

CIRCULAR DATED 25 OCTOBER 2024

THIS CIRCULAR (AS DEFINED HEREIN) IS ISSUED BY THE COMPANY (AS DEFINED HEREIN). THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS (AS DEFINED HEREIN) AND THE ADVICE OF SAC CAPITAL PRIVATE LIMITED, THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION AND YOU SHOULD READ IT CAREFULLY.

If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your Shares (as defined herein) held through CDP (as defined herein), you do not need to forward this Circular to the purchaser or the transferee, as arrangements will be made by CDP for a separate circular to be sent to the purchaser or the transferee. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately forward this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted to any jurisdiction outside of Singapore.

Please note that no printed copies of this Circular will be sent to Shareholders (as defined herein). Only printed copies of the notification regarding the electronic dissemination of this Circular dated 25 October 2024 will be despatched to Shareholders.

This Circular has not been examined or approved by the SGX-ST (as defined herein). **The SGX-ST assumes no responsibility for the contents of this Circular, including correctness of any of the statements, or opinions made or reports contained in this Circular.**



NSL LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 196100107C)

CIRCULAR TO SHAREHOLDERS

in relation to the

MANDATORY UNCONDITIONAL CASH OFFER

by

RHB BANK BERHAD

(Incorporated in Malaysia 196501000373 (6171-M))
(UEN No.: S99FC5710J)

for and on behalf of

YTL CEMENT BERHAD

(Incorporated in Malaysia)
(Company Registration No.: 197701000339 (31384-K))

to acquire all the issued and paid-up ordinary shares in the capital of the Company other than those already owned, controlled or agreed to be acquired by **YTL CEMENT BERHAD** and parties acting in concert with it

Independent Financial Adviser to the Independent Directors



SAC CAPITAL PRIVATE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200401542N)

SHAREHOLDERS SHOULD NOTE THAT THE OFFER DOCUMENT (AS DEFINED HEREIN) STATES THAT ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF THE OFFER (AS DEFINED HEREIN) AT 5.30 P.M. (SINGAPORE TIME) ON 8 NOVEMBER 2024.

THE OFFEROR (AS DEFINED HEREIN) HAS GIVEN NOTICE THAT THE OFFER WILL NOT BE OPEN FOR ACCEPTANCE BEYOND 5.30 P.M. (SINGAPORE TIME) ON 8 NOVEMBER 2024 AND THE TERMS OF THE OFFER WILL NOT BE REVISED, SAVE THAT SUCH NOTICE SHALL NOT BE CAPABLE OF BEING ENFORCED IN A COMPETITIVE SITUATION.

ACCORDINGLY, SHAREHOLDERS WHO WISH TO ACCEPT THE OFFER MUST DO SO BY 5.30 P.M. (SINGAPORE TIME) ON 8 NOVEMBER 2024.

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

“1H2024”	:	The six (6) months ended 30 June 2024
“1H2024 Auditors’ Review Report”	:	The review report dated 13 August 2024 from the Auditors addressed to the Company in respect of the review of the 1H2024 Results as set out in Appendix E to this Circular
“1H2024 IFA Letter”	:	The letter dated 25 October 2024 from the IFA addressed to the Directors in respect of the review of the 1H2024 Results as set out in Appendix F to this Circular
“1H2024 Results”	:	The unaudited condensed interim consolidated financial statements of the Group for the six (6) months ended 30 June 2024
“98 Holdings”	:	98 Holdings Pte. Ltd.
“Acquisition”	:	Shall have the meaning ascribed to it in paragraph 1.1 of this Circular
“Act”	:	The Companies Act 1967 of Singapore
“Annual Report”	:	The annual report of the Company
“Auditors”	:	PricewaterhouseCoopers LLP, the auditors of the Company
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 25 October 2024 containing, <i>inter alia</i> , the advice of the IFA to the Independent Directors and the recommendation of the Independent Directors in relation to the Offer
“Closing Date”	:	5.30 p.m. (Singapore time) on 8 November 2024 , announced by or on behalf of the Offeror, being the last day and time for the lodgement of acceptances for the Offer
“Code”	:	The Singapore Code on Take-overs and Mergers
“Company”	:	NSL Ltd. (Company Registration Number: 196100107C), a public limited company incorporated in Singapore
“Company Securities”	:	(i) the Shares; (ii) securities which carry voting rights in the Company; or (iii) convertible securities, warrants, options and Derivatives in respect of, the Shares or securities which carry voting rights in the Company
“Condition Precedent”	:	Shall have the meaning prescribed to it in the Pre-Conditional MGO Announcement
“Constitution”	:	The constitution of the Company

“CPF”	:	The Central Provident Fund of Singapore
“CPF Agent Banks”	:	Agent banks included under the CPFIS
“CPFIS”	:	Central Provident Fund Investment Scheme
“CPFIS Investors”	:	Investors who hold Shares purchased using their CPF contributions pursuant to the CPFIS
“Derivative”	:	Includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“Distributions”	:	Any dividends, other distributions and return of capital in respect of the Shares
“Encumbrances”	:	Any mortgage, assignment, debenture, lien, hypothecation, charge, pledge, adverse claim, rent-charge, title retention, claim, equity, option, pre-emption right (other than those which appear in a company's articles of association or constitutive document), right to acquire, security agreement and security interest or other right of whatever nature
“FAA”	:	Form of Acceptance and Authorisation for Offer Shares, which forms part of the Offer Document and which is issued to Shareholders whose Offer Shares are deposited with CDP
“FAT”	:	Form of Acceptance and Transfer for Offer Shares, which forms part of the Offer Document and which is issued to Shareholders whose Offer Shares are not deposited with CDP
“FY”	:	Financial year ended on 31 December of the relevant year
“Group”	:	The Company and its subsidiaries
“IFA” or “SAC Capital”	:	SAC Capital Private Limited, the independent financial adviser to the Independent Directors in respect of the Offer
“IFA Letter”	:	The letter dated 25 October 2024 from the IFA addressed to the Independent Directors in respect of the Offer as set out in Appendix A to this Circular
“Independent Directors”	:	The Directors, all of whom are considered independent for the purposes of the Offer
“Independent Valuers”	:	The independent valuers appointed by the Group for the purposes of carrying out a valuation of the Subject Properties in connection with the Offer, being: (i) SRE Global Pte. Ltd.; (ii) RHT Valuation Pte. Ltd.; (iii) Henry Butcher Malaysia (Sel) Sdn. Bhd.; (iv) Henry Butcher Malaysia (Johor) Sdn. Bhd.; and (v) Retta Management

“Interested Person”	: As defined in the Note on Rule 24.6 of the Code and read with Note 1 on Rule 23.12 of the Code, an interested person is: (i) a director, chief executive officer, or substantial shareholder of the company; (ii) the immediate family of a director, the chief executive officer, or a substantial shareholder (being an individual) of the company; (iii) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer or a substantial shareholder (being an individual) and his immediate family is a beneficiary; (iv) any company in which a director, the chief executive officer or a substantial shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30 per cent. or more; (v) any company that is the subsidiary, holding company or fellow subsidiary of the substantial shareholder (being a company); or (vi) any company in which a substantial shareholder (being a company) and any of the companies listed in (v) above together (directly or indirectly) have an interest of 30 per cent. or more
“Latest Practicable Date”	: 15 October 2024, being the latest practicable date prior to the publication of this Circular
“Listing Manual”	: The listing manual of the SGX-ST
“Offer”	: The mandatory unconditional cash offer by RHB Bank, for and on behalf of the Offeror, for all of the Offer Shares on the terms and subject to the conditions set out in the Offer Document, the FAA and the FAT
“Offer Announcement”	: The announcement in connection with the Offer released by RHB Bank, for and on behalf of the Offeror, on the Offer Announcement Date
“Offer Announcement Date”	: 23 September 2024, being the date of the Offer Announcement
“Offer Document”	: The document dated 11 October 2024 and any other document(s) relating to the Offer which may be issued for and on behalf of the Offeror from time to time
“Offer Price”	: S\$0.75 in cash for each Offer Share
“Offer Shares”	: All the Shares other than those held by the Company in treasury and Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it
“Offeror”	: YTL Cement Berhad (Company Registration No.: 197701000339 (31384-K)), a company incorporated in Malaysia

“Offeror Securities”	:	(i) Offeror Shares;
		(ii) securities which carry voting rights in the Offeror; or
		(iii) convertible securities, warrants, options and Derivatives in respect of, Offeror Shares or securities which carry voting rights in the Offeror
“Offeror Shares”	:	Issued shares in capital of the Offeror
“Overseas Shareholders”	:	The Shareholders whose addresses are outside of Singapore, as shown on the Register or in the Depository Register (as the case may be)
“Pre-Conditional MGO Announcement”	:	The announcement by RHB Bank, for and on behalf of the Offeror, relating to the pre-conditional mandatory general offer for the Offer Shares on the Pre-Conditional MGO Announcement Date
“Pre-Conditional MGO Announcement Date”	:	23 July 2024, being the date of the Pre-Conditional MGO Announcement
“Register”	:	The register of holders of the Shares, as maintained by the Share Registrar
“RHB Bank”	:	RHB Bank Berhad, through its Singapore branch, as financial adviser to the Offeror in connection with the Offer
“Sale Shares”	:	Shall have the meaning ascribed to it in paragraph 1.1 of this Circular
“Securities and Futures Act”	:	The Securities and Futures Act 2001 of Singapore
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	B.A.C.S. Private Limited, the share registrar of the Company
“Shareholders”	:	Persons who are registered as holders of the Shares in the Register and depositors who have Shares entered against their names in the Depository Register
“Shares”	:	Issued and paid-up ordinary shares in the capital of the Company
“SIC”	:	The Securities Industry Council of Singapore
“SPA”	:	The conditional share purchase agreement entered into between the Offeror and 98 Holdings dated 23 July 2024 for the purchase by the Offeror of an aggregate of 303,484,453 Shares from 98 Holdings
“SRS”	:	The Supplementary Retirement Scheme
“SRS Agent Banks”	:	Agent banks included under the SRS
“SRS Investors”	:	Investors who purchase Shares pursuant to SRS

“Subject Properties”	: The properties of the Group at the following locations:
	(i) 10 Tuas West Drive Singapore 638404;
	(ii) 7 Tuas Avenue 10 Singapore 639131;
	(iii) Lot 1-01, Jalan Perusahaan Lima, Kawasan Perindustrian Mahkota, 43700 Beranang, Selangor Darul Ehsan, Malaysia;
	(iv) No. 18, Jalan Perusahaan 1, Kawasan Perusahaan Beranang, 43700 Beranang, Selangor Darul Ehsan, Malaysia;
	(v) No. 2, Jalan Perusahaan 5, Kawasan Perusahaan Beranang, 43700 Beranang, Selangor Darul Ehsan, Malaysia;
	(vi) No. 8, Jalan Perusahaan 5 Kawasan Perusahaan Beranang, 43700 Beranang, Selangor Darul Ehsan, Malaysia;
	(vii) No. PTD 103274, Jalan Seelong, 81400 Senai, Johor, Malaysia; and
	(viii) Murrontie 8 FI-30420 Forssa Finland
“S\$”	: Singapore dollars, being the lawful currency of Singapore
“Valuation Reports”	: The valuation reports issued by the Independent Valuers in respect of the Subject Properties as set out in Appendix G of this Circular
“YTL Cement Singapore”	: YTL Cement Singapore Pte Ltd
“%” or “per cent.”	: Per centum or percentage

Acting in Concert. Unless otherwise defined, the term **“acting in concert”** shall have the meaning ascribed to it in the Code.

Depositor and Depository Register. The terms **“depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Plurality, Gender, Person, etc. Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Rounding. Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

Statutes. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Securities and Futures Act, the Code, the Listing Manual or any statutory modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning assigned to it under the Act, the Securities and Futures Act, the Code, the Listing Manual or any statutory modification thereof, as the case may be, unless the context otherwise requires.

Subsidiary and Related Corporation. References to “**subsidiary**” and “**related corporation**” shall have the meaning ascribed to them in Sections 5 and 6 of the Act.

Time and Date. Any reference to a time of day and date in this Circular is made by reference to Singapore time and date respectively unless otherwise stated.

Total number of Shares. Unless otherwise stated, references in this Circular to the total number of Shares are based on 373,558,237 Shares (excluding Shares held by the Company in treasury) as at the Latest Practicable Date. As at the Latest Practicable Date, the Company does not hold any Shares in treasury. Unless otherwise specified, all references to a percentage shareholding in the capital of the Company in this Circular are based on 373,558,237 Shares, as at the Latest Practicable Date.

Statements which are reproduced in their entirety from the Offer Document, the IFA Letter and the Constitution are set out in this Circular within quotes and in *italics* and capitalised terms used within these reproduced statements bear the meanings ascribed to them in the Offer Document, the IFA Letter and the Constitution respectively.

CAUTIONARY NOTE

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and neither the Company nor the IFA undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

NSL LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 196100107C)

Directors¹

Mr. Anand Kumar (*Chairman of the Board of Directors, Independent and Non-Executive Director*)
Mr. Ban Song Long (*Non-Executive Director*)
Mr. David Fu Kuo Chen (*Non-Executive Director*)
Mr. Vigneswaran Sellakannu (*Independent and Non-Executive Director*)

Registered Address

317 Outram Road, #03-02
Singapore 169075

25 October 2024

To: The Shareholders of NSL Ltd.

Dear Sir/Madam

MANDATORY UNCONDITIONAL CASH OFFER FOR NSL LTD.

1. INTRODUCTION

1.1 Pre-Conditional MGO Announcement. On the Pre-Conditional MGO Announcement Date, RHB Bank announced, for and on behalf of the Offeror, *inter alia*, that the Offeror had entered into the SPA with 98 Holdings for the purchase of an aggregate of 303,484,453 Shares (the “**Sale Shares**”), representing approximately 81.24 per cent. of the issued and paid-up capital of the Company, at S\$0.75 per Sale Share, for a total consideration of approximately S\$227.6 million (the “**Acquisition**”). As stated in the Pre-Conditional MGO Announcement:

- (a) as a result of the Acquisition, the Offeror and parties acting in concert with it would hold approximately 81.24 per cent. of the Company’s issued and paid-up capital; and
- (b) accordingly, subject to the fulfilment (or waiver in accordance with the SPA) of the Condition Precedent, the Offeror would be required to make the Offer.

1.2 Offer Announcement. On the Offer Announcement Date, RHB Bank announced, for and on behalf of the Offeror, that the Condition Precedent was fulfilled and the Offeror had nominated its wholly-owned subsidiary, YTL Cement Singapore, to receive the Sale Shares under the SPA. Accordingly, it was stated in the Offer Announcement that the Offeror would be making the Offer for the Offer Shares in accordance with Rule 14 of the Code at the Offer Price.

Electronic copies of the Pre-Conditional MGO Announcement and the Offer Announcement are available on the website of the SGX-ST at www.sgx.com.

1.3 Offer Document. On 11 October 2024, the Offer Document was electronically disseminated by RHB Bank, for and on behalf of the Offeror, setting out, *inter alia*, the terms and conditions of the Offer. The principal terms and conditions of the Offer are set out in paragraph 2 of the Offer Document. **Shareholders are advised to read the terms and conditions contained therein carefully.**

An electronic copy of the Offer Document is available on the website of the SGX-ST at www.sgx.com.

¹ The list of Directors sets out the Directors as at the Latest Practicable Date. Mr. Ban Song Long and Mr. David Fu Kuo Chen will resign as Directors with effect from the date of issuance of this Circular.

- 1.4 Circular.** The purpose of this Circular is to provide Shareholders with relevant information pertaining to the Offer and to set out the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the Offer.

Shareholders should read the Offer Document, this Circular and the IFA Letter set out in Appendix A to this Circular carefully and consider the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in relation to the Offer before deciding whether to accept the Offer.

If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

2. THE OFFER

- 2.1 Offer Price.** As stated in the Offer Document, the price for each Offer Share is as follows:

For each Offer Share: S\$0.75 in cash (the “Offer Price”).

The Offer Price is final and the Offeror does not intend to revise the Offer Price.

- 2.2 Offer Shares.** As stated in the Offer Document, the Offer is extended, on the same terms and conditions, to all the Offer Shares.

The Offeror has nominated its wholly-owned subsidiary, YTL Cement Singapore, to receive and hold the Offer Shares tendered in acceptance of the Offer.

- 2.3 No Encumbrances.** As stated in the Offer Document, the Offer Shares are to be acquired (a) fully paid-up; (b) free from all Encumbrances; and (c) together with all rights, benefits and entitlements attached thereto as at the Pre-Conditional MGO Announcement Date, and thereafter attaching thereto (including the right to receive and retain all Distributions (if any)) which may be announced, declared, paid or made thereon by the Company on or after the Pre-Conditional MGO Announcement Date.

- 2.4 Adjustments for Distributions.** As stated in the Offer Document, if any Distribution is announced, declared, paid or made by the Company to the Shareholders on or after the Pre-Conditional MGO Announcement Date, the Offeror reserves the right to reduce the Offer Price by an amount equivalent to such Distribution.

- 2.5 Offer Unconditional.** As stated in the Offer Document, as at 4 October 2024, being the latest practicable date prior to the electronic despatch of the Offer Document, the Offeror and parties acting in concert with it hold an aggregate of 303,484,453 Shares, representing approximately 81.24 per cent. of the Shares. The Offer is unconditional in all respects.

- 2.6 No Extension of Closing Date.** As stated in the Offer Document, except insofar as the Offer may be withdrawn with the consent of SIC and every person released from any obligation incurred thereunder, the Offer will remain open for acceptance for a period of at least 28 days from the date of electronic despatch of the Offer Document.

Accordingly, the Offer will close at 5.30 p.m. (Singapore time) on 8 November 2024. The Offeror does not intend to extend the Offer beyond 5.30 p.m. (Singapore time) on 8 November 2024, and the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on 8 November 2024. The Offeror does not intend to revise the terms of the Offer.

The Offeror has given notice in the Offer Document that the Offer will not be extended, revised or be open for acceptance beyond 5.30 p.m. (Singapore time) on 8 November 2024, save that such notice shall not be capable of being enforced in a competitive situation.

- 2.7 Warranty.** As stated in the Offer Document, a Shareholder who tenders his Offer Shares in acceptance of the Offer will be deemed to have unconditionally and irrevocably warranted that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof, (a) fully paid-up; (b) free from all Encumbrances; and (c) together with all rights, benefits and entitlements attached thereto as at the Pre-Conditional MGO Announcement Date and thereafter attaching thereto (including the right to receive and retain all Distributions (if any)) which may be announced, declared, made or paid thereon by the Company in respect of the Offer Shares on or after the Pre-Conditional MGO Announcement Date.
- 2.8 Further Details of the Offer.** Further details of the Offer, including details on (a) the duration of the Offer; (b) the procedures for settlement of the consideration for the Offer; and (c) the requirements relating to the announcement(s) of the level of acceptances of the Offer, are set out in Appendix A of the Offer Document.

Appendix B of the Offer Document sets out the procedures for acceptance of the Offer by a Shareholder.

3. INFORMATION ON THE OFFEROR

- 3.1 Information on the Offeror.** The Offer Document sets out information on the Offeror, which has been extracted therefrom and is reproduced in *italics* below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document. Shareholders are advised to read the extract below carefully.

“6. INFORMATION ON THE OFFEROR

- 6.1 Offeror.** *The Offeror is a company incorporated in Malaysia on 29 January 1977 and is a subsidiary of YTL Corp. The Offeror and its subsidiaries (the “YTL Cement Group”) are Malaysia’s largest building materials group with a network of cement plants, terminals, ready-mixed concrete batching facilities, drymix operations and aggregate quarries. YTL Cement Group has expanded its operations to Singapore, Vietnam and Indonesia.*

As at the Latest Practicable Date:

- (a) the Offeror has an issued and paid-up share capital of RM867,083,518 comprising 762,077,262 ordinary shares; and*
- (b) the directors of the Offeror are (i) Tan Sri (Sir) Francis Yeoh Sock Ping, (ii) Dato’ Yeoh Seok Kian, (iii) Dato’ Seri Yeoh Seok Hong, (iv) Dato’ Sri Michael Yeoh Sock Siong, (v) Dato’ Yeoh Soo Keng, (vi) Dato’ Yeoh Seok Kah, (vii) Mej Jen Dato’ Hj Abdul Shukor Bin Haji Jaafar, (viii) Dato’ Sri Haji Abd Rahim Bin Haji Abdul and (ix) Joseph Benjamin Seaton.*

As at the Latest Practicable Date, the Offeror and parties acting in concert with it hold 303,484,453 Shares representing approximately 81.24% of the total issued Shares.

- 6.2 YTL Corp.** *YTL Corp is a company incorporated in Malaysia on 9 November 1982 and is listed on the Main Market of Bursa Malaysia Securities Berhad and is also listed on the Prime Market Foreign Stocks Segment of the Tokyo Stock Exchange. YTL Corp is also a component of the FTSE Bursa Malaysia KLCI, MSCI Malaysia Index as well as the FTSE4Good Bursa Malaysia Index. YTL Corp is an integrated infrastructure developer domiciled in Malaysia, with international operations, investments and projects under development in countries including Singapore, the United Kingdom, Australia, France, Indonesia, Japan, Jordan, the Netherlands, Thailand and Vietnam.*

The principal activities of YTL Corp are those of an investment holding and management company, whilst the principal activities of its subsidiaries are those of an integrated infrastructure developer comprising power generation (in both contracted and merchant markets), supply of water and the treatment and disposal of waste water, merchant multi-utility services, communications, construction contracting, property development and

investment, manufacturing of industrial products and supplies, hotel development and management (including restaurant operations), and the provision of consultancy, incubating and advisory services for internet businesses and internet-based education solutions and services.

As at the Latest Practicable Date:

- (a) YTL Corp has an issued and paid-up share capital of RM3,499,056,259 comprising 11,075,137,740 ordinary shares, of which 58,675,950 ordinary shares are held as treasury shares carrying an amount of RM54,451,886; and
- (b) the directors of YTL Corp are (i) Tan Sri (Sir) Francis Yeoh Sock Ping, (ii) Dato' Yeoh Seok Kian, (iii) Dato' Yeoh Soo Min, (iv) Dato' Seri Yeoh Seok Hong, (v) Dato' Sri Michael Yeoh Sock Siong, (vi) Dato' Yeoh Soo Keng, (vii) Dato' Mark Yeoh Seok Kah, (viii) Syed Abdullah Bin Syed Abd. Kadir, (ix) Raja Noorma Binti Raja Othman, (x) Choo Yoo Kwan @ Choo Yee Kwan, (xi) Tang Kin Kheong and (xii) Sharifatu Laila Binti Syed Ali.

As at the Latest Practicable Date, the substantial shareholders of YTL Corp and their respective shareholdings in YTL Corp are as follows:

	Direct		Indirect	
	No. of shares in YTL Corp	%⁽¹⁾	No. of shares in YTL Corp	%⁽¹⁾
Yeoh Tiong Lay & Sons Holdings Sdn Bhd	5,511,596,992	50.03	-	-
Yeoh Tiong Lay & Sons Family Holdings Limited	-	-	5,511,596,992 ⁽²⁾	50.03
Yeoh Tiong Lay & Sons Trust Company Limited	-	-	5,511,596,992 ⁽³⁾	50.03
Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong	142,138,041	1.29	5,511,596,992 ⁽⁴⁾	50.03

Notes:

- (1) Computed based on 11,016,461,790 ordinary shares in YTL Corp in issue (excluding 58,675,950 treasury shares) as at the Latest Practicable Date.
- (2) Deemed interests by virtue of interests held through Yeoh Tiong Lay & Sons Holdings Sdn Bhd pursuant to Section 8 of the Companies Act, 2016 of Malaysia.
- (3) Deemed interests by virtue of interests held through Yeoh Tiong Lay & Sons Holdings Sdn Bhd pursuant to Section 8 of the Companies Act, 2016 of Malaysia arising from its ownership of 100% of Yeoh Tiong Lay & Sons Family Holdings Limited in its capacity as trustee.
- (4) Deemed interests by virtue of interests held through Yeoh Tiong Lay & Sons Holdings Sdn Bhd pursuant to Section 8 of the Companies Act, 2016 of Malaysia arising from her beneficial interest (held through Yeoh Tiong Lay & Sons Trust Company Limited in its capacity as trustee) in Yeoh Tiong Lay & Sons Family Holdings Limited."

3.2 Further Information on the Offeror. Further information on the Offeror is set out in **Appendix C** to this Circular.

4. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS FOR THE COMPANY

The full text of the rationale for the Offer and the Offeror's intentions for the Company has been extracted from the Offer Document and is set out in *italics* below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document. Shareholders are advised to read the extract below carefully.

"8. RATIONALE FOR THE OFFER

8.1 **Compliance with the Code.** *As a result of the Acquisition, the Offeror and parties acting in concert with it hold an aggregate of 303,484,453 Shares, representing approximately 81.24% of the issued Shares. Accordingly, the Offeror is required to make the Offer in compliance with the requirements of the Code.*

8.2 **Offer is in line with YTL Cement Group's corporate strategy.** *As disclosed in YTL Corp's announcement on Bursa Malaysia Securities Berhad dated 23 July 2024, the Acquisition provides a unique opportunity for YTL Corp and its subsidiaries to expand via YTL Cement Group into the industrialised building system sectors in Malaysia, Dubai, Finland and Singapore.*

The precast concrete businesses in Malaysia and Singapore are synergistic to YTL Cement Group's cement business while those in Dubai and Finland present a pivotal opportunity for YTL Cement Group to expand its business footprint into new markets. The precast concrete businesses are expected to facilitate the speed of construction required in rapidly expanding economic segments such as the data centre industry, in addition to supporting the development of innovative solutions across the construction industry.

In addition, the Acquisition also facilitates the expansion of YTL Cement Group's environmental services business into Singapore through the Company and its subsidiaries' environmental service business in Singapore with synergistic advantages.

9. OFFEROR'S INTENTIONS FOR THE COMPANY

Pursuant to the terms of the SPA, 98 Holdings had, on completion of the Acquisition, delivered to the Company and the Offeror the duly executed resignations of Ban Song Long and David Fu Kuo Chen as directors of the Company, such resignations to take effect from the date on which the offeree circular in connection with the Offer is issued by the Company.

Save as disclosed in this Offer Document, the Offeror presently has no intention to (a) introduce any major changes to the businesses of the Company; (b) redeploy fixed assets of the Company; or (c) discontinue the employment of the employees of the Company, other than in the ordinary course of business. However, the Offeror retains the flexibility at any time to consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the best interests of the Offeror. Following the close of the Offer, the Offeror will undertake a review of the businesses of the Company and the review will help the Offeror to determine the optimal business strategy for the Company."

5. COMPULSORY ACQUISITION AND LISTING STATUS

The Offer Document sets out the intentions of the Offeror relating to the listing status of the Company and its rights of compulsory acquisition in respect of the Company. The relevant paragraphs have been extracted from the Offer Document and are reproduced in *italics* below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

“10. COMPULSORY ACQUISITION

- 10.1 **Compulsory Acquisition Rights.** Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Offer or acquires Shares from the date of this Offer Document (otherwise than through valid acceptances of the Offer), in respect of not less than 90% of the total number of issued Shares (excluding treasury shares and other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer), the Offeror will be entitled to exercise its right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (“**Dissenting Shareholders**”) on the same terms as those offered under the Offer.

It is the current intention of the Offeror to maintain the listing status of the Company. Accordingly, the Offeror presently has no intention of exercising its right of compulsory acquisition under Section 215(1) of the Companies Act, should such right be available to it.

- 10.2 **Dissenting Shareholders’ Rights.** In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with the Shares held by it, its related corporations and their respective nominees, comprise 90% or more of the total Shares (including treasury shares), the Dissenting Shareholders will have a right to require the Offeror to acquire their Shares at the Offer Price.

11. LISTING STATUS

- 11.1 Under Rules 724(1) and 1105 of the Listing Manual, in the event the Offeror has received valid acceptances which result in the Offeror and parties acting in concert with it holding more than 90% of the total issued Shares (excluding treasury shares), the Company must as soon as practicable announce that fact and the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time when the SGX-ST is satisfied that at least 10% of the total number of issued Shares (excluding treasury shares) are held by at least 500 Shareholders who are members of the public (the “**Free Float Requirement**”). Rule 1303(1) of the Listing Manual provides that where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of Shares (excluding treasury shares), thus causing the percentage of the total number of Shares held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares at the close of the Offer. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be removed from the Official List of the SGX-ST.

- 11.2 ***As stated in Section 10.1 above, it is the current intention of the Offeror to maintain the listing status of the Company on the SGX-ST following completion of the Offer. In the event that the percentage of Shares (excluding treasury shares) held in public hands falls below 10% and the SGX-ST suspends trading of the Shares, the Offeror intends to undertake and/or support any action as may be necessary for any such trading suspension by the SGX-ST to be lifted. However, the Offeror reserves the right to re-evaluate its position, taking into account, among other things, the level of acceptances received by the Offeror and the prevailing market conditions at the relevant time.***

6. IRREVOCABLE UNDERTAKINGS

As stated in the Offer Document, as at 4 October 2024, being the latest practicable date prior to the electronic despatch of the Offer Document, and based on the latest information available to the Offeror, neither the Offeror nor any party acting in concert with it is aware or has received any irrevocable undertaking from any party to accept or reject the Offer.

7. ADVICE OF THE IFA

7.1 IFA. SAC Capital has been appointed as the independent financial adviser to advise the Independent Directors in respect of the Offer. Shareholders should consider carefully the recommendation of the Independent Directors and the advice of SAC Capital to the Independent Directors before deciding whether to accept or reject the Offer. SAC Capital's advice is set out in its letter dated 25 October 2024, which is set out in **Appendix A** to this Circular (the "**IFA Letter**").

7.2 Key Factors Taken into Consideration by the IFA. In arriving at its advice, SAC Capital has relied on the following key considerations (an extract of which is set out below in *italics* and which should be read in conjunction with, and in the context of, the full text of the IFA Letter). Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter.

"8.1 Key Considerations of the Offer"

In arriving at our opinion and advice in respect of the Offer, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment of the Offer. The following should be read in conjunction with, and in the context of, the full text of this letter:

- (a) an assessment of the market quotation and trading liquidity of the Shares during the Period Under Review, as set out in paragraph 7.1 of this letter;*
- (b) historical financial performance of the Group, as set out in paragraph 7.2 of this letter;*
- (c) the historical financial position of the Group, including the NAV and RNAV of the Group, as set out in paragraph 7.3 of this letter;*
- (d) the sum-of-the-parts valuation of the Group, as set out in paragraph 7.4 of this letter;*
- (e) a comparison with the valuation statistics of Non-privatisation Take-over Transactions, as set out in paragraph 7.5 of this letter; and*
- (f) other relevant considerations as set out in paragraph 7.6 of this letter."*

7.3 Advice of the IFA. After carefully considering all available information and based on the IFA's assessment of the financial terms of the Offer, the IFA has advised the Independent Directors to make the following recommendation to Shareholders in relation to the Offer (an extract of which is set out below in *italics* and which should be read in conjunction with, and in the context of, the full text of the IFA Letter). Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter.

"8.2 Assessment of the Offer"

*For the purpose of evaluating the Offer, we have adopted the approach that the term "fair" and "reasonable" are regarded as two different concepts. The term "fair" relates to an opinion on the value of the offer price against the value of the securities subject to the offer (the "**Securities**"), and an offer is "fair" if the price offered is equal to or greater than the value of the Securities. In considering whether an offer is "reasonable", other matters as well as the value of the Securities are taken into consideration. Such other matters include, but are not limited to, existing voting rights in the company held by an offeror and its concert parties or the market liquidity of the relevant securities.*

8.2.1 Assessment of Fairness of the Offer

In determining the fairness of the Offer, we have considered, inter alia, the following pertinent factors:

- (a) the Offer Price represents a discount of approximately 7.67% against the RNAV per share of S\$0.81 as at 30 June 2024. Accordingly, the P/RNAV of the Group implied by the Offer Price would be approximately 0.92 times as at 30 June 2024; and*
- (b) the Offer Price falls below the range of the estimated sum-of-the-parts valuation of each Share of S\$0.88 to S\$1.00.*

*In view of the above, we are of the opinion that the Offer is **NOT FAIR**.*

8.2.2 Assessment of Reasonableness of the Offer

In determining the reasonableness of the Offer, we have considered, inter alia, the following pertinent factors:

- (a) during the 12-month period prior to the Last Trading Day, the closing prices of the Shares ranged between a low of S\$0.670 and a high of S\$0.820, and the Offer Price represents a premium of 11.9% and a discount of 8.5% over the said prices respectively;*
- (b) the Offer Price represents a premium of approximately 2.9%, 4.2%, 5.3%, and 10.1% to the respective VWAPs of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day. The Offer Price also represents a premium of approximately 7.1% over the closing price of the Shares on the Last Trading Day;*
- (c) the trading of the Shares is erratic and appears to be relatively illiquid in the 12-, 6-, 3- and 1-month period up to and including the Last Trading Day. It is to note that given the low liquidity of the Shares during the periods observed, the Offer Price may represent a realistic exit opportunity for Shareholders to realise their entire investment for cash. In the absence of the Offer at the Offer Price, such an exit for all Shareholders may not be readily available due to the low trading liquidity for the Shares;*
- (d) the Offer Price represents a premium of approximately 4.0% against the NAV per Share of S\$0.72 as at 30 June 2024. Accordingly, the P/NAV of the Group implied by the Offer Price would be approximately 1.04 times as at 30 June 2024. In addition, the Ex-Cash Offer Price represents a premium of 6.0% to the Ex-Cash NAV per Share of S\$0.48. The P/NAV (ex-cash) of the Group implied by the Offer Price would be approximately 1.06 times as at 30 June 2024;*
- (e) the premium of the Offer Price over the VWAP of the Shares of approximately 2.9%, 4.2%, 5.3% and 10.1% for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day, as well as the premium of the Offer Price over the closing price of the Shares of approximately 7.1% on the Last Trading Day, are above the corresponding mean and median of the Non-privatisation Take-over Transactions;*
- (f) the Company has been consistently paying annual total dividends of S\$0.05 per Share for the last five (5) financial years, save for the total dividends of S\$0.42 per Share in FY2023, mainly due to the special interim dividend of S\$0.40 per Share declared in FY2023. In addition, the Company's dividend yield per annum (based on the average Share prices) for FY2019 to FY2022 ranged from 4.7% to 6.7%. The Company's dividend yield per annum (based on the average Share prices) for FY2023 was 51.0%;*

- (g) *as at the Latest Practicable Date, apart from the Offer, there is no publicly available evidence of an alternative or competing offer for the Shares from any other party. The Independent Directors have also confirmed that as at the Latest Practicable Date, apart from the Offer, they have not received any alternative or competing offer for the Shares from any other party;*
- (h) *the Offeror Group, as at the Latest Practicable Date, holds an aggregate of 303,484,453 Shares, representing approximately 81.24% of the total number of Shares, and thus having effective statutory control over the Company, which places the Offeror Group in a position to significantly influence, inter alia, the management, operating and financial policies of the Group; and*
- (i) *we note that it is the current intention of the Offeror to maintain the listing status of the Company on the SGX-ST following completion of the Offer and the Offeror does not intend to exercise any rights of compulsory acquisition that may arise under Section 215(1) of the Companies Act.*

*In view of the above, we are of the opinion that the Offer is **REASONABLE**.*

8.3 Our opinion on the Offer

*In conclusion, we are of the opinion that, on balance, the financial terms of the Offer are **not fair** but **reasonable**. Accordingly, we advise the Independent Directors to recommend Shareholders to **accept** the Offer.*

Shareholders who wish to realise their investment in the Company can choose to sell their Shares in the open market if they can obtain a price higher than the Offer Price, after taking into account all transaction costs in connection with open market transactions.”

Shareholders should read the extracts in paragraphs 7.2 and 7.3 above in conjunction with, and in the context of, the full text of the IFA Letter which is set out in **Appendix A** to this Circular.

8. RECOMMENDATION OF THE INDEPENDENT DIRECTORS

- 8.1 Recommendation of Independent Directors.** The Independent Directors, having considered carefully the terms of the Offer and the advice given by the IFA, concur with the advice given by the IFA in respect of the Offer. Accordingly, the Independent Directors recommend that Shareholders **ACCEPT** the Offer.

Shareholders are advised to read the IFA Letter set out in Appendix A to this Circular carefully.

- 8.2 No Regard to Specific Objectives.** In making their recommendation, the Independent Directors have not had regard to the specific objectives, financial situation, tax status, risk profiles or unique needs and constraints of any individual Shareholder. Accordingly, the Independent Directors recommend that any individual Shareholder who may require advice in the context of his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

9. OVERSEAS SHAREHOLDERS

The Offer Document sets out information in relation to Overseas Shareholders, which has been extracted therefrom and reproduced in *italics* below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

“16. OVERSEAS JURISDICTIONS AND SHAREHOLDERS

- 16.1 **Overseas Jurisdictions.** *This Offer Document, the Notification, the Acceptance Forms and/or any related documents do not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Document, the Notification, the Acceptance Forms and/or any related documents in any jurisdiction, in contravention of applicable law.*

The release, publication or distribution of this Offer Document, the Notification, the Acceptance Forms and/or any related documents in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Offer Document, the Notification, the Acceptance Forms and/or any related documents are released, published or distributed should inform themselves about and observe such restrictions.

*Copies of this Offer Document, the Notification, the Acceptance Forms and/or other formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the laws of that jurisdiction (a “**Restricted Jurisdiction**”) and the Offer is not made to, nor will the Offer be capable of acceptance by, any person within any Restricted Jurisdiction if the offer to and/or acceptance by such person will violate the laws of the Restricted Jurisdiction. Persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.*

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

- 16.2 **Overseas Shareholders.** *The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the Register or in the Depository Register (as the case may be) (collectively, the “**Overseas Shareholders**” and each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions in which they are located, and caution should be exercised in relation to the Offer, as this Offer Document, the Notification, the Acceptance Forms and/or any related documents have not been reviewed by any regulatory authority in any overseas jurisdiction. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions. **For the avoidance of doubt, the Offer is open to all Shareholders, including those to whom the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms and/or any related documents have not been, or may not be, sent.***

It is the responsibility of Overseas Shareholders who wish to: (a) request the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms and/or any related documents; and/or (b) accept the Offer, to satisfy themselves as to the full observances of the laws of the relevant overseas jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts,

duties or other requisite payments due in such jurisdiction. Such Overseas Shareholders shall be liable for any taxes, imposts, duties or other requisite payments payable and the Offeror, the Offeror's related corporations (including YTL Cement Singapore), RHB, CDP, the Share Registrar and/or any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments as the Offeror, the Offeror's related corporations (including YTL Cement Singapore), RHB, CDP, the Share Registrar and/or any person acting on their behalf may be required to pay. In (a) requesting for the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms and/or any related documents; and/or (b) accepting the Offer, each Overseas Shareholder represents and warrants to the Offeror, YTL Cement Singapore and RHB that he is in full observance and compliance of the laws of the relevant jurisdiction in that connection and that he is in full compliance with all necessary formalities or legal requirements.

Any Overseas Shareholder who is in doubt about his position should consult his professional adviser in the relevant jurisdiction.

- 16.3 **Copies of the Offer Document and the relevant Acceptance Forms.** Where there are potential restrictions on sending the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms and/or any related documents to any overseas jurisdiction, the Offeror, YTL Cement Singapore, RHB, CDP and the Receiving Agent each reserves the right not to send these documents to Overseas Shareholders in such overseas jurisdictions.

Shareholders (including Overseas Shareholders) may, subject to compliance with applicable laws, obtain electronic copies of this Offer Document, the Acceptance Forms and/or any related documents from the website of the SGX-ST at <https://www.sgx.com>. To obtain an electronic copy of this Offer Document, please select the section "Securities", select "Company Information" and then "Company Announcements" from the drop-down menu list and type the name of the Company: "**NSL Ltd.**" in the box titled "Filter by Company/ Security Name". "**NSL Ltd.**" will appear as a drop-down item below the filter box.

Thereafter, please select the announcement dated 11 October 2024 titled "**Mandatory Unconditional Cash Offer – Electronic Despatch of Offer Document**". This Offer Document, the Acceptance Forms and/or any related documents can be accessed by clicking on the link under the section titled "Attachments" at the bottom of the announcement.

Overseas Shareholders may, nonetheless, obtain copies of the Notification, the Acceptance Forms and/or any related documents, during normal business hours and up to the Closing Date, from (a) CDP (if he holds Offer Shares deposited with CDP) by submitting a request to CDP via phone (+65 6535 7511) during their operating hours or email services (asksgx@sgx.com); or (b) the Share Registrar (if he holds Offer Shares which are not deposited with CDP), B.A.C.S. Private Limited, at its office located at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896. Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write to the Offeror through (i) CDP (if he holds Offer Shares deposited with CDP) at Robinson Road Post Office, P.O. Box 1984, Singapore 903934, or (ii) the Share Registrar (if he holds Offer Shares which are not deposited with CDP) at the address listed above, to request for the Notification, the Acceptance Forms and/or any related documents to be sent to an address in Singapore by ordinary post at such Overseas Shareholder's own risk. Electronic copies of this Offer Document, the Notification, the Acceptance Forms and/or any related documents are also available on the website of the SGX-ST at <https://www.sgx.com>.

16.4 **Notice.** *The Offeror, YTL Cement Singapore and RHB each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all of the Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or notice and if necessary, by paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been made and communicated to all Shareholders (including Overseas Shareholders), notwithstanding any failure by any Shareholder (including any Overseas Shareholder) to receive or see such announcement, notice or advertisement.”*

10. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS

The Offer Document sets out information in relation to CPFIS Investors and SRS Investors, which has been extracted therefrom and reproduced in *italics* below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

“17. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS

CPFIS Investors and SRS Investors should receive further information on how to accept the Offer from their CPF Agent Banks or SRS Agent Banks (as the case may be) directly. CPFIS Investors and SRS Investors are advised to consult their CPF Agent Banks or SRS Agent Banks (as the case may be) should they require further information, and if they are in any doubt as to the action they should take, they should seek independent professional advice.

CPFIS Investors and SRS Investors, who wish to accept the Offer, are to reply to their CPF Agent Banks or SRS Agent Banks (as the case may be) by the deadline stated in the letter from their CPF Agent Banks or SRS Agent Banks (as the case may be), which may be earlier than the Closing Date. CPFIS Investors and SRS Investors who validly accept the Offer through their appropriate intermediaries will receive the payment for the Offer Price in respect of their Offer Shares validly tendered in acceptance of the Offer, in their CPF investment accounts or SRS investment accounts (as the case may be).”

11. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document, the FAA and/or the FAT (as the case may be) which have been sent to them.

Shareholders who wish to accept the Offer must do so not later than **5.30 p.m. (Singapore time) on 8 November 2024**. The Directors would like to draw the attention of Shareholders who wish to accept the Offer to the “Procedures for Acceptance of the Offer” as set out in Appendix B of the Offer Document.

Acceptances should be completed and returned as soon as possible and, in any event, so as to be received by CDP (in respect of the FAA) or the Share Registrar (in respect of the FAT), as the case may be, not later than **5.30 p.m. (Singapore time) on 8 November 2024**.

12. RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Circular) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Circular (other than those relating to the Offeror, persons acting in concert or deemed to be acting in concert with the Offeror, the Offer, the IFA Letter, the 1H2024 Auditors’ Review Report, the 1H2024 IFA Letter and the Valuation Reports) are fair and accurate and that no material facts have been omitted from this Circular, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror (including, without limitation, the Pre-Conditional MGO Announcement, the Offer Announcement and the Offer Document), the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Circular.

In respect of the IFA Letter, the 1H2024 Auditors' Review Report, the 1H2024 IFA Letter and the Valuation Reports, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Group are fair and accurate.

Yours faithfully
For and on behalf of the Board of Directors of
NSL LTD.

