. This checklist forms part of our Group's Compliance Monitoring Framework which was approved by our Board and implemented in July 2024. The checklist is monitored on a weekly basis by our Compliance Officer and will be signed off by the relevant heads of departments to ensure clear and timely communication between the relevant departments to reduce the risk of non-compliance and will ensure proper documentation. Therefore, any compliance issues or potential issues can be addressed and monitored efficiently. Moving forward, this procedure will ensure timely submission of schedule of parcels to the Commissioner of Buildings prior to the execution of the SPAs.

The potential maximum penalty for the non-compliance under the SMA is a financial penalty of RM500,000 on SPBSB, being the developer for Taman Nuri Phase 1B and imprisonment of each director of SPBSB for a term not exceeding 5 years.

We have not experienced any material adverse impact on our business operations or financial performance and we have not been imposed with any penalties by the relevant authority as at the LPD arising from the above non-compliance with the SMA. We made an enquiry with the Commissioner of Buildings division within Majlis Perbandaran Alor Gajah and they verbally confirmed that it is unlikely that penalty will be imposed.

(i) Strata Titles Act 1985 ("STA")

We are governed by the STA which facilitates the subdivision of building or land into parcels, the disposition of titles, registration of titles relating to parcels in a building, transfer of parcels in a building and other rights and interests in parcels in a building.

(j) Personal Data Protection Act 2010 ("PDPA") and the Personal Data Protection (Class of Data Users) Order 2013 ("PDPA Order")

The PDPA regulates the processing of personal data in commercial transactions and related matters.

Section 15 of the PDPA stipulates that a person who belongs to the class of data users as specified under the PDPA Order shall submit an application for registration to the Personal Data Protection Commissioner ("**PDP Commissioner**"). A licensed housing developer belongs to the class of data users under the PDPA Order and hence is required to obtain a certificate of registration under Section 16(1)(a) of the PDPA 2010 in order to process any personal data. A person who belongs to the class of data users as specified in the PDPA Order and who processes personal data without a certificate of registration commits an offence and shall, on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 3 years or to both.

(k) Occupational Safety and Health Act 1994 ("OSHA")

The OSHA regulates the safety, health and welfare of persons at work, protection of others against risks to safety or health in connection with the activities of persons at work and related matters.

The OSHA imposes, amongst others, the following duties on employers (in the case of (i) and (ii) below) and on occupier of a place of work (in the case of (iii) below):

(i) to prepare and as often as may be appropriate, revise a written statement of general policy with respect to the safety and health at work of employees and the organisation and arrangements for carrying out that policy, and to bring the statement and any revision of it to the notice of all employees;

(ii) to establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work; and

(iii) to appoint a person who is competent to act as a safety and health officer at the place of work if he carries out any building operation where the total contract price of the project exceeds RM20,000,000.

A person who contravenes (i) above shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 2 years or to both. Any person who contravenes (ii) above shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to a term of imprisonment not exceeding 1 year or to both. Any person who contravenes (iii) above shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to a term of imprisonment not exceeding 6 months or to both.

ANNEXURE D - REGULATORY REQUIREMENTS AND ENVIRONMENTAL ISSUES *(Cont'd)*

A summary of the total penalties incurred, maximum potential penalties, rectification costs and reasons for the non-compliances are as follows.

No.	Nature of non-compliance	Company name	Rectification cost	Maximum potential financial penalty	Penalties incurred	Reasons for non-compliance
			RM'000	**RM'000**		
1.	Accommodation and amenities for employees employed by subcontractors and temporary buildings on Lot 2086 in Kluang, Johor					
	▪ Failure to obtain planning permission prior to erecting employees' accommodation and amenities, and temporary buildings.	Hektar Berlian	45	500	-	In September 2023, Hektar Berlian received a supporting letter from Majlis Perbandaran Kluang for the erection of employees' accommodation and amenities and temporary buildings on Lot 2086, which Hektar Berlian initially understood as an approval. However, it was brought to the attention during the due diligence conducted by our solicitors for the purposes of our IPO that such supporting letter was not considered as an approval. In this regard, Hektar Berlian has submitted application for the planning permission in February 2024 and Majlis Perbandaran Kluang issued the planning permission in June 2024.
	▪ Failure to obtain temporary building permit prior to erecting employees' accommodation and amenities, and temporary buildings.			50	-	Hektar Berlian has submitted application for the temporary building permit in February 2024. Majlis Perbandaran Kluang has approved and issued the temporary building permit in August 2024.
Subtotal			**45**	**550**	**-**	
2.	Permitting the erection of batching plant without planning permission on a piece land held under Geran 12690, Lot 654, Mukim Parit Melana, District of Alor Gajah, State of Melaka.	Modal Cergas	-	500	-	Modal Cergas was not aware of the breach of TCPA and such breach was only brought to our attention during the due diligence conducted by our solicitors for the purposes of our IPO. The tenant has delivered the vacant possession of the Tenanted Area on 13 August 2024 and our Group has rectified the non-compliance matter.

ANNEXURE D - REGULATORY REQUIREMENTS AND ENVIRONMENTAL ISSUES *(Cont'd)*

No.	Nature of non-compliance	Company name	Rectification cost	Maximum potential financial penalty	Penalties incurred	Reasons for non-compliance
			RM'000	RM'000		
3.	Collection of booking fees.	Panglima Juara Laman Exotika Hektar Berlian	-	150	-	Our Group was not aware of the prohibition of collecting booking fees and such restriction was brought to the attention of the Group during the due diligence conducted by our solicitors for the purposes of our IPO. Upon being aware of the prohibition, our Group ceased to collect booking fees or earnest deposits since August 2023 and we sent written notice to our property agencies in August 2023 to instruct them to cease collection of booking fees or earnest deposits from August 2023 onwards.
4.	Permitting erection of concrete batching plant without planning permission on Land PT 9226 in Kulim, Kedah.	Dayang Gemilang	-	500	-	Dayang Gemilang was not aware of the breach under the TCPA and such breach was only brought to our attention during the due diligence conducted by our solicitors for the purposes of our IPO. The concrete batching plant operator has ceased its operation of the concrete batching plant and delivered vacant possession of Land PT 9226 to Dayang Gemilang in March 2024.

ANNEXURE D - REGULATORY REQUIREMENTS AND ENVIRONMENTAL ISSUES *(Cont'd)*

No.	Nature of non-compliance	Company name	Rectification cost	Maximum potential financial penalty	Penalties incurred	Reasons for non-compliance
			RM'000	RM'000		
5.	No business premise licence, planning permission and temporary building permit for sales gallery for temporary sales gallery on the land located at DT 465, Jalan Nuri 29, Taman Nuri Fasa 3, 76100 Durian Tunggal, Melaka:					The non-compliance was due to Laman Exotika's oversight in obtaining the business premise licence and Laman Exotika was not aware of the breach under the SDBA and TCPA. Such breach was only brought to the Group's attention during the due diligence conducted by our solicitors for the purposes of our IPO. Laman Exotika had demolished its sale gallery in November 2023.
	▪ Failure to obtain business premise licence for sales gallery	Laman Exotika	30	2	-	
	▪ Failure to obtain planning permission for sales gallery			500	-	
	▪ Failure to obtain temporary building permit for sales gallery			50	-	
Subtotal			**30**	**552**	**-**	
6.	Employees' accommodation in Kluang, Johor without the necessary approvals:					SPBSB was not aware of the breach under the EMSHAA and such breach was only brought to our Group's attention during the due diligence conducted by our solicitors for the purposes of our IPO. SPBSB has since then provided another accommodation for employees employed by subcontractors of the Group which complies with the requirements under the EMSHAA and EMSHAA Regulations, and demolished the Initial Kluang Accommodation in January 2024.
	▪ Failure to obtain certificate for accommodation for Initial Kluang Accommodation			50	-	
	▪ Failure to give notice of occupation for Initial Kluang Accommodation within the prescribed timeline	SPBSB	250	10	-	
	▪ Failure to comply with the minimum standards for Initial Kluang Accommodation			50	-	
	▪ Failure to give notice of occupation for New Kluang Accommodation within the prescribed timeline			10	-	
Subtotal			**250**	**120**	**-**	