Anand Kumar
Chairman of the Board of Directors, Independent and Non-Executive Director

APPENDIX A
LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT
OF THE OFFER



SAC CAPITAL PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200401542N)

25 October 2024

To: The directors of NSL Ltd. who are considered independent for the purposes of making recommendation to the Shareholders in respect of the Offer

Mr Anand Kumar	(Chairman of the Board of Directors, Independent and Non-Executive Director)
Mr Ban Song Long	(Non-Executive Director)
Mr David Fu Kuo Chen	(Non-Executive Director)
Mr Vigneswaran Sellakannu	(Independent and Non-Executive Director)

Dear Sirs

MANDATORY UNCONDITIONAL CASH OFFER BY RHB BANK BERHAD FOR AND ON BEHALF OF YTL CEMENT BERHAD TO ACQUIRE ALL OF THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF NSL LTD., OTHER THAN THE SHARES ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT

*Unless otherwise defined or the context otherwise requires, all terms defined in the circular to shareholders of the Company dated 25 October 2024 (the “**Circular**”) shall have the same meaning herein.*

1. INTRODUCTION

On 23 July 2024 (“**Pre-Conditional MGO Announcement Date**”), RHB Bank Berhad (“**RHB**”) announced (“**Pre-Conditional MGO Announcement**”), for and on behalf of YTL Cement Berhad (the “**Offeror**”), that the Offeror had entered into a conditional sale and purchase agreement dated 23 July 2024 (the “**SPA**”) with 98 Holdings Pte. Ltd. (the “**Vendor**”) to acquire from the Vendor an aggregate of 303,484,453 ordinary shares in the issued and paid-up share capital of NSL Ltd. (the “**Company**”) and together with its subsidiaries, the “**Group**”) (the “**Sale Shares**”), representing approximately 81.24% of the total issued and paid-up share capital of the Company, for S\$0.750 per Sale Share (making a total consideration of approximately S\$227.6 million (“**Total Sale Price**”)) (the “**Acquisition**”).

The completion of the Acquisition (“**Completion**”) was conditional upon the approval of Bank Negara Malaysia being obtained in relation to (a) the payment to the Vendor of the Total Sale Price and (if applicable) the financing thereof; and/or (b) the sum payable for the Sale Shares and (if applicable) the financing thereof, which shall be deemed to be satisfied on the date of receipt of such approval by the Offeror (the “**Condition Precedent**”) (or waiver of the Condition Precedent in accordance with the SPA).

On 23 September 2024 (the “**Offer Announcement Date**”), RHB announced (“**Offer Announcement**”), for and on behalf of the Offeror, that: (a) the Condition Precedent in respect of the SPA was fulfilled on 23 September 2024; (b) the Offeror’s firm intention to make a mandatory unconditional cash offer (the “**Offer**”) for all the issued and paid-up shares in the capital of the Company (the “**Shares**”), other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (“**Offer Shares**”), in

accordance with Section 139 of the Securities and Futures Act 2001 of Singapore (the “**SFA**”) and Rule 14 of the Singapore Code on Take-overs and Mergers (the “**Code**”); and (c) the Offer will be unconditional in all respects. The Offeror had nominated its wholly-owned subsidiary, YTL Cement Singapore Pte Ltd (“**YTL Cement Singapore**”), to receive the Sale Shares under the SPA as well as to hold the Offer Shares tendered in acceptance of the Offer. The Acquisition was completed by way of a married deal on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 1 October 2024.

On 11 October 2024, RHB announced, for and on behalf of the Offeror, that the formal offer document (the “**Offer Document**”) was despatched to shareholders of the Company (the “**Shareholders**”).

Under the Code, the Company is required to appoint an independent financial adviser (the “**IFA**”) to advise the directors of the Company who are considered independent for the purposes of the Offer (the “**Independent Directors**”) in making a recommendation to the Shareholders in respect of the Offer. Accordingly, the Company has appointed SAC Capital Private Limited (“**SAC Capital**”) as the IFA to the Independent Directors. This letter, which sets out, *inter alia*, our evaluation and advice, have been prepared for the use of the Independent Directors in connection with their consideration of the Offer and their recommendation to Shareholders arising thereof.

2. TERMS OF REFERENCE

We have been appointed as the IFA to the Independent Directors to provide an assessment of the financial terms of the Offer in order to advise the Independent Directors in respect of their recommendation to Shareholders on the Offer.

We are not and were not involved in any aspect of the negotiations entered into by the Group in connection with the Offer or in the deliberations leading up to the decision by the Offeror to undertake the Offer. Accordingly, we do not, by this letter, warrant the merits of the Offer, other than to advise the Independent Directors on the terms of the Offer from a financial point of view.

We have not conducted a comprehensive independent review of the business, operations or financial condition of the Group and/or the Offeror. We have not been provided with, nor do we have access to, any business plans or financial projections of the future performance of the Group and/or the Offeror, for the purpose of our evaluation of the Offer. Our evaluation is confined to the financial terms of the Offer and it is not within our terms of reference to evaluate the strategic, legal or commercial merits or risks of the Offer or the future growth prospects or earnings potential of the Group after the completion of the Offer. Accordingly, we do not express any view as to the future prices at which the Shares may trade or on the future financial performance of the Group or the Offeror after the completion of the Offer.

We have not been requested or authorised to solicit, and we have not solicited, any indication of interest from any third party with respect to the Offer Shares. It is also not within our terms of reference to compare the relative merits of the Offer vis-à-vis any alternative transaction that the Company may consider in the future, or any alternative offer that might otherwise be available in the future, and as such, we do not express an opinion thereon.

In the course of our evaluation of the financial terms of the Offer, we have held discussions with the directors and the management of the Company (the “**Directors**” and “**Management**” respectively) and have relied on the information and representations, whether written or verbal, provided to us by the Directors and the Management, including the information contained in the Circular. The Directors (including those who may have delegated detailed supervision of the preparation of the Circular) have confirmed that, having made all reasonable enquiries and to the best of their knowledge and belief, (a) all material information available to them in

connection with the Offer has been disclosed in the Circular; (b) such information (other than those relating to the Offeror, parties acting in concert or deemed to be acting in concert with the Offeror) is fair and accurate in all material respects; and (c) there is no other information or fact, the omission of which would cause any information disclosed to us or the facts stated in the Circular to be inaccurate, incomplete or misleading in any material respect. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified the information or representations. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or representations. We have, however, made reasonable enquiries and exercised our judgement (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on in our evaluation.

Save as disclosed, all information relating to the Group that we have relied upon in arriving at our advice has been obtained from the Circular, publicly available information, the Directors and/or the Management. We have not independently assessed and do not warrant or accept any responsibility as to whether the aforesaid information adequately represents a true and fair position of the financial, operational and business affairs of the Group at any time or as at 15 October 2024 (the **"Latest Practicable Date"**). We have also not made any independent evaluation or appraisal of the assets and liabilities of the Company and have not been furnished with any such evaluation or appraisals, except for the valuation reports (the **"Valuation Reports"**) prepared by Henry Butcher Malaysia (Sel) Sdn. Bhd., Henry Butcher Malaysia (Johor) Sdn. Bhd., RHT Valuation Pte. Ltd., SRE Global Pte. Ltd. and Retta Management (the **"Independent Valuers"**) who were appointed to perform independent valuation of the Appraised Properties (as defined in paragraph 7.3.4 of this letter) held by the Group as at 31 August 2024. The Valuation Reports are set out in Appendix G to the Circular. As we are not experts in the evaluation or appraisal of the assets set out in the Valuation Reports, we have placed sole reliance on the independent valuation in relation to the aforementioned assets and have not made any independent verification of the contents thereof. In addition, we do not assume any responsibility to enquire about the basis of the valuation in the Valuation Reports or if the contents in the Valuation Reports have been prepared in accordance with all applicable regulatory requirements including Rule 26 of the Code.

Our opinion and advice, as set out in this letter, is based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as at, the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion in the light of any subsequent development after the Latest Practicable Date that may affect our opinion and advice contained herein. Discrepancies in the numerical figures presented in this letter are due to rounding and therefore may not be an exact arithmetic representation.

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice in relation to the Offer should be considered in the context of the entirety of this letter and the Circular.

The Company has been separately advised by its own advisers in the preparation of the Circular (other than this letter). We have had no role or involvement and have not provided any advice, financial or otherwise, in the preparation, review and verification of the Circular (other than this letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this letter) and Appendix F of the Circular.

3. THE OFFER

The detailed terms of the Offer are set out in section 2 of the Letter to Shareholders in the Offer Document and reproduced in section 2 of the Circular. Shareholders are advised to refer to the Offer Document and the Circular for further details on the Offer and read the information carefully.

The key terms of the Offer and the related matters are set out below.

3.1 Offer Price

The offer price for each Offer Share acquired under the Offer (the “**Offer Price**”) is as follows:

For each Offer Share: S\$0.750 in cash.

The Offer Price is final and the Offeror does not intend to revise the Offer Price.

3.2 Offer Shares

The Offer is extended, on the same terms and conditions, to all the Offer Shares. The Offeror has nominated its wholly-owned subsidiary, YTL Cement Singapore, to receive and hold the Offer Shares tendered in acceptance of the Offer.

3.3 No Encumbrances

As stated in the Offer Document, the Offer Shares are to be acquired:

- (i) fully paid-up;
- (ii) free from any mortgage, assignment, debenture, lien, hypothecation, charge, pledge, adverse claim, rent-charge, title retention, claim, equity, option, pre-emption right (other than those which appear in a company's articles of association or constitutive document), right to acquire, security agreement and security interest or other right of whatever nature (collectively, the “**Encumbrances**”); and
- (iii) together with all rights, benefits and entitlements attached thereto as at the Pre-Conditional MGO Announcement Date and thereafter attaching thereto (including the right to receive and retain any dividends, other distributions and return of capital in respect of the Shares (collectively, the “**Distributions**”) (if any) which may be announced, declared, paid or made by the Company on or after the Pre-Conditional MGO Announcement Date.

If any Distribution is announced, declared, paid or made by the Company to the Shareholders on or after the Pre-Conditional MGO Announcement Date, the Offeror reserves the right to reduce the Offer Price by an amount equivalent to such Distribution.

3.4 Offer Unconditional

As stated in the Offer Document, the Offer is unconditional in all respects.

3.5 Warranty

As stated in the Offer Document, a Shareholder who tenders his Offer Shares in acceptance of the Offer will be deemed to have unconditionally and irrevocably warranted and that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof, (a) fully paid-up, (b) free from all Encumbrances, and (c) together with all rights, benefits and entitlements attached

thereto as at the Pre-Conditional MGO Announcement Date and thereafter attaching thereto (including the right to receive and retain all Distributions (if any)) which may be announced, declared, made or paid thereon by the Company in respect of the Offer Shares on or after the Pre-Conditional MGO Announcement Date.

3.6 No Extension of Closing Date

As stated in the Offer Document, except insofar as the Offer may be withdrawn with the consent of SIC and every person released from any obligation incurred thereunder, the Offer will remain open for acceptance by Shareholders for a period of at least 28 days from the date of electronic despatch of the Offer Document.

The Offeror has given notice in the Offer Document that the Offer will not be extended, revised or be open for acceptance beyond 5.30 p.m. (Singapore time) on 8 November 2024, save that such notice shall not be capable of being enforced in a competitive situation. The Offeror does not intend to revise the terms of the Offer.

3.7 Further Details of the Offer

Further details of the Offer are set out in Appendices A and B to the Offer Document, including details on (a) the duration of the Offer; (b) the procedures for acceptance of the Offer; and (c) the requirements relating to the announcement of the level of acceptances of the Offer.

4. INFORMATION ON THE OFFEROR

The detailed information on the Offeror are set out in section 6 of the Letter to Shareholders in the Offer Document and reproduced in section 3 of the Circular, and Shareholders are advised to read the information carefully. The salient information on the Offeror are set out below.

The Offeror

The Offeror is a company incorporated in Malaysia on 29 January 1977 and is a subsidiary of YTL Corporation Berhad ("**YTL Corp**"). The Offeror and its subsidiaries (the "**Offeror Group**") are Malaysia's largest building materials group with a network of cement plants, terminals, ready-mixed concrete batching facilities, drymix operations and aggregate quarries. The Offeror Group has expanded its operations to Singapore, Vietnam and Indonesia.

As at the Latest Practicable Date:

- (a) the Offeror has an issued and paid-up share capital of RM867,083,518 comprising 762,077,262 ordinary shares; and
- (b) the directors of the Offeror are (i) Tan Sri (Sir) Francis Yeoh Sock Ping, (ii) Dato' Yeoh Seok Kian, (iii) Dato' Seri Yeoh Seok Hong, (iv) Dato' Sri Michael Yeoh Sock Siong, (v) Dato' Yeoh Soo Keng, (vi) Dato' Yeoh Seok Kah, (vii) Mej Jen Dato' Hj Abdul Shukor Bin Haji Jaafar, (viii) Dato' Sri Haji Abd Rahim Bin Haji Abdul and (ix) Joseph Benjamin Seaton.

As at the Latest Practicable Date, the Offeror and parties acting in concert with it hold 303,484,453 Shares representing 81.24% of the total Shares.

YTL Corp

YTL Corp is a company incorporated in Malaysia on 9 November 1982 and is listed on the Main Market of Bursa Malaysia Securities Berhad and is also listed on the Prime Market Foreign

Stocks Segment of the Tokyo Stock Exchange. YTL Corp is also a component of the FTSE Bursa Malaysia KLCI, MSCI Malaysia Index as well as the FTSE4Good Bursa Malaysia Index. YTL Corp is an integrated infrastructure developer domiciled in Malaysia, with international operations, investments and projects under development in countries including Singapore, the United Kingdom, Australia, France, Indonesia, Japan, Jordan, the Netherlands, Thailand and Vietnam.

The principal activities of YTL Corp are those of an investment holding and management company, whilst the principal activities of its subsidiaries are those of an integrated infrastructure developer comprising power generation (in both contracted and merchant markets), supply of water and the treatment and disposal of wastewater, merchant multi-utility services, communications, construction contracting, property development and investment, manufacturing of industrial products and supplies, hotel development and management (including restaurant operations), and the provision of consultancy, incubating and advisory services for internet businesses and internet-based education solutions and services.

As at the Latest Practicable Date:

- (a) YTL Corp has an issued and paid-up share capital of RM3,499,056,259 comprising 11,075,137,740 ordinary shares, of which 58,675,950 ordinary shares are held as treasury shares carrying an amount of RM54,451,886; and
- (b) the directors of YTL Corp are (i) Tan Sri (Sir) Francis Yeoh Sock Ping, (ii) Dato' Yeoh Seok Kian, (iii) Dato' Yeoh Soo Min, (iv) Dato' Seri Yeoh Seok Hong, (v) Dato' Sri Michael Yeoh Sock Siong, (vi) Dato' Yeoh Soo Keng, (vii) Dato' Mark Yeoh Seok Kah, (viii) Syed Abdullah Bin Syed Abd. Kadir, (ix) Raja Noorma Binti Raja Othman, (x) Choo Yoo Kwan @ Choo Yee Kwan, (xi) Tang Kin Kheong and (xii) Sharifatu Laila Binti Syed Ali.

Further details of the substantial shareholders of YTL Corp and their respective shareholdings in YTL Corp are set out in section 6 of the Letter to Shareholders in the Offer Document, and Shareholders are advised to read the information carefully.

Additional information on the Offeror is set out in Appendix C of the Offer Document.

5. INFORMATION ON THE COMPANY

The detailed information on the Company are set out in section 7 of the Letter to Shareholders in the Offer Document, and Shareholders are advised to read the information carefully. The salient information on the Company is set out below.

The Company is incorporated in Singapore and listed on the Mainboard of the SGX-ST. The principal activities of the Company are the provision of management services and investment holding. The principal activities of its subsidiaries are mainly manufacturing and sale of building materials, oil and petroleum related products and provision of environmental services.

As at the Latest Practicable Date:

- (a) the Company has an issued and paid-up share capital of S\$193,838,796 comprising 373,558,237 Shares and the Company does not hold any treasury shares; and
- (b) the directors of the Company are (i) Anand Kumar, (ii) Ban Song Long, (iii) Fu Kuo Chen David, and (iv) Vigneswaran Sellakannu.

Additional information on the Company is set out in Appendix D of the Offer Document.

6. RATIONALE FOR THE OFFER, AND THE OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

The rationale for the Offer, and the Offeror's future intentions for the Company are set out in sections 8 and 9 of the Letter to Shareholders in the Offer Document, and reproduced in section 4 of the Circular, and Shareholders are advised to read the information carefully.

7. FINANCIAL ASSESSMENT OF THE OFFER

In accessing the financial terms of the Offer, we have taken into account the following factors which we consider to have a significant bearing on our assessment:

- (a) market quotation and trading liquidity of the Shares;
- (b) historical financial performance of the Group;
- (c) historical financial position of the Group, including revalued net asset value ("**RNAV**") of the Group;
- (d) sum-of-the-parts valuation of the Group;
- (e) comparison with recent non-privatisation mandatory general offer transactions for companies listed on the SGX-ST; and
- (f) other relevant considerations.

7.1 Market Quotation and Trading Liquidity of the Shares

7.1.1 Share price performance and trading liquidity of the Shares

Prior to the Pre-Conditional MGO Announcement, the Shares were last traded on 23 July 2024, being the last market day on which the Shares traded immediately prior to the Pre-Conditional MGO Announcement (the "**Last Trading Day**"). However, given that there were no Shares transacted on the Last Trading Day, any reference to the last transacted price on the Last Trading Day will refer to the last transacted price on 22 July 2024.

For the purpose of our analysis of the trading performance of the Shares in respect of the Offer, we have compared the Offer Price against the historical market price performance of the Shares and considered the historical trading volume of the Shares for the 12-month period prior to the Pre-Conditional MGO Announcement Date (i.e. 24 July 2023 to the Last Trading Day), and up to the Latest Practicable Date (the "**Period Under Review**").

7.1.2 Share price chart and trading liquidity during the Period Under Review

We note that the Company had on 25 August 2023, declared an interim dividend of S\$0.40 per Share (the "**FY2023 Interim Dividend**"), which was paid on 29 September 2023.

Taking into consideration the materiality of the FY2023 Interim Dividend declared and paid by the Company relative to the market prices of the Shares during the Period Under Review, we have, where relevant, adjusted the historical daily closing prices of the Shares for the FY2023 Interim Dividend for a more meaningful comparison of the Offer *vis-à-vis* the historical market price performance of the Shares.

A graphical representation of the daily closing prices (on an adjusted basis taking into account the FY2023 Interim Dividend, where relevant) and volume traded of the Shares for the Period Under Review is set out as follows:



Source: Bloomberg L.P.

A summary of the salient announcements and key events relating to the Group's business operations and the Offer during the Period Under Review is set out below:

Date	Event
8 August 2023	The Company announced its half year financial statements for the 6 months ended 30 June 2023, where the Group reported a net profit of S\$7.4 million.
25 August 2023	The Company announced the FY2023 Interim Dividend. The Shares traded ex-dividend on 12 September 2023.
29 December 2023	The Company made a profit guidance announcement that the Group was expected to report a significant loss for FY2023 due to impairment charges on the Group's associated company and its industrial wastewater business.
26 February 2024	The Company announced its full year financial statements for FY2023, where the Group reported a net loss of S\$19.6 million.
4 April 2024	The Company announced its annual report for the financial year ended 31 December 2023 ("FY2023").
19 April 2024	The Company announced the redesignation of Dr Low Chin Nam from Executive Director to President of the Company.
29 April 2024	The Company announced changes to its Board of Directors.
23 July 2024	Release of the Pre-Conditional MGO Announcement, after trading hours.
13 August 2024	The Company announced its half year financial statements for the 6 months ended 30 June 2024, where the Group reported a net profit of S\$3.2 million.
22 August 2024	The Company announced the divestment of PT Eastech Indonesia, a subsidiary of the Company.
23 September 2024	Release of the Offer Announcement.

Date	Event
1 October 2024	Completion of the Acquisition by the Offeror for the Sale Shares.
11 October 2024	Despatch of the offer document in relation to the Offer.

Source: Company's announcements on the SGX-ST

Information on the traded closing prices of the Shares, volume-weighted average prices ("VWAP") and average daily trading volumes ("ADTV") for the reference period(s) (a) prior to and including the Last Trading Day; and (b) from 24 July 2024 (being the Market Day after the Pre-Conditional MGO Announcement Date) up to the Latest Practicable Date are set out as follows:

	Lowest closing price ⁽¹⁾ (S\$)	Highest closing price ⁽¹⁾ (S\$)	VWAP ⁽¹⁾ (S\$)	Premium/ (Discount) of Offer Price over VWAP (%)	ADTV ⁽²⁾ (shares)	ADTV as percentage of free float ⁽³⁾ (%)
Periods prior to and including the Last Trading Day						
Last 12 months ⁽⁴⁾	0.670	0.820	0.729	2.9	32,575	0.05
Last 6 months	0.670	0.755	0.720	4.2	15,723	0.02
Last 3 months	0.670	0.750	0.712	5.3	14,716	0.02
Last 1 month	0.670	0.700	0.681	10.1	13,650	0.02
Last Trading Day ⁽⁵⁾	0.700	0.700	0.697	7.6	21,000	0.03
Period after the Pre-Conditional MGO Announcement Date up to the Latest Practicable Date						
Period between and including 24 July 2024 and up to the Latest Practicable Date	0.720	0.750	0.733 ⁽⁶⁾	2.3	52,666 ⁽⁶⁾	0.08
Latest Practicable Date	0.745	0.745	0.745	0.7	25,900	0.04

Source: Bloomberg L.P.

Notes:

- (1) Based on data extracted from Bloomberg L.P. and with the figures rounded to the nearest three (3) decimal places.
- (2) The ADTV of the Shares is calculated based on the total volume of the Shares traded divided by the number of Market Days during the relevant periods. "Market Day" refers to a day on which the SGX-ST is open for the trading of securities.
- (3) For the purpose of computing the ADTV as a percentage of free float, we have used the free float of approximately 70,079,525 Shares based on the free float of 18.76% as disclosed in the annual report of the Company for FY2023.
- (4) The historical daily closing prices and the VWAPs have been adjusted to exclude the effect(s) of the FY2023 Interim Dividend for the period between 25 August 2023 and 12 September 2023, being the ex-dividend date in respect of the FY2023 Interim Dividend. Figures have been extracted from Bloomberg L.P. and with the figures rounded to the nearest three (3) decimal places.
- (5) Based on last closing price and ADTV on 22 July 2024 as there were no Shares transacted on the Last Trading Day.
- (6) These statistics excludes the completion of the Acquisition of the Sale Shares of 303,484,453 Shares on 1 October 2024.

For the purpose of our analysis and in our evaluation of the Offer Price in this letter (unless otherwise stated), we have made comparisons to the VWAPs (on an adjusted basis) in view of the materiality of the FY2023 Interim Dividend declared and paid by the Company relative to

the market prices of the Shares during the Period Under Review. As such, unless otherwise stated, all references in this letter to the VWAP of the Shares for the 12-month period up to and including the Last Trading Day shall refer to the VWAP that have been adjusted to exclude the effect(s) of the FY2023 Interim Dividend for the period between 25 August 2023 and 12 September 2023, being the ex-dividend date in respect of the FY2023 Interim Dividend.

We note the following:

- (a) Periods prior to and including the Last Trading Day
 - (i) during the 12-month period prior to the Last Trading Day, the closing prices of the Shares ranged between a low of S\$0.670 and a high of S\$0.820. The Offer Price represents a premium of 11.9% over the lowest closing price of the Shares and a discount of 8.5% over the highest closing price of the Shares, during the 12-month period up to and including the Last Trading Day;
 - (ii) the Offer Price represents a premium of 2.9%, 4.2%, 5.3% and 10.1% to the VWAP of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day respectively;
 - (iii) the Offer Price represents a premium of 7.1% over the closing price of the Shares of S\$0.700 on the Last Trading Day; and
 - (iv) in relation to the trading liquidity of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day, ADTV of the Shares were between approximately 0.02% and 0.05% of the free float of the Company.
- (b) Periods after the Pre-Conditional MGO Announcement Date and up to the Latest Practicable Date
 - (i) the Offer Price represents a premium of 2.3% over the VWAP of the Shares for the period from 24 July 2024 and up to the Latest Practicable Date;
 - (ii) the Offer Price represents a premium of 0.7% over the closing price of the Shares as at the Latest Practicable Date; and
 - (iii) the ADTV of the Shares as a percentage of the free float was approximately 0.08% for the period from 24 July 2024 and up to the Latest Practicable Date.

In evaluating the Offer, it is relevant to examine the trading volume of the Shares over a reasonable period, during which the market price of the Shares may reflect public investors' valuation of the Shares, based on publicly available information.

We note the following with regard to the trading liquidity of the Shares:

- (a) the ADTV of the Shares for the 12-month period up to and including the Last Trading Day was approximately 32,575 Shares and represented 0.05% of the Company's free float;
- (b) the ADTV for the 6-, 3- and 1-month periods prior to and including the Last Trading Day were only approximately 15,723 Shares, 14,716 Shares and 13,650 Shares respectively and represented approximately 0.02% of the Company's free float; and
- (c) subsequent to the Pre-Conditional MGO Announcement Date and up to the Latest Practicable Date, the trading liquidity of the Shares rose to an ADTV of approximately 52,666 Shares, representing approximately 0.08% of the Company's free float.

Based on the above, we note that the trading of the Shares is erratic and appears to be relatively illiquid for the aforementioned periods prior to and including the Last Trading Day. It is to note that given the low liquidity of the Shares during the periods observed, the Offer Price may represent a realistic exit opportunity for Shareholders to realise their entire investment for cash. In the absence of the Offer at the Offer Price, such an exit for all Shareholders may not be readily available due to the low trading liquidity for the Shares.

Based on the above observations, it appears likely that the market price and the trading volume of the Shares have been supported by the Offer subsequent to the Pre-Conditional MGO Announcement Date. As such, there is no assurance that the market price and trading volume of the Shares will be maintained at the prevailing level as at the Latest Practicable Date after the close of the Offer. Shareholders should note that the past trading performance of the Shares should not in any way be relied upon as an indication or a guarantee of its future trading performance, which will depend on, amongst other factors, the performance and prospects of the Company, prevailing economic conditions, economic outlook, stock market conditions and sentiment.

7.2 Historical Financial Performance of the Group

The salient historical financial information of the Group for the last 3 financial years ended 31 December 2023, 2022 and 2021 (“FY2023”, “FY2022” and “FY2021” respectively) and the half year financial periods ended 30 June 2024 and 2023 (“1H2024” and “1H2023” respectively) is set out below. The following summary financial information should be read in conjunction with the full text of the annual reports and results announcements of the Group in respect of the relevant financial period including the notes thereto.

Consolidated Income Statement

	----- Audited -----			----- Unaudited -----	
(S\$'000)	FY2021	FY2022	FY2023	1H2023	1H2024
Sales	259,645	369,674	298,083	170,809	123,068
Cost of sales	(222,867)	(309,965)	(244,333)	(140,844)	(98,532)
Gross profit	36,778	59,709	53,750	29,965	24,536
Other income					
- Interest	1,618	2,522	6,923	4,122	1,716
- Others	3,773	2,942	1,795	833	1,008
Other losses, net	(1,105)	(242)	(548)	(551)	(197)
Impairment loss on goodwill	-	-	(654)	-	(4,006)
Impairment loss on property, plant and equipment	-	-	(13,050)	-	-
Impairment loss on investment in an associated company	-	(16,112)	(21,900)	(3,417)	-
Distribution costs	(7,693)	(7,953)	(7,414)	(4,001)	(3,532)
Administrative expenses	(25,159)	(27,664)	(29,937)	(15,071)	(14,646)
Loss allowance on trade receivables, net	356	(4,903)	(1,160)	(12)	177
Finance costs	(1,469)	(1,634)	(2,028)	(1,083)	(851)
Share of results of associated companies, net of tax	(704)	7,249	(1,296)	(544)	570
(Loss)/profit before income tax	6,395	13,914	(15,519)	10,241	4,775
Income tax expense	(2,050)	(4,318)	(4,120)	(2,855)	(1,607)
Total (loss)/profit for the financial year	4,345	9,596	(19,639)	7,386	3,168

(S\$'000)	----- Audited -----			----- Unaudited -----	
	FY2021	FY2022	FY2023	1H2023	1H2024
(Loss)/profit attributable to:					
Equity holders of the Company	4,896	10,697	(18,697)	7,063	2,321
Non-controlling interests	(551)	(1,101)	(942)	323	847
	4,345	9,596	(19,639)	7,386	3,168

Sources: Annual reports for FY2021, FY2022 and FY2023 of the Group, unaudited financial statements for 1H2024 and 1H2023 of the Group

FY2022 vs FY2021

The Group's turnover increased by approximately S\$110.1 million from S\$259.6 million in FY2021 to S\$369.7 million in FY2022 mainly due to revenue growth across all divisions with the Precast & Prefabricated Bathroom Unit ("PBU") division being the main contributor.

Gross profit increased by approximately S\$22.9 million from S\$36.8 million in FY2021 to S\$59.7 million in FY2022 mainly attributed to higher sales and improved gross profit margin from the precast operations in Malaysia and Dubai.

Other income remained stable at approximately S\$5.4 million in FY2021 and S\$5.5 million in FY2022 due to higher interest income of S\$0.9 million recorded by the Group mainly as a result of higher interest rates for its bank deposits, which was offset by a decrease in government grants received by the Singapore entities in FY2022.

Other losses, net decreased by approximately S\$0.9 million from S\$1.1 million in FY2021 to S\$0.2 million in FY2022 mainly due to an increase in currency exchange loss arising from the weakening of Malaysia Ringgit and Euro against the Singapore Dollar. The losses in FY2022 were offset by a gain on disposal of 2 subsidiaries, namely Kemboja Sejahtera Sdn Bhd and Kuari Atrah Sdn Bhd during the period under review.

The Group recognised an impairment loss on investment in an associated company of S\$16.1 million in FY2022 attributable to the impairment of the Group's carrying value of its investment in Salzgitter Maschinenbau AG ("**SMAG**") following the divestment of SMAG's two (2) business units.

Administrative expenses increased by approximately S\$2.5 million from S\$25.2 million in FY2021 to S\$27.7 million in FY2022 mainly due to increase in staff cost and higher IT related expenses in the Precast and Environmental Services division.

The Group recognised loss allowance on trade receivables, net of S\$4.9 million in FY2022 as compared to a write-back of allowance on trade receivables, net of S\$0.4 million in FY2021 mainly due to the operations in Dubai.

The Group recorded share of profits of associated companies, net of tax of S\$7.2 million in FY2022, as compared to share of loss of associated companies, net of tax of S\$0.7 million in FY2021, mainly contributed by share of profits from SMAG as a result of a net gain from disposal of its process engineering and spreader business units totalling S\$7.1 million.

Income tax expense increased by approximately S\$2.2 million from S\$2.1 million in FY2021 to S\$4.3 million in FY2022 mainly due to higher profit earned by the Group as compared to FY2021. The effective tax rate was higher at 33.0% mainly due to non-deductibility of one-off impairment charge of \$16.1 million in FY2022.

Based on the above reasons, the Group reported a profit attributable to equity holders of S\$10.7 million in FY2022 as compared to S\$4.9 million in FY2021.

FY2023 vs FY2022

The Group's turnover decreased by approximately S\$71.6 million from S\$369.7 million in FY2022 to S\$298.1 million in FY2023 mainly due to lower revenue from the Precast & PBU division.

Gross profit decreased by approximately S\$5.9 million from S\$59.7 million in FY2022 to S\$53.8 million in FY2023 mainly attributed to lower sales from the Precast division in Malaysia and PBU division in Finland.

Other income increased by approximately S\$3.2 million from S\$5.5 million in FY2022 to S\$8.7 million in FY2023 due to higher interest income of S\$4.4 million recorded by the Group mainly as a result of higher interest rates for its bank deposits, which was offset by a decrease of S\$1.1 million in others due to insurance claims received in FY2022 for business disruptions during COVID-19.

The Group recognised an impairment loss on property, plant and equipment of S\$13.1 million in FY2023 attributable to the industrial wastewater business in the Environmental Services division.

The Group recognised an impairment loss on investment in an associated company of S\$21.9 million in FY2023 attributable to the full impairment of the Group's carrying value of its investment in SMAG following the divestment of SMAG's remaining 3 business units at a loss.

Loss allowance on trade receivables, net decreased approximately by S\$3.7 million from S\$4.9 million in FY2022 to S\$1.2 million in FY2023 mainly attributable to lower loss allowance on trade receivables from Dubai Precast LLC during the year.

Finance costs increased approximately by S\$0.4 million from S\$1.6 million in FY2022 to S\$2.0 million in FY2023 mainly due to an increase in interest expense on the long-term bank loan in the Environmental Services division.

The Group recorded share of loss of associated companies, net of tax of S\$1.3 million in FY2023 as compared to share of profits of associated companies, net of tax of S\$7.2 million in FY2022 which was mainly due to the absence of the share of profits from SMAG arising from a net gain from the disposal of its process engineering and spreader business units in FY2022.

Based on the above reasons, the Group reported a loss attributable to equity holders of S\$18.7 million in FY2023 as compared to a profit attributable to equity holders of S\$10.7 million in FY2022.

1H2024 vs 1H2023

The Group's turnover decreased by approximately S\$47.7 million from S\$170.8 million in 1H2023 to S\$123.1 million in 1H2024 mainly due to lower revenue from the Precast and PBU division and offset by the Environmental Services division.

Gross profit decreased by S\$5.5 million from S\$30.0 million in 1H2023 to S\$24.5 million in 1H2024 mainly attributed to lower sales in the Precast division in Malaysia and PBU division in Finland, and offset by an improvement in gross profit margin from the Environmental Services division.

Other income decreased from S\$5.0 million in 1H2023 to S\$2.7 million in 1H2024 mainly due to lower average fixed deposit balance in 1H2024 which resulted in lower interest income.

Other losses, net decreased by S\$0.4 million from S\$0.6 million in 1H2023 to S\$0.2 million in 1H2024 due to lower exchange loss from the Precast division in Malaysia.

The Group recognised an impairment loss on goodwill amounting to S\$4.0 million in 1H2024 (1H2023: nil) arising from the PBU division in Finland.

Distribution expenses decreased by S\$0.5 million from S\$4.0 million in 1H2023 to S\$3.5 million in 1H2024 in line with the decrease in revenue from the PBU division in Finland.

The Group recorded share of profits of associated companies, net of tax of S\$0.6 million in 1H2024 as compared to share of losses of associated companies, net of tax of S\$0.5 million in 1H2023 mainly due to the absence of losses from SMAG in 1H2024.

Income tax expense decreased by S\$1.3 million from S\$2.9 million in 1H2023 to S\$1.6 million in 1H2024 mainly due to lower profits reported by the Group.

Based on the above reasons, the Group reported a profit attributable to equity holders of S\$7.1 million in 1H2023 as compared to S\$2.3 million in 1H2024.

Adjusted Net Profit After Tax and Adjusted EBITDA

We note that the Company had recorded one-off impairment losses in FY2023, including (i) an impairment loss on goodwill of S\$0.7 million in relation to the Environmental Services division; (ii) an impairment loss on property, plant and equipment ("**Impairment loss on PPE**") of S\$13.1 million in FY2023 attributable to the industrial wastewater business in the Environmental Services division; and (iii) an impairment loss on investment in an associated company ("**Impairment loss on associates**") of S\$21.9 million in FY2023 attributable to the full impairment of the Group's carrying value of its investment in SMAG following the divestment of SMAG's three (3) business units at a loss.

In this regard, after adjusting for the non-recurring loss above for the respective periods, the retrospective effect on the net profit after tax attributable to equity holders ("**Adjusted NPAT**") and the EBITDA ("**Adjusted EBITDA**") for FY2023, 1H2023, 1H2024 and the trailing 12-month period ended 30 June 2024 ("**T12M**") would have been:

	Audited FY2023	Unaudited 1H2023	Unaudited 1H2024	Unaudited T12M
(S\$'000)				
(Loss)/profit attributable to equity holders of the Company	(18,697)	7,063	2,321	(23,439)
Impairment loss on goodwill	654	-	4,006	4,660
Impairment loss on PPE	13,050	-	-	13,050
Impairment loss on associates	21,900	3,417	-	18,483
Adjusted NPAT	16,907	10,480	6,327	12,754
EBITDA	(3,576)	15,601	11,625	(7,552)
Impairment loss on goodwill	654	-	4,006	4,660
Impairment loss on PPE	13,050	-	-	13,050
Impairment loss on associates	21,900	3,417	-	18,483
Adjusted EBITDA	32,028	19,018	15,631	28,641

	Audited	Unaudited	Unaudited	Unaudited
(S\$'000)	FY2023	1H2023	1H2024	T12M

Consolidated Statement of Cash Flows

	----- Audited -----			----- Unaudited -----	
(S\$'000)	FY2021	FY2022	FY2023	1H2023	1H2024
Net cash provided by operating activities	7,218	38,465	38,517	12,408	9,034
Net cash provided by / (used in) investing activities	(6,362)	(15,045)	994	2,916	(144)
Net cash (used in) financing activities	(25,673)	(36,686)	(182,737)	(27,041)	(11,874)
Net decrease in cash and cash equivalents	(24,817)	(13,266)	(143,226)	(11,717)	(2,984)
Effects of exchange rate changes on cash and cash equivalents	(875)	(1,243)	(2,157)	(1,996)	315
Cash and cash equivalents at end of the financial year	257,111	242,602	97,219	228,889	94,550

Sources: Annual reports for FY2021, FY2022 and FY2023 of the Group, unaudited financial statements for 1H2024 and 1H2023 of the Group

The Group generated positive net cash provided by operating activities amounting to S\$7.2 million, S\$38.5 million, S\$38.5 million, S\$12.4 million and S\$9.0 million for FY2021, FY2022, FY2023, 1H2023 and 1H2024 respectively.

FY2023

Net cash provided by operating activities in FY2023 was S\$38.5 million, due to positive cash flows before working capital changes of S\$34.2 million, net working capital inflow of S\$9.9 million, income tax paid of S\$5.4 million and retirement benefits paid of S\$0.1 million. The net working capital inflow was mainly due to (i) a decrease in inventories of S\$17.9 million and (ii) a decrease in receivables and prepayments of S\$14.7 million, which was partially offset by a decrease in trade and other payables of S\$22.9 million.

Net cash provided by investing activities in FY2023 was S\$1.0 million, mainly due to (i) interest received of S\$7.8 million, (ii) proceeds from maturity of investments at amortised cost of S\$2.0 million, (iii) proceeds from disposal of property, plant and equipment of S\$0.4 million and (iv) dividend from an associated company of S\$0.3 million. This was offset by (i) additions of property, plant and equipment amounting to S\$5.8 million, (ii) advances to a joint venture of S\$2.6 million and (iii) additions of intangible assets of S\$1.1 million.

Net cash used in financing activities in FY2023 was S\$182.7 million, mainly due to (i) dividends paid to shareholders of S\$168.1 million, (ii) repayment of borrowings of S\$13.9 million, (iii) principal payment of lease liability of S\$2.8 million and (iv) interest paid of S\$2.0 million, which was partially offset by proceeds from borrowings of S\$4.1 million.

As at 31 December 2023, the Group's financial position remained healthy with S\$97.2 million of cash and cash equivalents.

1H2024

Net cash provided by operating activities in 1H2024 was S\$9.0 million, due to positive cash flows before working capital changes of S\$16.0 million, net working capital outflow of S\$5.9

million, income tax paid of S\$0.9 million and retirement benefits paid of S\$0.2 million. The net working capital outflow was mainly due to (i) an increase in inventories of S\$5.4 million and (ii) an increase in receivables and prepayments of S\$5.1 million, which was partially offset by an increase in trade and other payables of S\$4.6 million.

Net cash used in investing activities in 1H2024 was S\$0.1 million, mainly due to (i) additions of property, plant and equipment of S\$2.1 million and (ii) additions of intangible assets of S\$0.5 million. This was offset by (i) interest received of S\$1.7 million, (ii) proceeds from maturity of investments at amortised cost of S\$0.5 million and (iii) proceeds from disposal of property, plant and equipment of S\$0.2 million.

Net cash used in financing activities in 1H2024 was S\$11.9 million, mainly due to (i) repayment of borrowings of S\$7.6 million, (ii) dividends paid to shareholders of S\$7.5 million, (iii) repayment to financial institutions under a supplier finance arrangement of S\$1.5 million, (iv) principal payment of lease liabilities of S\$1.1 million and (v) interest paid of S\$0.9 million, which was partially offset by proceeds received from financial institutions under a supplier finance arrangement of S\$6.7 million.

As at 30 June 2024, the Group's financial position remained healthy with S\$94.6 million of cash and cash equivalents.

7.3 Historical Financial Position of the Group

7.3.1 Balance Sheet of the Group

	Audited As at 31 December 2023	Unaudited As at 30 June 2024
(S\$'000)		
Current assets		
Cash and bank balances	122,719	120,050
Receivables, prepayments and other current assets	83,120	85,186
Inventories	34,862	40,311
Tax recoverable	804	169
Other investments at amortised costs	503	-
Total current assets	242,008	245,716
Non-current assets		
Property, plant and equipment	87,096	82,957
Right-of-use assets	29,219	27,857
Investments in associated companies	10,357	11,032
Intangible assets	9,329	5,534
Deferred tax assets	2,369	2,367
Other investments at amortised costs	1,744	1,744
Financial assets, at FVOCI	909	502
Other non-current assets	219	74
Long term receivables and prepayments	454	3,329
Investment in a joint venture	2	2
Total non-current assets	141,698	135,398
Total assets	383,706	381,114

(S\$'000)	Audited As at 31 December 2023	Unaudited As at 30 June 2024
Current liabilities		
Trade, other payables and other current liabilities	69,803	74,497
Borrowings	4,188	8,937
Current income tax liabilities	2,972	3,041
Lease liabilities	2,426	1,677
Deferred income	26	30
Total current liabilities	79,415	88,182
Non-current liabilities		
Borrowings	14,746	7,531
Lease liabilities	12,004	11,651
Provision for retirement benefits	3,928	4,230
Other non-current liabilities	3,103	3,104
Deferred tax liabilities	2,123	2,078
Deferred income	412	433
Total non-current liabilities	36,316	29,027
Total liabilities	115,731	117,209
Net assets	267,975	263,905
Equity		
Share capital	193,839	193,839
Reserves	80,418	75,628
Shareholders' equity	274,257	269,467
Non-controlling interest	(6,282)	(5,562)
Total equity	267,975	263,905
Net asset value ("NAV") attributable to owners of the Group	274,257	269,467
Less: Intangible assets	9,329	5,534
Net tangible asset ("NTA") of the Group	264,928	263,933
Number of issued shares (excluding treasury shares) ('000)	373,558	373,558
NAV per Share (S\$ cents)	0.73	0.72
NTA per Share (S\$ cents)	0.71	0.71

Sources: Annual report for FY2023 of the Group and unaudited financial statement for 1H2024 of the Group

Assets

As at 30 June 2024, the Group has total assets of S\$381.1 million comprising current assets of S\$245.7 million (64.5% of total assets) and non-current assets of S\$135.4 million (35.5% of total assets).

The main current assets of the Group are (i) cash and bank balances amounting to S\$120.1 million (48.9% of current assets); (ii) receivables, prepayments and other current assets amounting to S\$85.2 million (34.7% of current assets); and (iii) inventories of S\$40.3 million (16.4% of current assets) as at 30 June 2024.

The main non-current assets of the Group are (i) property, plant and equipment of S\$83.0 million (61.3% of non-current assets), (ii) right-of-use assets amounting to S\$27.9 million (20.6% of non-current assets); (iii) investments in associated companies amounting to S\$11.0 million (8.2% of non-current assets); (iv) intangible assets of S\$5.5 million (4.1% of non-current assets), and (v) long-term receivables amounting to S\$3.3 million (2.5% of non-current assets) as at 30 June 2024.

Liabilities and equity

As at 30 June 2024, the Group has total liabilities of S\$117.2 million, mainly comprising (i) trade, other payables and other current liabilities amounting to S\$74.5 million (63.6% of total liabilities); (ii) borrowings of S\$16.5 million (14.1% of total liabilities); (iii) lease liabilities amounting to S\$13.3 million (11.4% of total liabilities) and (iv) provision for retirement benefits amounting to S\$4.2 million (3.6% of total liabilities) as at 30 June 2024.

Total equity of the Group was S\$263.9 million as at 30 June 2024.

There is no change in the number of Shares since 30 June 2024 and up to the Latest Practicable Date.

7.3.2 Book NAV/NTA of the Group

The NAV of a group refers to the aggregate value of all the assets in their existing condition, net of any non-controlling interests and all the liabilities of the group. The NAV approach may provide an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the proceeds of which would be first used to settle the liabilities of the group with the balance available for distribution to its shareholders. Therefore, the net assets of a group are perceived as providing support for the value of the shareholders' equity.

Notwithstanding the foregoing, Shareholders should note that an analysis based on the NAV of the Group provides an estimate of the value of the Group based on a hypothetical scenario, and such hypothetical scenario is assumed without considering factors such as, *inter alia*, time value of money, market conditions, legal and professional fees, liquidation costs, taxes, contractual obligations, regulatory requirements and availability of potential buyers, which would theoretically affect the NAV that can be realised. While the asset base of the Group can be a basis for valuation, such a valuation does not necessarily imply a realisable market value as the market value of the assets and liabilities may vary depending on prevailing market and economic conditions. Furthermore, the NAV approach is more relevant in circumstances where the business is to cease operations or where the profitability of the business being valued is not sufficient to sustain an earnings-based valuation.

Book NAV of the Group

Based on the Company's latest unaudited financial statement as at 30 June 2024 and 373,558,237 Shares in issue as at 30 June 2024, the NAV of the Group amounted to S\$269.5 million or S\$0.72 per Share. We note that the Offer Price represents a premium of approximately 4.0% against the NAV per Share of S\$0.72 as at 30 June 2024. Accordingly, the Price-to-NAV ("**P/NAV**") of the Group implied by the Offer Price would be approximately 1.04 times as at 30 June 2024.

Book NTA of the Group

Excluding intangible assets comprising mainly of goodwill on consolidation, computer software licenses and development of software totalling approximately S\$5.5 million as at 30 June 2024, the NTA of the Group amounted to S\$263.9 million or S\$0.71 per Share. We note that the Offer Price represents a premium of approximately 6.2% against the NTA per Share of S\$0.71 as at 30 June 2024. Accordingly, the Price-to-NTA ("**P/NTA**") of the Group implied by the Offer Price would be approximately 1.06 times as at 30 June 2024.

Based on the Group's latest unaudited financial statement as at 30 June 2024, there are no material differences between the computed P/NAV and P/NTA ratios of the Group implied by the Offer Price. Therefore, for the purposes of our analysis in this letter, we will focus on the P/NAV of the Group implied by the Offer Price where it relates to any asset-based valuation methodology and/or analysis, unless otherwise stated.

7.3.3 Ex-cash NAV of the Group

	As at 30 June 2024
Net cash per Share	S\$0.24
Ex-cash Offer Price	S\$0.51
Ex-cash NAV per Share	S\$0.48
Ex-cash P/NAV (times)	1.06

The Group recorded cash and bank balances of S\$120.1 million as at 30 June 2024. After deducting current and non-current borrowings and lease liabilities, the Group has net cash of S\$90.2 million (or net cash of S\$0.24 per Share) accounting for 33.5% of the NAV of the Group as at 30 June 2024. As the net cash represents a significant percentage of the NAV of the Group, we also have considered the Group's ex-cash NAV against the Offer Price. The ex-cash NAV of the Group as at 30 June 2024 was approximately S\$179.2 million or S\$0.48 per Share (the "**Ex-Cash NAV per Share**") after adjusting the net cash of S\$90.2 million from the NAV. Accordingly, the Offer Price as adjusted for net cash per Share of S\$0.24 is S\$0.51 (the "**Ex-Cash Offer Price**") and represents a premium of 6.0% to the Ex-Cash NAV per Share of S\$0.48. The P/NAV (ex-cash) of the Group implied by the Offer Price would be approximately 1.06 times as at 30 June 2024.

7.3.4 RNAV of the Group

In our evaluation of the Offer, we have also considered whether there are any assets which should have been valued at an amount that would have materially differed from that which are recorded in the balance sheet of the Group as at 30 June 2024, and whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that are likely to impact the NAV of the Group as at 30 June 2024.

We note that the aggregate book value of the property, plant and equipment of the Group as at 30 June 2024 (comprising (i) freehold land; (ii) buildings; (iii) leasehold improvements; (iv) plant and machinery; (v) vessels; (vi) other assets; and (vii) construction-in-progress) amounted to S\$83.0 million, representing 21.8% of the Group's total assets. Of which, freehold land and buildings amounted to approximately S\$50.1 million as at 30 June 2024, representing approximately 13.1% of the Group's total assets. Right-of-use assets amounted to S\$27.9 million, representing 7.3% of the Group's total assets, of which leasehold land and buildings amounted to approximately S\$27.2 million as at 30 June 2024, representing approximately 7.1% of the Group's total assets.

For the purposes of the Offer, the Company had commissioned the Independent Valuers to conduct independent valuations of selected properties (the “**Appraised Properties**”) as set out in the table below:

Description of Property	Independent Valuer	Market Value as at 30 August 2024 (S\$' millions) ⁽¹⁾	Valuation Approaches
No. 2, Jalan Perusahaan 5, Kawasan Perusahaan Beranang, 43700 Beranang, Selangor Darul Ehsan ⁽²⁾	Henry Butcher Malaysia (Sel) Sdn. Bhd.	13.2 ⁽³⁾	Cost and Comparable Sales Approach
No. 8, Jalan Perusahaan 5, Kawasan Perusahaan Beranang, 43700 Beranang, Selangor Darul Ehsan ⁽²⁾	Henry Butcher Malaysia (Sel) Sdn. Bhd.	4.6 ⁽³⁾	Cost and Comparable Sales Approach
No. 18, Jalan Perusahaan 1, Kawasan Perusahaan Beranang, 43700 Beranang, Selangor Darul Ehsan ⁽²⁾	Henry Butcher Malaysia (Sel) Sdn. Bhd.	4.0 ⁽³⁾	Cost and Comparable Sales Approach
Lot 1-01, Jalan Perusahaan Lima, Kawasan Perindustrian Mahkota, 43700 Beranang, Selangor Darul Ehsan ⁽²⁾	Henry Butcher Malaysia (Sel) Sdn. Bhd.	7.3 ⁽³⁾	Cost and Comparable Sales Approach
No. PTD 103274, Jalan Seelong, 81400 Senai, Johor ⁽⁴⁾	Henry Butcher Malaysia (Johor) Sdn. Bhd.	18.9 ⁽³⁾	Cost and Comparable Sales Approach
7 Tuas Avenue 10, Singapore 639131 ⁽⁵⁾	RHT Valuation Pte. Ltd.	36.0	Comparable Sales Analysis
10 Tuas West Drive, Raffles Marina, Singapore 638404 (“ Raffles Marina ”) ⁽⁶⁾	SRE Global Pte. Ltd.	20.7	Discounted Cashflow Analysis
Murrontie 8, Forssa, Finland, FI-30420 ⁽⁷⁾	Retta Management	5.7 ⁽⁸⁾	Market and income approach

Notes:

- (1) The market values presented are based on 100.0% interest in the Appraised Properties.
- (2) The aggregate carrying value of the Selangor properties recorded in the unaudited balance sheet of the Group as at 30 June 2024 was approximately S\$7.7 million. The Group owns an effective interest of 100.0% in the Selangor properties.
- (3) Based on the exchange rate extracted from S&P Capital IQ Pro of S\$1: RM3.293 as at the Latest Practicable Date.
- (4) The carrying value of the property recorded in the unaudited balance sheet of the Group as at 30 June 2024 was approximately S\$7.6 million. The Group owns an effective interest of 100.0% in the property.
- (5) The carrying value of the property recorded in the unaudited balance sheet of the Group as at 30 June 2024 was approximately S\$31.9 million. The Group owns an effective interest of 87.7% in the property. In arriving at the market value of the property, the valuer had accounted for the plant and machineries of the property.
- (6) The carrying value of the property recorded in the unaudited balance sheet of the Group as at 30 June 2024 was approximately S\$18.4 million. The Group owns an effective interest of 72.1% in the property.
- (7) The carrying value of the property recorded in the unaudited balance sheet of the Group as at 30 June 2024 was approximately S\$7.8 million. The Group owns an effective interest of 100.0% in the property.
- (8) Based on the exchange rate extracted from S&P Capital IQ Pro of S\$1: €1.427 as at the Latest Practicable Date.

The Independent Valuers had conducted its independent valuation of the Appraised Properties on the basis of “Market Value” which is defined as “*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 and where the parties had each acted knowledgeably, prudently and without compulsion*”.

The bases for the independent valuation of the Appraised Properties, as set out in Appendix G of the Circular, involve certain assumptions, limitations and disclaimers. Shareholders are advised to read the above in conjunction with the Valuation Reports in its entirety.

Under Rule 26.3 of the Code, the Company is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the Appraised Properties, which are the subject of a valuation given in connection with an offer, were to be sold at the amount of valuation. The Management has confirmed that the Appraised Properties (i) are held for long-term purposes and internal use; and (ii) there are no known immediate plans to dispose of its interest in the Appraised Properties. Accordingly, any potential tax liabilities are not likely to crystallise.

The Management has also confirmed that in a hypothetical scenario where: (a) the Appraised Properties in Singapore are sold at the market values, there should not be any tax liabilities arising from the disposal of the Appraised Properties in Singapore as any gains on disposal should not be subject to tax; (b) the Appraised Properties in Malaysia are sold at the market values, the estimated potential tax liability that may be incurred by the Group is approximately RM6.1 million; and (c) the Appraised Property in Finland is sold at the market value, there is no tax liability as the market value of the Appraised Property in Finland is lower than the carrying value recorded as at 30 June 2024.

Apart from the Appraised Properties, the Group also owns other leasehold land and buildings amounting to an aggregate of approximately S\$10.0 million or 2.6% of the Group’s total assets as at 30 June 2024. Such other properties have not been revalued for the purposes of determining the RNAV of the Group as (i) such properties are not material relative to the Group’s total assets (being individually and collectively less than 3.0% of the Group’s total assets as at 30 June 2024), (ii) the Management’s confirmation that there are no material differences between the book values as at 30 June 2024 and the market values of these properties as at the Latest Practicable Date, and (iii) that such properties are primarily used to support the Group’s existing business operation.

Other Investments and Financial Assets, at FVOCI

Other investments and financial assets, at FVOCI of the Group as at 30 June 2024 amounted to an aggregate of S\$2.2 million, representing 0.6% of the Group’s total assets. Other investments and financial assets, at FVOCI comprised of both listed and unlisted shares and bonds. Based on the closing prices of the listed bonds and shares as at the Latest Practicable Date and the carrying amount of the listed bonds and shares as at 30 June 2024, there are no material differences between the carrying values and market values of the listed bonds and shares under other investments and financial assets, at FVOCI, and accordingly, no adjustment has been made to NAV of the Group in this aspect.

Investments in associated companies

We have also discussed with the Company on the Group’s investments in its associated companies amounting to S\$11.0 million representing 2.9% of the Group’s total assets. The Management has confirmed that there are no material differences between the carrying values and market values of these investments in associated companies, and accordingly, no adjustment has been made to NAV of the Group in this aspect.

Based on the above, we have made the following adjustment to the NAV of the Group to arrive at the RNAV of the Group as at 30 June 2024:

(S\$'000)	As at 30 June 2024
Unaudited NAV of the Group	269,467
Add: Revaluation surplus arising from Appraised Properties (net of potential tax liabilities) ⁽¹⁾⁽²⁾	33,972
RNAV of the Group	303,439
RNAV per Share (S\$ cent)	0.81

Notes:

- (1) Includes potential tax liabilities assuming the hypothetical disposal of the Appraised Properties in Malaysia.
- (2) Based on the Group's effective shareholding interest in the relevant entities.

Based on the above, we note that the Offer Price represents a discount of approximately 7.67% against the RNAV per share of S\$0.81 as at 30 June 2024. Accordingly, the Price-to-RNAV ("P/RNAV") of the Group implied by the Offer Price would be approximately 0.92 times as at 30 June 2024.

Shareholders should note that the RNAV of the Group above is not necessarily a realisable value given that the RNAV valuation approach is based largely upon the surplus revaluation estimates which were obtained by application of "as is" valuation estimates. This approach implicitly assumes that the Appraised Properties may be disposed of by the Group at a price determined by the independent valuations, on a willing buyer and a willing seller basis in an arms-length transaction with a third party. It should be noted that such valuation or market value of the Appraised Properties may vary depending on, *inter alia*, the prevailing market and economic conditions, and does not consider the associated time, effort, marketability, buyer demand and uncertainty relating to such property sale.

Events after 30 June 2024 and up to the Latest Practicable Date

On 22 August 2024, the Company announced that its subsidiaries, NSL Chemicals Ltd. and Eastech Steel Mill Services Pte. Ltd. completed the divestment of PT Eastech Indonesia for a cash consideration of US\$314,700. The divestment resulted in PT Eastech Indonesia ceasing to be a subsidiary of the Company. In addition, on 2 October 2024, the Company announced the voluntary deregistration of its indirect wholly-owned subsidiary, Parmarine Pty Ltd pursuant to Section 601AA of the Corporations Act 2001 of Australia.

We have considered, but have not taken into account the above-mentioned events into our assessment as the Management is of the view that the above-mentioned events are not expected to have a material effect on NAV or the earnings of the Group for the current financial year ended 31 December 2024 ("FY2024").

Save as disclosed in this letter, the Independent Directors and Management have confirmed that as at the Latest Practicable Date and to the best of their knowledge and belief:

- (a) they are not aware of any material difference between the estimated market value of the assets held by the Group (including its investments in associated companies and joint venture, financial assets held at FVOCI and other investments at amortised costs) *vis-à-vis* their respective book values recorded in the unaudited statements of financial position of the Group as at 30 June 2024;

- (b) they are not aware of any circumstances which may cause the NAV and NTA of the Group as at the Latest Practicable Date to be materially different from that recorded in the unaudited statements of financial position of the Group as at 30 June 2024;
- (c) there have been no material disposals or acquisitions of assets by the Group between 30 June 2024 and the Latest Practicable Date, and as at the Latest Practicable Date, the Group does not have any plans for such impending material disposal or acquisition of assets, conversion of the use of the Group's material assets or material change in the nature of the Group's business;
- (d) there are no contingent liabilities, bad or doubtful debts or impairment losses or material events at as the Latest Practicable Date which are likely to have a material impact on the NAV and NTA of the Group as at 30 June 2024;
- (e) there are no litigation, claim or proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings as at the Latest Practicable Date which would have a material impact on the financial position of the Group as at 30 June 2024; and
- (f) there are no intangible assets as at the Latest Practicable Date which ought to be disclosed in the statement of financial position of the Group in accordance with the Singapore Financial Reporting Standards (International) and which have not been disclosed that would have a material impact on the NAV and NTA of the Group as at 30 June 2024.

We also note that as disclosed in paragraph 9 of the Offer Document, the Offeror presently has no intention to (a) introduce any major changes to the businesses of the Company; (b) redeploy fixed assets of the Company; or (c) discontinue the employment of the employees of the Company, other than in the ordinary course of business. However, the Offeror retains the flexibility at any time to consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the best interests of the Offeror. Following the close of the Offer, the Offeror will undertake a review of the businesses of the Company and the review will help the Offeror to determine the optimal business strategy for the Company.

7.4 Sum-of-the-parts valuation of the Group

The Group has four distinct business segments comprising (a) Precast and PBU; (b) Environmental Services; (c) Chemicals; and (d) Investment holding and Others.

As the businesses of the Group are diverse and distinct, we consider it appropriate to value each of the business segments separately to arrive at an aggregate valuation of the Group based on a sum-of-the-parts valuation. We have arrived at a range of valuation for the Group rather than a single estimated value as this will provide a more objective measure of the value of the Shares taking into account, *inter alia*, factors which may impact the intrinsic or net realisable values of the businesses and investments held by the Group, which is sensitive to general market and economic conditions.

Our valuation methodologies for each of the Group's businesses are further set out in paragraphs 7.4.1 to 7.4.4 of this letter. The following table sets out a summary of the estimated sum-of-the-parts valuation of the Group:

Summary of sum-of-the-parts valuation	Lower valuation (S\$' million)	Higher valuation (S\$' million)	Valuation methodology
Precast and PBU	138.2	161.5	Relative valuation based on comparable companies (refer to paragraph 7.4.1 of this letter)
Environmental Services	71.9	92.8	Relative valuation based on comparable companies (refer to paragraph 7.4.2 of this letter)
Chemical	16.4	17.9	Relative valuation based on comparable companies (refer to paragraph 7.4.3 of this letter)
Investment holding and Others	102.3	102.3	Revalued NAV (refer to paragraph 7.4.4 of this letter)
Sum-of-the-parts valuation of the Group	328.9	374.4	
Sum-of-the-parts valuation of each Share (S\$)⁽¹⁾	0.88	1.00	

Note:

(1) Based on 373,558,237 Shares as at the Latest Practicable Date.

We note that the Offer Price falls below the range of the estimated sum-of-the-parts valuation of each Share.

Shareholders should note that a discount may be applied to the sum-of-the-parts valuation of a conglomerate such as the Group for various reasons. In an efficient capital market, investors can generally achieve a more effective diversification by purchasing a portfolio of stocks of focused firms as compared to purchasing stocks of a conglomerate. A valuation discount may also be applied as conglomerates are generally believed to employ capital less efficiently. In arriving at the sum-of-the-parts valuation of the Group above, we have not applied any conglomerate discount as the quantification of such discount is highly subjective. The conglomerate discount is dependent on, *inter alia*, the size of the conglomerate, the extent of business diversification or synergies (if any) within the conglomerate and the requirement for additional management as compared to standalone businesses.

Similarly, we have not taken into account any control premium that may arise from a controlling stake in the businesses of the Group as a result of majority ownership as the quantification of such premium is highly subjective.

The above sum-of-the-parts valuation range considers the NAV (or RNAV) of the respective business segments. Shareholders should note that the NAV-related analysis assumes the hypothetical sale of all the assets and businesses of the respective business segments as at 30 June 2024. The analysis thus assumes, *inter alia*, the existence of ready and committed buyer(s) for each asset at the carrying value as at 30 June 2024 (or the fully revalued basis of the assets held under the respective business segments), and that the sale can be conducted efficiently without any timing constraint and without regard to other relevant market factors that may affect the sale process. Shareholders should also evaluate the analysis above in conjunction with the contents in paragraph 7.3.4 of this letter for further details on the basis and assumptions set out in the RNAV analysis.

For the relative statistics valuation based on comparable companies in relation to the respective business segments, we have, in consultation with the Management, referred to selected listed companies whose businesses are broadly comparable with the respective business segments of the Group (the “**Comparable Companies**”) to give an indication of the current market expectations with regard to the perceived valuation of these business segments of the Group. Relevant information have been extracted from S&P Capital IQ, publicly available information including annual reports and/or announcements of the Comparable Companies as at the Latest Practicable Date. Shareholders should note that the Comparable Companies’ accounting policies with respect to the values for which the assets or the revenue and cost are recorded may differ from that of the business segments of the Group. We have not independently verified (nor have we assumed responsibility or liability for independently verifying) or ascertained and make no representation or warranties, expressed or implied, on the accuracy or completeness of such information. We wish to highlight that the Comparable Companies are not exhaustive and they differ from the respective business segments of the Group in terms of, *inter alia*, business activities, market capitalisation, scale of operations, risk profile, geographical spread, operating and financial leverage, accounting policies, adherence to accounting standards, tax factors, track record and future prospects. In addition, each of the Comparable Companies may engage in other separate business activities which are not related to the respective business segments of the Group referred to in the comparison. As such, any comparison made in relation to the Comparable Companies is strictly limited in scope and merely serves as an illustrative guide to Shareholders.

In addition, as part of the sum-of-the-parts valuation, we have relied on the closing share prices of the Comparable Companies as at the Latest Practicable Date. We wish to highlight that historical price performance is not indicative of the future price performance levels. Shareholders should note that share prices are and will continue to be affected to a varying extent by changes in, *inter alia*, market, economic, political, industry, monetary and other general macroeconomic conditions as well as company-specific factors. Accordingly, the historical share prices of the relevant companies should not be relied upon as a promise of the companies’ future trading performance or future value.

For the purpose of conducting the sum-of-the-parts valuation, we have relied upon and assumed the accuracy and completeness of all information that was furnished to or discussed with us by the Company or otherwise reviewed by or for us, and we have not independently verified (nor have we assumed any responsibility or liability for independently verifying such information) any such information or its accuracy or completeness. In relying on the financial analyses and estimates provided to us by the Management, we have assumed, *inter alia*, that they have been reasonably prepared based on assumptions reflecting the best currently available estimates and judgement by Management as to the financial condition of the Group to which such analyses or estimates relate. We express no view as to such analyses or estimates or the assumptions on which they were based.

While the sum-of-the-parts valuation is useful as a cross-check and provides an additional dimension to our evaluation of the financial terms of the Offer, Shareholders should note that it would not be appropriate to solely rely on the sum-of-the-parts valuation in assessing the Offer Price in view of its various drawbacks and limitations. Accordingly, the sum-of-the-parts valuation should, therefore, be considered in conjunction with the analyses in the other paragraphs of this letter.

In evaluating the Comparable Companies, we have used the following valuation parameters in our analysis:

Valuation parameter	Description
Price-earnings ratio ("PER")	The historical PER, which illustrates the ratio of the market price of a company's shares relative to its historical consolidated earnings per share, is commonly used for the purpose of illustrating the profitability, and hence valuation, of a company. We have considered the historical PERs of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date and T12M net earnings per share (as adjusted for any corporate activities which were undertaken after the T12M financial period that may affect the PER, where relevant).
Price-to-NAV ratio	An NAV-based approach is useful to illustrate the extent that the value of each share is backed by assets, and would be more relevant in the case where the group were to change the nature of its business or realise or convert the use of all or most of its assets. The NAV-based valuation approach may provide an estimate of the value of a company or group assuming the hypothetical sale of all its assets over a reasonable period of time at the aggregate value of the assets used in the computation of the NAV, with the balance to be distributed to its shareholders after the settlement of all the liabilities and obligations of the company or group. We have considered the historical price-to-NAV ratios of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date and latest available NAV per share (as adjusted for any corporate activities which were undertaken after the latest available balance sheet that may affect the NAV per share, where relevant).
Enterprise value to EBITDA ("EV/EBITDA") ratio	The historical EV/EBITDA ratio illustrates the ratio of the market value of a company's business relative to its historical consolidated pre-tax operating cashflow performance, without regard to its capital structure, and provides an indication of current market valuation relative to operating performance. "EV" is the sum of a company's market capitalisation, preferred equity, minority interests, short- and long-term debts less cash and cash equivalents, and represents the actual cost to acquire the entire company. "EBITDA" refers to consolidated earnings before interest, tax, depreciation and amortisation expenses. EBITDA can be used to analyse the profitability between companies as it eliminates the effects of financing and accounting decisions. We have considered the historical EV/EBITDA ratios of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date, latest available balance-sheet values and T12M EBITDA. For business segments of the Group for which we have estimated the enterprise value, we have made relevant adjustments to the preferred equity, minority interests and net debt to arrive at an estimate of the equity value. The respective business segments' debt were carried at their book value as at 30 June 2024 and we have not attempted to revalue it.

7.4.1 Precast and PBU

The Precast and PBU segment is in the business of manufacturing and sale of building materials such as precast concrete components in Singapore, Malaysia and Europe. In the trailing 12-month period ended 30 June 2024, the Precast and PBU segment recorded Adjusted EBITDA and Adjusted NPAT of approximately S\$11.4 million and S\$4.0 million respectively.

In our assessment of the valuation of the Precast and PBU segment, we have referred to selected comparable companies which are listed on the SGX-ST and Bursa Malaysia Securities, whose businesses are broadly comparable with the Precast and PBU segment of the Group (“**Comparable Precast and PBU Companies**”).

Details of the Comparable Precast and PBU Companies, including their business descriptions and selected key financials are set out in Annex A to this letter.

The following table sets out the comparative valuation statistics of the Comparable Precast and PBU Companies:

Company⁽¹⁾	Market capitalisation as at the Latest Practicable Date (S\$ million)	PER (times)	EV/EBITDA (times)	Price-to-NAV ratio (times)
OKA Corporation Bhd	51.04	17.41	9.92	0.88
Sarawak Consolidated Industries Berhad	48.00	37.06	10.82	1.05
UCI Resources Berhad	27.33	154.36 ⁽²⁾	33.95 ⁽²⁾	3.72 ⁽²⁾
Hor Kew Corporation Limited	23.43	2.64	2.76	0.31

High	154.36	33.95	3.72
Mean	19.04	7.83	0.75
Median	17.41	9.92	0.88
Low	2.64	2.76	0.31

Implied valuation of the Precast and PBU segment based on mean valuation ratio (S\$' million)⁽³⁾	75.63	138.21⁽⁴⁾	107.89
Implied valuation of the Precast and PBU segment based on median valuation ratio (S\$' million)⁽³⁾	69.15	161.45⁽⁴⁾	126.59

Sources: S&P Capital IQ, annual reports and/or announcements of the respective Comparable Precast and PBU and SAC Capital's computations

Notes:

- (1) Shareholders should note that the Comparable Precast and PBU Companies are predominantly focused on the Precast businesses due to the lack of availability of comparable companies in the PBU businesses. Notwithstanding this, as provided by Management, we note that the Precast sub-segment contributed approximately 76.0% of the revenue in the Precast and PBU Segment for 1H2024.
- (2) Being a statistical outlier, UCI Resources Berhad has been excluded from the computation of mean and median of PER, EV/EBITDA and Price-to-NAV ratios.
- (3) Adjusted NPAT, Adjusted EBITDA and NAV attributable to the Precast and PBU segment for the trailing 12-month period ended 30 June 2024, as provided by Management, amounted to approximately S\$4.0 million, S\$11.4 million and S\$143.9 million respectively.
- (4) As provided by Management, under the Precast and PBU segment, the Group holds a 45% shareholding interest in Dubai Precast LLC and has a shareholder's loan of approximately AED132.0 million (equivalent to approximately S\$47.0 million based on an exchange rate extracted from S&P Capital IQ Pro of S\$1: AED2.807 as at the Latest Practicable Date) provided to Dubai Precast LLC as at 30 June 2024. In arriving at the implied valuation of the Precast and PBU segment via the EV/EBITDA approach, the value of the 55% minority interest in Dubai Precast LLC has been separately computed, after adjusting for the shareholder's loan from the Group, based on the discussions with and information provided by Management.

Given that the Precast and PBU segment is profitable, the earnings approach is more relevant than the asset-based approach in providing an estimate of the value of the Precast and PBU segment. In addition, when comparing companies operating in different jurisdictions, we believe that the EV/EBITDA ratio to be a more appropriate ratio to use as it avoids the distortionary effects of different depreciation and interest rates and different taxation regimes which are inherent when using PER ratio. As such, in deriving the implied valuation of the Precast and PBU segment, we have relied on the implied valuations based on the mean and median EV/EBITDA ratios only.

Based on the appropriate mean and median EV/EBITDA ratios of Comparable Precast and PBU Companies, we have determined that a reasonable implied valuation range of the Precast and PBU segment to be between approximately S\$138.2 million to S\$161.5 million.

7.4.2 Environmental Services

The Environmental Services segment is in the business of treatment of industrial wastewater and oily slop and recovery of waste oil and oily slop, as well as the sale of oil and petroleum mainly in Singapore. In the trailing 12-month period ended 30 June 2024, the Environmental Services segment recorded Adjusted EBITDA and Adjusted NPAT of approximately S\$19.2 million and S\$9.7 million respectively.

In our assessment of the valuation of the Environmental Services segment, we have referred to selected comparable companies which are listed on the SGX-ST and Bursa Malaysia whose businesses are broadly comparable with the Environmental Services segment of the Group (“**Comparable Environmental Services Companies**”).

Details of the Comparable Environmental Services Companies, including their business descriptions and selected key financials are set out in Annex B to this letter.

The following table sets out the comparative valuation statistics of the Environmental Services Companies:

Company	Market capitalisation as at the Latest Practicable Date (S\$ million)	PER (times)	EV/EBITDA (times)	Price-to-NAV ratio (times)
Tex Cycle Technology (M) Berhad	92.21	15.39	12.70	2.04
5E Resources Limited	43.75	7.03	3.37	1.24
Shanaya Limited	16.92	n.m. ⁽¹⁾	146.18 ⁽²⁾	12.80 ⁽²⁾
Hiap Huat Holdings Berhad	16.19	7.40	4.83	0.58

High	15.39	146.18	12.80
Mean	9.94	6.97	1.29
Median	7.40	4.83	1.24
Low	7.03	3.37	0.58

Implied valuation of the Environmental Services segment based on mean valuation ratio (S\$' million)⁽³⁾	96.54	92.80⁽⁴⁾	25.80
Implied valuation of the Environmental Services segment based on median valuation ratio (S\$' million)⁽³⁾	71.87	56.82⁽⁴⁾	24.80

Sources: S&P Capital IQ, annual reports and/or announcements of the respective Environmental Services Companies and SAC Capital's computations

Notes:

- (1) n.m. denotes not meaningful as the latest trailing 12 months earnings is negative.
- (2) Being a statistical outlier, Shanaya Limited has been excluded from the computation of mean and median of EV/EBITDA ratios and Price-to-NAV ratios.
- (3) Adjusted NPAT, Adjusted EBITDA and NAV attributable to the Environmental Services segment for the trailing 12-month period ended 30 June 2024, as provided by Management, amounted to approximately S\$9.7 million, S\$19.2 million and S\$20.0 million respectively.
- (4) As provided by Management, the minority interest of the Environmental Services segment's amounted to approximately 12.3%, with shareholder's loan of approximately S\$29.8 million. In arriving at the implied valuation of the Environmental Services segment via the EV/EBITDA approach, the value of the 12.3% minority interest attributable to the Environmental Services segment has been separately computed, after adjusting for the shareholder's loan from the Group, based on the discussions with and information provided by Management.

Given that the Environmental Services segment is profitable, the earnings approach is more relevant than the asset-based approach in providing an estimate of the value of the Environmental Services segment. In addition, based on the representations by Management, one of the leases for the Group's slop processing plant is expiring on 31 December 2028 and is not expected to be renewed. Thus, the Management is of the view that significant capital expenditure would be required for the relocation of the plant. As such, we have considered the lower mean and median valuation multiples of the Comparable Environmental Services Companies in ascribing the implied valuation of the Environmental Services segment.

Based on the appropriate mean and median PER and EV/EBITDA ratios of Comparable Environmental Services Companies, we have determined that a reasonable implied valuation range of the Environmental Services segment to be between approximately S\$71.9 million to S\$92.8 million.

7.4.3 Chemicals

The Chemicals segment is in the manufacturing of sale and refractory materials and roadstone products mainly in Singapore and Malaysia. In the trailing 12-month period ended 30 June 2024, the Chemicals segment recorded Adjusted EBITDA of approximately S\$1.5 million, and was in a loss position on an adjusted basis.

In our assessment of the valuation of the Chemicals segment, we have referred to selected comparable companies which are listed in Southeast Asia and India whose businesses are broadly comparable with the Chemicals segment of the Group ("**Comparable Chemical Companies**"). Having considered the scale of the Group's Chemicals segment, we have confined the Comparable Chemical Companies to those with a market capitalisation of below S\$100.0 million.

Details of the Comparable Chemical Companies, including their business descriptions and selected key financials are set out in Annex C to this letter.

The following table sets out the comparative valuation statistics of the Chemical Companies:

Company	Market capitalisation as at the Latest Practicable Date (S\$ million)	PER (times)	EV/EBITDA (times)	Price-to-NAV ratio (times)
Refractory Shapes Limited	39.88	61.58 ⁽¹⁾	30.81 ⁽¹⁾	12.29 ⁽¹⁾
PT Benteng Api Technic Tbk	20.07	22.49	13.59	1.68
Nilachal Refractories Limited	13.42	n.m. ⁽²⁾	n.m. ⁽²⁾	n.m. ⁽³⁾
SP Refractories Limited	4.72	19.46	11.99	2.89
Raasi Refractories Limited	1.77	5.57	7.55	n.m. ⁽³⁾

High	61.58	30.81	12.29
Mean	15.84	11.04	2.29
Median	19.46	11.99	2.29
Low	5.57	7.55	1.68

Implied valuation of the Chemicals segment based on mean valuation ratio (S\$' million)⁽⁴⁾	n.m.	16.44	11.30
Implied valuation of the Chemicals segment based on median valuation ratio (S\$' million)⁽⁴⁾	n.m.	17.85	11.30

Sources: S&P Capital IQ, annual reports and/or announcements of the respective Environmental Services Companies and SAC Capital's computations

Notes:

- (1) Being a statistical outlier, Refractory Shapes Limited has been excluded from the computation of mean and median of PER, EV/EBITDA and Price-to-NAV ratios.
- (2) n.m. denotes not meaningful as Nilachal Refractories Limited was loss making and reported negative EBITDA in the latest trailing 12-months period.
- (3) n.m. denotes not meaningful as the respective companies were in a net liability position.
- (4) Adjusted EBITDA and NAV attributable to the Chemicals segment for the trailing 12-month period ended 30 June 2024, as provided by Management, amounted to approximately S\$1.5 million and S\$4.9 million. The Chemicals segment was a in a loss position for the trailing 12-month period ended 30 June 2024 on an adjusted basis.

Given that the Chemicals segment recorded positive EBITDA in the trailing 12-month period ended 30 June 2024, the earnings approach is more relevant than the asset-based approach in providing an estimate of the value of the Chemicals segment. In addition, when comparing companies operating in different jurisdictions, we believe that the EV/EBITDA ratio to be a more appropriate ratio to use as it avoids the distortionary effects of different depreciation and interest rates and different taxation regimes. As such, in deriving the implied valuation of the Chemicals segment, we have relied on the implied valuations based on the mean and median EV/EBITDA ratios only.

Based on the appropriate mean and median EV/EBITDA ratios of Comparable Chemicals Companies, we have determined that a reasonable implied valuation range of the Chemicals segment to be between approximately S\$16.4 million to S\$17.9 million.

7.4.4 Investment holding and Others

The Investment holding and Others segment comprises the holding of investments (including the Group's investments in associated companies and quoted and unquoted shares and bonds), the operation of a marina club, intercompany loans to minority interests, cash, corporate debt and other liabilities.

Based on the information provided by Management, we note that the Investment holding and Others segment recorded losses and negative EBITDA on an adjusted basis in the trailing 12-month period ended 30 June 2024, and accordingly, we believe that the PER and EV/EBITDA approaches are not meaningful. As such, we have referred to the NAV attributed to the Investment holding and Others segment of approximately S\$100.7 million as at 30 June 2024, as provided by the Management. As mentioned in paragraph 7.3.4 of this letter, the Company had commissioned the Independent Valuers to conduct independent valuations of the Appraised Properties, which included the Raffles Marina held under Investment holding and Others segment. For further details on the assessment and adjustments made to the NAV of the Group, please refer to paragraph 7.3.4 of this letter.

In this regard, the RNAV of the Investment holding and Others segment is as follows:

S\$' million	As at 30 June 2024
Unaudited NAV of the Investment holding and Others segment ⁽¹⁾	100.7
Add: Revaluation surplus arising from Raffles Marina ⁽²⁾	1.7
RNAV of the Investment holding and Others segment	102.3

Notes:

- (1) The unaudited NAV of the Investment holding and Others segment have been adjusted for the intercompany loans provided to the Environmental Services segments for the purpose of the sum-of-the-parts valuation, as set out in paragraph 7.4.2 of this letter.
- (2) Based on the Group's effective shareholding interest in Raffles Marina.

Taking into consideration the above, we have ascribed the implied valuation of the Investment holding and Others segment to be S\$102.3 million.

Save as disclosed above, the Directors have confirmed that, to the best of their knowledge and belief, they are not aware of any material differences between the realisable value of the assets as at the Latest Practicable Date and their respective book values as at 30 June 2024 which would have a material impact on the unaudited NAV of the Investment holding and Others segment.

7.5 **Comparison with Recent Non-privatisation Mandatory General Offer Transactions For Companies Listed on the SGX-ST**

As disclosed in section 10.1 of the Offer Document, we noted that the Offeror has stated its current intention to maintain the listing status of the Company on the SGX-ST and it does not presently intend to exercise its right of compulsory acquisition that may arise under Section 215(1) of the Companies Act 1967 of Singapore (the "**Companies Act**").

In our assessment of the Offer, we have compared the financial terms of the Offer with selected recent completed mandatory general offers in cash for companies (excluding real estate investment trusts and business trusts) listed on the SGX-ST, that were announced since 1 January 2022 up to and including the Pre-Conditional MGO Announcement Date and completed as at the Latest Practicable Date, and wherein the offeror had indicated their

intentions to preserve the listing status of the target companies (the “**Non-privatisation Take-over Transactions**”).

This analysis serves as a general indication of the relevant premium/discount that the offerors had paid in order to acquire the target companies without having regard to their specific industry characteristics or other considerations, and the comparison sets out:

- (a) the premium or discount represented by each of the respective offer prices to the last transacted prices and VWAPs over the 1-month, 3-month, 6-month and 12-month periods prior to the announcement of the Non-privatisation Take-over Transactions; and
- (b) the premium or discount represented by each of the respective offer prices to the NAV or NTA of the respective target companies, where applicable. We note that certain Non-Privatisation Take-over Transactions had undertaken revaluations and/or adjustments to their assets which may have a material impact on their last announced book values, we have also, where relevant, compared the financial terms of such offer transactions with the revalued NAV (or RNTA where applicable) and/or adjusted NAV (or adjusted NTA where applicable) of the Non-privatisation Take-over Transactions, where available.

We wish to highlight that the Non-privatisation Take-over Transactions set out below are by no means exhaustive. In addition, as the Group is not directly comparable to the target companies involved in the Non-privatisation Take-over Transactions in terms of business activities, scale of operations, market capitalisation, geographical spread, risk profile, accounting policies, financial performance, operating and financial leverage, track record and future prospects, the comparison merely serves as a general guide to provide an indication of the premia/discounts paid in connection with non-privatisation take-over offers of companies listed on the SGX-ST. Each of the Non-privatisation Take-over Transactions must be judged on its own commercial and financial merits. Shareholders should also note that the premium (if any) to be paid by an offeror in a non-privatisation take-over transactions varies in different circumstances depending on, *inter alia*, the offeror’s intentions with regard to the target company, the potential synergy that the offeror can gain from acquiring the target company, the attractiveness of the underlying business to be acquired, the trading liquidity of the target company’s shares, existing and desired level of control in the target company, prevailing market expectations and the presence of competing bids. Conclusions drawn from the comparisons made may not reflect any perceived market valuation of the Company.

Company	Date of offer announcement	Offer Price (\$)	Last transacted price	Premium/(Discount) of offer price over					Offer price-to-RNAV ratio (times) ⁽¹⁾
				1-month VWAP	3-month VWAP	6-month VWAP	12-month VWAP		
				Prior to announcement of offer (%)					
Keong Hong Holdings Limited	21 January 2022	0.3840	3.8	7.9	11.1	11.0	12.8	0.50 ⁽²⁾	
Procurri Corporation Limited	20 May 2022	0.4250	0.0	3.2	9.3	17.3	20.4	2.19 ⁽³⁾	
Revez Corporation Ltd.	7 December 2022	0.0306	(66.0)	(65.6)	(67.0)	(69.7)	(75.1)	0.83 ⁽⁴⁾	
Halcyon Agri Corporation Limited	3 February 2023	0.4130	42.4 ⁽⁵⁾	64.2 ⁽⁵⁾	68.6 ⁽⁵⁾	71.0 ⁽⁵⁾	69.8 ⁽⁵⁾	1.12 ⁽⁶⁾	
Sunrise Shares Holdings Ltd.	10 July 2023	0.0218	(37.7)	(36.3)	(40.1)	(41.1)	(46.2)	1.20 ⁽⁷⁾	
ICP Ltd.	11 July 2023	0.0070	(12.5)	(24.7)	(29.3)	(28.6)	(28.6)	0.90 ⁽⁸⁾	
Datapulse Technology Limited	11 August 2023	0.0900	(2.2)	0.0	0.0	(1.1)	(5.3)	0.37 ⁽⁹⁾	
No Signboard Holdings Ltd	28 March 2024	0.0021	-(10)	-(10)	-(10)	-(10)	-(10)	-(11)	
			High	64.2	68.6	71.0	69.8	2.19	
			Mean	(7.3)	(6.8)	(5.9)	(7.5)	1.02	
			Median	0.0	0.0	(1.1)	(5.3)	0.90	
			Low	(65.6)	(67.0)	(69.7)	(75.1)	0.37	
Company (Implied by the Offer Price)	23 September 2024		7.1 ⁽¹²⁾	10.1 ⁽¹²⁾	5.3 ⁽¹²⁾	4.2 ⁽¹²⁾	2.9 ⁽¹²⁾	1.04 ⁽¹³⁾	
									1.06 ⁽¹⁴⁾
									1.06 ⁽¹⁵⁾
									0.92 ⁽¹⁶⁾

Source: Announcements and circulars to shareholders in relation to the respective Non-privatisation Take-over Transactions and SAC Capital's computations.

Notes:

- (1) Based on the NAV per share or revalued NAV per share or adjusted NAV per share or NTA per share or revalued NTA per share or adjusted revalued NTA per share, as the case may be, as extracted from the independent financial adviser's letters for the respective companies.
- (2) Based on the revalued NAV per share of Keong Hong Holdings Limited as at 30 September 2021.
- (3) Based on the NAV per share of Procurri Corporation Limited as at 31 December 2021. We noted from the independent financial adviser's letter that no adjustments to the NAV per share of Procurri Corporation Limited as at 31 December 2021 was required.
- (4) Based on the NAV per share of Revez Corporation Ltd. as at 30 June 2022. We noted from the independent financial adviser's letter that no adjustments to the NAV per share of Revez Corporation Ltd. as at 30 June 2022 was required.

- (5) Halcyon Agri Corporation Limited's shares were last transacted on 11 November 2022 before the pre-conditional offer announcement that was announced on 16 November 2022. The market premia in the table above were computed based on the share prices for the period(s) prior to and including 11 November 2022, being the last Market Day on which the shares were traded immediately prior to the pre-conditional offer announcement.
- (6) Based on the NAV per share of Halcyon Agri Corporation Limited as at 31 December 2022. We noted from the independent financial adviser's letter that the NAV per share and revalued NAV per share of Halcyon Agri Corporation Limited as at 31 December 2022 are the same.
- (7) Based on the NAV per share of Sunrise Shares Holdings Ltd. as at 31 December 2022. We noted from the independent financial adviser's letter that no adjustments to the NAV per share of Sunrise Shares Holdings Ltd. as at 31 December 2022 was required.
- (8) Based on the revalued NAV per share of ICP Ltd. as at 31 December 2022.
- (9) Based on the adjusted revalued NAV per share of Datapulse Technology Limited as at 31 January 2023.
- (10) We note that shares in No Signboard Holdings Ltd had been halted and suspended since 19 January 2022 and resumed trading from 15 March 2024. Since the shares in No Signboard Holdings Ltd were traded less than a month prior to the offer announcement date and prior to the offer announcement date, there were no public market for the shares in No Signboard Holdings Ltd for more than two (2) years, any comparison of the market premia to the historical share prices prior to the suspension will not be meaningful.
- (11) Not meaningful given that No Signboard Holdings Ltd recorded unaudited net liabilities and adjusted net liabilities as at 30 September 2023.
- (12) Based on the periods prior to and including the Last Trading Day, being 23 July 2024, the date prior to the Pre-Conditional Announcement. However, given that there were no Shares transacted on the Last Trading Day, any reference to the last transacted prices on the Last Trading Day will refer to the last transacted price on 22 July 2024.
- (13) Based on the NAV of the Group of S\$269.5 million or S\$0.72 per Share as at 30 June 2024, as set out in paragraph 7.3.2 of this letter.
- (14) Based on the NTA of the Group of S\$263.9 million or S\$0.71 per Share as at 30 June 2024, as set out in paragraph 7.3.2 of this letter.
- (15) Based on the ex-cash NAV of the Group of S\$179.2 million or S\$0.48 per Share as at 30 June 2024, as set out in paragraph 7.3.3 of this letter.
- (16) Based on the RNAV of the Group of S\$303.4 or S\$0.812 per Share as at 30 June 2024, as set out in paragraph 7.3.4 of this letter.