ANNEXURE D - REGULATORY REQUIREMENTS AND ENVIRONMENTAL ISSUES *(Cont'd)*

No.	Nature of non-compliance	Company name	Rectification cost	Maximum potential financial penalty	Penalties incurred	Reasons for non-compliance
			RM'000	RM'000		
7.	Employees' accommodation at the Initial Kulim Accommodation in Kulim, Kedah without the necessary approvals:					SPBSB was not aware of the breach under the EMSHAA and such breach was only brought to the Group's attention during the due diligence conducted by our solicitors for the purposes of our IPO. SPBSB has since provided another accommodation for employees employed by subcontractors of the Group which complies with the requirements under the EMSHAA and EMSHAA Regulations.
	▪ Failure to obtain certificate for accommodation	SPBSB	240	50	-	
	▪ Failure to give notice of occupation within the prescribed timeline			10	-	
	▪ Failure to comply with the minimum standards			50	-	
Subtotal			**240**	**110**	**-**	
8.	Late payment of levy to CIDB for development projects in the following project development:					The non-compliance in respect of the delay in payment of levy for the variation orders was due to an error by the issuing bank, which incorrectly stated the name of the payee on the bank cheque intended for CIDB, causing the bank cheque to be rejected during the bank clearance process. This error was subsequently rectified.
	▪ Lunas Phase 4A	SPBSB	-	50	-	
	▪ Lunas Phase 4C			50	-	
	▪ Lunas Phase 4D			50	-	
Subtotal			**-**	**150**	**-**	
9.	Failure to file schedule of parcels with the Commissioner of Buildings before sale of individual units (parcel) in a development area.	SPBSB	-	500	-	The non-compliance was due to the miscommunication between the relevant departments on the timeline to file the schedule of parcel to the Commissioner of Buildings and the execution of the SPAs. In addressing this non-compliance incident, our Group had in July 2024 implemented a compliance monitoring checklist which forms part of our Group's Compliance Monitoring Framework.
Total			**565**	**3,132**	**-**	

Based on the summary above, all the non-compliances have been rectified and our Group has not experienced any material adverse impact on the business operations and/or financial condition arising from these non-compliances.

Implementation of measures by our Group

Our Group has established policies and guidelines to manage its compliance risk and to enhance its internal control system of our Group to prevent recurrence of the non-compliance incidents, details of which are as follows:

(i) Our Group has implemented a Compliance Monitoring Framework to ensure that our Group's compliance matters are being managed effectively and will serve as our Group's commitment in upholding proper compliance management. The Compliance Monitoring Framework set out, amongst others, the following:

(a) roles and responsibility of our Board, our Group's Executive Committee ("**EXCO**") members, which comprise of Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**CFO**") and Chief Operating Officer ("**COO**"), and key senior management;

(b) formulation of a compliance monitoring checklist to serve as a guide; and

(c) procedures in managing compliance issues and non-compliance incidents.

The implementation of the compliance monitoring measures is overseen by the EXCO members and they will report to the Audit and Risk Management Committee and our Board. The Compliance Monitoring Framework was approved by our Board in July 2024 and implemented in July 2024;

(ii) The responsibilities of the EXCO members include reviewing and overseeing the monitoring mechanism for compliance matters to ensure effective implementation across business operations and alignment with strategic goals / business objective. The EXCO members are also responsible to take appropriate actions and to ensure corrective measures are in place or implemented promptly if there are any non-compliance incidents occur. In addition, the EXCO members will review the monthly report prepared by our Compliance Committee to ensure our business operations comply with the statutory and regulatory requirements;

(iii) The compliance monitoring function in our Group prior to the appointment of the Compliance Officer was under the purview of the respective departments and was not centralised, thus contributing to the ineffectiveness of the compliance monitoring function. The appointment of the Compliance Officer and the implementation of the Compliance Monitoring Framework enables our Group to centralise the compliance monitoring function and enhance its effectiveness. In July 2024 our Group appointed a Compliance Officer to further ensure the management practices are properly guided and carried out based on the Compliance Monitoring Framework and are enforced effectively. Our Compliance Officer was appointed internally and she has been serving our Group since 2015, reporting directly to our CFO. She is involved in our Group's day-to-day operations and has a comprehensive understanding of our Group's various functions. In this regard, we have assigned her a new role as a Compliance Officer to oversee our Group's compliance matters having considered her competency and initiatives to improve our Group's internal processes. The integration of compliance risk identification and monitoring into the Compliance Officer's scope of work increases accountability which directly contributes to a structured and proactive monitoring system. As the first point of contact for all compliance related matters, the presence of a Compliance Officer will promote awareness and fosters the spirit of compliance across the Group. Our Compliance Officer has attended and will continue to attend training programmes to keep abreast with the development in the industry and changes in new statutory and regulatory requirements to ensure compliances in respect of our business operations. The Compliance Officer is required to carry out the following:

(a) monitor the compliance monitoring checklist on weekly basis and will be signed off by the relevant heads of departments;

(b) conduct monthly Compliance Committee meetings together with the heads of departments namely project development, project management, sales & marketing, finance and human resource or any relevant departments within our Group, to discuss and identify any significant changes in project development, site progress and financial matters to ensure that all parties receive timely information and update any potential compliance issues in order to prevent recurrence of non-compliance incidents;

(c) highlight the statutory requirements in respect of all applications relating to the land owned by our Group; and

(d) liaise with external compliance experts and ISO Auditors specialising in property development business operations for constant updates on the statutory and regulatory requirements;

(iv) The Compliance Committee which was established in July 2024, comprise of our Compliance Officer, heads of departments from project development, project management, sales & marketing, finance and human resources or any relevant departments within our Group. The role of the Compliance Committee include establishing internal control and compliance management processes and overseeing the implementation and effectiveness of the Compliance Monitoring Framework. The Compliance Committee is responsible for developing risk mitigation strategies and action plans, ensuring comprehensive training programs on compliance policies for employees and overseeing the investigation of any non-compliance incidents and breaches of statutory requirements and regulations by our Group's business operations. Our Compliance Committee members conducted on-site compliance inspections and walkthrough on the internal policies and procedures with their respective departments staff. If there are any on-going compliance issues, the Compliance Committee is responsible to report the status of these issues to the EXCO members for their subsequent reporting to the Audit and Risk Management Committee on a quarterly basis. The Compliance Committee will review the Compliance Monitoring Framework regularly to keep the internal controls and compliance management processes up-to-date with the relevant regulations in consultation with the external compliance experts and ISO Auditors specialising in property development business operations;

(v) In July 2024, our Group has established an Audit and Risk Management Committee comprising entirely of Independent Non-Executive Directors with duties and obligations of, amongst others, reviewing and assessing the adequacy and effectiveness of risk management policies and framework in identifying, measuring, monitoring and controlling risk and the extent to which these are operating effectively, reviewing and recommending risk management strategies, policies and level of risk tolerance for the Board's approval and reviewing the Annual Statement of Risk Management and Internal Control to be published in the Annual Report of our Company. The Audit and Risk Management Committee will provide a statement of effectiveness of the risk management and internal control framework implemented by our Group as well as any material risks and / or non-compliances identified during the respective financial year in our Company's Annual Report after the Listing;

(vi) Our Group has appointed an internal control reviewer to assess the adequacy of the internal controls and risk management practices of our Group in conjunction with the Proposed Listing. The internal control reviewer has completed their review workstream in July 2024. Pursuant to the findings highlighted in the internal control reviewer's report, our Group has adopted and implemented all recommendations by the internal control reviewer and undertaken measures such as the implementation of the compliance monitoring checklist, establishing policies and frameworks which include, amongst others, the procedures such as conducting periodic tests and audits to ensure the effectiveness of our internal controls and compliance management processes as well as to address the identified gaps or lapses in respect of internal control; and

(vii) After the Listing, our Group intends to outsource its internal audit functions to an external internal audit reviewer to continuously monitor the adequacy and effectiveness of our Group's internal control systems and will report directly to the Audit and Risk Management Committee. Our Company will also engage professionals (where necessary) to provide trainings to our Directors and employees to develop a clear understanding of matters related to our Group's internal control and compliances in order to enhance our Group's policies and processes.

After assessing the measures implemented by our Group to rectify the incidents of non-compliance in respect of our Group's business operations, our Directors are satisfied with the measures implemented by our Group and are of the view that these measures are sufficient to ensure the compliance with the relevant rules and regulations in our Group's business operations and to prevent recurrence of the incidents of non-compliance. Since the implementation of the measures by our Group as described above, there is no recurrence of any non-compliances as at the LPD.