We note that in respect of the Non-privatisation Take-over Transactions:

- (i) the premium of the Offer Price over the last transacted price of the Shares prior to the Pre-Conditional MGO Announcement Date of approximately 7.1% is:
 - (I) within the range of the corresponding (discount)/premiuma of the Non-privatisation Take-over Transactions of between (66.0%) and 42.4%; and
 - (II) above the corresponding mean and median discounts of 10.3% and 2.2% of the Non-privatisation Take-over Transactions;
- (ii) the premium of the Offer Price over the VWAP of the Shares for the 1-month period prior to the Pre-Conditional MGO Announcement Date of approximately 10.1% is:
 - (I) within the range of the corresponding (discount)/premiuma of the Non-privatisation Take-over Transactions of between (65.6%) and 64.2%; and
 - (II) above the mean discount of 7.3% and median of 0.0% of the Non-privatisation Take-over Transactions;
- (iii) the premium of the Offer Price over the VWAP of the Shares for the 3-month period prior to the Pre-Conditional MGO Announcement Date of approximately 5.3% is:
 - (I) within the range of the corresponding (discount)/premiuma of the Non-privatisation Take-over Transactions of between (67.0%) and 68.6%; and
 - (II) above the mean discount of 6.8% and median of 0.0% of the Non-privatisation Take-over Transactions;
- (iv) the premium of the Offer Price over the VWAP of the Shares for the 6-month period prior to the Pre-Conditional MGO Announcement Date of approximately 4.2% is:
 - (I) within the range of the corresponding (discount)/premiuma of the Non-privatisation Take-over Transactions of between (69.7%) and 71.0%; and
 - (II) above the corresponding mean and median discounts of 5.9% and 1.1% of the Non-privatisation Take-over Transactions;
- (v) the premium of the Offer Price over the VWAP of the Shares for the 12-month period prior to the Pre-Conditional MGO Announcement Date of approximately 2.9% is:
 - (I) within the range of the corresponding (discount)/premiuma of the Non-privatisation Take-over Transactions of between (75.1%) and 69.8%; and
 - (II) above the corresponding mean and median discounts of 7.5% and 5.3% of the Non-privatisation Take-over Transactions;
- (vi) the P/NAV ratio as implied by Offer Price of 1.04 times is:
 - (I) within the range of offer price-to-RNAV ratios of the Non-privatisation Take-over Transactions of between 0.37 times and 2.19 times; and
 - (II) above the corresponding mean and median offer price-to-RNAV ratios of 1.02 and 0.90 times of the Non-privatisation Take-over Transactions;

- (vii) the Ex-cash P/NAV ratio as implied by Offer Price of 1.06 times is:
- (I) within the range of offer price-to-RNAV ratios of the Non-privatisation Take-over Transactions of between 0.37 times and 2.19 times; and
 - (II) above the corresponding mean and median offer price-to-RNAV ratios of 1.02 and 0.90 times of the Non-privatisation Take-over Transactions; and
- (viii) the P/RNAV ratio as implied by Offer Price of 0.92 times is:
- (I) within the range of offer price-to-RNAV ratios of the Non-privatisation Take-over Transactions of between 0.37 times and 2.19 times; and
 - (II) below the mean offer price-to-RNAV ratios of 1.02 times and above the median offer price-to-RNAV ratios of 0.90 times of the Non-privatisation Take-over Transactions.

7.6 Other Relevant Considerations

7.6.1 Historical dividend yields of the Company

We set out below an analysis of the dividends declared and the dividend payout ratio for the last five (5) financial years ended 31 December, and the implied dividend yield based on the average prices of the Shares for the respective period, and the implied dividend yield based on the Offer Price:

(S\$)	FY2019	FY2020	FY2021	FY2022	FY2023
Interim dividend per Share	-	-	-	-	0.40
Final dividend per Share	0.05	0.05	0.05	0.05	0.02
Total dividend per Share	0.05	0.05	0.05	0.05	0.42
Average Share Price ⁽¹⁾	1.05	0.75	0.83	0.85	0.82
Dividend yield (based on average Share price)	4.7%	6.7%	6.1%	5.9%	51.0%
Dividend yield (implied by the Offer Price)	6.7%	6.7%	6.7%	6.7%	56.0%

Sources: Bloomberg L.P., Company's announcements on the SGX-ST and SAC Capital's computations.

Note:

- (1) Average daily closing price of the Shares for the respective financial year.

From the table above, we note that the Company has been consistently paying annual total dividends of S\$0.05 per Share, save for the total dividends of S\$0.42 per Share in FY2023, mainly due to the special interim dividend of S\$0.40 per Share declared in FY2023. The Company's dividend yield per annum (based on the average Share prices) for FY2019, FY2020, FY2021, FY2022 and FY2023 are 4.7%, 6.7%, 6.1%, 5.9% and 51.0% respectively, and the dividend yield per annum (implied by the Offer Price) for FY2019, FY2020, FY2021, FY2022 and FY2023 are 6.7%, 6.7%, 6.7%, 6.7% and 56.0% respectively. Shareholders should note that the higher dividend yield and implied dividend yield for FY2023 was due to the interim dividend declared.

As stated in the Company's annual report for FY2023, the Company does not have a formal dividend policy. The Board may from time to time consider paying dividends in a manner that is in line with the Group's financial performance, taking into consideration the Group's earnings, capital requirements and overall financial position.

Shareholders should note that past dividend payouts should not be in any way relied upon as an indication or promise of the Company's future dividend payouts. There is no assurance that the Company will continue to pay dividend in future and/or maintain the level of dividends paid in the past financial years, after the completion of the Offer.

7.6.2 Outlook of the Company

We note that the Company had, in the 1H2024 unaudited results announcement, included a commentary on the significant trends and competitive conditions of the industry in which the Company operates and any known factors or events that may affect the Group for the next reporting period and the next 12 months which is reproduced in italics below:

"The precast business in Singapore, Malaysia and Dubai continues to execute projects from its secured order books. However, our PBU business in Finland continues to face the challenging conditions of the housing industry in Finland.

The general conditions in the industry affecting our Environmental Services division (Slop and RFO business) are expected to remain stable. In respect of our industrial wastewater business, scheduled plant maintenance by one of our key customers in the second half is expected to affect the division business but we continue efforts to broaden our customer base for this division.

On 23 July 2024, RHB Bank Berhad, for and on behalf of YTL Cement Berhad (the "Offeror"), announced a pre-conditional mandatory general offer (the "Offer") for all the issued and paid-up ordinary shares in the capital of the Company, other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees. Please see https://links.sgx.com/FileOpen/NSL%20-%20PreConditional%20MGO%20Annc_Final.ashx?App=Announcement&FileID=812590 for details."

7.6.3 Absence of alternative or competing offers

As at the Latest Practicable Date, other than the Offer, there is no publicly available evidence of an alternative or competing offer for the Shares from any other party. We note that the likelihood of an alternative or competing offer from any third party is remote in view that as at the Latest Practicable Date, the Offeror Group holds an aggregate of 303,484,453 Shares, representing approximately 81.24% of the total number of Shares. Further, we note that the market price of the Shares had not traded above the Offer Price since the Pre-Conditional MGO Announcement Date to the Latest Practicable Date, and hence the present Offer by the Offeror, as at the Latest Practicable Date, appears to be the highest offer price for the Shareholders.

In addition, the Independent Directors have confirmed that as at the Latest Practicable Date, apart from the Offer, they have not received any alternative or competing offer for the Shares from any other party.

7.6.4 Statutory control over the Company by the Offeror Concert Party Group

Shareholders should note that, as at the Latest Practicable Date, the Offeror Group holds an aggregate of 303,484,453 Shares, representing approximately 81.24% of the total number of Shares.

Accordingly, the Offeror Group already has effective statutory control over the Company, which places the Offeror Group in a position to significantly influence, *inter alia*, the management, operating and financial policies of the Group and the ability to pass all ordinary and/or special resolutions at the Company's general meetings on matters in which the Offeror Group does not have any interest, save for situations where the Offeror is required by rules or authorities to abstain from voting.

7.6.5 Rationale for the Offer and the Offeror's intention for the Company

We note from paragraph 8 of the Offer Document that the Offer is made to comply with the Code arising from the Acquisition. In addition, we note that the Offer is in line with the Offeror and its subsidiaries' corporate strategy.

As set out in section 11 of the Offer Document, it is the intention of the Offeror to maintain the listing status of the Company on the SGX-ST following the Offer. In the event that the Company does not meet the free float requirement (that at least 10.0% of the total number of Shares (excluding Shares held by the Company in treasury) and the trading of the Shares is suspended, the Offeror intends to undertake and/or support any action as may be necessary for any such trading suspension by the SGX-ST to be lifted. However, the Offeror reserves the right to re-evaluate its position, taking into account, among other things, the level of acceptances received by the Offeror and the prevailing market conditions at the relevant time.

In this regard, Shareholders have the option to decide whether (i) to accept the Offer and tender their Shares pursuant to the Offer, (ii) realise their investment in the Company by selling their Shares in the open market if they can obtain a price higher than the Offer Price, after taking into account all transaction costs in connection with open market transactions, or (iii) to continue holding the Shares if the Company remains listed on the SGX-ST following the close of the Offer.

7.6.6 Compulsory acquisition and potential temporary suspension of Shares after close of Offer

As set out in paragraph 10 of the Offer Document, it is the current intention of the Offeror to maintain the listing status of the Company on the SGX-ST following the Offer and the Offeror does not intend to exercise any rights of compulsory acquisition that may arise under Section 215(1) of the Companies Act. However, in the event that the Company does not meet the free float requirement under the Listing Manual at the close of the Offer, the Offeror reserves the right to re-evaluate its position, including its right of compulsory acquisition (if applicable) under Section 215(1) of the Companies Act, depending on, *inter alia*, the ultimate level of acceptances received by the Offeror and the prevailing market conditions at the relevant time.

7.6.7 No revision of the Offer Price

As set out in section 2.3 of the Offer Document, the Offer Price is final and the Offeror does not intend to revise the Offer Price.

8. **OUR OPINION AND ADVICE**

8.1 Key Considerations of the Offer

In arriving at our opinion and advice in respect of the Offer, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment of the Offer. The following should be read in conjunction with, and in the context of, the full text of this letter:

- (a) an assessment of the market quotation and trading liquidity of the Shares during the Period Under Review, as set out in paragraph 7.1 of this letter;
- (b) historical financial performance of the Group, as set out in paragraph 7.2 of this letter;
- (c) the historical financial position of the Group, including the NAV and RNAV of the Group, as set out in paragraph 7.3 of this letter;

- (d) the sum-of-the-parts valuation of the Group, as set out in paragraph 7.4 of this letter;
- (e) a comparison with the valuation statistics of Non-privatisation Take-over Transactions, as set out in paragraph 7.5 of this letter; and
- (f) other relevant considerations as set out in paragraph 7.6 of this letter.

8.2 **Assessment of the Offer**

For the purpose of evaluating the Offer, we have adopted the approach that the term “fair” and “reasonable” are regarded as two different concepts. The term “fair” relates to an opinion on the value of the offer price against the value of the securities subject to the offer (the “**Securities**”), and an offer is “fair” if the price offered is equal to or greater than the value of the Securities. In considering whether an offer is “reasonable”, other matters as well as the value of the Securities are taken into consideration. Such other matters include, but are not limited to, existing voting rights in the company held by an offeror and its concert parties or the market liquidity of the relevant securities.

8.2.1 **Assessment of Fairness of the Offer**

In determining the fairness of the Offer, we have considered, *inter alia*, the following pertinent factors:

- (a) the Offer Price represents a discount of approximately 7.67% against the RNAV per share of S\$0.81 as at 30 June 2024. Accordingly, the P/RNAV of the Group implied by the Offer Price would be approximately 0.92 times as at 30 June 2024; and
- (b) the Offer Price falls below the range of the estimated sum-of-the-parts valuation of each Share of S\$0.88 to S\$1.00.

In view of the above, we are of the opinion that the Offer is **NOT FAIR**.

8.2.2 **Assessment of Reasonableness of the Offer**

In determining the reasonableness of the Offer, we have considered, *inter alia*, the following pertinent factors:

- (a) during the 12-month period prior to the Last Trading Day, the closing prices of the Shares ranged between a low of S\$0.670 and a high of S\$0.820, and the Offer Price represents a premium of 11.9% and a discount of 8.5% over the said prices respectively;
- (b) the Offer Price represents a premium of approximately 2.9%, 4.2%, 5.3% and 10.1% to the respective VWAPs of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day. The Offer Price also represents a premium of approximately 7.1% over the closing price of the Shares on the Last Trading Day;
- (c) the trading of the Shares is erratic and appears to be relatively illiquid in the 12-, 6-, 3- and 1-month period up to and including the Last Trading Day. It is to note that given the low liquidity of the Shares during the periods observed, the Offer Price may represent a realistic exit opportunity for Shareholders to realise their entire investment for cash. In the absence of the Offer at the Offer Price, such an exit for all Shareholders may not be readily available due to the low trading liquidity for the Shares;
- (d) the Offer Price represents a premium of approximately 4.0% against the NAV per Share of S\$0.72 as at 30 June 2024. Accordingly, the P/NAV of the Group implied by the

Offer Price would be approximately 1.04 times as at 30 June 2024. In addition, the Ex-Cash Offer Price represents a premium of 6.0% to the Ex-Cash NAV per Share of S\$0.48. The P/NAV (ex-cash) of the Group implied by the Offer Price would be approximately 1.06 times as at 30 June 2024;

- (e) the premium of the Offer Price over the VWAP of the Shares of approximately 2.9%, 4.2%, 5.3% and 10.1% for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day, as well as the premium of the Offer Price over the closing price of the Shares of approximately 7.1% on the Last Trading Day, are above the corresponding mean and median of the Non-privatisation Take-over Transactions;
- (f) the Company has been consistently paying annual total dividends of S\$0.05 per Share for the last five (5) financial years, save for the total dividends of S\$0.42 per Share in FY2023, mainly due to the special interim dividend of S\$0.40 per Share declared in FY2023. In addition, the Company's dividend yield per annum (based on the average Share prices) for FY2019 to FY2022 ranged from 4.7% to 6.7%. The Company's dividend yield per annum (based on the average Share prices) for FY2023 was 51.0%;
- (g) as at the Latest Practicable Date, apart from the Offer, there is no publicly available evidence of an alternative or competing offer for the Shares from any other party. The Independent Directors have also confirmed that as at the Latest Practicable Date, apart from the Offer, they have not received any alternative or competing offer for the Shares from any other party;
- (h) the Offeror Group, as at the Latest Practicable Date, holds an aggregate of 303,484,453 Shares, representing approximately 81.24% of the total number of Shares, and thus having effective statutory control over the Company, which places the Offeror Group in a position to significantly influence, *inter alia*, the management, operating and financial policies of the Group; and
- (i) we note that it is the current intention of the Offeror to maintain the listing status of the Company on the SGX-ST following completion of the Offer and the Offeror does not intend to exercise any rights of compulsory acquisition that may arise under Section 215(1) of the Companies Act.

In view of the above, we are of the opinion that the Offer is **REASONABLE**.

8.3 **Our opinion on the Offer**

In conclusion, we are of the opinion that, on balance, the financial terms of the Offer are **not fair** but **reasonable**. Accordingly, we advise the Independent Directors to recommend Shareholders to **accept** the Offer.

Shareholders who wish to realise their investment in the Company can choose to sell their Shares in the open market if they can obtain a price higher than the Offer Price, after taking into account all transaction costs in connection with open market transactions.

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice are addressed to the Independent Directors for their benefit and for the purposes of their consideration of the Offer. The recommendation to be made by them to the Shareholders in respect of the Offer shall remain the responsibility of the Independent Directors.

Whilst a copy of this letter may be reproduced in the Circular, no other person may reproduce, disseminate or quote this letter (or any part thereof) for any purpose at any time and in any manner without the prior written consent of SAC Capital in each specific case, except for the purpose of the Offer.

This letter is governed by and shall be construed in accordance with the laws of Singapore and is strictly limited to the matters stated herein and does not apply by implication to any other matter

Yours faithfully
For and on behalf of
SAC CAPITAL PRIVATE LIMITED

Tan Kian Tiong
Partner and Head, Capital Markets

Precast and PBU Comparable Companies

Annex A

----- Trailing 12 Months -----

Company	Stock exchange	Business description (as extracted from S&P Capital IQ Pro)	Share price as at the Latest Practicable Date	Market capitalisation as at the Latest Practicable Date (S\$' million) ⁽¹⁾	Financial year end	Revenue (S\$' million) ⁽¹⁾	Net profit/(loss) after tax attributable to shareholders (S\$' million) ⁽¹⁾
OKA Corporation Bhd	KLSE	OKA Corporation Bhd, an investment holding company, engages in the manufacture and sale of pre-cast concrete products for the infrastructure, sewerage, construction, and highway industries in Malaysia. Its products include arch bridge systems, box culverts, precast caisson chamber rings, industrialized building systems, jacking and large diameter pipes, L-shape walls, manholes, porous pipes, precast concrete piles, precast concrete pipes, pre-stressed concrete piles, septic tanks, T-beams/M-beams, U-shape drains, and ready mixed concrete. The company offers channels, fencing posts, filter slabs, gross pollutant traps, manholes with HDPE lining, meter boxes, parapet panels, precast jetties and marinas, pre-stressed beams, PVC and HDPE lining pipes, sacrificial lining and HAC lining pipes, sewerage manholes, steel clad pipes, staircases, Telekom manholes, TNB manholes, etc. In addition, it is involved in the trade of ready-mixed concrete and pre-stressed concrete piles; manufacture of steel products, hard drawn wires, straight bars, and wire mesh; fabrication of molds; provision of transportation, and other related services. Further, the company engages in supply of manual labors to perform contracted jobs and other related services. OKA Corporation Bhd was founded in 1981 and is based in Ipoh, Malaysia.	RM 0.685	51.0	31 March	44.8	2.9
Sarawak Consolidated Industries Berhad	KLSE	Sarawak Consolidated Industries Berhad, an investment holding company, engages in the manufacture and sale of concrete products for use in the construction and infrastructure sectors primarily in Malaysia. The company operates through four segments: Manufacturing, Corporate, Property Trading, and Construction/EPCC/Project Management. It offers pre-stressed spun piles, reinforced concrete square piles, spun concrete pipes, reinforced concrete box culverts, U-drains, pre-stressed beams, concrete pipes, and concrete roof tiles, as well as industrialised building system components, such as hollow core slabs, wall panels, and column and beam. The company engages in the construction contracts, engineering,	RM 0.240	48.0	30 June	50.7	1.3

----- Trailing 12 Months -----

Company	Stock exchange	Business description (as extracted from S&P Capital IQ Pro)	Share price as at the Latest Practicable Date	Market capitalisation as at the Latest Practicable Date (S\$' million) ⁽¹⁾	Financial year end	Revenue (S\$' million) ⁽¹⁾	Net profit/(loss) after tax attributable to shareholders (S\$' million) ⁽¹⁾
Hor Kew Corporation Limited	SGX	procurement, construction, and commissioning activities, as well as property development activities. The company was formerly known as Sarawak Concrete Industries Berhad and changed its name to Sarawak Consolidated Industries Berhad in July 2009. The company was incorporated in 1975 and is headquartered in Kuching, Malaysia.	S\$ 0.450	23.4	31 December	89.5	8.9
UCI Resources Berhad	KLSE	UCI Resources Berhad, an investment holding company, manufactures, sells, and trades in precast reinforced concrete products to building material distributors, contractors, and property developers in Malaysia. It offers box culverts, U-drains, and L-shapes. The company also trades in construction and building materials, and related activities. UCI Resources Berhad was founded in 1997 and is headquartered in Shah Alam, Malaysia.	RM 0.270	27.3	31 December	9.0	0.2

Sources: S&P Capital IQ Pro, annual reports and/or announcements of the respective companies

Note:

(1) The following exchange rates have been extracted from S&P Capital IQ Pro as at the Latest Practicable Date: S\$1: RM3.293.

Environmental Comparable Companies

Annex B

----- Trailing 12 Months -----

Company	Stock exchange	Business description (as extracted from S&P Capital IQ Pro)	Share price as at the Latest Practicable Date	Market capitalisation as at the Latest Practicable Date (S\$' million) ⁽¹⁾	Financial year end	Revenue (S\$' million) ⁽¹⁾	Net profit/(loss) after tax attributable to shareholders (S\$' million) ⁽¹⁾
Tex Cycle Technology (M) Berhad	KLSE	Tex Cycle Technology (M) Berhad, an investment holding company, engages in the recovery and recycling of scheduled waste primarily in Malaysia. The company operates through Investment Holding, Recovery and Recycling Services, Rental of Investment Property, Trading, Renewable Energy, and Others segments. It manufactures and markets chemical products; rents investment properties and recycled products; and trades in chemicals and other products. The company also engages in the development of renewable energy power plants; procurement and processing of biomass solid fuel for renewable energy generation and trading, as well as export of the by-products obtained from the process; and provision of equipment and consultancy services related to renewable energy. In addition, it provides professional services for the electronics, engineering, automobile, oil and gas, and printing industries; and supplies specialized products for the defense industry, as well as chemical products for oil and gas, agricultural, and chemical industries. Further, the company engages in the treatment and disposal of nonhazardous waste; and remediation and other waste management activities. Tex Cycle Technology (M) Berhad was founded in 1984 and is headquartered in Port Klang, Malaysia.	RM 1.080	92.2	31 December	10.3	5.4
5E Resources Limited	SGX	5E Resources Limited, an investment holding company, provides scheduled waste management services in Malaysia. It is involved in the time-to-time collection of scheduled waste from waste generators primarily in the manufacturing, trading, and services industries; and provision of ad-hoc scheduled waste management services to areas affected by pollution incidents or to designated areas that require ad-hoc or urgent services. The company also engages in the sale of recovered and recycled products and by-products comprising chemicals, drums/tanks, oils, alkaline, precious metals, sludge, solid sludge, waste acids, and containers. In addition, it imports, stores, trades, and sells chemicals, such as sulphuric acid, caustic soda, and	SGD 0.310	43.7	31 December	25.2	6.2

----- Trailing 12 Months -----

Company	Stock exchange	Business description (as extracted from S&P Capital IQ Pro)	Share price as at the Latest Practicable Date	Market capitalisation as at the Latest Practicable Date (S\$' million) ⁽¹⁾	Financial year end	Revenue (S\$' million) ⁽¹⁾	Net profit/(loss) after tax attributable to shareholders (S\$' million) ⁽¹⁾
Shanaya Limited	SGX	hydrochloric acid, which used for wastewater treatment, as well as in the manufacturing industry; and maintains waste management logistics fleet. The company was founded in 1997 and is headquartered in Pasir Gudang, Malaysia.	S\$ 0.075	16.9	31 December	7.9	(1.3)
Hiap Huat Holdings Berhad	KLSE	Hiap Huat Holdings Berhad, an investment holding company, manufactures, recycles, refines, and distributes petroleum-based products, industrial paints, oils, solvent chemical products, and other related products in Malaysia, Singapore, Vietnam, and Finland. The company offers scheduled waste management services; laboratory services, including scientific or clinical advice and diagnostic testing services to chemical and manufacturing industries. It also provides lubricants for use in passenger and commercial vehicles, and industrial machinery under the Top Up and AF1 brands; and emulsion and gloss paints, oxide primers, white undercoats, and wood preservatives under the Nekko and Cap Rumah brands; carboy, metal drum, and IBC tank containers supply. In addition, the company offers fuel oils for use in boilers, furnaces, and ovens; base oils; petrochemicals for industrial and commercial use; and greases for use in automotive, construction, trucking, and manufacturing industries, as well as general industrial and maintenance applications. Further, it provides machinery and	RM 0.135	16.2	31 December	29.3	2.2

Company	Stock exchange	Business description (as extracted from S&P Capital IQ Pro)	Share price as at the Latest Practicable Date	Market capitalisation as at the Latest Practicable Date (S\$' million) ⁽¹⁾	----- Trailing 12 Months -----		
					Financial year end	Revenue (S\$' million) ⁽¹⁾	Net profit/(loss) after tax attributable to shareholders (S\$' million) ⁽¹⁾

equipment leasing services. Hlap Huat Holdings Berhad was founded in 1985 and is headquartered in Klang, Malaysia.

Sources: S&P Capital IQ Pro, annual reports and/or announcements of the respective companies

Note:

(1) The following exchange rates have been extracted from S&P Capital IQ Pro as at the Latest Practicable Date: S\$1: RM3.293.

Chemicals Comparable Companies

Annex C

----- Trailing 12 Months -----

Company	Stock exchange	Business description (as extracted from S&P Capital IQ Pro)	Share price as at the Latest Practicable Date	Market capitalisation as at the Latest Practicable Date (S\$' million) ⁽¹⁾	Financial year end	Revenue (S\$' million) ⁽¹⁾	Net profit/(loss) after tax attributable to shareholders (S\$' million) ⁽¹⁾
Refractory Shapes Limited	NSEI	Refractory Shapes Limited manufactures and sells various types of refractory shapes in India. The company offers bricks; castables; high alumina catalyst and ceramic balls, including precast and pre fired blocks; burner blocks; special shaped refractory bricks; dense and insulating castables; and mortars. It serves steel, refineries, fertilizers, petrochemicals, glass, cement, and other industries. The company was founded in 1973 and is headquartered in Mumbai, India.	INR 117.500	39.9	31 March	6.3	0.6
PT Benteng Api Technic Tbk	IDX	PT Benteng Api Technic Tbk engages in manufacturing, trading, engineering, and construction business in Indonesia. The company manufactures and sells bricks, refractory cement, and refractory materials, as well as fire clay bricks, high alumina brick, refractory mortar, refractory castable, gunning castable, and others. It also provides refractory, insulation, mechanical, fire brick installation; and refractory casting, ramming, and gunning works. The company serves iron and steel, aluminum and copper smelting, petrochemical and fertilizer, oil and gas, power generation, cement and lime, paper processing, food, palm oil/CPO, and other industries. PT Benteng Api Technic Tbk was founded in 1997 and is based in Surabaya, Indonesia.	IDR 79.000	20.1	31 December	9.5	0.9
Nilachal Refractories Limited	BSE	Nilachal Refractories Limited provides refractory products in India. The company was formerly known as IPITATA Refractories Ltd and changed its name to Nilachal Refractories Limited in August 1999. Nilachal Refractories Limited was incorporated in 1977 and is based in Kolkata, India.	INR 42.330	13.4	31 March	0.2	(1.2)
SP Refractories Limited	NSEI	SP Refractories Limited engages in the manufacture and supply of refractory cement and castables in India. The company also offers high alumina refractory cement. Its products are used in iron, steel, and construction industries. The company was incorporated in 2007 and is based in Nagpur, India.	INR 169.450	4.7	31 March	4.5	0.2

APPENDIX B

GENERAL INFORMATION

1. DIRECTORS

- 1.1** The names, address and designations of the Directors as at the Latest Practicable Date are set out below:

Name	Address	Designation
Mr. Anand Kumar	c/o 317 Outram Road, #03-02, Singapore 169075	Chairman, Independent and Non-Executive Director
Mr. Ban Song Long	c/o 317 Outram Road, #03-02, Singapore 169075	Non-Executive Director
Mr. David Fu Kuo Chen	c/o 317 Outram Road, #03-02, Singapore 169075	Non-Executive Director
Mr. Vigneswaran Sellakannu	c/o 317 Outram Road, #03-02, Singapore 169075	Independent and Non- Executive Director

- 1.2** As stated in paragraph 9 of the Offer Document, pursuant to the terms of the SPA, 98 Holdings had, on completion of the Acquisition, delivered to the Company and the Offeror the duly executed resignations of Mr. Ban Song Long and Mr. David Fu Kuo Chen as directors of the Company, with such resignations to take effect from this date on which this Circular in connection with the Offer is issued by the Company.

2. PRINCIPAL ACTIVITIES

The Company is incorporated in Singapore and listed on the Mainboard of the SGX-ST. The principal activities of the Company are the provision of management services and investment holding. The principal activities of its subsidiaries are mainly manufacturing and sale of building materials, oil and petroleum related products and provision of environmental services.

3. SHARE CAPITAL

3.1 Issued Capital

As at the Latest Practicable Date:

- (a) there is only one (1) class of shares in issue, comprising the Shares; and
- (b) the issued and paid-up share capital of the Company is S\$193,838,796 comprising 373,558,237 Shares, and the Company does not hold any treasury shares.

3.2 Number of Shares Issued Since the End of the Last Financial Year

No Shares have been issued by the Company since 31 December 2023, being the end of the last financial year of the Company, up to the Latest Practicable Date.

3.3 Number of Shares Repurchased During the Relevant Period

The Company has not repurchased any Shares during the period commencing six (6) months prior to 23 July 2024, being the Pre-Conditional MGO Announcement Date, and ending on the Latest Practicable Date.

3.4 Rights in Respect of Capital, Dividends and Voting

The rights of Shareholders in respect of capital, dividends and voting are set out in the Constitution. Selected texts of the Constitution relating to the same have been extracted and reproduced in **Appendix H** to this Circular. Capitalised terms and expressions not defined in the extracts have the meanings ascribed to them in the Constitution.

3.5 Restrictions on Transfer

There is no restriction in the Constitution on the right to transfer any Shares, which has the effect of requiring holders of the Offer Shares, before transferring them, to offer them for purchase by Shareholders or any other person.

4. COMPANY CONVERTIBLE SECURITIES

As at the Latest Practicable Date, the Company has not issued any instruments convertible into, rights to subscribe for, and options in respect of, the Shares or securities which carry voting rights affecting the Shares that are outstanding.

5. DISCLOSURE OF INTERESTS

5.1 Interests of the Company in Offeror Securities

As at the Latest Practicable Date, neither the Company nor its subsidiaries have any direct or deemed interests in any Offeror Securities.

5.2 Dealings in Offeror Securities by the Company

Neither the Company nor its subsidiaries have dealt for value in any Offeror Securities during the period commencing six (6) months prior to 23 July 2024, being the Pre-Conditional MGO Announcement Date, and ending on the Latest Practicable Date.

5.3 Interests of Directors in Offeror Securities

As at the Latest Practicable Date, none of the Directors has any direct or deemed interests in any Offeror Securities.

5.4 Dealings in Offeror Securities by Directors

None of the Directors has dealt for value in any Offeror Securities during the period commencing six (6) months prior to 23 July 2024, being the Pre-Conditional MGO Announcement Date and ending on the Latest Practicable Date.

5.5 Interests of Directors in Company Securities

Save as disclosed below, as at the Latest Practicable Date, none of the Directors has any direct or deemed interests in the Company Securities.

Name	Shares			
	Direct		Deemed	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Mr. Vigneswaran Sellakannu	10,000	0.003	-	-

Note

(1) Percentage interest is based on 373,558,237 Shares as at the Latest Practicable Date.

5.6 Dealings in Company Securities by Directors

None of the Directors has dealt for value in any Company Securities during the period commencing six (6) months prior to 23 July 2024, being the Pre-Conditional MGO Announcement Date, and ending on the Latest Practicable Date.

5.7 Interests of the IFA in Company Securities

As at the Latest Practicable Date, none of SAC Capital, its related corporations or funds whose investments are managed by SAC Capital or its related corporations on a discretionary basis, own or control any Company Securities.

5.8 Dealings in Company Securities by the IFA

None of SAC Capital, its related corporations or funds whose investments are managed by SAC Capital or its related corporations on a discretionary basis, has dealt for value in any Company Securities during the period commencing six (6) months prior to 23 July 2024, being the Pre-Conditional MGO Announcement Date, and ending on the Latest Practicable Date.

5.9 Accepting or Rejecting the Offer

Mr. Vigneswaran Sellakannu has informed the Company that it is his intention to accept the Offer in respect of all the 10,000 Shares in which he has a direct interest.

6. ARRANGEMENTS AFFECTING DIRECTORS

6.1 Directors' Service Contracts

As at the Latest Practicable Date:

- (a) there are no service contracts between any director or proposed director with the Company or any of its subsidiaries with more than 12 months to run and which cannot be terminated by the employing company within the next 12 months without paying any compensation; and
- (b) there are no such service contracts entered into or amended during the period commencing six (6) months prior to 23 July 2024, being the Pre-Conditional MGO Announcement Date, and ending on the Latest Practicable Date.

6.2 No Payment or Benefit to Directors

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Director or to any director of any other corporation which is, by virtue of Section 6 of the Act, deemed to be related to the Company as compensation for loss of office or otherwise in connection with the Offer.

6.3 No Agreement Conditional upon Outcome of Offer

As at the Latest Practicable Date, there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Offer.

6.4 Material Contracts entered into by Offeror

The Offeror had on 23 July 2024 entered into the SPA with 98 Holdings to acquire from 98 Holdings the Sale Shares. The SPA was completed on 1 October 2024. Mr. Ban Song Long and Mr. David Fu Kuo Chen, being Directors as at the Latest Practicable Date, are directors of 98 Holdings and have an indirect interest in 98 Holdings through their shareholding in the ultimate corporate shareholders of 98 Holdings.

As at the Latest Practicable Date, save as disclosed in this Circular, there are no material contracts entered into by the Offeror in which any Director has a material personal interest, whether direct or indirect.

7. FINANCIAL INFORMATION ON THE GROUP

Set out below is certain financial information extracted from the Annual Reports for FY2021, FY2022 and FY2023 respectively and from the 1H2024 Results. The audited consolidated financial statements for the Group for FY2023 and the 1H2024 Results are set out in **Appendix D** and **Appendix E** to this Circular respectively.

The financial information for FY2021, FY2022 and FY2023 set out below should be read in conjunction with the audited consolidated financial statements of the Group and the accompanying notes as set out in the Annual Reports for FY2021, FY2022 and FY2023 respectively.

The financial information for 1H2024 should be read in conjunction with:

- (a) the 1H2024 Results;
- (b) the 1H2024 Auditors' Review Report, which is set out in **Appendix E** to this Circular; and
- (c) the 1H2024 IFA Letter, which is set out in **Appendix F** to this Circular.

7.1 Consolidated Income Statement

	Audited	Audited	Audited	Unaudited
	FY2021 S\$'000	FY2022 S\$'000	FY2023 S\$'000	6-month period ended 30 June 2024 S\$'000
Revenue	S\$259,645	S\$369,674	S\$298,083	S\$123,068
Net Profit /(loss) before tax	S\$6,395	S\$13,914	(S\$15,519)	S\$4,775
Net Profit /(loss) after tax	S\$4,345	S\$9,596	(S\$19,639)	S\$3,168
Non-controlling interests	(S\$551)	(S\$1,101)	(S\$942)	S\$847
Net Profit /(loss) after tax attributable to equity holders of the Company	S\$4,896	S\$10,697	(S\$18,697)	S\$2,321
Net earnings/(loss) per Share (cents)	1.31	2.86	(5.01)	0.62
Net dividends per Share (cents)	5	5	42	Nil

7.2 Balance Sheets

A summary of the audited consolidated balance sheet as at 31 December 2023 of the Group and the unaudited condensed interim consolidated statement of financial position as at 30 June 2024 of the Group is set out below.

The audited consolidated balance sheet of the Group as at 31 December 2023 should be read in conjunction with the audited consolidated financial statements of the Group for FY2023 and the accompanying notes set out in the Annual Report for FY2023.

The unaudited condensed interim consolidated statement of financial position of the Group as at 30 June 2024 should be read in conjunction with the 1H2024 Results.

(S\$'000)	Audited	Unaudited
	As at 31 December 2023	As at 30 June 2024
Current assets		
Inventories	34,862	40,311
Receivables, prepayments and other current assets	83,120	85,186
Other investments at amortised costs	503	-
Tax recoverable	804	169
Cash and bank balances	122,719	120,050
Total current assets	242,008	245,716
Non-current assets		
Property, plant and equipment	87,096	82,957
Right-of-use assets	29,219	27,857
Investment in a joint venture	2	2
Investments in associated companies	10,357	11,032
Long term receivables	454	3,329
Financial assets, at FVOCI	909	502
Other investments at amortised costs	1,744	1,744
Intangible assets	9,329	5,534
Deferred tax assets	2,369	2,367
Other non-current assets	219	74
Total non-current assets	141,698	135,398
Total assets	383,706	381,114
Current liabilities		
Borrowings	4,188	8,937
Lease liabilities	2,426	1,677
Trade, other payables and other current liabilities	69,803	74,497
Current income tax liabilities	2,972	3,041
Deferred income	26	30
Total current liabilities	79,415	88,182
Non-current liabilities		
Provision for retirement benefits	3,928	4,230
Deferred tax liabilities	2,123	2,078
Borrowings	14,746	7,531
Lease liabilities	12,004	11,651
Deferred income	412	433
Other non-current liabilities	3,103	3,104
Total non-current liabilities	36,316	29,027
Total liabilities	115,731	117,209
Net assets	267,975	263,905
Equity		
Share capital	193,839	193,839
Reserves	80,418	75,628
Shareholders' equity	274,257	269,467
Non-controlling interest	(6,282)	(5,562)
Total equity	267,975	263,905

8. MATERIAL CHANGES IN FINANCIAL POSITION

Save as disclosed in the 1H2024 Results as announced on 13 August 2024 and any other information on the Group which is publicly available (including without limitation, the announcements released by the Group on the SGX-ST), there have been no known material changes to the financial position of the Company since 31 December 2023, being the date of the last audited consolidated financial statements of the Company laid before the Shareholders in general meeting.

9. ACCOUNTING POLICIES

The significant accounting policies of the Group which are disclosed in Note 2 of the audited consolidated financial statements of the Group for FY2023 are reproduced in **Appendix D** to this Circular.

As at the Latest Practicable Date, save as disclosed in this Circular and in publicly available information on the Group (including, without limitation, the audited consolidated financial statements and the notes thereto and announcements released by the Company on SGX-ST):

- (a) there are no other significant accounting policies or any points from the notes of the financial statements of the Group which are of any major relevance for the interpretation of the accounts; and
- (b) there are no changes in the accounting policies of the Group which will cause the figures disclosed in paragraph 7 of this **Appendix B** not to be comparable to a material extent.

10. MATERIAL CONTRACTS WITH INTERESTED PERSONS

Save as disclosed in publicly available information on the Group (including, without limitation, the announcements released by the Company on SGX-ST), neither the Company nor any of its subsidiaries have entered into any material contracts with Interested Persons (other than those entered into in the ordinary course of business) during the period commencing three (3) years before 23 July 2024, being the Pre-Conditional MGO Announcement Date, and ending on the Latest Practicable Date.

11. MATERIAL LITIGATION

As at the Latest Practicable Date, save as disclosed in publicly available information on the Group (including, without limitation, the announcements released by the Company on SGX-ST), neither the Company nor any of its subsidiaries are engaged in any material litigation or arbitration proceedings as plaintiff or defendant, which might materially and adversely affect the financial position of the Group as a whole. As at the Latest Practicable Date, the Directors are not aware of any litigation, claim, arbitration or other proceedings pending or threatened against the Company or any of its subsidiaries or of any facts likely to give rise to any such proceedings which might materially or adversely affect the financial position of the Group taken as a whole.

12. MATERIAL CHANGE IN INFORMATION

Save as disclosed in this Circular and publicly available information on the Group (including, without limitation, the announcements released by the Company on SGX-ST), there has been no material change in any information previously published by or on behalf of the Company during the period commencing from 23 July 2024, being the Pre-Conditional MGO Announcement Date, and ending on the Latest Practicable Date.

13. VALUATION OF SUBJECT PROPERTIES

13.1 Independent Valuation

The Group has commissioned the Independent Valuers to conduct independent valuations of the Subject Properties. Copies of the Valuation Reports are set out in **Appendix G** to this Circular.

13.2 Potential Tax Liability

Under Rule 26.3 of the Code, the Company is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the assets, which are the subject of a valuation given in connection with an offer, were to be sold at the amount of valuation.

The estimated tax liabilities assuming a hypothetical sale of the Group's interest in the Subject Properties is approximately S\$1.85 million (based on the exchange rate extracted from S&P Capital IQ Pro of S\$1: RM3.293 as at the Latest Practicable Date). The aforesaid tax liabilities will not crystallise if the Group does not dispose of its interests in the Subject Properties. As at the Latest Practicable Date, the Company has no immediate plans to dispose of its interests in the Subject Properties, and accordingly, the aforesaid tax liabilities are not likely to crystallise.

14. GENERAL

14.1 Costs and Expenses

All expenses and costs incurred by the Company in relation to the Offer will be borne by the Company.

14.2 Consent of the Share Registrar

The Share Registrar has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all the reference to its name in the form and context in which it appears in this Circular.

14.3 Consent of the Auditors

The Auditors have given and have not withdrawn their written consent to the issue of this Circular with the inclusion herein of:

- (a) the independent auditors' report dated 6 March 2024 in relation to the audited consolidated financial statements of the Group for FY2023 as set out in **Appendix D** to this Circular; and
- (b) the 1H2024 Auditors' Review Report as set out in **Appendix E** to this Circular,

in the form and context in which they are included in this Circular and with the inclusion of and references to their name in the form and context in which it appears in this Circular.

14.4 Consent of the IFA

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of:

- (a) its name and all references thereto;
- (b) the IFA Letter as set out in **Appendix A** and all references thereto; and
- (c) 1H2024 IFA Letter as set out in **Appendix F** and all references thereto,

each in the form and context in which they appear in this Circular.

14.5 Consent of the Independent Valuers

The Independent Valuers have given and have not withdrawn their respective written consent to the issue of this Circular with the inclusions herein of their names and their respective Valuation Reports as set out in **Appendix G** and references thereto, in the form and context in which they appear in this Circular.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company at 317 Outram Road, #03-02, Singapore 169075, during normal business hours for the period which the Offer remains open for acceptance:

- (a) the Constitution of the Company;
- (b) the Annual Reports of the Company for FY2021, FY2022 and FY2023;
- (c) the IFA Letter as set out in **Appendix A** to this Circular;
- (d) the 1H2024 Results and 1H2024 Auditors' Review Report as set out in **Appendix E** to this Circular;
- (e) the 1H2024 IFA Letter as set out in **Appendix F** to this Circular;
- (f) the Valuation Reports as set out in **Appendix G** to this Circular; and
- (g) the letters of consent referred to in paragraph 14 above.

APPENDIX C INFORMATION ON THE OFFEROR

1. THE OFFEROR

The following information on the Offeror has been extracted from Appendix C of the Offer Document. Unless otherwise defined, all terms and expressions used in the extract below shall have the meanings as those defined in the Offer Document.

“1. DIRECTORS

The names, addresses and descriptions of the Directors as at the Latest Practicable Date are as follows:

Name	Address	Description
<i>Tan Sri (Sir) Francis Yeoh Sock Ping</i>	<i>c/o 33rd Floor, Menara YTL, No. 205 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia</i>	<i>Director</i>
<i>Dato’ Yeoh Seok Kian</i>	<i>c/o 33rd Floor, Menara YTL, No. 205 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia</i>	<i>Director</i>
<i>Dato’ Seri Yeoh Seok Hong</i>	<i>c/o 33rd Floor, Menara YTL, No. 205 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia</i>	<i>Director</i>
<i>Dato’ Sri Michael Yeoh Sock Siong</i>	<i>c/o 33rd Floor, Menara YTL, No. 205 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia</i>	<i>Director</i>
<i>Dato’ Yeoh Soo Keng</i>	<i>c/o 33rd Floor, Menara YTL, No. 205 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia</i>	<i>Director</i>
<i>Dato’ Yeoh Seok Kah</i>	<i>c/o 33rd Floor, Menara YTL, No. 205 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia</i>	<i>Director</i>
<i>Mej Jen Dato’ Hj Abdul Shukor Bin Haji Jaafar</i>	<i>c/o 33rd Floor, Menara YTL, No. 205 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia</i>	<i>Director</i>
<i>Dato’ Sri Haji Abd Rahim Bin Haji Abdul</i>	<i>c/o 33rd Floor, Menara YTL, No. 205 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia</i>	<i>Director</i>
<i>Joseph Benjamin Seaton</i>	<i>c/o 33rd Floor, Menara YTL, No. 205 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia</i>	<i>Director</i>

2. PRINCIPAL ACTIVITIES AND SHARE CAPITAL

YTL Cement Group is Malaysia’s largest building materials group with a network of cement plants, terminals, ready-mixed concrete batching facilities, drymix operations and aggregate quarries. YTL Cement Group has expanded its operations to Singapore, Vietnam and Indonesia.

As at the Latest Practicable Date the Offeror has an issued and paid-up share capital of RM867,083,518 comprising 762,077,262 ordinary shares.

3. SUMMARY OF FINANCIAL PERFORMANCE

A summary of the audited consolidated income statements of the Offeror for FY2022, FY2023 and FY2024 is set out in the table below:

	(In RM' million)		
	FY2022	FY2023	FY2024
Revenue	3,879.3	4,861.5	5,430.0
Profit before tax	257.1	342.6	802.4
Profit after tax	181.5	216.6	549.1
Profit attributable to owners of the parent	149.0	162.2	435.1
Non-controlling interests	32.5	54.4	113.9
Earnings per share (RM sen) ⁽¹⁾	20.11	21.90	58.75
Dividend per share (RM sen)	-	14.50	12.00

Note:

(1) Computed based on profit attributable to owners of the parent over the number of ordinary shares in issue (excluding treasury shares) for the respective financial years.

There were no exceptional items for the financial years set out in the table above.

4. STATEMENT OF ASSETS AND LIABILITIES

A summary of the audited consolidated balance sheet of the Offeror as at 30 June 2024 is set out in the table below:

	(In RM' million)
	As at 30 June 2024
Non-current assets	6,148.4
Current assets	4,154.2
Total assets	10,302.6
Liabilities	4,876.8
Equity attributable to owners of the parent	3,966.8

5. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, other than the Offer and save as disclosed in this Offer Document (including the Acquisition) and for information on YTL Cement Group which is publicly available, there has not been, to the knowledge of the Offeror, any material change in the financial position of YTL Cement Group since 30 June 2024.

6. SIGNIFICANT ACCOUNTING POLICIES

YTL Cement Group prepares its financial statements in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The significant accounting policies of YTL Cement Group are disclosed in Note 2 to the audited consolidated financial statements of the Offeror for FY2024, a copy of which is available for inspection as stated in Paragraph 4 of **Appendix F** to this Offer Document.

Save as disclosed in this Offer Document and in publicly available information on the Offeror, there are no significant accounting policies or any points from the notes to the financial statements which are of major relevance for the interpretation of the accounts.