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ANNEXURE E - ADDITIONAL DISCLOSURES

ADDITIONAL TAX PAYABLES AND TAX PENALTIES

A summary of the additional tax payables and tax penalties imposed by the Inland Revenue Board of Malaysia on our Group and additional tax payables and tax penalties paid by our Group for the last 8 years of assessment ("**YA**") are as follows:

Company name	Nature of tax non-compliance	YA / Calendar period	Additional tax payables	Total tax penalties paid	Potential maximum penalty	Reasons for tax non-compliance
			RM	RM	RM	
SPBSB	Underestimation of tax payable	2020	-	4,757.53	-	During the year 2020, our revenue projection for FYE 2020 was conservative taking into consideration the COVID-19 pandemic situation. However, we recorded a better than expected revenue in the FYE 2020 due to faster construction progress than expected for project development of Taman Nuri Sentosa and Taman Bukit Cheng as of December 2020, which give rise to the underestimation of tax payable in YA 2020 for SPBSB.
	Additional corporate income tax and penalties paid	2016 to 2017	251,028.96	25,102.90	-	Incorrect tax treatment on expenses related to advertisement editorial work and inadvertent omission of deemed interest income on the advance to director.
	Additional corporate income tax paid	2018 to 2021	9,476.40	-	-	Incomplete supporting documentation for administrative expenses.
	Non-compliance with IRB's Operational Guidelines in respect of monthly scheduler tax deduction ("**MTD**") computation	2020	-	1,400.00	-	Omission of allowance and benefit-in kind to employees in the MTD computations.
		2021	-	600.00	-	Omission of allowance and benefit-in kind to employees in the MTD computations.
		2016 to 2019 January 2022 to August 2022	-	-	11,200.00	Omission of allowance and benefit-in kind to employees in the MTD computations.

ANNEXURE E - ADDITIONAL DISCLOSURES *(Cont'd)*

Company name	Nature of tax non-compliance	YA / Calendar period	Additional tax payables	Total tax penalties paid	Potential maximum penalty	Reasons for tax non-compliance
			RM	RM	RM	
	Late submission of withholding tax returns	2017	-	959.98	-	Lack of familiarity with the newly introduced withholding tax regulations in respect of the payments made to social media platforms.
		2018	-	1,718.77	-	Lack of familiarity with the newly introduced withholding tax regulations in respect of the payments made to social media platforms.
Subtotal			**260,505.36**	**34,539.18**	**11,200.00**	
Laman Exotika	Additional corporate income tax and penalties paid	2016 to 2017	15,614.88	1,561.49	-	Incorrect tax treatment of expenses related to the upkeep of motor vehicles.
	Additional corporate income tax paid	2018 to 2021	10,021.44	-	-	Incomplete supporting documentation for administrative expenses.
	Non-compliance with IRB's Operational Guidelines in respect of MTD computation	2019	-	2,400.00	-	Omission of allowance and benefit-in kind to employees in the MTD computations.
		2020	-	2,400.00	-	Omission of allowance and benefit-in kind to employees in the MTD computations.
		2016 to 2018 2021 January 2022 to August 2022	-	-	11,200.00	Omission of allowance and benefit-in kind to employees in the MTD computations.
	Late submission of withholding tax returns	2019	-	1,067.10	-	Lack of familiarity with the newly introduced withholding tax regulations in respect of the payments made to social media platforms.
		2020	-	4,652.24	-	Lack of familiarity with the newly introduced withholding tax regulations in respect of the payments made to social media platforms.
		2021	-	376.97	-	Unforeseen staffing issues resulting in late submission of withholding tax after the deadline.

ANNEXURE E - ADDITIONAL DISCLOSURES *(Cont'd)*

Company name	Nature of tax non-compliance	YA / Calendar period	Additional tax payables	Total tax penalties paid	Potential maximum penalty	Reasons for tax non-compliance
			RM	**RM**	**RM**	
		2022	-	6.16	-	Unforeseen staffing issues resulting in late submission of withholding tax after the deadline.
Subtotal			**25,636.32**	**12,463.96**	**11,200.00**	
Dayang Gemilang	Underestimation of tax payable	2021 and 2022	**-**	**14,830.92**	**-**	During the year 2021, our revenue projection for FYE 2021 was conservative taking into consideration the then ongoing COVID-19 pandemic situation. However, we recorded a better than expected revenue in the FYE 2021 due to faster construction progress than expected for the project development for Taman La Casa Lunas 3A as of December 2021, which give rise to the underestimation of tax payable for YA 2021. For YA 2022, the underestimation of tax payable was attributed to faster construction progress than expected for Taman La Casa Lunas Phase 3B and 2 as of December 2022 as we used additional aluminium formwork which reduced the construction time.
Naluri Wijaya	Underestimation of tax payable	2018	-	3.06	-	Underestimation of the interest income received from the bank.
	Non-compliance with IRB's Operational Guidelines in respect of MTD computation	2016 2017	-	-	4,800.00	Omission of allowance to employees in the MTD computations.
Subtotal			**-**	**3.06**	**4,800.00**	
Rentas Dinamik	Additional corporate income tax and penalty paid	2016	**1,044.72**	**104.47**	**-**	Incorrect tax treatment of expenses related to the upkeep of motor vehicles.
Hektar Berlian	Late submission of withholding tax returns	2022	**-**	**0.51**	**-**	Unforeseen staffing issues resulting in late submission of withholding tax after the deadline.
Total			**287,186.40**	**61,942.10**	**27,200.00**	

ANNEXURE E - ADDITIONAL DISCLOSURES *(Cont'd)*

The total tax liabilities, tax penalties paid and the potential maximum tax penalties our Group may incur for all the above tax non-compliances highlighted are approximately RM376,000, which is less than 0.90% of our Group's PAT for FYE 2023. All of the tax penalties have been settled and the potential maximum tax penalty of RM27,200 is not material. In this regard, the tax non-compliances will not have any material adverse impact to the business operations and financial condition of our Group and our Group has not experienced any material adverse impact on the business operations and/or financial condition arising from these tax non-compliances.

Further details of the tax penalties imposed on our Group are as follows:

(i) SPBSB

Additional corporate income tax and penalties paid for YA 2016 and YA 2017

SPBSB had participated in Special Voluntary Disclosure Programme ("**SVDP**") and subjected to additional tax liabilities of RM276,131.86 (comprising additional tax paid of RM251,028.96 and penalty of 25,102.90) for YA 2016 and YA 2017. SPBSB had settled the said tax liabilities within the stipulated period and obtained the clearance letter in May 2019 that explicitly stated that the IRB would not conduct a tax audit or investigation on corporate income tax for YA 2016 and YA 2017.

SPBSB's participation in SVDP for the YA 2016 is to rectify the tax treatment of expenses related to advertisement editorial work on the website of SPBSB, which should be treated as capital expenditures and consequently ineligible for tax deductions.

Similarly, SPBSB's participation in SVDP for the YA 2017 is to rectify an inadvertent omission of deemed interest income on the advance to director in the income tax return. According to Section 140B of ITA, if a company provides loans or advances to directors which are fully funded from internal funds, the company shall be deemed to have a gross income consisting of interest from such loans or advances for that basis period.

Additional corporate income tax paid for YA 2018 to YA 2021

SPBSB had participated in Special Voluntary Disclosure Programme 2.0 ("**SVDP 2.0**") and subjected to additional tax liabilities of RM9,476.40 for YA 2018 to YA 2021. SPBSB had settled the said tax liabilities within the stipulated period and obtained the clearance letter in September 2023 that explicitly stated that the IRB would not conduct a tax audit or investigation on corporate income tax for YA 2018 to YA 2021.

SPBSB participated in SVDP 2.0 scheme to rectify the situation of incomplete supporting documentation, thereby opting to add back administrative expenses for the years of assessment 2018 to 2021.

Late submission of withholding tax returns for YA 2017 and YA 2018

SPBSB failed to submit the withholding tax returns for YA 2017 and YA 2018 to the IRB within the stipulated timeframe. SPBSB had paid an estimated potential maximum penalty of RM959.98 for YA 2017 and RM1,718.77 for YA 2018 to the IRB as of the date of LPD. The estimated penalties are equivalent to 10% of the unpaid withholding tax on the due date.

The delay in submitting the withholding tax return was due to lack of familiarity with the newly introduced withholding tax regulations. It was later clarified by Practice Note No.1/2018 issued by IRB on 16 March 2018, and further elucidated by the Guidelines on Taxation of e-commerce Transactions on 13 May 2019 that payments made to social media platforms are categorised as royalties, thus subject to withholding tax under Section 109 of the ITA.

SPBSB has also enhanced its standard operating procedures for payments to non-residents since September 2022.

Non-compliance with IRB's Operational Guidelines in respect of MTD computation for calendar years 2016 to 2021 and for the period from January 2022 to August 2022

The MTD computations of SPBSB based on sampling check for certain months in the calendar years 2016 to 2022 were not in accordance with the IRB's Operational Guidelines. SPBSB omitted to include the allowance and benefit-in-kind to the employee in the MTD computations, resulting in the shortfall of approximately less than RM1,000 per month. If tax audited, SPBSB may be liable to penalty of 10% of the shortfall or RM200 per month, whichever is higher.
In March 2022, the IRB carried out a MTD tax audit on SPBSB for the calendar years 2020 and 2021. The penalty imposed by the IRB on SPBSB was RM1,400 for calendar year 2020 and RM600 for calendar year 2021. SPBSB settled the penalty of RM2,000 in September 2023.

It is estimated that the maximum penalty for non-compliance with MTD computations for each calendar year will be RM2,400 calculated at RM200 per month for 12 months if tax audited. SPBSB has rectified the MTD computation to include the allowance and benefit-in-kind effective from September 2022. The potential maximum penalty for non-compliance is a financial penalty of RM11,200 on SPBSB (calculated at RM200 per month for 56 months for calendar years 2016 to 2019, and January to August 2022) if SPBSB is tax audited.

Under-estimation of tax payable for YA 2020

SPBSB was charged with penalty amounted to RM4,757.53 under Section 107C(10) of the ITA for under-estimation of tax payable for YA 2020. The penalty had been settled in October 2021. There is no additional tax payable as the tax penalties were computed based on the actual tax payable amount which exceeds the estimated tax payable by more than 30%.

During the year 2020, our revenue projection for FYE 2020 was conservative taking into consideration the COVID-19 pandemic situation. However, we recorded a better than expected revenue in the FYE 2020 due to faster construction progress than expected for project development of Taman Nuri Sentosa and Taman Bukit Cheng as of December 2020, which give rise to the underestimation of tax payable in YA 2020 for SPBSB. This unexpected increase led to higher profit recognition. The last revision of estimated tax payable for YA 2020, which was due and submitted in September 2020 did not factor in this unexpected increase in construction progress beyond September 2020.

(ii) Laman Exotika

Additional corporate income tax and penalties paid for YA 2016 and YA 2017

Laman Exotika had participated in SVDP and subjected to additional tax liabilities of RM17,176.37 (comprising additional tax of RM15,614.88 and penalty of RM1,561.49) for YA 2016 and YA 2017. Laman Exotika had settled the said tax liabilities within the stipulated period and obtained the clearance letter in May 2019 that explicitly stated that the IRB would not conduct a tax audit or investigation on corporate income tax for YA 2016 and YA 2017.

Laman Exotika participated in SVDP to rectify the deductibility of the expenses related to the upkeep of motor vehicles for YA 2016 and YA 2017. These expenses were added back as no benefit-in-kind was charged to individual employees.

Additional corporate income tax paid for YA 2018 to YA 2021

Laman Exotika had participated in SVDP 2.0 and subjected to additional tax liabilities of RM10,021.44 for YA 2018 to YA 2021. Laman Exotika had settled the said tax liabilities within the stipulated period and obtained the clearance letter in September 2023 that explicitly stated that the IRB would not conduct a tax audit or investigation on corporate income tax for YA 2018 to YA 2021.

Laman Exotika's participation in SVDP 2.0 is to rectify the situation of incomplete supporting documentation, thereby opting to add back administrative expenses for YA 2018 to YA 2021.

ANNEXURE E - ADDITIONAL DISCLOSURES *(Cont'd)*

Late submission of withholding tax returns for YA 2019, YA 2020 and 14 transactions in the months of September 2021 to December 2021 and June 2022

Laman Exotika failed to submit to the IRB the withholding tax returns for YA 2019, YA 2020 and 14 transactions out of the total of 322 transactions transacted during the months of September 2021 to December 2021 and June 2022 within the stipulated timeframe. Consequently, Laman Exotika paid the estimated potential maximum penalty of RM1,067.10 for YA 2019, RM4,652.24 for YA 2020, RM376.97 for YA 2021 and RM6.16 for YA 2022 to the IRB.

The delay in submitting the withholding tax return for YA 2019 and YA 2020 was due to lack of familiarity with the newly introduced withholding tax regulations. The initial lack of awareness was later addressed. The Practice Note No.1/2018 issued by IRB on 16 March 2018 and the Guidelines on Taxation of e-commerce Transactions on 13 May 2019 clarified that payments made to social media platforms are categorised as royalties, thus subject to withholding tax under Section 109 of the ITA.

The reason contributed to the delay in submitting the withholding tax return for YA 2021 and YA 2022 was due to unforeseen staffing issues. Although the staff of Laman Exotika received monthly reimbursements, the withholding tax returns were often submitted after the withholding tax submission deadline. In this regard, Laman Exotika has implemented a policy disallowing staff reimbursements to facilitate timely reporting of withholding tax.

Laman Exotika has also enhanced its standard operating procedures for payments to non-residents since September 2022.

Non-compliance with IRB's Operational Guidelines in respect of MTD computation for calendar years 2016 to 2021 and for the period from January 2022 to August 2022

The MTD computations of Laman Exotika for certain months based on sampling check for certain months in the calendar years 2016 to 2022 were not in accordance with the IRB's Operational Guidelines. Laman Exotika omitted the allowance and benefit-in-kind to the employees in the MTD computations resulting the shortfall of approximately less than RM1,000 per month. If tax audited, Laman Exotika may be liable to penalty of 10% of the shortfall or RM200 per month, whichever is higher. Laman Exotika has rectified the computation of MTD to include the allowance and benefit-in-kind effective from September 2022.

In March 2022, the IRB carried out a MTD tax audit on Laman Exotika for the calendar years 2019 and 2020 of which a penalty imposed by the IRB on Laman Exotika was RM2,400 each for calendar years 2019 and 2020. Laman Exotika has fully settled the penalty in March 2023.

It is estimated that the maximum penalty for non-compliance with MTD computations for each calendar year will be RM2,400 calculated at RM200 per month for 12 months if being tax audited. The potential maximum penalty for non-compliance in respect of the MTD computation for calendar years 2016 to 2018, 2021 and for the period from January 2022 to August 2022 is a financial penalty of RM11,200 on Laman Exotika (calculated at RM200 per month for 56 months for calendar years 2016 to 2018, calendar year 2021 and January to August 2022) if being tax audited.

(iii) Dayang Gemilang

Under-estimation of tax payable for YA 2021 and YA 2022

Dayang Gemilang was charged with penalty amounting to RM417.68 for YA 2021 and RM14,413.24 for YA 2022 under Section 107C(10) of the ITA for under-estimation of tax payable. The penalty had been settled. There is no additional tax payable as the tax penalties were computed based on the actual tax payable amount which exceeds the estimated tax payable by more than 30%.

During the year 2021, our revenue projection for FYE 2021 was conservative taking into consideration the then ongoing COVID-19 pandemic situation. However, we recorded a better than expected revenue in the FYE 2021 due to faster construction progress than expected for the project development for Taman La Casa Lunas 3A as of December 2021, which give rise to the underestimation of tax payable for YA 2021 for Dayang Gemilang. The underestimation of tax payable in Dayang Gemilang for YA 2022 was attributed to faster construction progress than expected for Taman La Casa Lunas 3B and Taman La Casa Lunas 2 as of December 2022 as we used additional aluminium formwork for the said developments which reduced the construction time.

These unforeseen developments resulted in higher profit recognition. As a result, the last revision of estimated tax payable for YA 2021 (submitted in September 2021) and YA 2022 (submitted in September 2022) did not reflect the actual situation after the respective submission date.