7. CHANGES IN ACCOUNTING POLICIES

As at the Latest Practicable Date, there has been no change in the accounting policies of YTL Cement Group since the date of its audited consolidated financial statements for the FY2024, which will cause the figures set out in Paragraphs 3 and 4 above to be not comparable to a material extent.

8. REGISTERED OFFICE

The registered office of the Offeror is situated at 33rd Floor, Menara YTL, No. 205 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia.”

2. HOLDINGS AND DEALINGS IN THE COMPANY SECURITIES

The following information on the holdings of the Shares and dealings in the Company Securities by the Offeror and certain parties acting in concert with the Offeror has been extracted from Appendix E of the Offer Document. Unless otherwise defined, all terms and expressions used in the extract below shall have the meanings as those defined in the Offer Document.

“1. HOLDINGS OF SHARES

The table below sets out the number of Shares held by the Relevant Persons as at the Latest Practicable Date. Based on the latest information available to the Offeror as at the Latest Practicable Date, and save as disclosed below, none of the Relevant Persons (which includes for the avoidance of doubt, the Directors) is interested in, owns, controls or has agreed to acquire any Relevant Securities as at the Latest Practicable Date.

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Offeror ⁽²⁾	-	-	303,484,453	81.24	303,484,453	81.24
YTL Cement Singapore	303,484,453	81.24	-	-	303,484,453	81.24
YTL Corp ⁽²⁾	-	-	303,484,453	81.24	303,484,453	81.24
Yeoh Tiong Lay & Sons Holdings Sdn Bhd ⁽²⁾	-	-	303,484,453	81.24	303,484,453	81.24
Yeoh Tiong Lay & Sons Family Holdings Limited ⁽²⁾	-	-	303,484,453	81.24	303,484,453	81.24
Yeoh Tiong Lay & Sons Trust Company Limited ⁽²⁾	-	-	303,484,453	81.24	303,484,453	81.24
Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong ⁽²⁾	-	-	303,484,453	81.24	303,484,453	81.24

Notes:

- (1) Figures computed based on the issued and paid-up share capital comprising 373,558,237 Shares (excluding Shares held by the Company in treasury) in issue as at the Latest Practicable Date and rounded to the nearest two (2) decimal places.
- (2) Each of the Offeror, YTL Corp, Yeoh Tiong Lay & Sons Holdings Sdn Bhd, Yeoh Tiong Lay & Sons Family Holdings Limited, Yeoh Tiong Lay & Sons Trust Company Limited and Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong has a controlling interest in YTL Cement Singapore and is deemed interested in the Shares in the Company held by YTL Cement Singapore.

2. DEALINGS IN RELEVANT SECURITIES DURING THE REFERENCE PERIOD

As at the Latest Practicable Date, based on the latest information available to the Offeror, there have been no dealings in the Relevant Securities by the Relevant Persons (which includes, for the avoidance of doubt, the Directors) during the Reference Period, save for the acquisition of 303,484,453 Shares representing approximately 81.24% of the total issued Shares at a consideration of S\$0.75 per Share by the Offeror and parties acting in concert with it (which include YTL Cement Singapore) pursuant to the SPA as disclosed in the Offer Announcement on the Offer Announcement Date.”

APPENDIX D
AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP
FOR FY2023

The audited consolidated financial statements for the Group for FY2023 set out below have been reproduced from the Company's Annual Report for FY2023 and were not specifically prepared for inclusion in this Circular.

Directors' Statement

For the financial year ended 31 December 2023

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2023 and the balance sheet of the Company as at 31 December 2023.

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 43 to 125 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors of the Company in office at the date of this statement are as follows:

Prof CHAM Tao Soon
John KOH Tiong Lu
Dr TAN Tat Wai
BAN Song Long
David FU Kuo Chen
Dr LOW Chin Nam

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the Register of Directors' Shareholdings kept by the Company, for the purpose of Section 164 of the Companies Act, none of the directors of the Company at the beginning and at the end of the financial year and as at 21 January 2024 had any interest in the shares and debentures of the Company and its related corporations except, as follows:

Name of directors and corporations in which interest held	Interest held in the name of Director			Deemed interest of Director		
	At 21.01.2024	At 31.12.2023	At 01.01.2023	At 21.01.2024	At 31.12.2023	At 01.01.2023
<u>NSL Ltd.</u>						
Ordinary shares						
Prof Cham Tao Soon	30,000	30,000	30,000	10,000*	10,000*	10,000*
<u>Related Corporation</u>						
<u>Raffles Marina Holdings Ltd</u>						
Class B Ordinary Shares						
Dr Low Chin Nam	9,000	9,000	9,000	-	-	-

* Prof Cham Tao Soon is deemed to have an interest in the NSL Ltd. shares held by his spouse.

Directors' Statement

For the financial year ended 31 December 2023

MATERIAL CONTRACTS

There are no material contracts entered into by the Company or any of its subsidiaries involving the interest of the chief executive officer, any director or controlling shareholder, either still subsisting at the end of the year or entered into since the end of the previous financial year.

AUDIT COMMITTEE

The members of the Audit Committee at the end of the financial year were as follows:

John KOH Tiong Lu	Chairman	(Independent)
Prof CHAM Tao Soon	Member	(Independent)
Dr TAN Tat Wai	Member	(Independent)
BAN Song Long	Member	(Non-independent)

The Audit Committee comprises four non-executive directors, majority of whom including the Chairman, are independent directors.

The Audit Committee carries out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal audit;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2023 before their submission to the Board of Directors.

The Audit Committee has recommended to the Board of Directors that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Directors' Statement

For the financial year ended 31 December 2023

INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, being eligible, has expressed their willingness to accept re-appointment.

On behalf of the Directors



Prof CHAM Tao Soon
Director

Singapore
6 March 2024



Dr LOW Chin Nam
Director

Independent Auditor's Report

to the members of NSL LTD.

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of NSL Ltd. ("the Company") and its subsidiaries ("the Group") and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated income statement of the Group for the financial year ended 31 December 2023;
- the consolidated statement of comprehensive income of the Group for the financial year then ended;
- the balance sheets of the Group and of the Company as at 31 December 2023;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's 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 opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report

to the members of NSL LTD.

Key Audit Matter

Impairment assessment on trade receivables

Refer to Note 3a, Note 16 and Note 35b to the financial statements for the related disclosures

At 31 December 2023, the Group had outstanding trade receivables of S\$71,838,000 (net of accumulated loss allowance for impairment of trade receivables of S\$16,237,000) and credit loss allowance of S\$1,160,000 was recorded in the consolidated income statement for the financial year then ended.

For trade receivables, the Group applies the simplified approach permitted under SFRS(I) 9 and as set out in the accounting policy stated in Note 2K which requires expected lifetime loss to be recognised from initial recognition of the trade receivables.

Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, default in payments (interest and/or principal payments) are at least 2 years overdue and/or legal enforcement action undertaken by the Group for recovery against the debtor are considered evidence that the debtor is non-performing ("Non-performing receivable"). In such an instance, the expected credit loss of the non-performing receivable is measured at the maximum exposure to the Group at balance sheet date.

Trade receivables that are other than non-performing are grouped by management based on similar credit risk characteristics and days past due; and a provision matrix was used to measure the lifetime expected credit loss within each operating segment.

In estimating the expected credit loss, management considers historical credit loss rates for each aging category and makes forward-looking adjustments to reflect current and future market conditions which may affect the ability of the debtors to settle the receivables.

We focused on this area because of the significant judgement and estimates required in the assessment of the expected credit loss recognised by the Group.

How our audit addressed the Key Audit Matter

We obtained an understanding of the Group's process for estimating the expected credit loss and assessed management's measurement of the lifetime expected credit loss.

We requested for confirmations and checked for evidence of receipts subsequent to the year end for selected significant debtors. We discussed with management the status of long overdue trade receivables balances and their consideration of debtors' specific profiles and risks within each operating segment. We also evaluated management's assumptions and inputs used in the computation of expected credit loss and assessed the reasonableness of management's assumptions used by considering the Group's historical credit loss experience, ageing analysis of outstanding receivables within each operating segment and the forward-looking adjustments established based on their assessment of future market conditions.

We verified the mathematical accuracy of the credit loss allowance of trade receivables and assessed the reasonableness of the credit loss rates for the respective aging brackets of trade receivables, in assessing the adequacy of impairment required.

We also considered the appropriateness and adequacy of the disclosures in respect of this matter.

Based on our procedures, we found the judgement exercised by management in the determination of impairment of trade receivables and the expected credit loss recorded in the financial statements to be appropriate.

Independent Auditor's Report

to the members of NSL LTD.

Key Audit Matter

Impairment assessment on property, plant and equipment ("PPE")

Refer to Note 3b and Note 18 to the financial statements for the related disclosures.

As at 31 December 2023, the Group's PPE was carried at a net book value of S\$87,096,000. For PPE of cash-generating unit ("CGU") of the Group with indicators of impairment, management performed an impairment review to assess the recoverable amounts of these assets based on the higher of value-in-use ("VIU") and fair value less costs to sell ("FVLCS").

Arising from management's assessment based on VIU calculations using the discounted cash flows model, an impairment loss of S\$13,050,000 for PPE was recorded in the consolidated income statement for the financial year ended 31 December 2023 to write down the carrying amounts of the assets to their estimated recoverable amounts.

We focused on this area because of the significant judgement and estimates required in estimating the projected sales growth rate, projected gross profit margins and discount rates in computing the recoverable amounts of the CGUs.

How our audit addressed the Key Audit Matter

We assessed management's process for identifying and reviewing the CGUs subject to impairment testing and evaluated the basis and the methodology used to derive the recoverable amounts of the CGUs. For assets with recoverable amounts derived based on VIU computation, we assessed the reasonableness of the cash flow projections by comparing the projected sales growth rate and gross profit margins against the CGU's historical data, performance and latest financial budgets approved by management. In addition, we have independently verified the discount rates used by management to be appropriate.

We also considered the appropriateness and adequacy of the disclosures relating to the assumptions.

Based on our procedures performed, we found management's judgement and estimates in relation to the determination of the recoverable amounts of the CGUs to be appropriate and the disclosures in the financial statements to be adequate.

Independent Auditor's Report

to the members of NSL LTD.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Independent Auditor's Report

to the members of NSL LTD.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs 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 financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 management.
- Conclude on the appropriateness of management's 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 auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate 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 identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report

to the members of NSL LTD.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Yeow Chee Keong.

The logo for PricewaterhouseCoopers LLP, featuring the company name in a stylized, cursive script.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 6 March 2024

Consolidated Income Statement

For the financial year ended 31 December 2023

	Note	The Group	
		2023 S\$'000	2022 S\$'000
Sales	4	298,083	369,674
Cost of sales		(244,333)	(309,965)
Gross profit		53,750	59,709
Other income			
- Interest	5	6,923	2,522
- Others	5	1,795	2,942
Other losses, net	6	(548)	(242)
Impairment loss on goodwill	25	(654)	-
Impairment loss on property, plant and equipment	18	(13,050)	-
Impairment loss on investment in an associated company	21d	(21,900)	(16,112)
Distribution costs		(7,414)	(7,953)
Administrative expenses		(29,937)	(27,664)
Loss allowance on trade receivables, net	35b	(1,160)	(4,903)
Finance costs	7	(2,028)	(1,634)
Share of results of associated companies, net of tax		(1,296)	7,249
(Loss)/profit before income tax	8	(15,519)	13,914
Income tax expense	10	(4,120)	(4,318)
Total (loss)/profit for the financial year		(19,639)	9,596
(Loss)/profit attributable to:			
Equity holders of the Company		(18,697)	10,697
Non-controlling interests		(942)	(1,101)
		(19,639)	9,596
Basic and fully diluted (loss)/earnings per share (cents)	12	(5.01)	2.86

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2023

	The Group	
	2023 S\$'000	2022 S\$'000
Total (loss)/profit for the financial year	(19,639)	9,596
Other comprehensive loss:		
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Exchange differences on translating foreign operations		
- Loss arising during the year	(2,453)	(6,947)
Share of other comprehensive loss of associated companies	(481)	(232)
	(2,934)	(7,179)
<u>Items that will not be reclassified subsequently to profit or loss:</u>		
Fair value loss arising from financial assets, at FVOCI*	(286)	(444)
Exchange differences on translating foreign operations		
- Gain arising during the year	156	55
Share of other comprehensive loss of associated companies	(307)	(875)
Other comprehensive loss for the year, net of tax	(3,371)	(8,443)
Total comprehensive (loss)/income for the year, net of tax	(23,010)	1,153
Total comprehensive (loss)/income attributable to:		
Equity holders of the Company	(22,224)	2,199
Non-controlling interests	(786)	(1,046)
	(23,010)	1,153

* Financial assets measured at fair value through other comprehensive income

The accompanying notes form an integral part of the financial statements.

Balance Sheets

As at 31 December 2023

	Note	The Group		The Company	
		2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Share capital	13	193,839	193,839	193,839	193,839
Reserves	14	80,418	270,724	14,209	86,762
Shareholders' equity		274,257	464,563	208,048	280,601
Non-controlling interests	20a	(6,282)	(5,496)	-	-
TOTAL EQUITY		267,975	459,067	208,048	280,601
CURRENT ASSETS					
Inventories	15	34,862	52,776	-	-
Receivables, prepayments and other current assets	16	83,120	96,142	15,812	67,629
Other investments at amortised cost	24	503	2,000	503	2,000
Tax recoverable		804	918	-	-
Cash and bank balances	17	122,719	268,102	50,891	168,602
		242,008	419,938	67,206	238,231
NON-CURRENT ASSETS					
Property, plant and equipment	18	87,096	108,496	340	186
Right-of-use assets	19a	29,219	28,635	259	549
Investments in subsidiaries	20	-	-	36,231	60,338
Investment in a joint venture		2	-	-	-
Investments in associated companies	21	10,357	34,231	-	-
Long term receivables	22	454	465	154,128	28,108
Financial assets, at FVOCI	23	909	1,195	909	904
Other investments at amortised cost	24	1,744	2,254	1,744	2,254
Intangible assets	25	9,329	9,420	-	-
Deferred tax assets	30	2,369	2,482	-	-
Other non-current assets		219	235	-	-
		141,698	187,413	193,611	92,339
TOTAL ASSETS		383,706	607,351	260,817	330,570

The accompanying notes form an integral part of the financial statements.

Balance Sheets

As at 31 December 2023

		The Group		The Company	
		2023	2022	2023	2022
	Note	S\$'000	S\$'000	S\$'000	S\$'000
CURRENT LIABILITIES					
Borrowings	26a	(4,188)	(26,499)	-	-
Lease liabilities	26b	(2,426)	(2,655)	(244)	(285)
Trade, other payables and other current liabilities	27	(69,803)	(93,209)	(43,596)	(39,227)
Current income tax liabilities		(2,972)	(4,019)	(1,300)	(382)
Deferred income	28	(26)	(26)	-	-
		(79,415)	(126,408)	(45,140)	(39,894)
NON-CURRENT LIABILITIES					
Provision for retirement benefits	29	(3,928)	(3,587)	-	-
Deferred tax liabilities	30	(2,123)	(2,203)	(64)	(147)
Borrowings	26a	(14,746)	(2,304)	-	-
Lease liabilities	26b	(12,004)	(10,797)	(5)	(249)
Deferred income	28	(412)	(402)	-	-
Other non-current liabilities	31	(3,103)	(2,583)	(7,560)	(9,679)
		(36,316)	(21,876)	(7,629)	(10,075)
TOTAL LIABILITIES		(115,731)	(148,284)	(52,769)	(49,969)
NET ASSETS		267,975	459,067	208,048	280,601

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2023

Note	Attributable to Equity Holders of the Company					Total	Non-controlling Interests	Total Equity
	Share Capital	Revenue Reserve	Foreign Currency Translation Reserve	Fair Value Reserve	General and Other Reserve			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
THE GROUP								
Balance as at 1 January 2023	193,839	275,323	(8,894)	4,381	(86)	464,563	(5,496)	459,067
Loss for the year	-	(18,697)	-	-	-	(18,697)	(942)	(19,639)
Other comprehensive (loss)/ income for the year	-	-	(2,934)	(593)	-	(3,527)	156	(3,371)
Total comprehensive loss for the year	-	(18,697)	(2,934)	(593)	-	(22,224)	(786)	(23,010)
Transfer to statutory reserve 14a	-	(183)	-	-	183	-	-	-
Dividends paid 11	-	(168,101)	-	-	-	(168,101)	-	(168,101)
Write-back of long outstanding dividend payables	-	19	-	-	-	19	-	19
Total transactions with owners, recognised directly in equity	-	(168,082)	-	-	-	(168,082)	-	(168,082)
Balance as at 31 December 2023	193,839	88,361	(11,828)	3,788	97	274,257	(6,282)	267,975
Balance as at 1 January 2022								
Profit for the year	-	10,697	-	-	-	10,697	(1,101)	9,596
Other comprehensive (loss)/ income for the year	-	-	(7,179)	(1,322)	3	(8,498)	55	(8,443)
Total comprehensive income/ (loss) for the year	-	10,697	(7,179)	(1,322)	3	2,199	(1,046)	1,153
Dividends paid 11	-	(18,678)	-	-	-	(18,678)	-	(18,678)
Total transactions with owners, recognised directly in equity	-	(18,678)	-	-	-	(18,678)	-	(18,678)
Disposal of subsidiaries 17	-	-	-	-	-	-	(93)	(93)
Balance as at 31 December 2022	193,839	275,323	(8,894)	4,381	(86)	464,563	(5,496)	459,067

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2023

	The Group	
Note	2023 S\$'000	2022 S\$'000
Cash Flows from Operating Activities		
(Loss)/profit for the financial year	(19,639)	9,596
<i>Adjustments for:</i>		
Income tax expense	4,120	4,318
Amortisation of intangible assets	533	329
Amortisation of deferred income	(64)	(86)
Depreciation of property, plant and equipment	12,972	13,473
Depreciation of right-of-use assets	3,397	3,493
Interest expense	2,028	1,634
Interest income	(6,923)	(2,522)
Dividend income from financial assets, at FVOCI	-	(29)
Impairment loss on investment in an associated company	21,900	16,112
Impairment loss on property, plant and equipment	13,050	-
Impairment loss on goodwill	654	-
Dilution gain on investment in an associated company	-	(385)
Gain on disposal including write-off of property, plant and equipment (net)	(3)	(100)
Gain on disposal of subsidiary companies	-	(1,380)
Provision for retirement benefits (net)	583	425
Share of results of associated companies, net of tax	1,296	(7,249)
Exchange differences	315	538
<i>Operating cash flows before working capital changes</i>	34,219	38,167
<i>Changes in working capital, net of effects from disposal of subsidiaries:</i>		
Inventories	17,914	(2,864)
Receivables and prepayments	14,741	(21,351)
Deferred income	74	58
Trade and other payables	(22,855)	24,775
<i>Cash generated from operations</i>	44,093	38,785
Income tax paid	(5,433)	(100)
Retirement benefits paid	(143)	(220)
<i>Net cash provided by operating activities</i>	38,517	38,465

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2023

		The Group	
	Note	2023 S\$'000	2022 S\$'000
Cash Flows from Investing Activities			
Net cash inflow from disposal of subsidiaries	17	-	2,457
Dividend from an associated company		283	-
Dividends received from financial assets, at FVOCI		-	29
Advances to a joint venture		(2,553)	-
Proceeds from disposal of property, plant and equipment		404	447
Additions of property, plant and equipment		(5,802)	(15,641)
Additions of intangible assets		(1,092)	(167)
Purchases of financial assets, at amortised cost		-	(3,743)
Proceeds from maturity of investments at amortised cost		2,000	-
Interest received		7,754	1,573
<i>Net cash provided by/(used in) investing activities</i>		994	(15,045)
Cash Flows from Financing Activities			
Proceeds from borrowings		4,082	12,742
Repayment of borrowings		(13,940)	(18,229)
Principal payment of lease liability		(2,808)	(3,009)
Interest paid		(1,970)	(1,412)
Bank deposits pledged		-	(8,100)
Dividends paid to shareholders	11	(168,101)	(18,678)
<i>Net cash used in financing activities</i>		(182,737)	(36,686)
Net decrease in cash and cash equivalents		(143,226)	(13,266)
Cash and cash equivalents at beginning of the financial year		242,602	257,111
Effects of exchange rate changes on cash and cash equivalents		(2,157)	(1,243)
Cash and cash equivalents at end of the financial year	17	97,219	242,602

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2023

Reconciliation of liabilities arising from financing activities

	1 January 2023 S\$'000	Proceeds from borrowings S\$'000	Principal and interest payments S\$'000	Non-cash changes				31 December 2023 S\$'000
				Re- measurement of lease liability (Note 19f) S\$'000	Additions during the year S\$'000	Interest expense S\$'000	Foreign exchange movement S\$'000	
Bank borrowings	28,803	4,082	(15,254)	-	-	1,314	(11)	18,934
Lease liabilities	13,452	-	(3,464)	2,768	1,027	656	(9)	14,430

	1 January 2022 S\$'000	Proceeds from borrowings S\$'000	Principal and interest payments S\$'000	Non-cash changes				31 December 2022 S\$'000
				Modification of lease liability S\$'000	Additions during the year S\$'000	Interest expense S\$'000	Foreign exchange movement S\$'000	
Bank borrowings	34,485	12,742	(19,117)	-	-	888	(195)	28,803
Lease liabilities	16,130	-	(3,533)	-	516	524	(185)	13,452

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

NSL Ltd. (the "Company") is incorporated and domiciled in Singapore and is listed on the Singapore Exchange. The Company's registered office is at 317 Outram Road, #03-02 Singapore 169075.

The principal activities of the Company are the provision of management services and investment holding. The principal activities of its subsidiaries are mainly manufacturing and sale of building materials, oil and petroleum related products and provision of environmental services (Note 38).

2. MATERIAL ACCOUNTING POLICIES

A. Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

These financial statements are expressed in thousands of Singapore Dollars (S\$'000).

B. Adoption of new and revised standards

On 1 January 2023, the Group adopted the new or amended SFRS(I) and Interpretations of SFRS (I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group and the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

New or amended Standards and Interpretations effective for annual period 2023

The following are the new or amended Standards effective for annual periods beginning on or after 1 January 2023:

- SFRS(I) 17 Insurance Contracts
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies
- Amendments to SFRS(I) 1-8: Definitions of Accounting Estimates
- Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to SFRS(I) 1-12: International Tax Reform – Pillar Two Model Rules

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

C. Revenue recognition

(1) Sale of goods

The Group manufactures and sells a range of building materials, recycled oil and other petroleum related products ("oil and petroleum products"), refractory materials and roadstone products. Revenue from the sale of goods is recognised when the Group has delivered and, where applicable, installed the goods to the locations specified by its customers and control of the goods has transferred, being when the customers have accepted the products in accordance with the sales contract.

The period between the transfer of the promised goods and payment by the customer may exceed one year (i.e. retention monies). For such contracts, there is no significant financing component present as the payment terms is an industry practice to protect the customers from the Group's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

A receivable (financial asset) is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I) (e.g. Inventories), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract costs assets only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of capitalised contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

(2) Services rendered

The Group provides environmental services which involves sludge and slop processing related services. For precast & PBU segment, the Group provides services relating to project preliminaries work and related services. Revenue from providing these services is recognised over time in the accounting period in which the services are rendered.

Subscription services for the membership in the Group's marina club is recognised over time in the accounting period in which the services are rendered. This includes entrance fees and membership transfer fees of membership clubs which are recognised in profit or loss on a straight-line basis over the term of membership. Unamortised entrance fees and membership transfer fees are recognised as deferred income in the balance sheet.

(3) Rental income

Rental income from operating lease (net of any incentives given to the lessee) is recognised on a straight-line basis over the lease term.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

C. Revenue recognition (continued)

(4) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

(5) Interest income

Interest income is recognised using the effective interest rate method.

(6) Sale of scrap

The Group recognises sale of scrap when the customers accept the scrap and the collectability of the related receivables is reasonably assured.

D. Cost of sales

Cost of sales comprises cost of purchased and manufactured goods sold, other relevant costs attributable to goods sold and costs of rendering services.

E. Group accounting

(1) Subsidiaries

(i) *Consolidation*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

E. Group accounting (continued)

(1) Subsidiaries (continued)

(ii) *Acquisitions*

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to Note 2G for the subsequent accounting policy on goodwill.

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to revenue reserve if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to Note 2I for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(2) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interests and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

E. Group accounting (continued)

(3) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) *Acquisitions*

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated companies or joint ventures over the Group's share of the fair value of the identifiable net assets of the associated companies or joint ventures and is included in the carrying amount of the investments.

(ii) *Equity method of accounting*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of its associated companies' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated companies or joint venture equals to or exceeds its interest in the associated companies or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated companies or joint venture. If the associated companies or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associated companies or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the assets transferred. The accounting policies of associated companies or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) *Disposals*

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated companies or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

F. Property, plant and equipment

(1) Measurement

Property, plant and equipment are initially recognised at cost, and subsequently carried at cost less accumulated depreciation and accumulated impairment losses (refer to Note 2J for accounting policy on impairment of property, plant and equipment).

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (refer to Note 2H for accounting policy on borrowing costs).

(2) Depreciation

Freehold land and construction-in-progress are not depreciated. Depreciation of other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Buildings	-	10 to 60 years
Leasehold improvements	-	10 to 60 years
Plant and machinery	-	3 to 15 years
Vessels	-	15 to 18 years
Other assets	-	1 to 15 years

Other assets comprise furniture and fittings, office appliances and equipment and motor vehicles.

Dry docking costs are recognised as a separate component of each vessel's carrying amount. These costs are depreciated over the period to the next scheduled dry docking, which is 5 years. The remaining carrying amount of the old dry docking as a result of the commencement of new dry docking will be written off to profit or loss.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(3) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(4) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other losses, net".

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

G. Intangible assets

(1) Goodwill

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of associated companies and joint ventures represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, associated companies and joint ventures include the carrying amount of goodwill relating to the entity sold.

(2) Other intangible assets

Other intangible assets consist of computer software licenses and development of software that are recognised at cost less accumulated amortisation and accumulated impairment losses (refer to Note 2J for accounting policy for impairment of other intangible assets). These costs are amortised to profit or loss using the straight-line method over their expected useful lives ranging from 3 to 5 years, which is the shorter of their estimated useful lives and period of contractual rights. Costs associated with maintaining the other intangible assets are expensed off when incurred. Research costs are recognised as an expense when incurred. Costs directly attributable to the development of computer software are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group has an intention and ability to complete and use the software and the costs can be measured reliably. Such costs include purchases of materials and services and payroll-related costs of employees directly involved in the project.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

H. Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to assets under construction. This includes those costs on borrowings acquired specifically for assets under construction, as well as those in relation to general borrowings used to finance assets under construction.

I. Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses (refer to Note 2J for accounting policy on impairment of investment in subsidiaries) in the Company's balance sheet.

On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

J. Impairment of non-financial assets

(1) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired. For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-unit ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(2) Other intangible assets

Property, plant and equipment

Right-of-use assets

Investments in subsidiaries, associated companies and a joint venture

Other intangible assets, property, plant and equipment, right-of-use assets, investments in subsidiaries, associated companies and a joint venture are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset (other than goodwill) is recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

K. Financial assets

(1) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through other comprehensive income ("FVOCI")

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and bank balances, trade and other receivables, and listed and unlisted debt instruments.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "Fair value gain/loss" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "Dividend income".

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

K. Financial assets (continued)

(2) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(3) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to revenue reserve along with the amount previously recognised in other comprehensive income relating to that asset.

(4) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

L. Cash and bank balances

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

M. Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

N. Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

O. Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and bonds) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods, and makes assumptions based on current market conditions that are existing at each balance sheet date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and/or discounted cash flow analysis. The Group also estimates the fair values of the financial assets by reference to the net assets of these equity securities, adjusting where applicable using appropriate measures to fair value the underlying assets and liabilities. In determining these fair values, management evaluates, among other factors, the reliability and appropriateness of the use of the underlying net asset information provided, taking into consideration factors such as industry and sector outlook, other market comparable and other prevailing market factors and conditions.

The fair value of non-current financial liabilities carried at amortised cost is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial liabilities.

The fair value of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

P. Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis.

The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Q. Leases

(1) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

(i) Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, as follows:

Leasehold land	-	Over a lease period of up to 98 years
Office and buildings	-	2 to 5 years
Motor vessels	-	1 to 3 years
Other assets	-	2 to 4 years

The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of right-of-use assets if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purpose other than to produce inventories.

(ii) Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- The exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For a contract that contains both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected to not separate lease and non-lease components for property leases and account these as one single lease component.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Q. Leases (continued)

(1) When the Group is the lessee (continued):

(ii) Lease liabilities (continued):

Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There are modifications in the scope or the consideration of the lease that was not part of the original term.

Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(iii) Short term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(2) When the Group is the lessor:

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

R. Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

R. Income taxes (continued)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and a joint venture, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits similar to accounting for other tax credits where a deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

S. Provisions

(1) Provisions for asset dismantlement, removal and restoration

Provisions for asset dismantlement, removal or restoration are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amounts have been reliably estimated.

The Group recognises the estimated costs of dismantlement, removal or restoration of items of right-of-use assets arising from the acquisition or use of assets. This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value of money.

Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs are adjusted against the cost of the related right-of-use assets, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

S. Provisions (continued)

(2) Provisions for other liabilities and charges

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Other provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in profit or loss as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in the profit or loss when the changes arise.

T. Employee compensation

(1) Pension benefits

The Group operates both defined contribution post-employment benefit plans and defined benefit plans.

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

Certain subsidiaries of the Group operate separate defined retirement benefit schemes for certain employees. Such benefits are unfunded.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. Retirement benefits are assessed annually using the projected unit credit method. The present value of the defined benefit obligation is measured by discounting the estimated future cash outflows using a discount rate by reference to market yields of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to the terms of the related post-employment benefit obligations.

Actuarial gains and losses arising from experience adjustments and changes in actual assumptions are charged or credited to equity in other comprehensive income in the period when they arise. The experience adjustments are not to be reclassified to profit or loss in a subsequent period. Changes in the defined benefit liability arising from past service cost and net interest on the defined benefit obligation for the financial year are recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

T. Employee compensation (continued)

(2) Employee leaves entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

U. Currency translation

(1) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

(2) Transaction and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investments in foreign operations are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "Finance costs". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "Other losses, net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

(3) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rate at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

U. Currency translation (continued)

(3) Translation of Group entities' financial statements (continued)

- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date. For acquisitions prior to 1 January 2005, the goodwill and fair value adjustments are translated at the exchange rates at the dates of acquisition.

V. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

W. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

X. Dividends

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

Y. Non-current assets (or disposal groups) held-for-sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held-for-sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

A discontinued operation is a component of the Group that either has been disposed of, or that is classified as held-for-sale and:

- (a) represents a separate major line of business or geographical area of operations; or
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- (c) is a subsidiary acquired exclusively with a view to resale.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Z. Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3a. Impairment of trade receivables

As at 31 December 2023, the Group's trade receivables amounted to S\$71,838,000 (Note 16). For trade receivables, the Group applies the simplified approach permitted under SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables as set out in accounting policy stated in Note 2K. The Group's credit risk exposure for trade receivables by different operating segments and days past due are set out in Note 35b.

In relation to trade receivables that are other than non-performing, management has grouped the receivables based on similar credit risk characteristics and days past due and have used a provision matrix to measure the lifetime expected credit losses within each operating segment. The loss allowance rates within the provision matrix to be applied on receivables with different risk characteristics are based on historical default rates and takes into consideration forward-looking information affecting the ability of the debtors to settle the receivables. The loss allowance rates are reviewed on a regular basis.

As at 31 December 2023, accumulated loss allowance of S\$16,237,000 for trade receivables was recognised and credit loss allowance of S\$1,160,000 was recorded in the consolidated income statement for the financial year then ended.

3b. Impairment of property, plant and equipment ("PPE")

As at 31 December 2023, the Group's PPE was carried at a net book value of S\$87,096,000. PPE is reviewed for impairment whenever there is indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of value-in-use ("VIU") and fair value less costs to sell ("FVLCS")) of the assets is estimated to determine the impairment loss.

Arising from management's assessment based on VIU calculations using the discounted cash flows model, an impairment loss of S\$13,050,000 (Note 18c) for PPE was recorded in the consolidated income statement for the financial year ended 31 December 2023 to write down the carrying amounts of the assets to their estimated recoverable amounts.

Significant management judgement is applied in the estimation of cash flow projections which form the basis to derive the recoverable amounts of the PPE. Management relies on the CGU's historical data, performance and latest financial budgets approved by management as a basis for the cash flow projections, based on the information available as at the balance sheet date.

Notes to the Financial Statements

For the financial year ended 31 December 2023

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

4a Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions. Revenue is attributed to countries by location of customers.

	At a point in time S\$'000	Over time S\$'000	Total S\$'000
The Group			
2023			
Manufacturing and sale of building materials			
- Singapore	21,730	50	21,780
- Malaysia	61,184	-	61,184
- United Arab Emirates	2,952	54,844	57,796
- Finland	44,466	-	44,466
- Norway	25,331	-	25,331
- Other parts of Europe	9,701	-	9,701
	165,364	54,894	220,258
Provision of environmental services and sale of oil and petroleum products			
- Singapore	11,955	46,539	58,494
- Malaysia	330	-	330
- Others	706	41	747
	12,991	46,580	59,571
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	4,416	-	4,416
- Malaysia	1,518	-	1,518
- Others	290	-	290
	6,224	-	6,224
Others			
- Singapore	5,992	2,014	8,006
Rental income on operating leases			
- Singapore			4,024
Total			298,083

Notes to the Financial Statements

For the financial year ended 31 December 2023

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

4a Disaggregation of revenue from contracts with customers (continued)

	At a point in time	Over time (restated)	Total
	S\$'000	S\$'000	S\$'000
The Group			
2022			
Manufacturing and sale of building materials			
- Singapore	27,558	280	27,838
- Malaysia	108,985	-	108,985
- United Arab Emirates*	2,266	52,742	55,008
- Finland	51,883	-	51,883
- Norway	32,411	-	32,411
- Other parts of Europe	18,989	-	18,989
	242,092	53,022	295,114
Provision of environmental services and sale of oil and petroleum products			
- Singapore	10,979	41,205	52,184
- Malaysia	1,572	-	1,572
- Other parts of Europe	862	-	862
- Others	1,321	-	1,321
	14,734	41,205	55,939
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	4,936	-	4,936
- Malaysia	1,886	-	1,886
- Others	699	-	699
	7,521	-	7,521
Others			
- Singapore	5,666	1,818	7,484
Rental income on operating leases			
- Singapore			3,616
Total			369,674

* Revenue recognition of S\$52,742,000 has been restated from at a point in time to over time based on the terms and conditions of the revenue contracts with customers. There is no impact to the total revenue recognised for the financial year ended 31 December 2022.

Notes to the Financial Statements

For the financial year ended 31 December 2023

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

4b Contract liabilities

	The Group		
	31 December 2023 S\$'000	31 December 2022 S\$'000	1 January 2022 S\$'000
Contract liabilities			
- Manufacturing and sale of building materials	7,124	12,170	11,008
- Others	-	-	233
Total contract liabilities (Note 27)	7,124	12,170	11,241

Contract liabilities for manufacturing and sale of building material have decreased due to fewer contracts in which the Group billed and received consideration ahead of the provision of services.

(i) Revenue recognised in relation to contract liabilities

	The Group	
	2023 S\$'000	2022 S\$'000
<i>Revenue recognised in current period that was included in the contract liabilities balance at the beginning of the period</i>		
- Manufacturing and sale of building materials	7,077	10,684
- Others	-	233

In 2023, there was a rescheduling of projects in the Precast & PBU operating segment for contract liabilities recognised as at 31 December 2022. The contract liabilities as at 31 December 2023 are expected to be recognised within one year.

As permitted under the SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods one year or less is not disclosed.

Notes to the Financial Statements

For the financial year ended 31 December 2023

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

4c Assets recognised from costs to fulfil contracts

In addition to the contract liabilities disclosed above, the Group has recognised assets in relation to costs of contract-specific moulds used in production in the Precast & PBU operating segment. These costs incurred to fulfil contracts are presented within other current assets in the balance sheet and amortised to the profit or loss as cost of sales on a basis consistent with the pattern of recognition of the associated revenue.

	The Group	
	31 December	
	2023	2022
	S\$'000	S\$'000
Other current assets		
Asset recognised from costs incurred to fulfil contracts as at 31 December (Note 16)	273	292
Amortisation recognised as cost of sales during the year	53	36

4d Trade receivables from contracts with customers

	The Group		
	31 December		1 January
	2023	2022	2022
	S\$'000	S\$'000	S\$'000
Current assets			
Trade receivables from contracts with customers	88,075	101,412	79,805
Loss allowance	(16,237)	(15,872)	(11,978)
	71,838	85,540	67,827

Notes to the Financial Statements

For the financial year ended 31 December 2023

5. OTHER INCOME

The following has been included in arriving at other income:

	The Group	
	2023 S\$'000	2022 S\$'000
Interest income		
Financial assets measured at amortised cost		
- Fixed deposits	6,704	2,443
- Other investments	219	79
	6,923	2,522
Dividend income from financial assets, at FVOCI	-	29
Sale of scrap	1,095	1,060
Government grants	175	128
Other income	525	1,725
	1,795	2,942
	8,718	5,464

6. OTHER LOSSES, NET

	The Group	
	2023 S\$'000	2022 S\$'000
Currency exchange losses, net	(532)	(2,091)
Gain on disposal including write-off of property, plant and equipment, net	3	100
Gain on disposal of subsidiaries (Note 17)	-	1,380
Dilution gain on investment in an associated company (Note 21e)	-	385
Miscellaneous	(19)	(16)
	(548)	(242)

Notes to the Financial Statements

For the financial year ended 31 December 2023

7. FINANCE COSTS

	The Group	
	2023 S\$'000	2022 S\$'000
Interest expense		
- Bank borrowings	(1,314)	(888)
- Lease liabilities (Note 19c)	(656)	(524)
- Others	(58)	(222)
	(2,028)	(1,634)

8. (LOSS)/PROFIT BEFORE INCOME TAX

The following have been included in arriving at loss/profit before income tax:

		The Group	
	Note	2023 S\$'000	2022 S\$'000
<u>(Charged)/credited:</u>			
Amortisation of intangible assets	25b	(533)	(329)
Amortisation of deferred income	28	64	86
Depreciation of property, plant and equipment	18	(12,972)	(13,473)
Depreciation of right-of-use assets	19a	(3,397)	(3,493)
Employee compensation	9	(87,797)	(91,833)
Cost of inventories as expense (included in 'Cost of sales')		(90,296)	(117,685)
Sub-contractor charges		(17,423)	(19,578)
Auditors' remuneration paid/payable to			
- auditors of the Company ⁽¹⁾		(461)	(455)
- other auditors of subsidiaries ⁽²⁾		(278)	(256)
Non-audit fees paid/payable to			
- auditors of the Company ⁽¹⁾		(151)	(140)
- other auditors of subsidiaries		(59)	(50)
Rental expense	19c	(1,771)	(2,361)
Transportation expense		(9,061)	(14,357)
Loss allowance on trade receivables, net	35b	(1,160)	(4,903)
(Allowance for)/write-back of stock obsolescence, net		(82)	15

⁽¹⁾ PricewaterhouseCoopers LLP, Singapore

⁽²⁾ Comprises S\$266,000 (2022: S\$224,000) paid or payable to the network of member firms of PricewaterhouseCoopers International Limited outside Singapore and S\$12,000 (2022: S\$32,000) paid or payable to other firms of auditors in respect of the audit of subsidiaries.

Notes to the Financial Statements

For the financial year ended 31 December 2023

9. EMPLOYEE COMPENSATION

	The Group	
	2023 S\$'000	2022 S\$'000
Wages and salaries	79,421	81,644
Employer's contribution to defined contribution plans, including Central Provident Fund	2,756	2,823
Retirement benefits (Note 29)	583	425
Other staff benefits	5,037	6,941
	87,797	91,833

Key management's remuneration is disclosed in Note 32b.

10. INCOME TAX EXPENSE

	The Group	
	2023 S\$'000	2022 S\$'000
Tax expense attributable to profit is made up of:		
Profit for the financial year:		
Current income tax		
- Singapore	1,472	559
- Foreign	3,350	3,670
	4,822	4,229
Deferred income tax (Note 30)	(60)	39
	4,762	4,268
(Over)/under provision in prior financial years:		
Current income tax	(665)	60
Deferred income tax (Note 30)	23	(10)
Net (over)/under provision in prior years	(642)	50
Tax charge	4,120	4,318

Notes to the Financial Statements

For the financial year ended 31 December 2023

10. INCOME TAX EXPENSE (CONTINUED)

The deferred tax credit relating to each component of other comprehensive income is as follows:

	The Group					
	2023			2022		
	Before Tax S\$'000	Tax credit S\$'000	After Tax S\$'000	Before Tax S\$'000	Tax credit S\$'000	After Tax S\$'000
Fair value loss of financial assets, at FVOCI/ Other comprehensive income	(286)	-	(286)	(444)	-	(444)

The tax expense on the Group's results differ from the amount that would arise using the Singapore corporate income tax rate as explained below:

	The Group	
	2023 S\$'000	2022 S\$'000
(Loss)/profit before tax	(15,519)	13,914
Share of results of associated companies, net of tax ⁽¹⁾	1,296	(7,249)
(Loss)/profit before tax and share of results of associated companies	(14,223)	6,665
Tax calculated at a tax rate of 17% (2022: 17%)	(2,418)	1,133
Income not subject to tax	(809)	(446)
Expenses not deductible for tax purposes	5,110	4,060
Utilisation of previously unrecognised tax assets	(1,985)	(3,119)
Tax benefit from current year's tax losses not recognised	3,739	777
Effects of different tax rates in other countries	1,178	1,747
Tax incentives and rebates	(35)	(42)
(Over)/under provision of income tax	(642)	50
Others	(18)	158
Tax charge	4,120	4,318

⁽¹⁾ Share of results of associated companies is net of tax expense of S\$196,000 (2022: tax expense of S\$2,056,000).

Notes to the Financial Statements

For the financial year ended 31 December 2023

11. DIVIDENDS

	The Group and The Company	
	2023 S\$'000	2022 S\$'000
<i>Ordinary dividends paid</i>		
Special interim dividend of 40 cents in respect of the current financial year (2022: nil)	149,423	-
Final dividend of 5 cents in respect of the previous financial year (2022: Final dividend of 5 cents in respect of the previous financial year)	18,678	18,678
	168,101	18,678

Subsequent to the balance sheet date, the Directors proposed a final dividend of 2 cents per share for the financial year ended 31 December 2023 amounting to a total of S\$7,471,000. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2024.

12. (LOSS)/EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net results attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

For purposes of calculating diluted earnings per share, results attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for effects of all dilutive potential ordinary shares. The Company does not have any potential ordinary shares with dilutive potential.

	2023	2022
Net (loss)/profit attributable to equity holders of the Company (S\$'000)	(18,697)	10,697
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share ('000)	373,558	373,558
Basic and diluted (loss)/earnings per share (cents per share)	(5.01)	2.86

Notes to the Financial Statements

For the financial year ended 31 December 2023

13. SHARE CAPITAL

The Group and Company	Issued ordinary shares	
	No of shares	Amount
	'000	S\$'000
2023 and 2022		
Balance at 1 January and 31 December	373,558	193,839

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

The Company's immediate and ultimate holding corporations are 98 Holdings Pte. Ltd. and Excel Partners Pte. Ltd. respectively, both incorporated in Singapore.

14. RESERVES

14a Composition

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Revenue reserve	88,361	275,323	13,311	85,869
Foreign currency translation reserve	(11,828)	(8,894)	-	-
Fair value reserve	3,788	4,381	898	893
General and other reserves	97	(86)	-	-
	80,418	270,724	14,209	86,762

Revenue reserve relates to distributable retained profits of the Group.

General reserve of S\$1,164,000 (2022: S\$981,000) relates to funds appropriated from the net profits to statutory reserves of a subsidiary established in the United Arab Emirates. 5% of the annual net profits of the subsidiary are transferred to the statutory reserves until the reserves is equal to at least 50% of the paid-up capital of the subsidiary. In accordance with the Commercial Companies Law in United Arab Emirates, S\$183,000 (2022: nil) was made to the statutory reserve during the financial year ended 31 December 2023.

Other reserve relates to the Group's share of other comprehensive losses of an associated company of S\$1,067,000 (2022: S\$1,067,000), which will not be reclassified subsequently to profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2023

14. RESERVES (CONTINUED)

14b Reserves movements

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
(i) Revenue reserve				
Beginning of financial year	275,323	283,304	85,869	129,829
Net (loss)/profit for the year	(18,697)	10,697	95,524	(25,282)
Transfer of reserves (iv)	(183)	-	-	-
Dividends paid (Note 11)	(168,101)	(18,678)	(168,101)	(18,678)
Write-back of long outstanding dividend payables	19	-	19	-
End of financial year	88,361	275,323	13,311	85,869
(ii) Foreign currency translation reserve				
Beginning of financial year	(8,894)	(1,715)	-	-
Net currency translation differences of financial statements of foreign subsidiaries and associated companies	(2,778)	(7,124)	-	-
Less: Non-controlling interests	(156)	(55)	-	-
End of financial year	(11,828)	(8,894)	-	-
(iii) Fair value reserve				
Beginning of financial year	4,381	5,703	893	1,337
Fair value (losses)/gains of financial asset, at FVOCI (Note 23)	(286)	(444)	5	(444)
Share of an associated company's fair value losses on financial asset, at FVOCI	(307)	(878)	-	-
End of financial year	3,788	4,381	898	893
(iv) General and other reserve				
Beginning of financial year	(86)	(89)	-	-
Transfer of reserves (i)	183	-	-	-
Other comprehensive income for the year	-	3	-	-
End of financial year	97	(86)	-	-

Notes to the Financial Statements

For the financial year ended 31 December 2023

15. INVENTORIES

	The Group	
	2023 S\$'000	2022 S\$'000
At lower of cost and net realisable value		
Raw materials	18,848	26,077
Finished goods	10,286	20,572
General stores and consumables	5,728	6,127
	34,862	52,776

16. RECEIVABLES, PREPAYMENTS AND OTHER CURRENT ASSETS

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Trade receivables				
- Associated companies	2,126	813	-	-
- Non-related parties ^(16c) ^(16d)	85,949	100,599	-	-
	88,075	101,412	-	-
Less: Allowance for impairment of trade receivables (Note 35b)	(16,237)	(15,872)	-	-
Trade receivables – net	71,838	85,540	-	-
Non-trade amounts owing by subsidiaries ^(16a)	-	-	15,388	66,485
Non-trade amounts owing by a joint venture	2,837	-	-	-
Prepayments	5,380	5,231	115	91
Costs to fulfil contracts (Note 4c)	273	292	-	-
Deposits	841	960	1	1
Interest receivable	307	1,047	307	1,047
Recoverable expenditure	1,267	2,627	-	-
Other receivables ^(16b)	377	445	1	5
	83,120	96,142	15,812	67,629

16a Non-trade amounts owing by subsidiaries are unsecured, repayable on demand and are interest-free, except for an amount of S\$7,528,000 (2022: S\$23,557,000) that bears interest at average of 4.5% (2022: 3.6%) per annum.

16b Other receivables are unsecured, interest-free and expected to be repaid within the next 12 months after the balance sheet date.

Notes to the Financial Statements

For the financial year ended 31 December 2023

16. RECEIVABLES, PREPAYMENTS AND OTHER CURRENT ASSETS (CONTINUED)

16c Included in the Group's trade receivables are retention monies of S\$15,007,000 (2022: S\$16,381,220) which are expected to be realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting period.

16d Included in the Group's trade receivables is unbilled revenue of S\$15,821,000 (2022: S\$16,693,000), which is mainly derived from the manufacturing and sale of building materials. The unbilled revenue decreased as the Group manufactured and sold fewer building materials ahead of agreed payment schedules.

17. CASH AND BANK BALANCES

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Fixed deposits	79,049	185,325	47,054	159,577
Cash at bank and on hand	43,670	82,777	3,837	9,025
	122,719	268,102	50,891	168,602

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Cash and bank balances	122,719	268,102	50,891	168,602
Less: Bank deposits pledged	(25,500)	(25,500)	-	-
Cash and cash equivalents per statement of cash flows	97,219	242,602	50,891	168,602

Bank deposits of S\$25,500,000 (2022: S\$25,500,000) are pledged to banks for banking facilities granted to subsidiaries (Note 26).

Notes to the Financial Statements

For the financial year ended 31 December 2023

17. CASH AND BANK BALANCES (CONTINUED)

Disposal of subsidiaries

On 19 May 2022, the Group disposed of its 80%-owned subsidiary, Kemboja Sejahtera Sdn Bhd and 56%-owned subsidiary, Kuari Atrah Sdn Bhd. The effects of the disposal on the cash flows of the Group were:

	The Group
	At 19 May
	2022
	S\$'000
Assets of disposal group classified as held-for-sale:	
Right-of-use assets	1,256
Liabilities of disposal group classified as held-for-sale:	
Deferred tax liabilities	(86)
Net assets derecognised	1,170
Less: Non-controlling interests	(93)
Net assets disposed of	1,077
Cash inflows arising from the disposal:	
Net assets disposed of (as above)	1,077
Gain on disposal (Note 6)	1,380
Cash proceeds on disposal	2,457

Notes to the Financial Statements

For the financial year ended 31 December 2023

18. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land S\$'000	Buildings S\$'000	Leasehold Improvements S\$'000	Plant & Machinery S\$'000	Vessels** S\$'000	Other Assets* S\$'000	Construction- in-progress S\$'000	Total S\$'000
The Group – 2023								
Cost								
At 1 January 2023	5,794	175,198	1,401	136,499	14,995	50,686	3,445	388,018
Additions	-	322	-	1,357	670	2,350	1,103	5,802
Disposals and write off	-	-	-	(607)	(640)	(732)	(35)	(2,014)
Reclassifications	-	-	-	542	-	62	(604)	-
Currency realignment	(354)	(1,115)	-	(1,459)	-	(690)	(141)	(3,759)
At 31 December 2023	5,440	174,405	1,401	136,332	15,025	51,676	3,768	388,047
Accumulated Depreciation and Impairment Losses								
At 1 January 2023	-	129,514	850	99,488	7,333	42,267	70	279,522
Depreciation charge (Note 8)	-	2,781	149	5,551	1,150	3,341	-	12,972
Disposals and write off	-	-	-	(373)	(640)	(600)	-	(1,613)
Impairment loss (18c)	-	-	-	13,050	-	-	-	13,050
Currency realignment	-	(911)	-	(1,354)	-	(718)	3	(2,980)
At 31 December 2023	-	131,384	999	116,362	7,843	44,290	73	300,951
Net Book Value								
At 31 December 2023	5,440	43,021	402	19,970	7,182	7,386	3,695	87,096
The Group – 2022								
Cost								
At 1 January 2022	6,164	171,611	1,383	132,962	15,395	48,832	4,461	380,808
Additions	-	5,517	-	2,052	238	2,388	5,381	15,576
Disposals and write off	-	(11)	-	(1,051)	(638)	(704)	(103)	(2,507)
Reclassifications	-	-	18	5,508	-	585	(6,111)	-
Reclassifications to other intangible assets (Note 25b)	-	-	-	-	-	-	(127)	(127)
Currency realignment	(370)	(1,919)	-	(2,972)	-	(415)	(56)	(5,732)
At 31 December 2022	5,794	175,198	1,401	136,499	14,995	50,686	3,445	388,018
Accumulated Depreciation and Impairment Losses								
At 1 January 2022	-	127,731	701	95,487	6,382	39,883	2,164	272,348
Depreciation charge (Note 8)	-	3,074	149	5,431	1,398	3,421	-	13,473
Disposals and write off	-	(4)	-	(1,013)	(447)	(696)	-	(2,160)
Reclassifications	-	12	-	2,081	-	1	(2,094)	-
Currency realignment	-	(1,299)	-	(2,498)	-	(342)	-	(4,139)
At 31 December 2022	-	129,514	850	99,488	7,333	42,267	70	279,522
Net Book Value								
At 31 December 2022	5,794	45,684	551	37,011	7,662	8,419	3,375	108,496

* Other assets comprise furniture & fittings, office equipment and motor vehicles.

** Dry docking costs amounting to S\$821,000 (2022: S\$675,000) are recognised as a separate component of each vessel's carrying amount. For more details, please refer to Note 2F.

Notes to the Financial Statements

For the financial year ended 31 December 2023

18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Other Assets* S\$'000
<u>The Company – 2023</u>	
Cost	
At 1 January 2023	1,892
Additions	310
Disposals and write off	(427)
At 31 December 2023	<u>1,775</u>
Accumulated Depreciation	
At 1 January 2023	1,706
Depreciation charge	156
Disposals and write off	(427)
At 31 December 2023	<u>1,435</u>
Net Book Value	
At 31 December 2023	<u>340</u>
<u>The Company – 2022</u>	
Cost	
At 1 January 2022	1,907
Additions	46
Disposals and write off	(61)
At 31 December 2022	<u>1,892</u>
Accumulated Depreciation	
At 1 January 2022	1,637
Depreciation charge	130
Disposals and write off	(61)
At 31 December 2022	<u>1,706</u>
Net Book Value	
At 31 December 2022	<u>186</u>

* Other assets comprise furniture & fittings, office equipment and motor vehicles.

Notes to the Financial Statements

For the financial year ended 31 December 2023

18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- 18a The Group's major properties comprise freehold land in Malaysia and Finland, leasehold lands, factories and office buildings in Singapore, Malaysia and United Arab Emirates, and a building used for the operation of a resort-style marina in Singapore.
- 18b Included in the Group's property, plant and equipment are property, plant and equipment of subsidiaries with net book value of S\$26,931,000 (2022: S\$47,525,000) charged by way of debentures to banks for banking facilities granted (Note 26).
- 18c Arising from the expected significant reduction in the volume of waste collection from a key customer and slower progress in securing new customers in the Environmental Services segment, the Group recorded an impairment loss of S\$13,050,000 (2022: nil) for property, plant and equipment for the financial year ended 31 December 2023. The impairment loss was determined following management's assessment of the recoverable amounts derived from the higher of value in use (VIU) and fair value less costs to sell. The recoverable amount of the CGU was determined based on VIU calculations using a discounted cash flows approach and applying a pre-tax discount rate of 11.8%.

19. RIGHT-OF-USE ASSETS

Leases – The Group as a lessee

Nature of the Group's leasing activities are as follows:

Leasehold lands

The Group has made upfront payments to secure the right-of-use of leasehold lands which are used in the Group's business operations. The Group also makes annual lease payments for leasehold land. These leasehold lands are recognised as right-of-use ("RoU") assets.

Office and buildings

The Group leases office space for the purpose of back office operations, and buildings used in the Group's business operations. The Company also leases office space for the purpose of back office operations.

Motor vehicles and other assets

The Group leases motor vehicles to render logistic services and other assets comprising, plant and machineries and office equipment, for their business operations.

Notes to the Financial Statements

For the financial year ended 31 December 2023

19. RIGHT-OF-USE ASSETS (CONTINUED)

Leases – The Group as a lessee (continued)

19a. The carrying amounts of RoU assets are as follows:

	Leasehold Lands S\$'000	Office and Buildings S\$'000	Motor Vehicles S\$'000	Other Assets S\$'000	Total S\$'000
The Group – 2023					
<u>Cost</u>					
Beginning of financial year	46,843	5,032	1,698	1,711	55,284
Additions	673	538	259	30	1,500
Remeasurement of lease liability (19f)	1,486	1,282	-	-	2,768
Currency realignment	(443)	(149)	(27)	(6)	(625)
End of financial year	48,559	6,703	1,930	1,735	58,927
<u>Accumulated depreciation and impairment losses</u>					
Beginning of financial year	19,794	4,406	1,146	1,303	26,649
Depreciation charge (Note 8)	2,253	575	141	428	3,397
Currency realignment	(179)	(140)	(16)	(3)	(338)
End of financial year	21,868	4,841	1,271	1,728	29,708
Net book value at end of financial year	26,691	1,862	659	7	29,219
The Group – 2022					
<u>Cost</u>					
Beginning of financial year	47,521	5,123	1,620	1,369	55,633
Additions	-	-	120	396	516
Disposal	-	-	(27)	(50)	(77)
Currency realignment	(678)	(91)	(15)	(4)	(788)
End of financial year	46,843	5,032	1,698	1,711	55,284
<u>Accumulated depreciation and impairment losses</u>					
Beginning of financial year	17,890	3,791	1,004	916	23,601
Depreciation charge (Note 8)	2,180	700	175	438	3,493
Disposal	-	-	(27)	(50)	(77)
Currency realignment	(276)	(85)	(6)	(1)	(368)
End of financial year	19,794	4,406	1,146	1,303	26,649
Net book value at end of financial year	27,049	626	552	408	28,635

Notes to the Financial Statements

For the financial year ended 31 December 2023

19. RIGHT-OF-USE ASSETS (CONTINUED)

Leases – The Group as a lessee (continued)

19a. The carrying amounts of RoU assets are as follows (continued):

	Office and Buildings S\$'000	Other Assets S\$'000	Total S\$'000
The Company – 2023			
<u>Cost</u>			
Beginning of financial year	1,459	21	1,480
Additions	36	-	36
End of financial year	1,495	21	1,516
<u>Accumulated depreciation</u>			
Beginning of financial year	924	7	931
Depreciation charge	322	4	326
End of financial year	1,246	11	1,257
Net book value at end of financial year	249	10	259
The Company – 2022			
<u>Cost</u>			
Beginning and end of financial year	1,459	21	1,480
<u>Accumulated depreciation</u>			
Beginning of financial year	632	3	635
Depreciation charge	292	4	296
End of financial year	924	7	931
Net book value at end of financial year	535	14	549

19b. RoU assets of subsidiaries with net book value of S\$10,758,000 (2022: S\$8,324,000) are charged by way of debentures to banks for banking facilities granted (Note 26).

Notes to the Financial Statements

For the financial year ended 31 December 2023

19. RIGHT-OF-USE ASSETS (CONTINUED)

Leases – The Group as a lessee (continued)

19c. The following charges relating to RoU assets have been included in profit or loss:

	2023 S\$'000	2022 S\$'000
Interest expense on lease liabilities (Note 7)	656	524
Lease expense not capitalised in lease liabilities		
Lease expense – short-term leases	1,736	2,269
Lease expense – low-value leases	35	92
	1,771	2,361

19d. Cash outflow of all leases

Total cash outflow for all the leases in 2023 was S\$5,235,000 (2022: S\$5,894,000).

19e. Extension options

The lease for a land of a subsidiary contain extension periods, for which the related lease payments of S\$2,904,000 (2022: S\$2,511,000) had been included in lease liabilities as the Group was reasonably certain to exercise this extension option. The extension options are exercisable by the Group and not by the lessor. In determining whether to utilise the extension options and the duration of the extension period, the Group considered and sought to optimise operational flexibility in terms of managing the asset used in the Group's operations.

19f. During the financial year ended 31 December 2023, the Group remeasured its lease liabilities due to changes in future lease payments arising from changes to interest rates and a lease modification arising from an extension of a lease term not part of the terms and conditions of the original lease contract. The remeasurement to the lease liability is recorded in Note 26 and the corresponding adjustment is accounted for as an addition to the right-of-use assets.

Notes to the Financial Statements

For the financial year ended 31 December 2023

19. RIGHT-OF-USE ASSETS (CONTINUED)

Leases – The Group as a lessor

Nature of the Group's leasing activities are as follows:

The Group has leased out their owned property, plant and equipment to third parties for monthly lease payments. These leases are classified as operating leases because the risks and rewards incidental to ownership of the assets are not substantially transferred.

The following table shows the maturity analysis of the undiscounted lease payments to be received:

	2023 S\$'000	2022 S\$'000
Less than one year	1,757	1,638
One to two years	1,399	690
Total undiscounted lease payments	3,156	2,328

20. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2023 S\$'000	2022 S\$'000
<i>Equity investments at cost</i>		
Beginning of financial year	60,338	85,232
Impairment loss	(24,107)	(24,894)
End of financial year	36,231	60,338

Details regarding significant subsidiaries are set out in Note 38.

20a Carrying value of non-controlling interests

	2023 S\$'000	2022 S\$'000
Dubai Precast LLC	(6,289)	(7,290)
NSL OilChem Waste Management Pte. Ltd.	529	2,002
Other subsidiaries with immaterial non-controlling interests	(522)	(208)
Total	(6,282)	(5,496)

Notes to the Financial Statements

For the financial year ended 31 December 2023

20. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

20b Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

There were no transactions with non-controlling interests for the financial years ended 31 December 2023 and 2022.

Summarised balance sheet

	Dubai Precast LLC		NSL OilChem Waste Management Pte. Ltd.	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Current				
Assets	36,268	37,000	28,721	27,550
Liabilities	(21,518)	(19,538)	(17,742)	(72,254)
Total current net assets/(liabilities)	14,750	17,462	10,979	(44,704)
Non-current				
Assets	4,541	3,071	49,507	66,917
Liabilities	(50,838)	(56,569)	(56,178)	(5,910)
Total non-current net (liabilities)/assets	(46,297)	(53,498)	(6,671)	61,007
Net (liabilities)/assets	(31,547)	(36,036)	4,308	16,303

Summarised statement of comprehensive income

	Dubai Precast LLC		NSL OilChem Waste Management Pte. Ltd.	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	57,796	55,046	59,219	55,048
Profit/(loss) before income tax	4,582	(1,869)	(12,056)	(3,016)
Profit/(loss) after income tax	4,582	(1,869)	(11,995)	(3,016)
Other comprehensive income	735	228	-	-
Total comprehensive income/(loss)	5,317	(1,641)	(11,995)	(3,016)
Total comprehensive income/(loss) allocated to non-controlling interests	1,063	(328)	(1,474)	(371)
Dividends paid to non-controlling interests	-	-	-	-

Notes to the Financial Statements

For the financial year ended 31 December 2023

20. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

20b Summarised financial information on subsidiaries with material non-controlling interests (continued)

Summarised cash flows

	Dubai Precast LLC		NSL OilChem Waste Management Pte. Ltd.	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Net cash provided by operating activities	7,018	3,221	14,381	10,064
Net cash (used in)/provided by investing activities	(1,162)	122	(2,531)	(3,469)
Net cash used in financing activities	(36)	(1,233)	(11,419)	(4,946)

21. INVESTMENTS IN ASSOCIATED COMPANIES

	The Group	
	2023 S\$'000	2022 S\$'000
Carrying value of Group's interest in associated companies	10,357	34,231

21a The Group has S\$3,472,000 (2022: \$3,702,000) unrecognised losses of associated companies during the year. The accumulated losses of associated companies not recognised were S\$37,814,000 (2022: S\$34,342,000) at the balance sheet date.

21b There are no contingent liabilities relating to the Group's interest in the associated companies.

21c The summarised financial information (not adjusted for the proportionate of effective ownership interest held by the Group) of associated companies as at balance sheet date is as follows:

	The Group	
	2023 S\$'000	2022 S\$'000
- Assets	152,612	306,498
- Liabilities	(253,263)	(309,354)
- Revenue	191,804	396,030
- Net (loss)/profit for the financial year	(22,780)	14,567

Notes to the Financial Statements

For the financial year ended 31 December 2023

21. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

21d The investment in associated companies comprised mainly of the following significant associated company:

Name of entity	Place of business/ country of incorporation	% of ownership interest	
		2023	2022
Salzgitter Maschinenbau AG ("SMAG")	Germany	24.4	24.4

During the financial year ended 31 December 2023, SMAG divested three of its remaining business units and proceeded to file for liquidation subject to the approval of shareholders in the next annual general meeting of SMAG in April 2024. The Group fully impaired the carrying amount of SMAG of S\$21,900,000 as the estimated proceeds from the sale of the business units were not sufficient to offset SMAG's liabilities as at 31 December 2023. The recoverable amount of the investment in SMAG and the fair value less costs of disposal are nil.

During the financial year ended 31 December 2022, SMAG divested two of its business units and the Group's share of profit included a net gain on divestments amounting to S\$7,111,000. Following the divestments, the Group performed an impairment assessment over the entire carrying value of its investment in SMAG and recognised an impairment loss of S\$16,112,000. The recoverable amount of the cash-generating unit ("CGU") was determined based on value-in-use and a pre-tax discount rate of 12.6% was applied to the cash flow projections.

21e Summarised financial information for associated companies

The Group's share of net loss after tax and other comprehensive gain of SMAG amounted to S\$2,326,000 and S\$191,000 respectively for the financial year ended 31 December 2023.

Set out below is the summarised financial information for SMAG for the financial year ended 31 December 2022.

Amounts presented in the financial statements of the associated company (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associated company and fair value adjustments made at the time of acquisition:

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For the financial year ended 31 December 2023

21. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

21e Summarised financial information for associated companies (continued)

	2022 S\$'000
Revenue	347,355
Profit after tax	25,979
Other comprehensive loss	(698)
Total comprehensive income	25,281
Attributable to:	
- Non-controlling interests	789
- Shareholders of associated company	24,492
Current assets	145,605
Non-current assets	47,935
Current liabilities	(49,240)
Non-current liabilities	(45,547)
Net assets	98,753
Attributable to:	
- Non-controlling interests	44
- Shareholders of associated company	98,709
Group's share of net assets at beginning of the year	16,470
Goodwill at beginning of the year	19,422
Carrying value of interest in associated company at beginning of the year	35,892
Group's share of:	
Profit after tax	6,413
Impairment charge	(16,112)
Dilution gain	385
Other comprehensive loss which included currency translation differences	(2,543)
Total comprehensive loss	(11,857)
Carrying value of interest in associated company at end of the year	24,035
Add: Carrying value of individually immaterial associated companies, in aggregate	10,196
Carrying value of Group's interest in associated companies	34,231

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21. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

21f The following table summarises, in aggregate, the Group's share of profit and other comprehensive loss of the Group's individually immaterial associated companies accounted for using the equity method:

	2023 S\$'000	2022 S\$'000
Net profit	1,030	836
Other comprehensive loss	(594)	(1,462)
Total comprehensive profit/(loss)	436	(626)

22. LONG TERM RECEIVABLES

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Amounts owing by subsidiaries - non-trade	-	-	195,190	69,170
Less: Allowance for impairment of receivables	-	-	(41,062)	(41,062)
			154,128	28,108
Amounts owing by associated companies - non-trade	454	465	-	-
	454	465	154,128	28,108

22a The amounts owing by subsidiaries of S\$159,190,000 (2022: S\$69,170,000) are non-trade, interest-free, unsecured and are not expected to be repaid within the next 12 months after the balance sheet date. Settlement of the amounts owing by subsidiaries are neither planned nor likely to occur in the foreseeable future. As a result, such amounts are in substance part of Company's net investments in subsidiaries. The amounts owing by subsidiaries are accounted for in accordance with Note 2I.

22b The non-trade amount owing by a subsidiary of S\$36,000,000 is unsecured and has no fixed terms of repayment. The balance has been subordinated to secure banking facilities granted to the Group (Note 26) and was classified as current in the financial year ended 31 December 2022. This amount was reclassified to non-current in the financial year ended 31 December 2023 as the maturity of the banking facilities has been extended to 31 January 2026 (Note 26). The carrying value of the receivables approximate their fair value.

22c Non-trade amount owing by an associated company is unsecured and interest-free and not expected to be repaid within the next 12 months after the balance sheet date.

Notes to the Financial Statements

For the financial year ended 31 December 2023

23. FINANCIAL ASSETS, AT FVOCI

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Beginning of financial year	1,195	1,639	904	1,348
Fair value (losses)/gains (Note 14b)	(286)	(444)	5	(444)
End of financial year	909	1,195	909	904
	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Listed equity securities - Singapore	909	904	909	904
Unlisted equity securities	-	291	-	-
	909	1,195	909	904

24. OTHER INVESTMENTS AT AMORTISED COST

	The Group and the Company	
	2023 S\$'000	2022 S\$'000
Beginning of financial year	4,254	517
Additions	-	3,743
Accrued interest		
- Recognised in profit or loss during the year	(7)	(6)
Derecognition on maturity date	(2,000)	-
End of financial year	2,247	4,254

Notes to the Financial Statements

For the financial year ended 31 December 2023

24. OTHER INVESTMENTS AT AMORTISED COST (CONTINUED)

The fair values of the listed bonds at the balance sheet date are as follows:

	The Group and the Company			
	Carrying amount	Fair value	Carrying amount	Fair value
	2023	2023	2022	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Current				
- Treasury bill with yield of 3.96% and maturity date of 16 May 2023	-	-	2,000	1,968
- Bonds with fixed interest of 3.00% and maturity date of 7 May 2024	503	500	-	-
	503		2,000	
Non-current				
- Bonds with fixed interest of 3.00% and maturity date of 7 May 2024	-	-	510	499
- Bonds with fixed interest of 3.75% and maturity date of 31 May 2028	990	859	988	886
- Bonds with fixed interest of 3.95% and maturity date of 2 June 2026	754	740	756	712
	1,744		2,254	
	2,247		4,254	

The fair values are within Level 1 of the fair value hierarchy.

25. INTANGIBLE ASSETS

	The Group		The Company	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Goodwill arising on consolidation ^(25a)	8,024	8,678	-	-
Other intangible assets ^(25b)	1,305	742	-	-
	9,329	9,420	-	-

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For the financial year ended 31 December 2023

25. INTANGIBLE ASSETS (CONTINUED)

25a Goodwill arising on consolidation

	The Group	
	2023 S\$'000	2022 S\$'000
Cost		
Beginning and end of financial year	8,678	8,678
Accumulated impairment		
Beginning of financial year	-	-
Impairment charge	(654)	-
End of financial year	(654)	-
Net book value	8,024	8,678

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating-units ("CGU") identified according to countries of operation and business segments.

A segment-level summary of the goodwill allocation is as follows:

Group

	31 December 2023		
	Singapore S\$'000	Finland S\$'000	Total S\$'000
Precast & PBU	-	8,024	8,024
	31 December 2022		
	Singapore S\$'000	Finland S\$'000	Total S\$'000
Precast & PBU	-	8,024	8,024
Environmental Services	654	-	654
	654	8,024	8,678

Notes to the Financial Statements

For the financial year ended 31 December 2023

25. INTANGIBLE ASSETS (CONTINUED)

25a Goodwill arising on consolidation (continued)

The recoverable amount of a CGU is determined based on value-in-use calculations. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management. Cash flows cover at least a five-year period and the growth rate used to extrapolate the cash flows beyond the budget period did not exceed the long-term average growth rate for the business in which the CGU operates.

Key assumptions used for value-in-use calculations are as follows:

	31 December 2023		31 December 2022	
	Growth rate ⁽¹⁾	Discount rate ⁽²⁾	Growth rate ⁽¹⁾	Discount rate ⁽²⁾
Precast & PBU	8.6%	13.7%	2.0%	14.3%
Environmental Services	0.0%	11.8%	1.5%	11.8%

⁽¹⁾ Projected average sales growth rate covering at least five-year period cash flow projections.

⁽²⁾ Pre-tax discount rate applied to cash flow projections.

These assumptions have been used for the analysis of each CGU within the business segment. The projected average sales growth rates used are consistent with the industry forecast. The discount rates used are pre-tax and reflected specific risks relating to the relevant segments.

An impairment loss of S\$654,000 (2022: nil) for the Environmental Services CGU in Singapore is included within the consolidated income statement for the financial year ended 31 December 2023.

The impairment test carried out as at 31 December 2023 for the PBU CGU in Finland has revealed that the recoverable amount of the CGU is S\$600,000 higher than its carrying amount. Assuming all other variables are held constant,

- a decrease in the sales growth by 0.1% would reduce the recoverable amount by S\$260,000;
- a decrease in the gross profit margin by 0.1% would reduce the recoverable amount by S\$870,000; and
- an increase in the discount rate by 0.1% would reduce the recoverable amount by S\$420,000.

Notes to the Financial Statements

For the financial year ended 31 December 2023

25. INTANGIBLE ASSETS (CONTINUED)

25b Other intangible assets

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Cost				
Balance at 1 January	7,507	7,614	322	322
Additions	1,092	167	-	-
Reclassification from property, plant and equipment (Note 18)	-	127	-	-
Currency realignment	4	(401)	-	-
Balance at 31 December	8,603	7,507	322	322
Accumulated amortisation				
Balance at 1 January	6,765	6,789	322	322
Amortisation charge	533	329	-	-
Currency realignment	-	(353)	-	-
Balance at 31 December	7,298	6,765	322	322
Net Book Value at 31 December	1,305	742	-	-

Amortisation expense included in the consolidated income statement is analysed as follows:

	The Group	
	2023 S\$'000	2022 S\$'000
Cost of sales	190	177
Administrative expenses	343	152
Total	533	329

Notes to the Financial Statements

For the financial year ended 31 December 2023

26. BORROWINGS AND LEASE LIABILITIES

26a Borrowings

Total borrowings of the Group include bank borrowings and other short-term borrowings. The maturity profile of these borrowings are as follows:

	2023 S\$'000	2022 S\$'000
The Group		
<i>Current:</i>		
Bank loans		
- Secured	4,188	22,499
- Unsecured	-	4,000
	4,188	26,499
<i>Non-current:</i>		
Bank loans		
- Secured	14,746	2,304
	18,934	28,803

The carrying value of non-current borrowings approximate their fair values.

26b Lease liabilities

As at 31 December 2023, the Group and the Company have total lease liabilities of S\$14,430,000 (2022: S\$13,452,000) and S\$249,000 (2022: S\$534,000) respectively. The lease liabilities of the Group and the Company have the following maturity profile:

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Current	2,426	2,655	244	285
Non-current	12,004	10,797	5	249
	14,430	13,452	249	534

Notes to the Financial Statements

For the financial year ended 31 December 2023

26. BORROWINGS AND LEASE LIABILITIES (CONTINUED)

26c The interest rates per annum of the bank borrowings during the financial year are as follows:

	The Group	
	2023	2022
Loans denominated in:		
- Singapore Dollars	5.2% to 6.3%	1.7% to 5.5%
- Malaysian Ringgit	3.11% to 4.85%	2.5% to 4.8%
- Euro	5.0%	3.8%

26d The banking facilities are secured against fixed and floating charge over bank deposits (Note 17), property, plant and equipment (Note 18) and right-of-use assets (Note 19) of certain subsidiaries of the Group.

27. TRADE, OTHER PAYABLES AND OTHER CURRENT LIABILITIES

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Trade payables – non-related parties	18,197	30,587	-	-
Accrued operating expenses, including staff compensation	25,072	28,461	1,600	1,580
Project related accruals	16,101	18,941	-	-
Contract liabilities (Note 4b)	7,124	12,170	-	-
Sundry payables ^(27a)	2,594	2,591	281	282
Amounts owing to subsidiaries				
- Non-trade ^(27a)	-	-	41,581	37,365
Others	715	459	134	-
	69,803	93,209	43,596	39,227

27a The non-trade amounts owing to subsidiaries and sundry payables are unsecured, interest-free and repayable on demand.

Notes to the Financial Statements

For the financial year ended 31 December 2023

28. DEFERRED INCOME

Deferred income relates mainly to unearned entrance fees received in respect of club memberships sold. The deferred income is amortised over the remaining membership period of 25 years (2022: 26 years).

	The Group	
	2023	2022
	S\$'000	S\$'000
Balance at 1 January	428	456
Additions	74	58
Amortisation charge	(64)	(86)
Balance at 31 December	438	428
Current portion	26	26
Non-current portion	412	402
	438	428

29. PROVISION FOR RETIREMENT BENEFITS

The amounts recognised in the balance sheets are as follows:

	The Group	
	2023	2022
	S\$'000	S\$'000
Present value of unfunded obligations	3,928	3,587

Certain subsidiaries of the Group operate separate unfunded defined retirement benefit schemes for certain employees. Benefits are payable based on the last drawn salaries of the respective employees and the number of years of service with the subsidiaries of the Group. Provision is made using the projected unit credit method described in Note 2T.

Movement in the liability recognised in the balance sheets:

	The Group	
	2023	2022
	S\$'000	S\$'000
Non-current		
Balance at 1 January	3,587	3,420
Charged to profit or loss (Note 9)	583	425
Benefits paid	(143)	(220)
Currency realignment	(99)	(38)
Balance at 31 December	3,928	3,587

Notes to the Financial Statements

For the financial year ended 31 December 2023

29. PROVISION FOR RETIREMENT BENEFITS (CONTINUED)

The principal actuarial assumptions used were as follows:

	The Group	
	2023 %	2022 %
Discount rate	5	5
Salary increment rate	.*	.*

* Denotes amounts less than 1%

30. DEFERRED TAXATION

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheets as follows:

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Deferred tax assets	(2,369)	(2,482)	-	-
Deferred tax liabilities	2,123	2,203	64	147
Net deferred tax (assets)/liabilities	(246)	(279)	64	147

The movement in deferred taxes is as follows:

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Balance at 1 January	(279)	(595)	147	20
(Credited)/charged:				
- Profit or loss (Note 10)	(37)	29	(83)	127
Currency realignment	70	287	-	-
Balance at 31 December	(246)	(279)	64	147

Deferred income tax assets are recognised for tax losses carried forward and unutilised capital allowances to the extent that realisation of the related tax benefits through future taxable profits is probable. At 31 December 2023, the Group has unutilised tax losses and capital allowances of S\$24,982,000 (2022: S\$27,583,000) and S\$15,766,000 (2022: S\$22,198,000) respectively for which deferred tax benefits have not been recognised in the financial statements. These are available for set-off against future taxable profits subject to meeting certain statutory requirements in their respective countries of incorporation by those companies with unrecognised tax losses and capital allowances. These unutilised tax losses and capital allowances do not have expiry dates.

Notes to the Financial Statements

For the financial year ended 31 December 2023

30. DEFERRED TAXATION (CONTINUED)

30a Movement in the Group's deferred tax assets and liabilities (prior to legally enforceable offsetting of balances within same tax authority) are as follows:

The Group – Deferred tax liabilities

	Accelerated tax depreciation		Unremitted income		Others		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January	571	385	1,606	1,601	84	84	2,261	2,070
Charged/(credited):								
- Profit or loss	64	51	(117)	(26)	-	-	(53)	25
Currency realignment	30	135	7	31	-	-	37	166
Balance at 31 December	665	571	1,496	1,606	84	84	2,245	2,261

The Group – Deferred tax assets

	Provisions		Unutilised tax losses/ capital allowances		Deferred income		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January	(976)	(1,087)	(1,531)	(1,534)	(33)	(44)	(2,540)	(2,665)
Charged/(credited):								
- Profit or loss	12	(3)	-	-	4	7	16	4
Currency realignment	31	114	2	3	-	4	33	121
Balance at 31 December	(933)	(976)	(1,529)	(1,531)	(29)	(33)	(2,491)	(2,540)

30b Movement in the Company's deferred tax liabilities are as follows:

The Company – Deferred tax liabilities

	Unremitted income	
	2023	2022
	S\$'000	S\$'000
Balance at 1 January	147	20
(Credited)/charged to:		
- Profit or loss	(83)	127
Balance at 31 December	64	147

Notes to the Financial Statements

For the financial year ended 31 December 2023

31. OTHER NON-CURRENT LIABILITIES

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Amounts owing to a subsidiary ^(31a)	-	-	7,560	9,579
Provisions for reinstatement cost ^(31b)	3,103	2,583	-	100
	3,103	2,583	7,560	9,679

31a The non-trade amounts owing to a subsidiary are unsecured, interest-free and are not expected to be repaid within the next 12 months after the balance sheet date.

31b Provisions for reinstatement cost are recognised for the restoration of the leasehold land, buildings and office. It is expected that the provisions will be used upon expiry of the lease terms in 2025 and 2028.

Movement in these provisions is as follows:

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Beginning of financial year	2,583	2,578	100	99
Provision made	520	5	34	1
End of financial year	3,103	2,583	134	100

The provision for reinstatement cost for the Company has been reclassified to current (Note 27).

32. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the Group and the Company have the following significant transactions with related parties on terms agreed between the parties:

32a Sales and purchases of goods and services

	The Group	
	2023 S\$'000	2022 S\$'000
Sales to associated companies	1,499	79

Notes to the Financial Statements

For the financial year ended 31 December 2023

32. RELATED PARTY TRANSACTIONS (CONTINUED)

32b Key management's remuneration

	The Group	
	2023 S\$'000	2022 S\$'000
Salary and other employee benefits	4,959	4,721
Employer's contribution to defined contribution plans, including Central Provident Fund	109	121
Retirement benefits	101	50
	5,169	4,892

Included in the above are Directors' fees and Directors' remuneration of S\$614,000 (2022: S\$614,000) and S\$616,000 (2022: S\$503,000) respectively payable/paid to the Directors of the Company.

The details of Directors' remuneration are disclosed in the Statement of Corporate Governance.

33. FINANCIAL INFORMATION BY SEGMENTS

Operating segments

Operating segments of the Group are determined based on the Group's internal reporting structure. Segment information is presented on the same basis as the internal management reports used by the senior management of the Group in making strategic decisions.

In determining the operating segments, the Group has considered primarily the industries the Group's companies are operating in and their contribution to the Group.

The Group operates mainly in the manufacturing and sale of building materials, provision of environmental services and sale of related products, as well as operations in the manufacturing and sale of refractory materials and roadstone products. Accordingly, these activities are grouped into separate operating segments within the three main divisions: Precast & Prefabricated Bathroom Unit ("PBU"), Environmental Services and Chemicals. Operating segment classified as "Investment Holding & Others" relates to the Group's remaining assets, comprising mainly of holding investments and the operation of a marina club, which is not a significant component of this segment.

Inter-segment transactions are determined on an arm's length basis. The performance of the segments is measured in a manner consistent with that in the consolidated income statement.

The Group executive management assesses the performance of the operating segments based on a measure of profit/(loss) before taxation for continuing operations. Information regarding the Group's operating segments is presented in the following table.

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For the financial year ended 31 December 2023

33. FINANCIAL INFORMATION BY SEGMENTS (CONTINUED)

Operating segments (continued)

The information for the reportable segments for the year ended 31 December 2023 is as follows:

	Precast & PBU S\$'000	Environmental Services S\$'000	Chemicals S\$'000	Investment Holding & Others S\$'000	Total S\$'000
Revenue					
External sales	220,258	59,571	6,224	12,030	298,083
Inter-segment sales	-	-	1,008	22	1,030
Total revenue	220,258	59,571	7,232	12,052	299,113
Elimination	-	-	(1,008)	(22)	(1,030)
	220,258	59,571	6,224	12,030	298,083
Adjusted profit/(loss) before taxation	18,535	2,375	1,008	(1,833)	20,085
Impairment of goodwill	-	(654)	-	-	(654)
Impairment of investment in property, plant & equipment	-	(13,050)	-	-	(13,050)
Impairment of investment in an associated company	-	-	-	(21,900)	(21,900)
Profit/(loss) before taxation	18,535	(11,329)	1,008	(23,733)	(15,519)
Interest income	1,880	1	67	4,975	6,923
Interest expense	(530)	(1,260)	(220)	(18)	(2,028)
Loss allowance on trade receivables	(1,134)	-	4	(30)	(1,160)
Depreciation					
- Property, plant and equipment	(3,362)	(8,324)	(183)	(1,103)	(12,972)
- Right-of-use assets	(569)	(1,524)	(903)	(401)	(3,397)
Amortisation					
- Intangible assets	(280)	(253)	-	-	(533)
- Deferred income	-	-	-	64	64
Share of results of associated companies, net of tax					
- SMAG	-	-	-	(2,326)	(2,326)
- Others	-	-	259	771	1,030
Segment assets	105,692	37,214	21,721	219,079	383,706
Segment assets include:					
Investment in associated companies	8	-	2,949	7,402	10,359
Additions to:					
- Property, plant and equipment	2,584	2,474	44	700	5,802
- Right-of-use assets	2,074	1,986	173	35	4,268
- Intangible assets	357	735	-	-	1,092
Segment liabilities	70,228	32,319	6,532	6,652	115,731

Notes to the Financial Statements

For the financial year ended 31 December 2023

33. FINANCIAL INFORMATION BY SEGMENTS (CONTINUED)

Operating segments (continued)

The information for the reportable segments for the year ended 31 December 2022 is as follows:

	Precast & PBU S\$'000	Environmental Services S\$'000	Chemicals S\$'000	Investment Holding & Others S\$'000	Total S\$'000
Revenue					
External sales	295,114	55,939	7,521	11,100	369,674
Inter-segment sales	-	1	1,116	7	1,124
Total revenue	295,114	55,940	8,637	11,107	370,798
Elimination	-	(1)	(1,116)	(7)	(1,124)
	295,114	55,939	7,521	11,100	369,674
Adjusted profit/(loss) before taxation	26,896	(2,490)	1,532	2,322	28,260
Impairment of investment in an associated company	-	-	-	(16,112)	(16,112)
Exceptional items*	-	-	1,381	385	1,766
Profit/(loss) before taxation	26,896	(2,490)	2,913	(13,405)	13,914
Interest income	557	1	5	1,959	2,522
Interest expense	(435)	(926)	(248)	(25)	(1,634)
Loss allowance on trade receivables	(4,821)	(20)	-	(62)	(4,903)
Depreciation					
- Property, plant and equipment	(3,767)	(8,410)	(203)	(1,093)	(13,473)
- Right-of-use assets	(651)	(1,582)	(886)	(374)	(3,493)
Amortisation					
- Intangible assets	(271)	(58)	-	-	(329)
- Deferred income	-	-	-	86	86
Share of results of associated companies, net of tax					
- SMAG	-	-	-	6,413	6,413
- Others	-	-	740	96	836
Segment assets	236,606	53,299	33,054	284,392	607,351
Segment assets include:					
Investment in associated companies	-	-	3,185	31,046	34,231
Additions to:					
- Property, plant and equipment	10,344	4,702	172	358	15,576
- Right-of-use assets	189	327	-	-	516
- Intangible assets	115	52	-	-	167
Segment liabilities	97,501	37,732	7,340	5,711	148,284

* Comprise mainly disposal of subsidiaries, dilution gain on investment in an associated company, retrenchment cost and professional fees.

Notes to the Financial Statements

For the financial year ended 31 December 2023

33. FINANCIAL INFORMATION BY SEGMENTS (CONTINUED)

Geographical information

The Group's business segments operate mainly in the following geographical areas:

- (i) Singapore – the Company is headquartered and has operations in Singapore. The operations in this area are principally the manufacturing and sale of building materials, sale of oil & petroleum products, manufacturing and sale of refractory materials and roadstone products, the provision of environmental services, and investment holding;
- (ii) Malaysia – the operations in Malaysia are principally the manufacturing and sale of building materials;
- (iii) United Arab Emirates – the operations in United Arab Emirates are principally the manufacturing and sale of building materials;
- (iv) Finland – the operations in Finland are principally the manufacturing and sale of building materials and prefabricated bathroom units in Finland, Norway and other parts of Europe;
- (v) Germany – this relates to the Group's 24.4% (2022: 24.4%) interest in associated company SMAG and its principal activities are disclosed in Note 38;

	The Group			
	External sales ⁽¹⁾		Non-current assets ⁽²⁾	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Singapore	96,720	96,058	79,199	99,435
Malaysia	63,032	112,443	23,469	25,813
United Arab Emirates	57,796	55,008	3,284	3,072
Europe				
- Finland	44,466	51,883	22,641	21,447
- Norway	25,331	32,411	-	-
- Germany	-	-	-	24,035
- Others	9,701	19,851	-	-
Other countries	1,037	2,020	7,629	7,215
	298,083	369,674	136,222	181,017

⁽¹⁾ External sales by geographical segment are determined based on locations of the respective customers.

⁽²⁾ Non-current assets by geographical segment are based on locations of the respective assets. Non-current assets include property, plant and equipment, right-of-use assets, joint venture, associated companies, intangible assets and other non-current assets.

Notes to the Financial Statements

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34. COMMITMENTS

Capital commitments contracted for at the balance sheet date but not recognised in the financial statements, excluding those relating to investments in associated companies (Note 21) are as follows:

	The Group	
	2023 S\$'000	2022 S\$'000
Commitments for capital expenditure not provided for in the financial statements in respect of contracts placed for property, plant and equipment	1,678	1,448

35. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risk management is carried out and monitored by a central treasury department in accordance with established policies and guidelines, set by the Board of Directors.

35a Market risk

(i) Currency risk

The Group operates in various countries, which include Singapore, Malaysia, United Arab Emirates, Germany and Finland. Certain entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies") such as United States Dollar ("USD"), Malaysian Ringgit ("MYR"), Euro ("EUR"), United Arab Emirates Dirham ("AED") and Norwegian Krone ("NOK").

Currency risk arises when transactions are denominated in foreign currencies. The Group manages its currency risk through natural hedge and foreign exchange forward contracts. It is the Group's policy not to enter into forward contracts until a firm commitment is in place. There is no outstanding foreign exchange forward contracts as at balance sheet date.

The Group is exposed to currency translation risk on the net assets in foreign operations including foreign currency loans to associated companies which are part of the net investments in foreign operations, which are deferred in equity until disposal of the foreign operations. Where appropriate, this exposure is managed through borrowings denominated in the relevant foreign currencies.