(iv) Naluri Wijaya

Under-estimation of tax payable for YA 2018

Naluri Wijaya was charged with penalty amounted to RM3.06 under Section 107C(10) of the ITA for under-estimation of tax payable for YA 2018. The penalty had been settled. The tax under-estimation for YA 2018 was due to an underestimation of the interest income of RM256 received from the bank, which we did not include in our tax estimates for YA 2018. There is no additional tax payable as the tax penalties were computed based on the actual tax payable amount which exceeds the estimated tax payable by more than 30%.

Non-compliance with IRB's Operational Guidelines in respect of MTD computation for calendar years 2016 and 2017

The MTD computations of Naluri Wijaya for the calendar years 2016 and 2017 were not in accordance with the IRB's Operational Guidelines. Naluri Wijaya omitted to include the allowances to the employee in the MTD computations, resulting in the shortfall of approximately less than RM300 per month.

If tax audited, Naluri Wijaya may be liable to penalty of 10% of the shortfall or RM200 per month, whichever is higher. The potential maximum penalty for non-compliance is a financial penalty of RM4,800 on Naluri Wijaya (calculated at RM200 per month for 24 months for calendar years 2016 and 2017) if being tax audited.

Starting from September 2022, Naluri Wijaya has rectified the MTD computation to include allowances and benefits in kind.

(v) Rentas Dinamik

Additional corporate income tax and penalty paid for YA 2016

Rentas Dinamik had participated in the SVDP and subjected to additional tax liabilities of RM1,149.19 (comprising additional tax paid of RM1,044.72 and penalty of RM104.47) for YA 2016. Rentas Dinamik had settled the said tax liabilities within the stipulated period and obtained the clearance letter in May 2019 that explicitly stated that the IRB would not conduct a tax audit or investigation on corporate income tax for YA 2016.

Rentas Dinamik participated in SVDP for YA 2016 to rectify the deductibility of the expenses related to the upkeep of motor vehicles for YA 2016. These expenses were added back as no benefit-in-kind was charged to individual employees.

(vi) Hektar Berlian

Late submission of withholding tax returns for YA 2022

Hektar Berlian failed to submit the withholding tax returns for YA 2022 to the IRB within the stipulated timeframe. Hektar Berlian had paid an estimated potential maximum penalty of RM0.51 for YA 2022 to the IRB as at the LPD.

The delay in submitting the withholding tax return for YA 2022 was due to unforeseen staffing issues. Although the staff of Hektar Berlian received monthly reimbursements, the withholding tax returns were often submitted after the withholding tax submission deadline. In this regard, Hektar Berlian has implemented a policy disallowing staff reimbursements to facilitate timely reporting of withholding tax.

Compliance History

Save as disclosed below, there are no on-going regulatory audits or inspections as at the LPD:

(i) Dayang Gemilang had submitted the documents requested by the IRB in respect of the corporate income tax for YA 2019 to YA 2021 in March 2023;

(ii) Panglima Juara had submitted the documents requested by the IRB in respect of the corporate income tax for YA 2019 to YA 2021 in March 2023. In December 2023 and June 2024, IRB requested for further information and Panglima Juara had in March 2024 and July 2024 replied to IRB and provided documents for corporate income tax matters; and

(iii) Setara Hijau had submitted the documents requested by the IRB in respect of the corporate income tax for YA 2016 and YA 2017 in April 2019.

Save as disclosed above, there are no further correspondences from IRB and the IRB has not issued any tax audit findings for the above as at the LPD.

Implementation of measures by our Group

Based on the above, although our Group was imposed with tax penalties, these tax penalties did not have material impact to our Group's business operations and financial conditions. Our Group has implemented measures to mitigate non-compliance risk and improve the overall handling of tax administration matters as follows:

(iv) Regular internal meetings

Our Group holds regular quarterly internal meetings involving the head of departments from finance, human resource, project development, project management and sales & marketing or any relevant departments within our Group. These meetings are to identify significant changes in financial estimates or projections which may give rise to significant tax risks. The internal meetings are also conducted to ensure that the information is received by the finance department in a timely manner in order to avoid the incident of non-compliance resulting from miscommunication.

(v) Dedicated personnel

Our Group has assigned a dedicated finance personnel to monitor monthly tax matters including reviewing tax related matters and an experienced payroll personnel to handle employer's tax obligation administration matters and compliance. The dedicated finance personnel who is our Head of Finance and Credit Administration, will perform verification works and identify any significant change in financial estimates / projections which may entail significant tax impact on a quarterly basis as well as to ensure that the procedures set out in the Tax Corporate Governance Framework are carried properly, which will help to prevent non-compliances in respect of our Group's tax obligations. Please refer to **Section 5.3.2(iv)** of this Prospectus on the qualifications of our Head of Finance and Credit Administration, where she has prior experience in an audit firm involve in the audit of companies which includes reviewing tax records.

(vi) Tax Risk Committee

In July 2024, our Group has established a committee comprising the head of departments from finance, human resource, project development, project management and sale & marketing or any relevant departments within our Group ("**Tax Risk Committee**") to monitor the implementation of the Tax Corporate Governance Framework and will report to the EXCO on quarterly basis. The Tax Risk Committee will present a summary of the tax administration matters to the EXCO, while the EXCO will report to the Audit and Risk Management Committee and the Board on a quarterly basis.

(vii) Tax Corporate Governance Framework

Our Group has implemented the Tax Corporate Governance Framework in July 2024 to ensure all relevant tax submission and tax payment timelines are duly adhered with. Our Board is responsible to ensure that the Tax Corporate Governance Framework is carried out appropriately in compliance with the tax laws. The Tax Corporate Governance Framework will be reviewed periodically to ensure the framework is up to date and consistent with prevailing tax laws. An annual review of the Tax Corporate Governance Framework, which include, amongst others, corporate income tax, employers' tax obligations, withholding tax and real property gain tax will be carried out in consultation with the external tax expert to ensure that the Tax Corporate Governance Framework is up to date.

(viii) Compliance review

The Tax Risk Committee conducts compliance review, including control tests, to ensure adherence to the Tax Corporate Governance Framework on quarterly basis. The quarterly review of our internal tax control will ensure that the processes remain effective, relevant and current, which will be carried out through sample testing and walkthrough of control processes with the relevant departments.

(ix) Independent assurance

Our Group will engage an external tax expert or an internal control consultant for an independent review to provide assurance of the compliance with the Tax Corporate Governance Framework. We will seek advice from external tax experts with regards to tax treatments or to address any new developments in the tax laws and we will also seek advice from an internal control consultant to enhance our control systems and identify high risk area. We intend to consult with an external tax expert at least twice a year for our Group's tax reviews and finalisation prior to lodgement with IRB.

Taking into consideration the steps taken by our Group as highlighted above and in addition to the established policies and guidelines to prevent recurrent incidents of non-compliance, our Group has established additional policies and guidelines to prevent recurrence of the incidents on tax non-compliance. In July 2024, our Group has implemented the Tax Corporate Governance Framework to manage tax matters systematically, to promote tax compliance and reduce the incidents of non-compliance on tax matters. The framework set out the roles and responsibility and detailed framework in managing tax matters in order to ensure that the relevant tax submission and tax payment timelines are duly adhered and has proper reviewing process.

After assessing the measures implemented by our Group to rectify the incidents of tax non-compliance, our Directors are satisfied with the measures implemented by our Group and are of the view that these measures are sufficient to ensure the compliance with the tax laws and to prevent recurrence of the incidents of tax non-compliance. Since the implementation of the measures by our Group as described above, there is no recurrence of any tax non-compliances as at the LPD.

ANNEXURE F - MATERIAL CONTRACTS

Save as disclosed below, our Group has not entered into any material contract which is not in the ordinary course of our Group's business within the Period Under Review and up to the date of this Prospectus:

(i) Sale and purchase agreement dated 16 June 2023 between Dayang Gemilang as the purchaser and Saw Poh Enterprises Sdn Bhd as the vendor for the acquisition of Penang Land 1 for a cash consideration of RM56,119,093.10, which was completed on 26 January 2024.

(ii) Sale and purchase agreement dated 16 June 2023 between Modal Cergas as the purchaser and Saw Poh Enterprises Sdn Bhd as the vendor for the acquisition of Penang Land 2 for a cash consideration of RM1,376,622.10, which was completed on 26 January 2024.