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35a Market risk (continued)

(i) Currency risk (continued)

The currency exposure of the Group and the Company based on the information provided to key management is as follows:

	SGD S\$'000	USD S\$'000	MYR S\$'000	EUR S\$'000	AED S\$'000	NOK S\$'000	Others S\$'000	Total S\$'000
The Group								
<u>At 31 December 2023</u>								
Cash and bank balances	102,069	523	4,283	2,664	12,321	787	72	122,719
Receivables	21,121	858	19,588	15,895	19,416	891	152	77,921
Intra-group receivables	328,299	284	29,857	4,832	34,027	88	-	397,387
Financial assets, at FVOCI	909	-	-	-	-	-	-	909
Other investments at amortised cost	2,247	-	-	-	-	-	-	2,247
Borrowings	(15,118)	-	(1,537)	(2,279)	-	-	-	(18,934)
Lease liabilities	(12,012)	-	(655)	(1,578)	(185)	-	-	(14,430)
Intra-group payables	(328,299)	(284)	(29,857)	(4,832)	(34,027)	(88)	-	(397,387)
Trade and other payables	(15,722)	(115)	(22,159)	(9,503)	(14,455)	(269)	(456)	(62,679)
Net financial assets/(liabilities)	83,494	1,266	(480)	5,199	17,097	1,409	(232)	107,753
Less: net financial (assets)/liabilities denominated in the respective entities' functional currencies	(83,452)	(8)	620	(5,044)	(17,097)	-	314	
Currency exposure	42	1,258	140	155	-	1,409	82	

The Group

At 31 December 2022

Cash and bank balances	218,361	1,270	40,022	785	6,762	832	70	268,102
Receivables	22,388	1,058	19,057	23,924	23,196	1,301	160	91,084
Intra-group receivables	217,196	555	5,321	5,011	-	-	-	228,083
Financial assets, at FVOCI	1,195	-	-	-	-	-	-	1,195
Other investments at amortised cost	4,254	-	-	-	-	-	-	4,254
Borrowings	(22,119)	-	(3,819)	(2,865)	-	-	-	(28,803)
Lease liabilities	(11,319)	-	(370)	(1,578)	(185)	-	-	(13,452)
Intra-group payables	(217,196)	(555)	(5,321)	(5,011)	-	-	-	(228,083)
Trade and other payables	(16,091)	(323)	(28,302)	(17,916)	(17,893)	(85)	(429)	(81,039)
Net financial assets/(liabilities)	196,669	2,005	26,588	2,350	11,880	2,048	(199)	241,341
Less: net financial (assets)/liabilities denominated in the respective entities' functional currencies	(196,640)	(7)	(26,569)	(2,304)	(11,880)	-	316	
Currency exposure	29	1,998	19	46	-	2,048	117	

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35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35a Market risk (continued)

(i) Currency risk (continued)

Apart from USD and NOK, the Group has no other significant currency exposure.

If the USD and NOK change against the SGD by 2% and 5% (2022: 5% and 1%) respectively with all other variables including tax rate being held constant, the effects arising from the net financial asset position will be as follows:

	2023		2022	
	Increase/(decrease)			
	Loss after tax	Other comprehensive income	Profit after tax	Other comprehensive income
	S\$'000	S\$'000	S\$'000	S\$'000
The Group				
USD against SGD				
- strengthened	21	-	83	-
- weakened	(21)	-	(83)	-
NOK against SGD				
- strengthened	58	-	17	-
- weakened	(58)	-	(17)	-

In 2023, included in the Malaysia operations is a SGD-denominated intercompany payable to the Company and a subsidiary in Singapore with a net currency exposure of S\$5,082,000 (2022: S\$22,815,000). The Company also has an EUR-denominated receivable from its subsidiary with a net currency exposure of S\$4,906,000 (2022: S\$5,011,000) in Finland. Accordingly, the foreign currency effects of revaluation on these balances are recorded in the profit or loss of the Group.

If the MYR strengthened/weakened against the SGD by 7% (2022: 5%) with all other variables including tax rate being held constant, the results after tax of the Group would be S\$295,000 (2022: S\$947,000) lower/higher. If the EUR strengthened/weakened against the SGD by 2% (2022: 5%) with all other variables including tax rate being held constant, the results after tax of the Group would be S\$81,000 (2022: S\$208,000) higher/lower respectively.

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35a Market risk (continued)

(i) Currency risk (continued)

	SGD S\$'000	USD S\$'000	EUR S\$'000	Total S\$'000
The Company				
<u>At 31 December 2023</u>				
Cash and bank balances	50,748	32	111	50,891
Receivables	46,867	-	4,830	51,697
Financial assets, at FVOCI	909	-	-	909
Other investments at amortised cost	2,247	-	-	2,247
Trade and other payables	(43,461)	(1)	-	(43,462)
Other non-current liabilities	(7,560)	-	-	(7,560)
Lease liabilities	(249)	-	-	(249)
Net financial assets	49,501	31	4,941	54,473

Less: net financial assets denominated in the
Company's functional currency

(49,501) - -

Currency exposure

- 31 4,941

The Company

At 31 December 2022

Cash and bank balances	168,521	35	46	168,602
Receivables	62,527	-	5,011	67,538
Financial assets, at FVOCI	904	-	-	904
Other investments at amortised cost	4,454	-	-	4,454
Trade and other payables	(39,210)	(17)	-	(39,227)
Other non-current liabilities	(9,579)	-	-	(9,579)
Lease liabilities	(534)	-	-	(534)
Net financial assets	187,083	18	5,057	192,158

Less: net financial assets denominated in the
Company's functional currency

(187,083) - -

Currency exposure

- 18 5,057

Apart from EUR, the Company has no other significant currency exposure.

If the EUR strengthened/weakened against the SGD by 2% (2022: 5%) with all other variables including tax rate being held constant, the profit after tax (2022: loss after tax) of the Company would be S\$82,000 (2022: S\$210,000) higher/lower (2022: lower/higher).

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35a Market risk (continued)

(ii) Equity price risk

The Group and the Company are exposed to equity securities price risk arising from the investments held by the Group and the Company which are classified on the balance sheets as financial assets at FVOCI (Note 23).

If equity prices of financial assets, at FVOCI held by the Company and subsidiaries of the Group increase/decrease by 5% (2022: 5%) with all other variables including tax rate being held constant, other comprehensive income of the Group and the Company will be higher/lower by S\$45,000 (2022: S\$60,000) and S\$45,000 (2022: S\$45,000) respectively.

(iii) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's exposure to changes in interest rates relates mainly to debt obligations with financial institutions and cash and bank balances. Bank borrowings are contracted on both fixed and variable terms with the objectives of minimising interest burden whilst maintaining an acceptable debt maturity profile. As the Group does not have significant fixed-interest borrowings, it does not have significant exposure to fair value interest rate risk.

The Group's borrowings at variable rates (i.e. cash flow interest rate risk) on which effective hedges have not been entered into, are denominated mainly in SGD and MYR. If the SGD and MYR interest rate increase/decrease by 0.5% (2022: 0.5%) with all other variables being held constant, the net loss after tax (2022: profit after tax) will be higher/lower (2022: lower/higher) by S\$79,000 (2022: S\$126,000).

35b Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and credit insurance (for the Precast and PBU operating segment) are secured where appropriate to mitigate credit risk. The Group has no significant concentration of credit risk.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of the class of financial assets presented on the balance sheet, except for trade receivables (Note 16 and 22) whereby the maximum exposure to credit risk is reduced by the amount the Group holds as collateral in the form of letters of credit of S\$2,560,000 (2022: S\$2,620,000).

The Group's and Company's major classes of financial assets are cash and bank balances and trade and other receivables.

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35b Credit risk (continued)

The movements in credit loss allowance are as follows:

	Allowances on trade receivables (a)		
	Non-performing	Others	Total
	S\$'000	S\$'000	S\$'000
The Group			
2023			
Balance as at 1 January 2023	14,360	1,512	15,872
Loss allowance/(write-back of) recognised in profit or loss during the year on:			
- Change in credit loss	2,120	566	2,686
- Reversal of unutilised amounts	(1,352)	(174)	(1,526)
	768	392	1,160
Receivables written off as uncollectible	(304)	(187)	(491)
Currency alignment	(304)	-	(304)
Balance as at 31 December 2023	14,520	1,717	16,237
2022			
Balance as at 1 January 2022	11,417	561	11,978
Loss allowance/(write-back of) recognised in profit or loss during the year on:			
- Change in credit loss	3,836	1,771	5,607
- Reversal of unutilised amounts	(402)	(302)	(704)
	3,434	1,469	4,903
Receivables written off as uncollectible	(308)	(518)	(826)
Currency alignment	(183)	-	(183)
Balance as at 31 December 2022	14,360	1,512	15,872

(a) Loss allowance measured at lifetime expected credit loss

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35b Credit risk (continued)

(i) Trade receivables

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, default in payments (interest and/or principal payments) are at least 2 years overdue and/or legal enforcement action undertaken by the Group for recovery against the debtor are considered evidence that the debtor is non-performing ("Non-performing receivable"). In such instances, management measured the expected credit loss of the non-performing receivable at its maximum exposure to the Group at balance sheet date.

Trade receivables that are other than non-performing are grouped by management based on similar credit risk characteristics and days past due; and a provision matrix was used to measure the lifetime expected credit loss within each operating segment of the Group. In estimating the expected credit loss, management considers historical credit loss rates for each aging category and makes adjustments, where applicable, to reflect current and forward-looking macroeconomic factors affecting the ability of the debtors to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor entering bankruptcy or failing to engage in a repayment plan with the Group. The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 6 months when they fall due, and writes off the financial asset when it is deemed uncollectible. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 December 2023 are set out as follows:

	Current	Past due up to 3 months	Past due 3 to 6 months	Past due 6 to 12 months	Past due more than 12 months	Sub-total*	Non- performing receivables	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group								
Precast and PBU								
Expected loss rate	1%	4%	4%	12%	0%		100%	
Trade receivables	42,714	9,574	3,796	3,219	993	60,296	9,572	69,868
Loss allowance	(575)	(420)	(146)	(399)	-	(1,540)	(9,572)	(11,112)
Environmental Services								
Expected loss rate	0%	0%	0%	55%	100%		94%	
Trade receivables	9,394	1,679	267	86	41	11,467	4,804	16,271
Loss allowance	-	-	-	(47)	(41)	(88)	(4,492)	(4,580)
Others								
Expected loss rate	2%	3%	53%	29%	100%		100%	
Trade receivables	1,098	265	17	76	24	1,480	456	1,936
Loss allowance	(25)	(9)	(9)	(22)	(24)	(89)	(456)	(545)

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35b Credit risk (continued)

(i) Trade receivables (continued)

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 December 2022 are set out as follows:

	Current S\$'000	Past due up to 3 months S\$'000	Past due 3 to 6 months S\$'000	Past due 6 to 12 months S\$'000	Past due more than 12 months S\$'000	Sub-total* S\$'000	Non- performing receivables S\$'000	Total S\$'000
The Group								
Precast and PBU								
Expected loss rate	2%	3%	2%	0%	0%		98%	
Trade receivables	61,543	12,209	367	767	276	75,162	9,260	84,422
Loss allowance	(1,091)	(412)	(9)	-	-	(1,512)	(9,062)	(10,574)
Environmental Services								
Expected loss rate	0%	0%	0%	0%	0%		94%	
Trade receivables	6,742	2,419	92	167	2	9,422	4,854	14,276
Loss allowance	-	-	-	-	-	-	(4,582)	(4,582)
Others								
Expected loss rate	0%	0%	0%	0%	0%		100%	
Trade receivables	1,728	219	3	48	-	1,998	716	2,714
Loss allowance	-	-	-	-	-	-	(716)	(716)

* Represents trade receivables that are other than non-performing and for which provision matrix was used to measure the lifetime expected credit loss.

(ii) Amounts due from a joint venture

Long term trade receivables

There was no credit loss on the non-trade amounts owing by a joint venture and associated companies.

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35b Credit risk (continued)

(iii) Other investments at amortised cost

Credit risk exposure and significant credit risk concentration

The Group and Company use the following categories of internal credit risk rating for its investment in listed bonds and loans to related parties. As disclosed in Note 24, other investments at amortised cost comprise mainly listed bonds. These are considered "low credit risk" as listed bonds are of investment grade credit rating with at least one major rating agency and have low risk of default as the issuers have a strong capacity to meet the contracted cashflow obligations in the near term. The financial impact on expected credit loss allowance of the listed bonds is insignificant.

Category of internal credit rating	Performing	Under-performing	Non-performing	Write-off
Definition of category	Issuers have a low risk of default and a strong capacity to meet contractual cash flows.	Issuers for which there is a significant increase in credit risk; as significant credit risk is presumed if interest and/or principal repayment are 6 months past due, taking into consideration realisation of receivables based on industry practice and the normal operating cycle of the Group.	Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, default in payments (interest and/or principal payments) are at least 2 years overdue and/or legal enforcement action undertaken by the Group for recovery against the debtor.	Interest and/or principal repayments are 2 years past due and there is no reasonable expectation of recovery.
Basis of recognition of expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses	Asset is written off

(iv) Cash and bank balances

The Group and the Company held cash and bank balances of S\$122,719,000 and S\$50,891,000 respectively (2022: S\$268,102,000 and S\$168,602,000) with banks with good credit ratings and are considered to have low credit risk. The cash balances are measured on 12-month expected credit losses and there was no credit loss.

(v) Receivables from and loan to subsidiaries

There is no expected credit loss of non-trade amounts owing by subsidiaries of S\$51,388,000 (2022: S\$66,485,000) (Note 16 and Note 22) to the Company.

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35c Liquidity risk

In managing liquidity risk, the Group's policy is to maintain sufficient cash resources and ensure the availability of funding through adequate amounts of committed credit facilities.

The table below analyses the maturity profile of the Group's and Company's non-derivative financial liabilities based on contractual undiscounted cash flows from the remaining period from the balance sheet date to the contractual maturity date.

	Less than 1 year S\$'000	Between 1 to 2 years S\$'000	Between 2 to 5 years S\$'000	Over 5 years S\$'000
The Group				
<u>2023</u>				
Trade and other payables	62,679	-	-	-
Lease liabilities	3,116	2,760	6,630	8,604
Short-term borrowings	5,052	-	-	-
Long-term borrowings	-	3,400	12,143	-
<u>2022</u>				
Trade and other payables	81,039	-	-	-
Lease liabilities	3,236	2,801	5,306	8,891
Short-term borrowings	26,790	-	-	-
Long-term borrowings	-	607	1,882	-
The Company				
<u>2023</u>				
Trade and other payables	43,462	-	-	-
Lease liabilities	247	4	1	-
Other non-current liabilities	-	7,560	-	-
<u>2022</u>				
Trade and other payables	39,227	-	-	-
Lease liabilities	306	250	6	-
Other non-current liabilities	-	9,579	-	-

35d Capital risk

The Group's objectives when managing capital are to ensure the Group's ability to continue as a going concern and to maintain an efficient capital structure so as to enhance shareholders' value. In order to maintain or achieve a prudent and efficient capital structure, the Group may adjust the amount of dividend payment, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

The Group and the Company monitor capital based on net cash position which is defined as cash and bank balances (Note 17) less gross debt. Gross debt comprises borrowings (Note 26) and trade and other payables (Note 27).

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35d Capital risk (continued)

As part of the monitoring process of the Group's borrowings, management performs specific review of the need of individual entities within the Group to obtain external financing, taking into consideration the operating cash flows and gearing ratio of each entity as well as the prevailing market interest rates.

The Group is in compliance with all externally imposed capital requirements for the financial years ended 31 December 2023 and 2022.

35e Fair value measurements

The table below presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
The Group				
31 December 2023				
<u>Assets</u>				
Financial assets, at FVOCI	909	-	-	909
31 December 2022				
<u>Assets</u>				
Financial assets, at FVOCI	904	-	291	1,195
The Company				
31 December 2023				
<u>Assets</u>				
Financial assets, at FVOCI	909	-	-	909
31 December 2022				
<u>Assets</u>				
Financial assets, at FVOCI	904	-	-	904

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35e Fair value measurements (continued)

There were no transfers between Levels 1 and 2 during the year.

The fair values of financial instruments that are traded in active markets are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair values of financial instruments that are not traded in an active market are determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on current market conditions existing at each balance sheet date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same or discounted cash flow analysis. The Group also estimates the fair value of the financial asset in the form of unquoted equity investment by reference to its net assets which are mainly in form of monetary assets and liabilities. Such instruments are included in Level 3.

The carrying amount less allowance for impairment of current receivables and other financial assets carried at amortised cost are assumed to approximate their fair values. The fair values of current borrowings and other financial liabilities carried at amortised cost approximate their carrying amounts. The fair values of non-current borrowings and other liabilities of the Group are estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial liabilities.

The following tables present the changes in Level 3 instruments:

The Group	Financial assets, at FVOCI S\$'000	Total S\$'000
As at 31 December 2023		
Beginning of financial year	291	291
Fair value losses recognised in other comprehensive income	(291)	(291)
End of the financial year	-	-
Total unrealised (losses)/gains for the period included in profit or loss for assets and liabilities held at the end of the financial year	-	-
As at 31 December 2022		
Beginning of financial year	291	291
Fair value gains recognised in other comprehensive income	-	-
End of the financial year	291	291
Total unrealised (losses)/gains for the period included in profit or loss for assets and liabilities held at the end of the financial year	-	-

Notes to the Financial Statements

For the financial year ended 31 December 2023

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35f Financial Instruments by category

The carrying amount of the different categories of financial instruments is as follows:

	The Group		The Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Financial assets, at FVOCI	909	1,195	909	904
Financial assets, at amortised cost	202,887	363,440	104,835	240,394
Financial liabilities, at amortised cost	(96,043)	(123,294)	(51,271)	(49,340)

36. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2024 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2024)

Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability
- information about the covenants, and
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The Group does not expect any significant impact arising from applying these amendments.

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

Amendments to SFRS(I) 1-7 Statement of Cash Flows and SFRS(I) 7 Financial Instruments: Disclosures: Supplier finance arrangements (effective for annual periods beginning on or after 1 January 2024)

The amendments clarify the characteristics of supplier finance arrangements ("SFA") and introduce new disclosures of such arrangements. The objective of the new disclosures is to provide information about supplier finance arrangements that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk.

There is a transitional relief of not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances.

The amendments will be effective for annual periods beginning on or after 1 January 2024. Early adoption is permitted.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 16 Leases: Lease liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024)

The narrow-scope amendments to SFRS(I) 16 explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

The Group does not expect any significant impact arising from applying these amendments.

37. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of NSL Ltd. on 6 March 2024.

Notes to the Financial Statements

For the financial year ended 31 December 2023

38. SIGNIFICANT COMPANIES IN THE GROUP

The principal activities of the significant companies in the Group, their countries of incorporation and places of business, and the extent of NSL Ltd.'s equity interest in significant subsidiaries and associated companies are as follows:

Name of company	Principal activities	Country of incorporation and place of business	Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			31 December		31 December	
			2023 %	2022 %	2023 %	2022 %
Eastern Industries Private Limited ⁽¹⁾	Investment holding	Singapore	100.0	100.0	-	-
NSL Chemicals Ltd. ⁽¹⁾	Investment holding, manufacturing and sale of refractory materials and roadstones	Singapore	100.0	100.0	-	-
NSL Properties Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100.0	100.0	-	-
NSL Resorts International Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100.0	100.0	-	-
Eastern Pretech Pte Ltd ⁽¹⁾	Sale of building materials	Singapore	100.0	100.0	-	-
Eastern Pretech (Malaysia) Sdn Bhd ⁽²⁾	Manufacturing and sale of building materials	Malaysia	100.0	100.0	-	-
Dubai Precast L.L.C. ^{(2),(3)}	Manufacturing and sale of building materials	United Arab Emirates	45.0	45.0	55.0	55.0
Parmarine Ltd ⁽²⁾	Manufacturing and sale of building materials	Finland	100.0	100.0	-	-
Eastech Steel Mill Services (M) Sdn Bhd ⁽²⁾	Manufacturing and sale of refractory products	Malaysia	100.0	100.0	-	-
NSL OilChem Waste Management Pte. Ltd. ⁽¹⁾	Treatment of industrial wastewater and oily slop and recovery of waste oil and oily slop	Singapore	87.7	87.7	12.3	12.3
NSL OilChem Logistics Pte. Ltd. ⁽¹⁾	Trading in oil products and disposal of oil and chemical wastes	Singapore	87.7	87.7	12.3	12.3
NSL Engineering Holdings Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100.0	100.0	-	-
Raffles Marina Holdings Ltd. ⁽¹⁾	Investment holding	Singapore	72.1	72.1	27.9	27.9
Raffles Marina Ltd ⁽¹⁾	Owning and managing Raffles Marina Club	Singapore	72.1	72.1	27.9	27.9

Note: Refer to Page 125 for legend.

Notes to the Financial Statements

For the financial year ended 31 December 2023

38. SIGNIFICANT COMPANIES IN THE GROUP (CONTINUED)

Significant Associated Company Held by a Subsidiary	Principal activities	Country of incorporation and place of business	Equity holding	
			31 December	
			2023 %	2022 %
Unquoted				
Salzgitter Maschinenbau AG ("SMAG") ⁽⁴⁾	Investment holding, manufacturing and sale of bulk handling equipment for bulk material handling, process technology and special purpose machines	Germany	24.4	24.4

Legend

- (1) Audited by PricewaterhouseCoopers LLP, Singapore
- (2) Audited by the network of member firms of PricewaterhouseCoopers International Limited outside Singapore
- (3) The percentage of shareholding held by the Group in Dubai Precast L.L.C. ("DP") is 45%. However, the Group has assessed DP to be a subsidiary as a result of the Group's entitlement of 80% share of dividends declared by or profits of DP post-acquisition in 2011 and the ability to appoint a majority of the directors of DP.
- (4) Audited by Deloitte Touche Tohmatsu, Germany.

APPENDIX E
UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
OF THE GROUP FOR 1H2024 AND THE REVIEW REPORT FROM THE AUDITORS
IN RELATION TO THE 1H2024 RESULTS

The unaudited condensed interim consolidated financial statements for the Group for the 6-month period ended 30 June 2024 and the review report from the Auditors in relation to the 1H2024 Results set out below have been extracted from the announcement by the Company on 13 August 2024 and were not specifically prepared for inclusion in this Circular. The 1H2024 Results have not been audited.



NSL LTD
(Reg. no.: 196100107C)

Half Year Financial Statements Announcement

The Company announces the condensed interim consolidated financial statements for the 6 months ended 30 June 2024.

A(i) Condensed Interim Consolidated Income Statement for the 6 months ended 30 June 2024

THE GROUP				
6 months ended 30 June				
Note	2024	2023	Change	
	S\$'000	S\$'000	%	
Sales	4	123,068	170,809	(28)
Cost of sales		(98,532)	(140,844)	(30)
Gross profit	(i)	24,536	29,965	(18)
Other income				
- Interest	5.1,(ii)	1,716	4,122	(58)
- Others	5.1,(ii)	1,008	833	21
Other losses, net	5.2,(iii)	(197)	(551)	(64)
Impairment loss on goodwill	12.1	(4,006)	-	n/m
Impairment loss on investment in an associated company	(iv)	-	(3,417)	n/m
Distribution costs	(v)	(3,532)	(4,001)	(12)
Administrative expenses		(14,646)	(15,071)	(3)
Write-back of/(loss) allowance on trade receivables, net		177	(12)	n/m
Finance costs	6.2,(vi)	(851)	(1,083)	(21)
Share of results of associated companies, net of tax	(vii)	570	(544)	n/m
Profit before income tax	6	4,775	10,241	(53)
Income tax expense	7,(viii)	(1,607)	(2,855)	(44)
Total profit for the financial year		3,168	7,386	(57)
Profit attributable to:				
Equity holders of the Company		2,321	7,063	(67)
Non-controlling interests		847	323	162
		3,168	7,386	(57)
Basic and fully diluted earnings per share (cents)		0.62	1.89	(67)

n/m: not meaningful



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A(ii) Condensed Interim Consolidated Statement of Comprehensive Income for the 6 months ended 30 June 2024

	THE GROUP		
	6 months ended 30 June		
	2024	2023	Change
	S\$'000	S\$'000	%
Total profit for the financial year	3,168	7,386	(57)
Other comprehensive income/(loss):			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Exchange differences on translating foreign operations			
- Income/(loss) arising during the year	767	(782)	n/m
Share of other comprehensive loss of associated companies	-	(483)	n/m
	767	(1,265)	n/m
<u>Items that will not be reclassified subsequently to profit or loss:</u>			
Fair value (loss)/gain arising from financial assets at FVOCI*			
	(407)	66	n/m
Exchange differences on translating foreign operations			
- (Loss)/gain arising during the year	(127)	3	n/m
Other comprehensive income/(loss) for the year, net of tax	233	(1,196)	n/m
Total comprehensive income for the year, net of tax	3,401	6,190	(45)
Total comprehensive income attributable to:			
Equity holders of the Company	2,681	5,864	(54)
Non-controlling interests	720	326	121
	3,401	6,190	(45)

*Financial assets measured at fair value through other comprehensive income

Notes to the Group's Income Statement:

(i) Gross profit

The decrease in gross profit for 1H-2024 was mainly attributed to lower sales in the Precast division in Malaysia and PBU division in Finland. However, the gross profit margin improved from 18% in 1H-2023 to 20% in 1H-2024, mainly attributable to the Environmental Services division.

(ii) Other income

The decrease in interest income was mainly due to lower average fixed deposit balance in 1H-2024 as compared to 1H-2023. The increase in other income ("Others") was mainly due to scrap sales and government wage subsidies.

(iii) Other losses, net

The net decrease in other losses was mainly due to lower exchange losses in the Precast division in Malaysia.

(iv) Impairment loss on investment in an associated company

Impairment charge on investment in an associated company in 1H-2023 was mainly attributable to the write down of goodwill included in the carrying value of the Group's investment in associated company, Salzgitter Maschinenbau AG ("SMAG").

(v) Distribution costs

The decrease in distribution costs was mainly attributed to the PBU division in Finland, in line with the decrease in revenue.

(vi) Finance costs

The decrease in finance costs was mainly due to loan repayments in the Environmental Services division in 1H-2024.

(vii) Share of results of associated companies, net of tax

The share of profit improved to S\$0.6 mil in 1H-2024 due to absence of losses from SMAG. The Group carrying value in SMAG was fully impaired as at FY 2023. Excluding the share of losses of S\$1.0 mil from SMAG in 1H-2023, the share of associates' profit in 1H-2024 was comparable to 1H-2023.

(viii) Income tax expense

The Group incurred a lower net tax charge in 1H-2024 mainly due to lower profit earned by the Group as compared to 1H-2023.

B Condensed Interim Statements of Financial Position as at 30 June 2024

	Note	THE GROUP		THE COMPANY	
		As at 30.06.24 S\$'000	As at 31.12.23 S\$'000	As at 30.06.24 S\$'000	As at 31.12.23 S\$'000
Equity					
Share capital	14	193,839	193,839	193,839	193,839
Reserves		75,628	80,418	6,311	14,209
Shareholders' equity		269,467	274,257	200,150	208,048
Non-controlling interests		(5,562)	(6,282)	-	-
Total equity		263,905	267,975	200,150	208,048
Current Assets					
Inventories	(i)	40,311	34,862	-	-
Receivables, prepayments and other current assets		85,186	80,266	15,812	15,812
Other investments at amortised cost	(ii)	-	503	-	503
Tax recoverable	(iii)	169	804	-	-
Cash and bank balances		120,050	122,719	43,290	50,891
		245,716	239,154	59,102	67,206
Non-Current Assets					
Property, plant and equipment	11	82,957	87,096	264	340
Right-of-use assets		27,857	29,219	107	259
Investments in subsidiaries		-	-	36,231	36,231
Investments in associated companies		11,032	10,357	-	-
Investment in a joint venture		2	2	-	-
Long term receivables and prepayments		3,329	3,308	154,158	154,128
Financial assets, at FVOCI*	10,(iv)	502	909	502	909
Other investments at amortised cost		1,744	1,744	1,744	1,744
Intangible assets	12,(v)	5,534	9,329	-	-
Deferred tax assets		2,367	2,369	-	-
Other non-current assets		74	219	-	-
		135,398	144,552	193,006	193,611
Total Assets		381,114	383,706	252,108	260,817
Current Liabilities					
Borrowings	13,(vi)	(8,937)	(4,188)	-	-
Trade, other payables and other current liabilities		(74,497)	(69,803)	(43,212)	(43,462)
Lease liabilities	13,(vii)	(1,677)	(2,426)	(101)	(244)
Current income tax liabilities		(3,041)	(2,972)	(921)	(1,300)
Deferred income		(30)	(26)	-	-
		(88,182)	(79,415)	(44,234)	(45,006)
Non-Current Liabilities					
Provision for retirement benefits		(4,230)	(3,928)	-	-
Deferred tax liabilities		(2,078)	(2,123)	(27)	(64)
Borrowings	13,(vi)	(7,531)	(14,746)	-	-
Lease liabilities	13	(11,651)	(12,004)	(3)	(5)
Deferred income		(433)	(412)	-	-
Other non-current liabilities		(3,104)	(3,103)	(7,694)	(7,694)
		(29,027)	(36,316)	(7,724)	(7,763)
Total Liabilities		(117,209)	(115,731)	(51,958)	(52,769)
Net Assets		263,905	267,975	200,150	208,048

*Financial assets measured at fair value through other comprehensive income

Explanatory notes on consolidated statement of financial position**(i) Inventories**

The increase in inventories was mainly due to higher finished goods in the Precast division in Malaysia.

(ii) Other investments at amortised cost

The decrease in other investments at amortised cost was due to maturity of a bond held by the Company in 1H-2024.

(iii) Tax recoverable

The decrease in tax recoverable was due to the utilisation of prepaid tax in the Precast division in Malaysia.

(iv) Financial assets, at FVOCI

The decrease in financial assets was due to mark to market loss of listed securities held by the Company in 1H-2024.

(v) Intangible assets

The decrease in intangible assets was due to impairment loss of goodwill in the PBU division in Finland in 1H-2024.

(vi) Borrowings

The overall decrease in borrowings was mainly due to repayment of bank borrowings in 1H-2024 in the Environmental Services division which was slightly offset by the increase in supplier financing arrangement for raw material purchases in the Precast division in Malaysia.

(vii) Lease liabilities

The decrease in current lease liabilities was mainly due to expiry of leases in the Environmental Services division in 1H-2024.



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C Condensed Interim Statement of Changes in Equity

	Attributable to Equity Holders of the Company					
	Foreign					Non-controlling interests
	Share Capital S\$'000	Revenue Reserve S\$'000	Currency Translation Reserve S\$'000	Fair Value Reserve S\$'000	General and other Reserves S\$'000	
THE GROUP						
6 months ended 30 June 2024						
Balance as at 1 January 2024	193,839	88,361	(11,828)	3,788	97	274,257
Profit for the period	-	2,321	-	-	-	2,321
Other comprehensive profit for the year	-	-	767	(407)	-	360
Total comprehensive profit for the year	-	2,321	767	(407)	-	2,681
Dividends paid	-	(7,471)	-	-	-	(7,471)
Total transactions with owners, recognised directly in equity	-	(7,471)	-	-	-	(7,471)
Balance as at 30 June 2024	193,839	83,211	(11,061)	3,381	97	269,467



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THE GROUP

6 months ended 30 June 2023

Balance as at 1 January 2023

Profit for the period

Other comprehensive (losses)/income for the period

Total comprehensive income/(losses) for the period

Dividends paid

Total transactions with owners, recognised directly in equity

Balance as at 30 June 2023

Attributable to Equity Holders of the Company

	Foreign					Non-controlling interests	Total Equity S\$'000
	Share Capital S\$'000	Revenue Reserve S\$'000	Currency Translation Reserve S\$'000	Fair Value Reserve S\$'000	General and other Reserves S\$'000		
193,839	275,323	(8,894)	4,381	(86)	464,563	(5,496)	459,067
-	7,063	-	-	-	7,063	323	7,386
-	-	(1,265)	66	-	(1,199)	3	(1,196)
-	7,063	(1,265)	66	-	5,864	326	6,190
-	(18,678)	-	-	-	(18,678)	-	(18,678)
-	(18,678)	-	-	-	(18,678)	-	(18,678)
193,839	263,708	(10,159)	4,447	(86)	451,749	(5,170)	446,579



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THE COMPANY	Share Capital S\$'000	Revenue Reserve S\$'000	Fair Value Reserve S\$'000	Total S\$'000
6 months ended 30 June 2024				
Balance as at 1 January 2024	193,839	13,311	898	208,048
Total comprehensive income for the year	-	(20)	(407)	(427)
Dividends paid	-	(7,471)	-	(7,471)
Balance as at 30 June 2024	193,839	5,820	491	200,150
6 months ended 30 June 2023				
Balance as at 1 January 2023	193,839	85,869	893	280,601
Total comprehensive income for the year	-	(1,972)	66	(1,906)
Dividends paid	-	(18,678)	-	(18,678)
Balance as at 30 June 2023	193,839	65,219	959	260,017



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D Condensed Interim Consolidated Statement of Cash Flows

	The Group	
	6 months ended	
	30 June	
	2024	2023
	S\$'000	S\$'000
Cash Flows from Operating Activities		
Profit for the financial period	3,168	7,386
<i>Adjustments for:</i>		
Tax expense	1,607	2,855
Amortisation of intangible assets	317	167
Amortisation of deferred income	(13)	(13)
Depreciation of property, plant and equipment	5,739	6,423
Depreciation of right-of-use assets	1,672	1,822
Interest expense	851	1,083
Interest income	(1,716)	(4,122)
Dividend income from financial assets, at FVOCI	-	(9)
Impairment charge on investment in an associated company	-	3,417
Impairment loss on goodwill	4,006	-
Loss/(gain) on disposal including write-off of property, plant and equipment (net)	10	(87)
Provision for retirement benefits (net)	361	333
Share of results of associated companies, net of tax	(570)	544
Exchange differences and other adjustments	560	810
<i>Operating cash flows before working capital changes</i>	<u>15,992</u>	<u>20,609</u>
<i>Changes in working capital, net of effects from acquisition and disposal of subsidiaries:</i>		
Inventories	(5,449)	11,690
Receivables and prepayments	(5,050)	(6,293)
Deferred income	38	36
Trade and other payables	4,607	(7,893)
<i>Cash generated from operations</i>	<u>10,138</u>	<u>18,149</u>
Income tax paid	(947)	(5,697)
Retirement benefits paid	(157)	(44)
<i>Net cash provided by operating activities</i>	<u>9,034</u>	<u>12,408</u>
Cash Flows from Investing Activities		
Proceeds from disposal of property, plant and equipment	205	301
Additions of property, plant and equipment	(2,053)	(3,387)
Additions of intangible assets	(534)	(52)
Interest received	1,735	4,045
Dividends received from associated companies	-	9
Proceeds from maturity of investments at amortised cost	503	2,000
<i>Net cash (used in)/provided by investing activities</i>	<u>(144)</u>	<u>2,916</u>



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The Group
6 months ended
30 June
2024 2023
S\$'000 S\$'000

Cash Flows from Financing Activities

Proceeds from borrowings	-	4,082
Repayment of borrowings	(7,631)	(9,406)
Principal payment of lease liabilities	(1,062)	(1,686)
Proceeds received from financial institutions under a supplier finance arrangement	6,683	3,524
Repayments to financial institutions under a supplier finance arrangement	(1,542)	(3,794)
Interest paid	(851)	(1,083)
Dividends paid to shareholders	(7,471)	(18,678)
<i>Net cash used in financing activities</i>	<u>(11,874)</u>	<u>(27,041)</u>

Net decrease in cash and cash equivalents

	(2,984)	(11,717)
Cash and cash equivalents at beginning of the period	97,219	242,602
Effects of exchange rate changes on cash and cash equivalents	315	(1,996)
Cash and cash equivalents at end of the period	<u>94,550</u>	<u>228,889</u>

Cash and cash equivalents at end of the financial period comprise:

- Cash and bank balances	120,050	254,389
- Less: bank deposits pledged	<u>(25,500)</u>	<u>(25,500)</u>
	<u>94,550</u>	<u>228,889</u>

Analysis of consolidated statement of cash flows

The Group recorded a lower positive operating cash flow of S\$9.0 mil in 1H-2024 compared to S\$12.4mil in 1H-2023, mainly attributable to lower operating profits during the period.

Net cash used by investing activities in 1H-2024 was S\$0.1 mil compared to net cash provided in investing activities of S\$2.9 mil in 1H-2023. This was mainly attributable to lower interest received and maturity of bond investments in 1H-2024.

A total of S\$11.9 mil (1H-2023: S\$27.0 mil) was used in financing activities in 1H-2024. The decrease was mainly due to lower dividend paid in 1H-2024.

Overall, the Group recorded a net cash outflow of S\$3.0 mil for 1H-2024 as compared to S\$11.7 mil in 1H-2023. Group cash and cash equivalents stood at S\$94.6 mil as of 30 June 2024.

E Notes to the Condensed Interim Financial Statements

1 Corporate information

NSL Ltd. (the “Company”) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange. These condensed interim financial statements as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Company are provision of management services and investment holding. The principal activities of its subsidiaries are mainly manufacturing and sale of building materials, oil and petroleum related products and provision of environmental services.

2 Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

The condensed interim financial statements are presented in Singapore Dollar which is the Company’s functional currency.

2.1 Use of judgements and estimates

The preparation of condensed interim financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Although these estimates are based on management’s best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the financial year ended 31 December 2023.

3 Seasonal operations

The Group’s businesses are not affected by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

Operating segments of the Group are determined based on the Group's internal reporting structure. Segment information is presented on the same basis as the internal management reports used by the senior management of the Group in making strategic decisions.

In determining the operating segments, the Group has considered primarily the industries the Group's companies are operating in and their contribution to the Group.

The Group operates mainly in the manufacturing and sale of building materials, provision of environmental services and sale of related products, as well as operations in the manufacturing and sale of refractory materials and roadstone products. Accordingly, these activities are grouped into separate operating segments within the three main divisions: Precast & Prefabricated Bathroom Unit ("PBU"), Environmental Services and Chemicals. Operating segment classified as "Investment Holding & Others" relates to the Group's remaining assets, comprising mainly of holding investments and the operation of a marina club, which is not a significant component of this segment.

Inter-segment transactions are determined on an arm's length basis. The performance of the segments is measured in a manner consistent with that in the consolidated income statement.

The Group executive management assesses the performance of the operating segments based on a measure of profit/(loss) before taxation for continuing operations. Information regarding the Group's operating segments is presented in the following table.



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4.1 Reportable segments

The information for the reportable segments for the year ended 30 June 2024 is as follows:

<u>The Group</u>	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
6 months ended 30 June 2024					
Revenue					
External sales	78,529	36,596	2,289	5,654	123,068
Inter-segment sales	-	-	526	21	547
Total revenue	78,529	36,596	2,815	5,675	123,615
Elimination	-	-	(526)	(21)	(547)
	78,529	36,596	2,289	5,654	123,068
Adjusted profit/(loss) before taxation	1,890	7,326	441	(876)	8,781
Impairment of goodwill	(4,006)	-	-	-	(4,006)
Profit/(loss) before taxation	(2,116)	7,326	441	(876)	4,775
Interest income	759	6	2	949	1,716
Interest expense	(299)	(450)	(97)	(5)	(851)
Write-back of/(loss) allowance on trade receivables, net	193	-	-	(16)	177
Depreciation of property, plant & equipment	(1,714)	(3,404)	(67)	(554)	(5,739)
Depreciation of right-of-use assets	(284)	(750)	(447)	(191)	(1,672)
Amortisation					
- Intangible assets	(152)	(165)	-	-	(317)
- Deferred income	-	-	-	13	13
Share of results of associated companies, net of tax	-	-	354	216	570
Segment assets	114,702	38,768	21,243	206,401	381,114
Segment assets include:					
Investments in associated companies	9	-	3,325	7,698	11,032
Additions to:					
- Property, plant and equipment	1,039	657	34	323	2,053
- Right-of-use assets	208	39	-	-	247
- Intangible assets	137	397	-	-	534
Segment liabilities	78,705	26,857	5,923	5,724	117,209

The information for the reportable segments for the six months ended 30 June 2023 as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group					
6 months ended 30 June 2023					
Revenue					
External sales	130,914	30,642	3,265	5,988	170,809
Inter-segment sales	-	-	498	22	520
Total revenue	130,914	30,642	3,763	6,010	171,329
Elimination	-	-	(498)	(22)	(520)
	130,914	30,642	3,265	5,988	170,809
Adjusted profit/(loss) before taxation	12,162	1,022	608	(134)	13,658
Impairment loss on investment in an associated company	-	-	-	(3,417)	(3,417)
Profit/(loss) before taxation	12,162	1,022	608	(3,551)	10,241
Interest income	966	1	3	3,152	4,122
Interest expense	(276)	(682)	(115)	(10)	(1,083)
Write-back of/(loss) allowance on trade receivables, net	15	-	(22)	(5)	(12)
Depreciation of property, plant & equipment	(1,659)	(4,126)	(91)	(547)	(6,423)
Depreciation of right-of-use assets	(320)	(796)	(520)	(186)	(1,822)
Amortisation					
- Intangible assets	(141)	(26)	-	-	(167)
- Deferred income	-	-	-	13	13
Share of results of associated companies, net of tax					
- SMAG	-	-	-	(1,077)	(1,077)
- Others	-	-	331	202	533
Segment assets	230,276	51,978	32,164	263,664	578,082
Segment assets includes:					
Investments in associated companies	-	-	3,335	27,044	30,379
Additions to:					
- Property, plant and equipment	1,810	815	72	452	3,149
- Right-of-use assets	1,385	-	173	-	1,558
- Intangible assets	52	-	-	-	52
Segment liabilities	83,163	35,669	6,985	5,686	131,503

4.2 Disaggregation of revenue

	<u>At a point in time</u>	<u>Over time</u>	<u>Total</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>The Group</u>			
Six months ended 30 June 2024			
Manufacturing and sale of building materials			
- Singapore	10,971	9	10,980
- Malaysia	23,187	-	23,187
- United Arab Emirates	1,836	23,803	25,639
- Finland	5,793	-	5,793
- Norway	6,121	-	6,121
- Other parts of Europe	6,809	-	6,809
	54,717	23,812	78,529
Provision of environmental services and sale of related products			
- Singapore	6,151	29,931	36,082
- Malaysia	250	-	250
- Others	264	-	264
	6,665	29,931	36,596
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	1,398	-	1,398
- Malaysia	880	-	880
- Others	11	-	11
	2,289	-	2,289
Others			
- Singapore	2,702	876	3,578
	66,373	54,619	120,992
Rental income on operating leases (Singapore)			2,076
Total			123,068

	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>			
Six months ended 30 June 2023			
Manufacturing and sale of building materials			
- Singapore	8,895	42	8,937
- Malaysia	36,199	-	36,199
- United Arab Emirates*	1,663	32,472	34,135
- Finland	28,616	-	28,616
- Norway	17,712	-	17,712
- Other parts of Europe	5,315	-	5,315
	<u>98,400</u>	<u>32,514</u>	<u>130,914</u>
Provision of environmental services and sale of related products			
- Singapore	5,976	24,046	30,022
- Malaysia	59	-	59
- United Arab Emirates	25	-	25
- Others	536	-	536
	<u>6,596</u>	<u>24,046</u>	<u>30,642</u>
Manufacturing and sale of refractory materials and roadstone			
- Singapore	2,204	-	2,204
- Malaysia	864	-	864
- Others	197	-	197
	<u>3,265</u>	<u>-</u>	<u>3,265</u>
Others			
- Singapore	3,056	985	4,041
	<u>111,317</u>	<u>57,545</u>	<u>168,862</u>
Rental income on operating leases (Singapore)			1,947
Total			<u>170,809</u>

* Revenue recognition of S\$32,472,000 has been restated from at a point in time to over time based on the terms and conditions of the revenue contracts with customers. There is no impact to the total revenue recognised for the six months ended 30 June 2023.

5 Other Income and Other Losses, net

5.1 Other Income

THE GROUP			
6 months ended 30 June			
	2024	2023	Change
	S\$'000	S\$'000	%
Interest income			
Financial assets measured at amortised cost			
- Fixed deposits	(i) 1,636	4,045	(60)
- Other investments	80	77	4
	<u>1,716</u>	<u>4,122</u>	<u>(58)</u>
Dividend income from financial assets, at FVOCI	-	9	n/m
Sale of scrap	519	494	5
Government grants	135	49	176
Other income	354	281	26
	<u>(ii) 1,008</u>	<u>833</u>	<u>21</u>
	<u>2,724</u>	<u>4,955</u>	<u>(45)</u>

(i) Decrease in interest income was due to lower average fixed deposit balance in 1H-2024 as compared to 1H-2023.