(iii) Agreement dated 18 April 2024 between (1) Malaysia Pacific Corporation Berhad ("**MP Corp**"), Oriental Pearl City Properties Sdn Bhd ("**OPCP**"), Lakehill Resort Development Sdn Bhd ("**Lakehill**") and Taman Bandar Baru Masai Sdn Bhd ("**TBBM**") (collectively referred to as "**MP Corp Group**"); (2) Amanahraya Development Sdn Bhd ("**Amanahraya**"); and (3) Ekuiti Idaman, where MP Corp Group and Amanahraya agree to fully and finally settle all claims, disputes, debts and issues between MP Corp Group and Amanahraya ("**Six Parties Agreement**").

Settlement between Amanahraya and MP Corp Group

(1) Pursuant to a joint venture between Amanahraya and OPCP in August 2008 ("**Amanahraya-OPCP JV**"), Amanahraya and OPCP agreed to use Lakehill as a vehicle company to jointly develop several pieces of land measuring approximately 638 acres in Mukim Plentong, Daerah Johor Bahru, Negeri Johor. The said lands of approximately 638 acres had been partially developed leaving only the Plentong Land and Plentong JV Land. The dispute between MP Corp Group and Amanahraya arisen when Amanahraya exercised a put option for OPCP to purchase Amanahraya's participation in the Amanahraya-OPCP JV and MP Corp Group failed to pay the put option price to Amanahraya. All parties have entered into the Six Parties Agreement wherein Amanahraya and MP Corp Group have respectively agreed to engage Ekuiti Idaman as the new developer and to resolve and settle all claims, disputes, issues and matters.

(2) Amanahraya and MP Corp Group agree that Ekuiti Idaman's agreement to enter into the Six Parties Agreement, the sale and purchase agreement pertaining to Plentong Land and joint venture agreement pertaining to Plentong JV Land is a principal term for the settlement between Amanahraya and MP Corp Group. For the avoidance of doubt, Amanahraya does not have any rights or claims under the joint venture agreement in relation to the Plentong JV Land.

(3) Pursuant to the Six Parties Agreement, MP Corp Group and Amanahraya agree to the following settlement mechanism:

(a) Sale of Plentong Land to Ekuiti Idaman

TBBM shall sell and transfer Plentong Land measuring in aggregate approximately 188.40 acres, currently registered under TBBM and charged to Amanahraya, to Ekuiti Idaman subject to the terms and conditions to be agreed upon in a sale and purchase agreement at the purchase price agreed upon between Amanahraya and Ekuiti Idaman which shall constitute the complete and full settlement of all debts and dues owed by MP Corp Group to Amanahraya.

For clarification, the difference between the land area of Plentong Land stated in the Six Parties Agreement (i.e.188.40 acres) and that in **Section 1.5** of **Annexure C** (i.e. 187.37 acres) is due to the acquisition of approximately 0.96 acres from two pieces of lands within the Plentong Land by the Johor State Government pursuant to the Land Acquisition Act 1960. The land acquisition is reflected in **Section 1.5** of **Annexure C**, but is not reflected in the Six Parties Agreement as the land acquisition had not been completed when MP Corp Group, Amanahraya and Ekuiti Idaman entered into the Six Parties Agreement on 18 April 2024, prior to the issuance of the new titles for the two pieces of land in July 2024.

(b) Joint venture development of Plentong JV Land

MP Corp Group shall appoint Ekuiti Idaman to develop the Plentong JV Land measuring in aggregate approximately 189.18 acres registered under TBBM on joint venture basis subject to the terms and conditions to be agreed upon between them in a joint venture agreement. Amanahraya, MP Corp Group and Ekuiti Idaman agree that the terms and conditions of the joint venture agreement for the Plentong JV Land shall be negotiated and decided solely between MP Corp Group and Ekuiti Idaman.

For clarification, the difference between the land area of Plentong JV Land stated in the Six Parties Agreement (i.e. 189.18 acres) and that in **Section 1.6** of **Annexure C** (i.e. 189.21 acres) is due to rounding off.

For the avoidance of doubt, Ekuiti Idaman is not involved in any claims, disputes, debts and issues between MP Corp Group and Amanahraya, save for the engagement of Ekuiti Idaman as (i) the purchaser and developer of the Plentong Land; and (ii) the developer of the Plentong JV Land. The engagement of Ekuiti Idaman took place after the disputes between MP Corp Group and Amanahraya have arisen.

Pursuant to the Six Parties Agreement, on 18 April 2024, Amanahraya, TBBM and Ekuiti Idaman have entered into a sale and purchase agreement in relation to the Plentong Land stated in paragraph (iv) below, and MP Corp Group and Ekuiti Idaman have entered into a joint venture agreement in relation to the Plentong JV Land stated in paragraph (v) below.

(iv) Conditional sale and purchase agreement dated 18 April 2024 between TBBM (registered owner of the Plentong Land), Amanahraya (chargor of the Plentong Land) and Ekuiti Idaman (purchaser) for the acquisition of the Plentong Land by Ekuiti Idaman for a cash consideration of RM110,000,000.00 ("**Purchase Price**"). Amanahraya agrees that the payment of the Purchase Price by Ekuiti Idaman in accordance with the sale and purchase agreement shall constitute a complete, full and final settlement between TBBM and Amanahraya. The sale and purchase agreement is expected to be completed in the first quarter of 2025. Please refer to **Section 1.5** of **Annexure C** of this Prospectus for details of the Plentong Land.

(v) Conditional joint venture agreement dated 18 April 2024 ("**JVA**") between Ekuiti Idaman and MP Corp Group as supplemented by the supplemental joint venture agreement dated 5 November 2024 between Ekuiti Idaman and MP Corp Group ("**Supplemental JVA**") whereby the parties agreed to develop the Plentong JV Land on a joint venture basis.

Ekuiti Idaman and MP Corp Group have entered into the Supplemental JVA to adjust the Original JVA Price (as defined below) by way of reduction to reflect the actual value of the lands held under HS(D) 636875 PTD 235739 (previously known as HS(D) 584344 PTD 235739) and HS(D) 636876 PTD 235741 (previously known as HS(D) 584345 PTD 235741), both in Mukim Plentong, Daerah Johor Bahru, Negeri Johor ('**Affected Lands**') in view of the changes to the category of land use, express conditions and restrictions in interest of the Affected Lands. The changes in the category of land use, express conditions and restrictions of interests for the Affected Lands are as follows:

Based on the land searches dated 19 March 2024 and land titles dated 17 October 2018 of the Affected Lands	**Based on the land searches dated 5 September 2024 and new land titles dated 13 October 2024 of the Affected Lands**
Category of land use: Building	Category of land use: Agriculture
Express conditions: (a) This land shall be used for commerce (transportation hub), built according to the plan approved by the relevant local authority. (b) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with.	Express conditions: (a) The land is categorised for oil palm purposes. (b) The ownership with agricultural category is for the purpose of block title registration that has been specified with its development components in the Serah Balik Kurnia Semula ("**SBKS**") approval, and is not referring to the actual agricultural land. (c) The SBKS approval for this land will be revoked upon: (i) expiry of 5 years from the date of registration of the block title; (ii) the owner transfers the ownership by any means including through any agreement or "Deed of Assignment".
Restrictions in interests: (a) Landowner is not allowed to offer or sell building units (parcels) that will be built on this land unless the building has begun to be built according to the plan approved by the relevant local authority. (b) Upon the change of ownership of the building parcels erected on this land to a Bumiputera / Bumiputera company, the building parcels shall not be sold, leased or transferred by any means to non-Bumiputera / non-Bumiputera company without the consent of the State Authority. (c) The building parcels erected on this land shall not be sold or transferred by any means to non-citizen / foreign company without the consent of the State Authority.	Restrictions in interests: (a) The land contained in this title shall not be sold or transferred by any means to non-citizen / foreign company without the consent of the State Authority. (b) The development of this block title must be through the planning permission process and Serah Balik Kurnia Semula (SBKS), and not through the usual change of conditions (ubahsyarat) application.

Basis of joint venture

The basis for the joint venture is as follows:

(a) MP Corp Group engages Ekuiti Idaman to develop the Plentong JV Land in consideration of the JVA Price (as defined below) to be paid by Ekuiti Idaman to Lakehill;

(b) upon Ekuiti Idaman obtaining new development order from the relevant authorities, the Plentong JV Land shall be properties belonging to Ekuiti Idaman, which Ekuiti Idaman is entitled to charge, create a lien over, pledge, sell, transfer, assign, deal with and dispose of as Ekuiti Idaman deems fit and all proceeds of sale and dealings shall belong to Ekuiti Idaman absolutely;

(c) Ekuiti Idaman shall have the sole power, control and management of the development and construction of the development project on the Plentong JV Land including to decide on the number of phases of development, the selling prices for all types of properties to be developed on the Plentong JV Land and sold by Ekuiti Idaman and to decide on all matters for and incidental to the development project on the Plentong JV Land; and

(d) upon the delivery of the duly executed and stamped Corporate Guarantee (as defined below) to MP Corp Group, Ekuiti Idaman shall be entitled to charge, pledge or create a lien over the Plentong JV Land to its financiers for the financing of the development projects on the Plentong JV Land.

The salient terms of the JVA as supplemented by the Supplemental JVA are as follows:

Consideration and mode of payment

(1) In consideration of RM181,294,977.60 ("**Original JVA Price**") to be paid by Ekuiti Idaman to Lakehill, MP Corp Group has agreed to appoint Ekuiti Idaman as the developer to develop the Plentong JV Land upon the terms and conditions in the JVA.

(2) In view of the variation of express conditions, category of land use and restrictions in interest for the Affected Lands, the Original JVA Price is reduced by RM14,000,000 ("**Adjusted Sum**") to RM167,294,977.60 ("**JVA Price**") to reflect the actual value of the Affected Lands. However, the JVA Price is not final and it is subject to adjustment, details of which are set out below in respect of the adjustments to the JVA Price.

The Adjusted Sum shall be deducted from the Original JVA Price over 9 years as follows:

Year	Amount
2026	RM1 million
2027	RM1 million
2028	RM1 million
2029	RM1 million
2030	RM2 million
2031	RM2 million
2032	RM2 million
2033	RM2 million
2034	RM2 million

(3) Ekuiti Idaman is required to pay the JVA Price in the following manner:

(a) RM1,000,000 prior to the execution of the JVA ("**Earnest Deposit**");

(b) RM4,438,849.31 ("**Initial Deposit**") simultaneous with the execution of the JVA;

(c) RM12,690,648.40 payable within 3 business days from the day on which the last of the conditions precedent is fulfilled in accordance with the JVA; and

(d) subject to MP Corp Group's compliance with the JVA, the balance of the JVA Price ("**Balance JVA Price**") is payable by way of 10 yearly instalments below in cash or in kind (by way of delivery of completed buildings in the project on phase-to-phase basis) with the first instalment to commence on 31 December 2025 as follows:

Year	Amount
	RM
2025	16,316,547.99
2026	15,316,547.99
2027	15,316,547.99
2028	15,316,547.99
2029	15,316,547.99
2030	14,316,547.99
2031	14,316,547.99
2032	14,316,547.99
2033	14,316,547.99
2034	14,316,547.99

Adjustments to the JVA Price

(1) The JVA Price is calculated based on the estimated area of the Plentong JV Land of 189.18 acres at the agreed rate of approximately RM20.30111 per sq. ft. The agreed rate shall remain constant.

(2) The JVA Price is subject to the following adjustments:

(a) the actual area of the Plentong JV Land based on the re-survey of the Plentong JV Land ("**Land Survey**") and verification thereof by the professional consultants appointed by Ekuiti Idaman ("**Ekuiti Idaman's Consultants**"). Ekuiti Idaman has appointed professional consultants to re-survey the Plentong JV Land and it is pending finalisation;

(b) save for the Plentong Land held under Geran No. 293424, Lot No. 121218 and Geran No. 293428, Lot No. 121220, the actual area of the Plentong Land based on the re-survey of the Plentong Land and verification thereof by Ekuiti Idaman's Consultants. Ekuiti Idaman has appointed professional consultants to re-survey the Plentong Land and it is pending finalisation; and

(c) Ekuiti Idaman shall be entitled to deduct from the JVA Price all costs, contribution to the relevant authorities, expenses, fees, premium payable for the Plentong Land and the Plentong JV Land (collectively, "**Lands**") (if any), quit rent, assessments, penalties and all such payments that are necessary to be made by Ekuiti Idaman to render and make the JVA and the SPA to proceed to smooth completion.

Ekuiti Idaman may but is not obliged to, give loan or advance to MP Corp Group at such time and upon such terms and conditions to be agreed in writing between Ekuiti Idaman and MP Corp Group to procure the issuance of the original valid, effective and registrable issue document of title to the Lands in Ekuiti Idaman's name and in respect of other matters stated in the JVA which Ekuiti Idaman deems expedient ("**Ekuiti Idaman's Advance**"). The Ekuiti Idaman's Advance shall be deducted accordingly from the JVA Price.

(3) In the event the express conditions and category of land use of the Affected Lands are converted as follows, the JVA Price shall be adjusted as follows:

(a) Upon Ekuiti Idaman's written request, TBBM and Lakehill shall apply or cause to be applied to the Registry of Land and Mines, Johor for the approval for (i) conversion of the express conditions of the Affected Lands to commercial use; and (ii) conversion of category of land use to building (collectively, "**Conversion**"). Ekuiti Idaman's written request to apply for the Conversion shall be made to MP Corp Group not later than 30 December 2030, failing which TBBM and/or Lakehill shall be entitled to apply for the Conversion and notify Ekuiti Idaman in writing of the application for the Conversion not later than 7 business days before submission of the application for Conversion to the Registry of Land and Mines, Johor. TBBM shall bear all fees and premiums arising from the Conversion.

(b) The JVA Price shall be reinstated to the Original JVA Price after:

(i) the approval for the Conversion has been obtained; and

(ii) TBBM has paid all costs, expenses, fees, contributions, conversion premium and all related expenses and charges, and the express conditions of the Affected Lands are duly converted to and endorsed with the express conditions for commercial use and category of land use for building.

Simultaneously with the compliance of subparagraphs (i) and (ii) above, TBBM and/or Lakehill shall notify Ekuiti Idaman of the said compliance in writing. All parties shall discuss and agree on the mode of payment of the Adjusted Sum within 30 days from the date of the written notice, failing which the Adjusted Sum shall be due and payable in full to Lakehill immediately on the date next after the expiration of 30 days period.

Conditions precedent

(1) The JVA is conditional upon, amongst others, the following being fulfilled on or before the expiry of a period of 9 months from the date of the JVA with an automatic extension of 3 months therefrom ("**CP Compliance Period**") or such period as may be extended by the parties:

(a) MP Corp Group having delivered to Ekuiti Idaman's solicitors the duly executed valid and registrable memoranda of transfer of the Plentong JV Land and irrevocable powers of attorney to be granted by TBBM to Ekuiti Idaman for the purpose of giving effect to the JVA including a new power of attorney which will include the resultant converted, sub-divided, surrendered and/or re-alienated titles of the Plentong JV Land after a new development order has been granted by the relevant authorities to Ekuiti Idaman ("**TBBM PA to Ekuiti Idaman**");

(b) Ekuiti Idaman having delivered to its solicitors the duly executed corporate guarantee granted by SPBSB ("**Corporate Guarantee**"); and

(c) MP Corp Group having caused MP Corp's solicitors to release and deliver the original land titles of the Plentong JV Land to Ekuiti Idaman's solicitors simultaneous upon MP Corp's solicitors' receipt of the Corporate Guarantee.

(2) The JVA shall become unconditional on the day of the last of conditions precedent is fulfilled. In the event any one of the conditions precedent under the JVA is not fulfilled by the expiry of the CP Compliance Period or the extension of time granted by Ekuiti Idaman, the Initial Deposit and the Earnest Deposit shall be refunded to Ekuiti Idaman, free of interest, within 3 business days of Ekuiti Idaman or Ekuiti Idaman solicitor's written notice.

On 18 April 2024, TBBM executed the TBBM PA to Ekuiti Idaman which appoints Ekuiti Idaman as the attorney of TBBM to do, carry out and undertake on behalf of TBBM in relation to the Plentong JV Land including but not limited to the submission of applications to relevant authorities for the construction and development of the Plentong JV Land, creation of charge over the Plentong JV Land in favour of financial institutions as the security for repayment of loans and signing of sale and purchase agreements and memorandum of transfer with individual end purchasers.

The Corporate Guarantee is to guarantee the payment of the Balance JVA Price in the event Ekuiti Idaman fails to pay the Balance JVA Price to Lakehill in accordance with the JVA.

Obligations of Ekuiti Idaman

(1) Subject to the JVA becoming unconditional and provided MP Corp Group shall perform its part in assisting Ekuiti Idaman with the new development application, Ekuiti Idaman shall:

(a) bear all cost, expenses and professional fees for the layout plans, building and technical plans and application for new development order for the development on Plentong JV Land;

(b) at its costs construct the buildings and infrastructure serving the development project on the Plentong JV Land; and

(c) at its own cost and expense obtain all insurance necessary for the construction and development of the project on the Plentong JV Land.

Obligations of MP Corp Group

(1) MP Corp Group shall render all co-operation to Ekuiti Idaman to obtain the advertising permit and developer licence issued by the relevant authorities for housing development to be developed by Ekuiti Idaman on phase to phase basis and if applicable, to sign all applications and forms for the advertising permit and developer licence.

(2) Lakehill shall, where required by Ekuiti Idaman, assist Ekuiti Idaman to prepare the application for the new development order for the Plentong Land and Plentong JV Land and to provide consultation and recommendation to Ekuiti Idaman in the communication with all relevant authorities pertaining to the development of the Plentong Land and Plentong JV Land.

Material breach by MP Corp Group

(1) In the event that MP Corp Group commits a material breach of any term or condition of the JVA and fails to remedy the material breach within a period not exceeding 21 business days, Ekuiti Idaman is entitled to:

(a) enforce the JVA by effecting the registration of the memorandum of transfer of the Lands including the Plentong JV Land and/or enforce the TBBM PA to Ekuiti Idaman to register all titles including all resultant converted, sub-divided, surrendered and/or re-alienated titles of the Plentong JV Land in the name of Ekuiti Idaman or its nominee provided that Ekuiti Idaman's obligations to make payment of the Balance JVA Price shall remain and notwithstanding the transfer of the titles, payment shall be made by Ekuiti Idaman in accordance with provisions in paragraph 3(d) under **Consideration and mode of payment** above; and

(b) sue for all costs, expenses, professional fees, premiums paid to the authorities incurred by Ekuiti Idaman which Ekuiti Idaman would not have incurred but for the breach of the JVA by MP Corp Group but shall exclude damages for loss of profit from the development of the Plentong JV Land.

Material breach by Ekuiti Idaman

(1) In the event that Ekuiti Idaman fails, neglects or refuses to pay the Balance JVA Price in accordance with the terms of the JVA or within the extension of time not exceeding 21 business days granted by MP Corp Group ("**MP Corp Remedy Notice Period**"), MP Corp Group is entitled to require Ekuiti Idaman to make payment of the unpaid instalment of the Balance JVA Price with interest thereon at the rate of 6% per annum, calculated on daily basis, on the amount of the instalment which are due and unpaid commencing from the date next after payment is due until such time as the unpaid instalment amount is fully paid to MP Corp Group. In the event Ekuiti Idaman fails to make payment of the unpaid instalment of the Balance JVA Price together with interest within 6 months of expiry of MP Corp Remedy Notice Period, MP Corp Group is entitled to:

(a) require Ekuiti Idaman to make payment of all unpaid instalment of the JVA Price in full whereby the entire Balance JVA Price shall become due and upon payment of the Balance JVA Price in full, effect the registration of the memoranda of transfer of the Plentong JV Land in the name of Ekuiti Idaman or its nominee; and

(b) sue for all costs, expenses, professional fees incurred by MP Corp Group which MP Corp Group would not have incurred but for the breach of the JVA by Ekuiti Idaman (but shall exclude any damages for loss of profit and loss of opportunity from the development of the Plentong JV Land).

As at the LPD, the parties are in the midst of fulfilling the conditions precedent under the JVA. The transaction is expected to complete by the last quarter of 2035. Please refer to **Section 1.6** of **Annexure C** of this Prospectus for details of the Plentong JV Land.

(vi) TBBM PA to Ekuiti Idaman dated 18 April 2024 whereby TBBM appoints Ekuiti Idaman as the TBBM's attorney to carry out and undertake or cause to be carried out or undertaken the total and complete development of the Plentong JV Land upon the terms and conditions and for the consideration stated in the JVA.

(vii) Share sale and purchase agreement dated 7 February 2024 between one of our Subsidiaries, SPBSB (as purchaser) and Datuk Yap and Datin Loh (as vendors) in respect of the acquisition of Rentas Dinamik representing 2.72% of the total issued share capital of Rentas Dinamik for a purchase consideration of RM1,248,236.47 wholly satisfied in cash.

(viii) Conditional share sale and purchase agreement dated 8 August 2024 between SPB Development (as purchaser) and Datuk Yap and Datin Loh (as vendors) in respect of the Acquisition of Dayang Gemilang for a purchase consideration of RM26,452,397.12 wholly satisfied by the issuance of 49,058,600 new Shares at an issue price of approximately RM0.54 per Share.

(ix) Conditional share sale and purchase agreement dated 8 August 2024 between SPB Development (as purchaser) and Datuk Yap and Datin Loh (as vendors) in respect of the Acquisition of Debunga Istimewa for a purchase consideration of RM1,021,622.24, wholly satisfied by the issuance of 1,894,700 new Shares at an issue price of approximately RM0.54 per Share.

(x) Conditional share sale and purchase agreement dated 8 August 2024 between SPB Development (as purchaser) and Datuk Yap and Datin Loh (as vendors) in respect of the Acquisition of Good Rate for a purchase consideration of RM3,917,719.36, wholly satisfied by the issuance of 7,265,800 new Shares at an issue price of approximately RM0.54 per Share.

(xi) Conditional share sale and purchase agreement dated 8 August 2024 between SPB Development (as purchaser) and Datuk Yap, Datin Loh, Datuk Jacky Yap and Datuk Sean Yap (as vendors) in respect of the Acquisition of Hektar Berlian for a purchase consideration of RM1,875,014.08, wholly satisfied by the issuance of 3,477,400 new Shares at an issue price of approximately RM0.54 per Share.

ANNEXURE F - MATERIAL CONTRACTS *(Cont'd)*

(xii) Conditional share sale and purchase agreement dated 8 August 2024 between SPB Development (as purchaser) and Datuk Yap and Datin Loh (as vendors) in respect of the Acquisition of Jendela Hijau for a purchase consideration of RM107.84, wholly satisfied by the issuance of 200 new Shares at an issue price of approximately RM0.54 per Share.

(xiii) Conditional share sale and purchase agreement dated 8 August 2024 between SPB Development (as purchaser) and Datuk Yap and Datin Loh (as vendors) in respect of the Acquisition of Laman Exotika for a purchase consideration of RM89,854,121.28, wholly satisfied by the issuance of 166,643,400 new Shares at an issue price of approximately RM0.54 per Share.

(xiv) Conditional share sale and purchase agreement dated 8 August 2024 between SPB Development (as purchaser) and Datuk Yap (as vendor) in respect of the Acquisition of Mantap Megajuta for a purchase consideration of RM7,457,836.96, wholly satisfied by the issuance of 13,831,300 new Shares at an issue price of approximately RM0.54 per Share.

(xv) Conditional share sale and purchase agreement dated 8 August 2024 between SPB Development (as purchaser) from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap (as vendors) in respect of the Acquisition of Naluri Wijaya for a purchase consideration of RM107.84, wholly satisfied by the issuance of 200 new Shares at an issue price of approximately RM0.54 per Share.

(xvi) Conditional share sale and purchase agreement dated 8 August 2024 between SPB Development (as purchaser) and Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap (as vendors) in respect of the Acquisition of Panglima Juara for a purchase consideration of RM6,546,211.52, wholly satisfied by the issuance of 12,140,600 new Shares at an issue price of approximately RM0.54 per Share.

(xvii) Conditional share sale and purchase agreement dated 8 August 2024 in respect of the Acquisition of Setara Hijau by SPB Development (as purchaser) from Datuk Yap, Datuk Jacky Yap and Datuk Sean Yap (as vendors) for a purchase consideration of RM107.84, wholly satisfied by the issuance of 200 new Shares at an issue price of approximately RM0.54 per Share.

(xviii) Conditional share sale and purchase agreement dated 8 August 2024 in respect of the Acquisition of SPBSB by SPB Development (as purchaser) and Datuk Yap and Datin Loh (as vendors) for a purchase consideration of RM260,210,694.72, wholly satisfied by the issuance of 482,586,600 new Shares at an issue price of approximately RM0.54 per Share.

(xix) [Underwriting Agreement].

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