(ii) Increase in other income in 1H-2024 was mainly due to scrap sales and government wage subsidies.

5.2 Other Losses, net

THE GROUP			
6 months ended 30 June			
	2024	2023	Change
	S\$'000	S\$'000	%
Currency exchange losses - net	(i) (100)	(573)	(83)
(Loss)/gain on disposal of property, plant and equipment	(10)	87	n/m
Miscellaneous	(87)	(65)	34
	<u>(197)</u>	<u>(551)</u>	<u>(64)</u>

(i) The decrease in currency exchange loss was mainly attributable to the Precast division in Malaysia.

6 Profit before income tax

6.1 Significant items

		THE GROUP		
		6 months ended 30 June		
		2024	2023	Change
		S\$'000	S\$'000	%
Amortisation of deferred income		13	13	-
Amortisation of intangible assets	(i)	(317)	(167)	90
Depreciation of property, plant and equipment	(ii)	(5,739)	(6,423)	(11)
Depreciation of right-of-use assets		(1,672)	(1,822)	(8)
Write-back of/(allowance for) stock obsolescence, net		133	(135)	n/m
Write-back of/(loss) allowance on trade receivables, net		177	(12)	n/m
Impairment loss on goodwill	(iii)	(4,006)	-	n/m
Impairment loss on investment in an associated company	(iv)	-	(3,417)	n/m

- (i) Higher amortisation of intangible assets for the current period was mainly due to additions of intangible assets in the Environmental Services division.
- (ii) Lower depreciation of property, plant and equipment for the current period was mainly due to impaired property, plant and equipment in the Environmental Services division for FY 2023.
- (iii) Impairment loss of goodwill was attributable to the PBU division in Finland.
- (iv) Impairment loss of investment in an associated company was attributable to Salzgitter Maschinenbau AG ("SMAG").

6.2 Finance Costs

		THE GROUP		
		6 months ended 30 June		
		2024	2023	Change
		S\$'000	S\$'000	%
Interest expense				
- Bank borrowings	(i)	(485)	(711)	(32)
- Lease liabilities		(304)	(339)	(10)
- Others		(62)	(33)	88
		(851)	(1,083)	(21)

- (i) Decrease in interest expense on bank borrowings was mainly due to loan repayments in the Environmental Services division in 1H-2024.

7 Taxation

		THE GROUP		
		6 months ended 30 June		
		2024	2023	Change
		S\$'000	S\$'000	%
Taxation charge for the financial year comprises:				
- Current year taxation	(i)	(1,952)	(2,903)	(33)
- Over provision in respect of prior years		345	48	619
		(1,607)	(2,855)	(44)

- (i) Decrease in current year taxation due to lower operating profit in 1H-2024 as compared to 1H-2023.

8 Dividends

	<u>THE GROUP AND THE COMPANY</u>	
	<u>2024</u>	<u>2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<i>Ordinary dividends paid</i>		
Special one-tier tax exempt interim dividend in respect of the current financial year (2023: Special one-tier tax exempt interim dividend of 40 cents in respect of the previous financial year)	-	149,423
Final one-tier tax exempt dividend of 2 cents in respect of the previous financial year (2023: Final one-tier tax exempt dividend of 5 cents in respect of the previous financial year)	7,471	18,678

No dividend has been declared or recommended for the six months ended 30 June 2024 as it is not the Company's practice to distribute interim dividend.

9 Net asset value

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>30-Jun-2024</u>	<u>31-Dec-2023</u>	<u>30-Jun-2024</u>	<u>31-Dec-2023</u>
	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting year	0.72	0.73	0.54	0.56

The Company does not have any treasury shares.

10 Financial assets, at FVOCI

	<u>The Group</u>		<u>The Company</u>	
	<u>30-Jun-2024</u>	<u>31-Dec-2023</u>	<u>30-Jun-2024</u>	<u>31-Dec-2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Listed securities in Singapore	502	909	502	909

10.1 Fair value measurement

The table below presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (a) quoted price in active markets for identical assets and liabilities (Level 1);
- (b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<u>The Group and the Company</u>				
30 June 2024				
<u>Assets</u>				
Financial assets, at FVOCI	502	-	-	502
31 December 2023				
<u>Assets</u>				
Financial assets, at FVOCI	909	-	-	909

11 Property, plant and equipment

	<u>The Group</u>	
	30-Jun-2024 S\$'000	31-Dec-2023 S\$'000
Additions	2,053	5,802
Disposals and write off	(215)	(2,014)

12 Intangible assets

	<u>The Group</u>		<u>The Company</u>	
	30-Jun-2024 S\$'000	31-Dec-2023 S\$'000	30-Jun-2024 S\$'000	31-Dec-2023 S\$'000
Goodwill arising on consolidation	4,018	8,024	-	-
Acquired intangible assets	1,516	1,305	-	-
	5,534	9,329	-	-

12.1 Goodwill arising on consolidation

Goodwill is allocated to the Group's cash-generating-unit ("CGU") identified according to country of operation and business segments.

A segment-level summary of the goodwill allocation is as follows:

	<u>Precast and PBU</u>	<u>Environmental Services</u>	<u>The Group</u> S\$'000
At 31 December 2023			
Cost	8,024	654	8,678
Accumulated impairment	-	(654)	(654)
Net book amount	8,024	-	8,024
6 months ended 30 June 2024			
Opening net book amount	8,024	-	8,024
Impairment loss	(4,006)	-	(4,006)
Closing net book amount	4,018	-	4,018
At 30 June 2024			
Cost	8,024	-	8,024
Accumulated impairment	(4,006)	-	(4,006)
Net book amount	4,018	-	4,018

The recoverable amount of a CGU is determined based on value-in-use calculations. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management. Cash flows cover at least a five-year period and the growth rate used to extrapolate the cash flows beyond the budget period represents management's view of the sustainable long-term average growth rate, and did not exceed the long-term average growth rate for the business in which the CGU operates.

Key assumptions used for value-in-use calculations are as follows:

	<u>30-Jun-2024</u>		<u>31-Dec-2023</u>	
	<u>Growth rate ⁽¹⁾</u>	<u>Discount rate ⁽²⁾</u>	<u>Growth rate ⁽¹⁾</u>	<u>Discount rate ⁽²⁾</u>
Precast & PBU	2.0%	13.7%	2.0%	13.7%

⁽¹⁾ Weighted average growth rates used to extrapolate cash flows beyond the budget period. It is not meaningful to disclose the projected average five-year sales growth rate due to losses and weakness in the near term business outlook of the CGU.

⁽²⁾ Pre-tax discount rate applied to cash flow projections.

These assumptions have been used for the analysis of CGU within the business segment. The projected average sales growth rates used are consistent with the industry forecast. The discount rates used are pre-tax and reflected specific risks relating to the relevant segments.

Impairment of goodwill amounting to S\$4.0 mil was recognised for the PBU division due to continued losses and weaker near term business outlook of Parmarine arising from the depressed housing market in Finland and Norway.

12.2 Acquired intangible assets

	<u>The Group</u>		<u>The Company</u>	
	30-Jun-2024	31-Dec-2023	30-Jun-2024	31-Dec-2023
	S\$'000	S\$'000	S\$'000	S\$'000
Cost				
Balance as at 1 January	8,602	7,507	322	322
Additions	534	1,092	-	-
Currency realignment	(4)	3	-	-
Balance as at 30 June	9,132	8,602	322	322
Accumulated amortisation				
Balance as at 1 January	7,297	6,764	322	322
Amortisation charge	317	533	-	-
Currency realignment	2	-	-	-
Balance as at 31 December	7,616	7,297	322	322
Net Book Value as at 30 June	1,516	1,305	-	-

13 Borrowings

The Group

Amount repayable in one year or less, or on demand

<u>As at 30-Jun-2024</u>		<u>As at 31-Dec-2023</u>	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
10,614	-	6,614	-

Amount repayable after one year

<u>As at 30-Jun-2024</u>		<u>As at 31-Dec-2023</u>	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
19,182	-	26,750	-

Details of any collateral

Included in the Group's property, plant and equipment, right-of-use assets and cash and bank balances are property, plant and equipment and right-of-use assets of subsidiaries of net book value of S\$36,897,000 (31 December 2023: S\$43,173,000), and deposits of S\$25,500,000 (31 December 2023: S\$25,500,000) charged by way of debentures to banks for overdraft and term loan facilities granted. Included in secured borrowings are current lease liabilities of S\$1,677,000 (31 December 2023: S\$2,426,000) and non-current lease liabilities of S\$11,651,000 (31 December 2023: S\$12,004,000) which are secured over the right-of-use assets of S\$17,197,000 (31 December 2023: S\$18,462,000).

14 Share capital

(a)

	The Group and The Company			
	30-Jun-2024		31-Dec-2023	
	Number of shares '000	Amount \$'000	Number of shares '000	Amount \$'000
Balance at beginning and end of financial year	373,558	193,839	373,558	193,839

As at 30 June 2024, the Company's issued share capital (excluding treasury shares) comprises 373,558,237 (31 December 2023: 373,558,237). The Company did not hold any treasury shares and subsidiary holdings as at 30 June 2024 (31 December 2023: Nil).

(b) Since 31 December 2023, no shares were issued pursuant to the exercise of share options. There were no outstanding options and convertibles as of 30 June 2024 and 31 December 2023.

15 Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

F Other Information

1 Review

The condensed interim financial statements of the Group for the six-month period ended 30 June 2024, the condensed interim statement of financial position of the Company as at 30 June 2024 and the condensed interim statement of changes in equity of the Company for the six-month period ended 30 June 2024 as set out in Sections A, B, C, D and E (excludes paragraph 9) have been extracted from the condensed interim financial statements that were prepared in accordance with the Singapore Financial Reporting Standards (International) 1-34 *Interim Financial Reporting* and reviewed by the independent auditor, PricewaterhouseCoopers LLP, in accordance with the Singapore Standards on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor*.

2 Review Report

The review report dated 13 August 2024 on the unaudited condensed interim financial statements of the Group for the six-month period ended 30 June 2024, the statement of financial position of the Company as at 30 June 2024 and the statement of changes in equity of the Company for the six-month period ended 30 June 2024, which has been prepared in accordance with Singapore Financial Reporting Standards (International) 1-34 *Interim Financial Reporting*, is attached as Appendix A. PricewaterhouseCoopers LLP has given and has not withdrawn its consent to the release of the unaudited condensed interim financial statements for the six-month period ended 30 June 2024 (the "1H2024 Interim Financial Statements") with the inclusion therein of its name and its report on the review of the 1H2024 Interim Financial Statements dated 13 August 2024 (attached as Appendix A).

3. A review of the performance of the group

Group Overview

	THE GROUP		
	6 months ended 30 June		
	2024 S\$'000	2023 S\$'000	Change %
Group turnover	123,068	170,809	(28)
Group Profit Before Tax (Excluding impairment loss on goodwill and investment in an associated company)	8,781	13,658	(36)
Impairment loss on goodwill	(4,006)	-	n/m
Impairment loss on investment in an associated company	-	(3,417)	n/m
Group Profit Before Tax	4,775	10,241	(53)
Group profit attributable to equity holders of the Company	2,321	7,063	(67)

n/m: not meaningful

Group turnover in 1H-2024 was S\$123.1 mil, a 28% decrease from S\$170.8 mil in 1H-2023, mainly attributable to lower revenue in the Precast & PBU division.

Excluding impairment losses on goodwill and investment in an associated company, Group profit before tax was S\$8.8 mil in 1H-2024, compared to S\$13.7 mil in 1H-2023. This was mainly attributable to lower pre-tax profit reported by the Precast & PBU division. However, the Environmental Services reported improvement in pre-tax profit.

In 1H-2024, the Group impaired the goodwill of Parmarine amounting to S\$4.0 mil due to continued losses and weaker near term business outlook. In 1H-2023, impairment charge on investment in an associated company, SMAG, of S\$3.4 mil was taken.

Including the impairment losses, the Group reported a lower profit before tax of S\$4.8 mil in 1H-2024, compared to S\$10.2 mil in 1H-2023. After considering income tax and non-controlling interests, the Group reported a profit attributable to equity holders of S\$2.3 mil in 1H-2024 as compared to S\$7.1 mil in 1H-2023.

Below is a summary of the performance of the Group by business divisions:

Turnover

	THE GROUP		
	6 months ended 30 June		
	2024 S\$'mil	2023 S\$'mil	Change (%)
Precast & PBU	78.5	130.9	(40)
Environmental Services	36.6	30.6	20
Chemicals	2.3	3.3	(30)
Others	5.7	6.0	(5)
	123.1	170.8	(28)

Precast & Prefabricated Bathroom Unit ("PBU")

Turnover of the Precast & PBU division declined by 40% to S\$78.5 mil in 1H-2024. The PBU division in Finland reported a 64% decrease in revenue amidst depressed housing market in Finland and Norway. The precast operations in Singapore, Malaysia and Dubai also reported a 24% decline in revenue owing to lower delivery volume due to project delays as compared to 1H-2023.

Environmental Services

Turnover of the Environmental Services division increased by 20% to S\$36.6 mil in 1H-2024 from S\$30.6 mil in 1H-2023. This was mainly contributed to strong revenue growth of 28% in the division's industrial wastewater treatment business due to higher selling price. The Slop and RFO business also contributed to the increase in revenue.

Chemicals

Turnover of the Chemicals division declined by 30% to S\$2.3 mil in 1H-2024 from S\$3.3 mil in 1H-2023 as a result of lower sales of refractory and roadstone products in Singapore and Malaysia.

Attributable profit/(loss) before tax

	THE GROUP		
	6 months ended 30 June		
	2024 S\$'mil	2023 S\$'mil	Change (%)
Precast & PBU	(2.1)	12.2	n/m
Environmental Services	7.3	1.0	630
Chemicals	0.1	0.3	(67)
Associate performance	0.6	(3.9)	n/m
Others	(1.1)	0.6	n/m
	4.8	10.2	(53)

n/m: not meaningful

Precast & Prefabricated Bathroom Unit ("PBU")

Excluding goodwill impairment loss of Parmarine, the Precast & PBU division reported a profit of S\$1.9 mil in 1H-2024, significantly lower than S\$12.2 mil in 1H-2023. Including impairment, the Precast & PBU division reported a loss of S\$2.1 mil. The PBU division in Finland reported an operating loss of S\$4.7 mil in 1H-2024 as compared to a profit of S\$1.2mil in 1H-2023 mainly due to lower turnover.

The Precast operation in Singapore and Malaysia reported a decrease in profit of S\$6.0 mil in 1H-2024 as compared to S\$7.6 mil in 1H-2023 mainly due to project delays in 1H-2024. The precast operations in Dubai reported a significant decrease in profit, also due to project delays in 1H-2024.

Environmental Services

The Environmental Services division reported a profit of S\$7.3 mil in 1H-2024 as compared to S\$1.0 mil in 1H-2023. This was mainly due to significant improvements in the industrial wastewater treatment business as a result of better selling price and lower operating cost. The division's slop and recycled fuel oil business also reported a higher profit due to increased volume and selling price in 1H-2024.

Chemicals

The Chemicals division recorded a lower profit of S\$0.1 mil in 1H-2024 as compared to S\$0.3 mil as a result of lower sales of refractory and roadstone products.

Associate performance and related impairment

The share of associates' profit of S\$0.6 mil in 1H-2024 was significantly better than 1H-2023. In 1H-2023, the Group recognised an impairment charge on investment in SMAG of S\$3.4 mil.

Others

The Others division recorded a loss of S\$1.1 mil in 1H-2024 compared to profit of S\$0.6 mil in 1H-2023 mainly due to lower interest income earned from short term bank deposits.

4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The precast business in Singapore, Malaysia and Dubai continues to execute projects from its secured order books. However, our PBU business in Finland continues to face the challenging conditions of the housing industry in Finland.

The general conditions in the industry affecting our Environmental Services division (Slop and RFO business) are expected to remain stable. In respect of our industrial wastewater business, scheduled plant maintenance by one of our key customers in the second half is expected to affect the division business but we continue efforts to broaden our customer base for this division.

On 23 July 2024, RHB Bank Berhad, for and on behalf of YTL Cement Berhad (the “Offeror”), announced a pre-conditional mandatory general offer (the “Offer”) for all the issued and paid-up ordinary shares in the capital of the Company, other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees. Please see https://links.sgx.com/FileOpen/NSL%20-%20Pre-Conditional%20MGO%20Annc_Final.ashx?App=Announcement&FileID=812590 for details.

6. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for the six months period ended 30 June 2024.

7. Interested Person Transactions (“IPTs”)

The Group does not have a general mandate from shareholders for IPTs pursuant to Rule 920.

8. Confirmation pursuant to the Rule 705(5) in accordance with Appendix 7.2

We confirm on behalf of the Directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial results from 1 January 2024 to 30 June 2024 to be false or misleading, in any material aspect.

9. Confirmation that issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has procured undertakings from all directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

10. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

For discussion of material changes, please refer to paragraph 3.



NSL LTD

(Reg. no.: 196100107C)

- 11. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement**

Not applicable.

The Singapore Code on Take-overs and Mergers

The unaudited results of the Group for the six-month period ended 30 June 2024 have been reported on in accordance with Rule 25 of the Singapore Code on Take-overs and Mergers.

Responsibility Statement

The Directors (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

CONFIRMATION BY THE BOARD

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited consolidated financial results for the six months period ended 30 June 2024 to be false or misleading.

BY ORDER OF THE BOARD

LIM Su-Ling
Company Secretary
13 August 2024



NSL LTD

(Reg. no.: 196100107C)

Forward-Looking Statements

This release may contain forward-looking statements which may be identified by phrases that the Company or Management or Directors “expects”, “believes” “anticipates” “foresees” or “forecasts”. These forward-looking statements, if any, are based on current expectations and assumptions that are subject to risks and uncertainties. Actual performance, outcome or financial results post the date of this release may differ materially from those expressed in this release. Some factors that may affect the actual performance of the NSL Ltd and its group of companies may include, without limitation, political, economic, geographical, climatic, social and health conditions in the countries where the NSL Ltd and its group of companies, its customers or its suppliers operate; armed conflict or the effects of terrorist activities or war, acts of God, tsunami, earthquake, natural disasters, diseases, floods, effects of global climatic change in any part of the world which may cause disruption in manufacture, supply (availability and costs) of raw or intermediate materials, power, water, fuel, crude oil, import, export, transportation network necessary for the acquisition and supply of goods and services or financial markets; currency fluctuations; fluctuations in the price of raw materials, power, water, fuel, crude oil or demand for natural rubber; volatility of financial markets; general industry conditions, interest rate trends, cost of borrowings and capital availability, intense competition from other companies and venues for the production, sale/distribution of goods and services of the NSL Ltd and its group of companies, changes in industry or market capacity or demands; obsolete inventory, market acceptance or rejection of new goods and services, continued market acceptance of existing goods and services of the NSL Ltd and its group of companies; risk of unanticipated increased costs of power, oil, fuel, crude oil or utilities to operate its various plants; continued ability of NSL Ltd and its group of companies to retain market size and competitiveness for its goods and services; the effect of changes to policies /regulations whether or not resulting in imposition or lifting of anti-dumping duties in countries which the NSL Ltd and its group of companies operate, industrial accident(s) in any facility(ies) of NSL Ltd and its group of companies and their effects; unavailability of insurance, adverse results on litigation or debt recovery, implementation of operating cost structure that is aligned with revenue growth; avian flu, swine flu, monkeypox, coronaviruses (including but not limited to MERS-CoV, SARS-CoV, SARS-CoV-2 and 2019-nCoV) and their effects; coup d’etat, civil unrest, civil uprisings, revolutions, demonstrations, protests in any part of the world where NSL Ltd and its group of companies operate; any factor which may cause revenues and income to fall short of anticipated levels; ability to develop manufacture and market products and services in a rapidly changing environment; management retention and succession; changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. This statement only relates to information available as at the date of release and you are cautioned to seek professional advice from your stock broker, solicitor, accountant or other professional adviser if you are in any doubt as to the meaning of anything herein.



NSL Ltd.
317 Outram Road
#03-02
Singapore 169075

Attention: The Board of Directors

13 August 2024

REPORT ON REVIEW OF UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS OF NSL LTD. (THE “COMPANY”) AND ITS SUBSIDIARIES (THE “GROUP”)

Dear Sirs

Introduction

We have reviewed the accompanying condensed interim financial statements of the Group and the Company, which comprise the condensed interim consolidated income statement and the condensed interim consolidated statement of comprehensive income of the Group for the six-month period ended 30 June 2024, condensed interim statements of financial position of the Group and the Company as at 30 June 2024, condensed interim statements of changes in equity of the Group and the Company for the six-month period ended 30 June 2024, condensed interim consolidated statement of cash flows of the Group for the six-month period ended 30 June 2024 and notes, comprising significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of the condensed interim financial statements in accordance with Singapore Financial Reporting Standard (International) 1-34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on the condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers LLP, 7 Straits View, Marina One East Tower Level 12, Singapore 018936
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PricewaterhouseCoopers LLP (Registration No. T09LL0001D) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act 2005. PricewaterhouseCoopers LLP is part of the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements of the Group for the six-month period ended 30 June 2024, condensed interim statement of financial position of the Company as at 30 June 2024 and condensed interim statement of changes in equity of the Company for the six-month period ended 30 June 2024 are not prepared, in all material respects, in accordance with Singapore Financial Reporting Standard (International) 1-34 *Interim Financial Reporting*.

Other matter

The comparative information for the condensed interim statements of financial position of the Group and the Company is based on the audited financial statements as at 31 December 2023. The comparative information for the condensed interim consolidated income statement of the Group, condensed interim consolidated statement of comprehensive income of the Group, condensed interim statements of changes in equity of the Group and the Company, condensed interim consolidated statement of cash flows of the Group and other explanatory notes for the six-month period ended 30 June 2023 has not been audited or reviewed.

Restriction on Distribution and Use

This report has been prepared solely for the Company in accordance with the letter of engagement between us and the Company. Our report is solely for the purpose of assisting the Company to fulfil its responsibilities under Rule 25 of the Singapore Code on Take-overs and Mergers and not for any other purpose. To the fullest extent permitted by law, we do not accept or assume liability or responsibility to anyone other than the Company in respect of, arising out of, or in connection with our report.

A handwritten signature in blue ink that reads "PricewaterhouseCoopers LLP".

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 13 August 2024

APPENDIX F
LETTER FROM THE IFA IN RELATION TO THE 1H2024 RESULTS



SAC CAPITAL PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200401542N)

25 October 2024

The Board of Directors
NSL Ltd.
317 Outram Rd
#03-02
Singapore 169075

Dear Sirs

MANDATORY UNCONDITIONAL CASH OFFER BY RHB BANK BERHAD, FOR AND ON BEHALF OF THE OFFEROR (AS DEFINED BELOW), FOR THE OFFER SHARES (AS DEFINED BELOW)

On 23 July 2024 (the "**Pre-Conditional MGO Announcement Date**"), RHB Bank Berhad ("**RHB Bank**") announced, for and on behalf of YTL Cement Berhad (the "**Offeror**"), that the Offeror had entered into a conditional sale and purchase agreement dated 23 July 2024 (the "**SPA**") with 98 Holdings Pte. Ltd. (the "**Vendor**") to acquire from the Vendor an aggregate of 303,484,453 ordinary shares in the issued and paid-up share capital of NSL Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") (the "**Sale Shares**"), representing approximately 81.24% of the total issued and paid-up share capital of the Company, for S\$0.750 per Sale Share making a total consideration of approximately S\$227.6 million (the "**Acquisition**").

On 23 September 2024 (the "**Offer Announcement Date**"), RHB Bank announced, for and on behalf of the Offeror, that: (a) the condition precedent in respect of the SPA was fulfilled on 23 September 2024; (b) the Offeror's firm intention to make a mandatory unconditional cash offer (the "**Offer**") for all the issued and paid-up shares in the capital of the Company (the "**Shares**"), other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it ("**Offer Shares**"), in accordance with Section 139 of the Securities and Futures Act 2001 of Singapore and Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**"); and (c) the Offer will be unconditional in all respects. The Offeror had nominated its wholly-owned subsidiary, YTL Cement Singapore Pte Ltd, to receive the Sale Shares under the SPA as well as to hold the Offer Shares tendered in acceptance of the Offer.

The Acquisition was completed by way of a married deal on the Singapore Exchange Securities Trading Limited on 1 October 2024.

We have examined the unaudited condensed interim financial statements of the Group for the six-month period ended 30 June 2024 (the "**1H2024 Results**") and have discussed the same with the management of the Company who are responsible for its preparation. We have also considered the independent auditors' review report dated 13 August 2024 prepared by PricewaterhouseCoopers LLP, the auditors of the Company, to the board of directors of the Company (the "**Directors**") on the 1H2024 Results.

We have relied on the accuracy and completeness of all financial and other information provided to us by the Company and have assumed such accuracy and completeness for the purposes of

providing this report. Save as provided in this report, we do not express any other opinion on the 1H2024 Results.

Based on the above, we are of the opinion that the 1H2024 Results (for which the Directors are solely responsible) have been prepared and made after due and careful enquiry.

We have provided this report solely to the Directors in compliance with Rule 25 of the Code and for no other purposes. We do not accept responsibility to any other person(s), other than the Directors of the Company, in respect of, arising out of, or in connection with this report.

Yours faithfully
For and on behalf of
SAC CAPITAL PRIVATE LIMITED

Tan Kian Tiong
Partner and Head, Capital Markets

APPENDIX G
VALUATION REPORTS

Our Reference: 2240364/TM/CSH



18 October 2024

Raffles Marina Ltd
10 Tuas West Drive
Raffles Marina
Singapore 638404

SRE GLOBAL PTE LTD
Blk 162 Bukit Merah Central
#06-3545 Singapore 150162
Tel: +65 6221 8288
Fax: +65 6225 7537
sreglobal.sg

UEN No. 198404370K

Attention: Mr Siaw Chee Huat

Dear Sirs

VALUATION OF 10 TUAS WEST DRIVE, RAFFLES MARINA, SINGAPORE 638404

Instruction and Purpose

SRE Global Pte Ltd (the "SRE Global") has been instructed by Raffles Marina Ltd (the "Company") on 27 September 2024 to determine the Market Value of the subject property (the "Property") for the purpose of a Mandatory Unconditional Cash Offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert).

Inspection

We confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing the Company with our opinion of the market value of the unexpired leasehold interest of the Property as at the date of valuation.

Date of valuation

The material date of valuation is 31 August 2024.

Valuation Standards

Our valuation complies with the Valuation Standards and Practice Guidelines 2022 Edition by the Singapore Institute of Surveyors and Valuers (SISV).

Our opinion of the value is based on generally accepted valuation principles and practices that rely on the use of reasonable assumptions, and it is our independent assessment based on our professional judgement and experience, taking into consideration the general market, economic and relevant industry conditions prevailing at the material date.

We confirm that the valuers involved are competent to undertake this valuation.

Basis of Value

In accordance with the requirements of the instruction, the basis of value is Market Value which is defined by the Singapore Institute of Surveyors and Valuers (SISV) as "the estimated amount for which a property should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Valuation Premise

The subject property is valued in its continued existing use and condition, without taking into account any redevelopment potential it may have.

The valuation has been made on the assumption that the owner sells the property in the open market in its existing state taking into account the terms of the existing occupancy arrangements, where appropriate, but without the benefit of any other deferred term contract, joint venture or any similar arrangement which would affect the value of the property.

General Qualifications

The valuation contained in the report is not guarantees or predictions but are based on the information obtained from various sources and other related parties. We have relied upon material information supplied by the manager such as the current operating profit and loss statements which we assume to be true and accurate. We take no responsibility for inaccurate data supplied by the manager and the subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property and are not a related corporation of nor do we have a relationship with the client, manager, adviser or other party/parties whom the client is contracting with in relation to the subject property. We confirm that there is no conflict of interest in our role as external valuers.

No structural survey of the property have been carried out or any testing of services done. We have assumed that there are no structural defects and that all building services are fully functional. We have also not carried out any investigations on the suitability of the site and ground conditions for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

Plant & Machinery

Our valuation has taken into account the following asset classes as a whole and as part of the operation of the marina resort:

- Leasehold Land
- Building
- Plant & Machinery
- Computer & Office Equipment
- Marine Equipment
- Other equipment such as Furniture & Fittings, Club & MRA Equipment, F&B and Housekeeping Equipment

No separate valuation has been conducted to determine the value of the plant & machinery and chattels within the subject property.

Valuation Approach

The valuation approach adopted in this valuation is the Discounted Cashflow Analysis.

Assumptions with regards to the various factors that affect value such as future revenue and expenses, growth, inflation etc, have been made based on a careful consideration of the recent operating performance of the Property and the foreseeable market and external economic environments.

The discount rate and terminal yield are derived based on our assessment of various factors that may affect the value including the specific market sector risk, underlying land tenure, the current state and condition of the property, and general market expectation on the rate of return for such investments.

Valuation Summary

A valuation summary on the Property together with the key factors that have been considered in determining its value is appended below. This letter does not contain all the necessary information and assumptions that are included in the report. Further reference may be made to the report, copy of which are held by the Manager.

Yours faithfully

For and on behalf of

SRE GLOBAL PTE LTD



Chng Shih Hian

Appraiser

Licence No.AD041-2006472D

MSISV, MRICS (Registered Valuer)



VALUATION SUMMARY

Date of Report	:	18 October 2024
Address	:	10 Tuas West Drive, Raffles Marina, Singapore 638404
Prepared For	:	Raffles Marina Ltd
Purpose	:	To determine the Market Value of the Property for the purpose of a Mandatory Unconditional Cash Offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert).
Type	:	A leisure resort marina club with sea-sports facilities
Legal Description	:	Lot 4461N & 2509N Mukim 7 (Private Lot A11200)
Tenure	:	Leasehold 60 years commencing from 16 July 1989 (Balance tenure : approximately 24.85 years as at this date of valuation)

Registered Proprietor : Raffles Marina Ltd

Land Area :

Lot Number (Mukim 7) (Private Lot A11200)	Area (square metres)	Remarks
4461N	42,478.5	Land
2509N	50,274.1	Foreshore

Land Rent Payable : S\$12 (Twelve Dollars) per annum

Gross Floor Area : 17,566.145 square metres

Age : Built circa 1990s

Condition : Good

Master Plan Zoning (2019) : Sports and Recreation

Approved Use : For a world-class resort style marina with the following facilities :

- a) clubhouse with restaurants, indoor/outdoor resort style swimming pool, tennis / squash / gymnasium / health centre / guestrooms and other related recreational facilities;
- b) sea berths for mooring of boats / pleasure crafts;
- c) land storage area for smaller crafts and ancillary service workshop;
- d) accessories and souvenir shop; and
- e) any other innovative and attractive recreational facilities and services by the Lessee and approved in writing by the Lessor and all relevant Governmental and Statutory Authorities;



Valuation Approach : Discounted Cashflow Analysis
Discount rate : 7.5%
Terminal Yield : 6.5%

Opinion of Value As at 31 August 2024

Market Value : S\$20,700,000/-
(Singapore Dollars Twenty Million And Seven Hundred Thousand)

SRE GLOBAL PTE LTD

Chng Shih Hian
Appraiser
Licence No.AD041-2006472D
MSISV, MRICS (Registered Valuer)

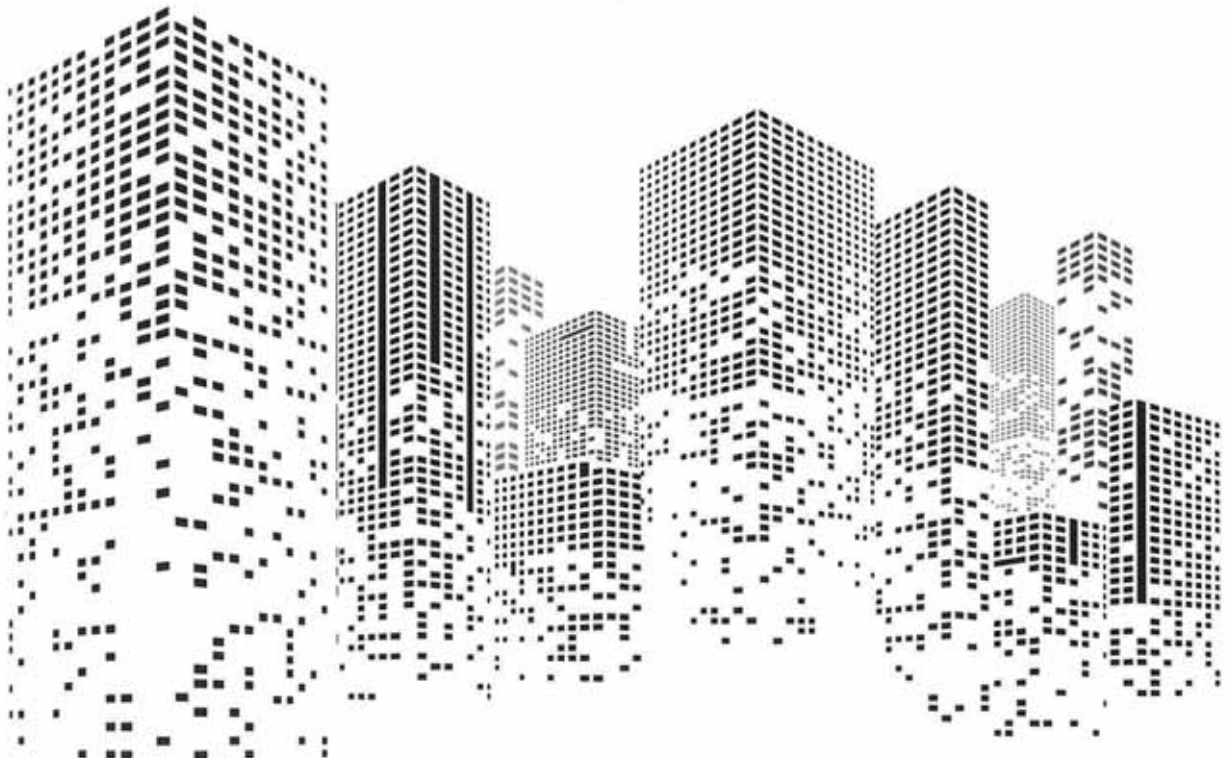
Tan Teck Moi
Appraiser
Licence No.AD041-2006558A
MSISV

VALUATION REPORT

10 TUAS WEST DRIVE
RAFFLES MARINA
SINGAPORE 638404

FOR
RAFFLES MARINA LTD

OCTOBER 2024



SRE Global Pte Ltd

EXECUTIVE SUMMARY

Valuation of 10 Tuas West Drive Raffles Marina Singapore 638404

Our Reference	:	2240364/TM/CSH
Date of Report	:	18 October 2024
Prepared For	:	Raffles Marina Ltd
Purpose of Valuation	:	To determine the Market Value of the subject property for the purpose of a Mandatory Unconditional Cash Offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert).



**SRE
GLOBAL**
An Adviser Company

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sreglobal.sg

UEN No. 198404370K

Brief Details of Subject Property

Type	:	A leisure resort marina club with sea-sports facilities
Legal Description	:	Lot Nos. 4461N & 2509N Mukim 7 (Private Lot A11200)
Land Area	:	Approximately 42,478.5 square metres & 50,274.1 square metres (foreshore) respectively
Gross Floor Area	:	17,566.145 square metres
Age	:	Circa 1990s
Condition	:	Average and has undergone progressive upgrading works
Tenure	:	Leasehold for 60 years commencing from 16 July 1989 (Balance tenure : approximately 24.85 years as at date of valuation)
Master Plan Zoning (2019)	:	Sports and Recreation

Valuation - as at 31 August 2024

Market Value	:	S\$20,700,000/- (Singapore Dollars Twenty Million And Seven Hundred Thousand)

SRE GLOBAL PTE LTD

Chng Shih Hian

Appraiser

License No.AD041-2006472D

MSISV, MRICS (Registered Valuer)

Tan Teck Moi

Appraiser

License No.AD041-2006558A

MSISV

Our Ref : 2240364/TM/CSH

1.0 Instruction

SRE Global Pte Ltd (the "Valuer") have been instructed by Raffles Marina Ltd (the "Client") on behalf of NSL Ltd to determine the Market Value of the unexpired leasehold interest in the subject property as at 31 August 2024, for the purpose of a Mandatory Unconditional Cash Offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert).

2.0 Subject Property

The subject property to be valued is a leisure resort marina club with sea-sports facilities located at 10 Tuas West Drive Singapore 638404 and known as Raffles Marina (the "subject property"). It accommodates a boat lagoon, a boathouse and club facilities such as guest rooms, restaurants and pub, ballrooms and function rooms, landscaped resort pool and gymnasium. It has Customs, Immigration, Quarantine and Port Authorities (CIQP) facilities.

3.0 Date of Inspection

The subject property was inspected on 4 October 2024.

4.0 Basis of Value

The basis of value adopted in this valuation is Market Value.

Market Value is defined by the Singapore Institute of Surveyors and Valuers (SISV) as "the estimated amount for which a property should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

5.0 Role of Valuers

The Valuer is engaged as an independent External Valuer.

We confirm that the persons involved in this valuation have sufficient knowledge, skills and understanding to undertake the valuation competently. We hereby certify that our valuers undertaking these valuations are authorized to practice as valuers and have the necessary expertise and experience in valuing similar types of properties. We confirm that we have carried out field visits and obtained relevant information from the manager during the course of our valuation.

6.0 Qualifications and Disclaimer

Our opinion of the value is based on generally accepted valuation principles and practices that rely on the use of reasonable assumptions, and it is our independent assessment based on our professional judgement and experience, taking into consideration the general market, economic and relevant industry conditions prevailing at the material date.

Our valuation complies with the Valuation Standards and Practice Guidelines (2022 Edition) by the Singapore Institute of Surveyors and Valuers (SISV) and the International Valuation Standards by International Valuation Standards Council (IVSC).

The Valuer has relied upon material information supplied by the Client, which we assume to be true and accurate. The Valuer takes no responsibility for inaccurate data supplied by the Client and the subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the subject property and are not a related corporation of nor do we have a relationship with the Client, adviser or other party/parties whom the Client may be contracting with in relation to the subject property. We confirm that there is no conflict of interest in our role as external valuers.

The Valuer's compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the manager, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

In our valuation, we have not carried out any structural survey of the subject property that have been completed or any testing of services. We have assumed that there are no structural defects and that all building services are fully functional.

We have also not carried out any investigations on the suitability of the site and ground conditions for the existing or any new development, nor have we undertaken any archeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

7.0 Legal Details

Legal Description :

Lot Number (Mukim 7) (Private Lot A11200)	Area (square metres)	Remarks
4461N	42,478.5	Land
2509N	50,274.1	Foreshore

Tenure : Leasehold for 60 years commencing from 16 July 1989
(Balance tenure : approximately 24.85 years)

Registered Proprietor : Raffles Marina Ltd

Land Rent Payable : S\$12 (Twelve Dollars) per annum

Property Tax Assessment : Annual Value of \$6,780,000/- at a tax rate of 10%

Approved Use : For a world-class resort style marina with the following facilities :

- a) clubhouse with restaurants, indoor/outdoor resort style swimming pool, tennis / squash / gymnasium / health centre / guestrooms and other related recreational facilities;
- b) sea berths for mooring of boats / pleasure crafts;
- c) land storage area for smaller crafts and ancillary service workshop;
- d) accessories and souvenir shop; and
- e) any other innovative and attractive recreational facilities and services by the Lessee and approved in writing by the Lessor and all relevant Governmental and Statutory Authorities;

Other Details : No full title search has been carried out for the subject site. We recommend that they be carried out through your solicitors.

8.0 Town Planning

Master Plan Zoning (2019) : Sports and Recreation

9.0 Location

The subject property is located along Tuas West Drive, near to its junction with Tuas Link 4, off Jalan Ahmad Ibrahim and Ayer Rajah Expressway (AYE). It is approximately 28 kilometres from the city centre at Collyer Quay.

The surrounding area is predominantly industrial in nature, comprising mainly JTC purpose-built as well as standard factories. Prominent developments nearby include Logos Food 21, JDE Building, Tee Hai Building, Tuas Bus Terminal, Asia Pacific Breweries and Wilmar Food amongst others.

Public transport is available along Tuas West Drive. Access to the subject property is facilitated by the Pan-Island Expressway, Ayer Rajah Expressway and the Tuas Checkpoint linking to Malaysia.

The Tuas Link MRT station is located right in front of the subject property.

10.0 Description of Subject Site

The subject site as marked out in blue in the attached Site Plan is a near-trapezoidal shaped plot comprising a land parcel and a foreshore plot. It is accessible from Tuas West Drive via a 155 metres long driveway.

The site is generally flat and at the access road level. It has direct waterfront of about 270 metres onto the foreshore area.

11.0 Description of Existing Improvements

The subject property encompasses the following facilities:

i) Marina and Sea-sports Facilities

The Boat Lagoon has 152 walk-on berths for boats up to 65 feet and 8 berths for mega-yachts where power and water is provided. In addition, a boathouse provides a multi-tiered dry stack for 160 boats of up to 35 feet and 6.8 tonne and serviced by an overhead stacker crane handling system. A marine workshop with an open yard is also provided for engine, mechanical, electrical and electronic repairs. There is also a fueling jetty.

ii) Other Club Facilities

There are 19 guest rooms (10 standard rooms and 9 deluxe rooms) which are open to members, visiting yachtsmen, VIPs and the public. In addition, there is a ballroom with a capacity of up to 350 persons and three function rooms with the following seating capacities:

- Bridge room	:	100 persons
- Chart room	:	60 persons
- Board room	:	14 persons

Members and guests also have access to a multi-function theatre with a seating capacity of up to 184. Other sporting facilities include 3 tennis courts (currently not in use), an office (formerly a squash court), billiard room (currently not in use), gymnasium and aerobic room. There is also a bistro, pub (currently not in operation), Chinese restaurant, canteen and free-form landscaped resort pools and swim-up bar.

The building is constructed of reinforced concrete frame with infill brick wall, reinforced concrete floor, staircase and reinforced concrete flat / tiled & metal pitch roof. The clubhouse is equipped with 3 passenger lifts. Other site improvements include 2 guard houses, water feature, koi pond, tarmac / concrete driveway, surface and multi-storey car park, promenade, landscaped garden and open yard.

The subject property is fitted with central, ducted, cassette and split-unit air-conditioners, ceiling & wall fans, cabinets, wardrobes, vanity tops, shower screens, smoke detectors, hose-reels, sprinklers system, fire extinguishers, fire alarm, close-circuit television and overhead crane. Fenestration generally comprises aluminium framed sliding and top-hung glass windows.

12.0 Accommodation & Finishes

12.1 Clubhouse

Level	Accommodation
Basement	Lift lobby, stores and pump / filtration rooms.
1st Storey	Atrium, hotel reception, club operation office, members' lounge*, office*, bowling alley ^, lift lobbies, bistro, pub*, toilets, outdoor dining area, lift lobbies, goods receiving area and store.
2nd Storey	Lobby, boardroom, holding areas, function rooms, ballroom, restaurant, theatre, toilets, lift lobbies and AHU room.
3rd Storey	Lift lobby, 9 deluxe and 10 standard guest rooms. Each room has an attached bathroom and the deluxe rooms have direct access to roof garden. Some of the rooms have attached balcony.
Attic Level	Lift lobby, housekeeping store^, maintenance office^ and watch tower function room with attached terrace.

12.2 Annex Block

Level	Accommodation
1st Storey	Shops, linen room, security office, laundry area, multi-purpose room, multi-storey car park, changing room and toilets.
2nd Storey	<u>Lower Level</u> Management office, staff canteen, multi-storey car park and toilets. <u>Upper Level</u> Billiard room^, gymnasium, aerobic room and office^ (former squash court).
Roof Level	Tennis Courts

12.3 Boathouse

Level	Accommodation
1st Storey	Shops, office, boat storage area, toilet and staff rest area.
2nd Storey	Dock Master Office

12.4 Marine Workshop

Level	Accommodation
1st Storey	Workshop

* not in used

^ not available for inspection

12.5 General Finishes

Floor finishes include marble to the atrium, hotel reception area and 1st storey hotel lift lobby; carpet to the members' lounge, part of the restaurant, bowling alley, offices and lift lobby, billiard room, gymnasium, hotel lift lobby & corridor, guest rooms, holding areas of function rooms, function rooms, boardroom, theatre, some of the shops and dock master office; slate tiles to the bistro, laundry area, guest bathrooms, pool deck, roof garden and terrace; timber strips to the pub, outdoor dining area, club operation office and bowling alley, holding area of ballroom, ballroom and aerobic room; vinyl to the multi-purpose room; and homogeneous tiles to the kitchen, linen room, good receiving area, lift lobbies, maintenance office, watch tower function room, stores, toilets, canteen, changing rooms and security office; and epoxy/cement sand screed floor the rest of the area.

Internal walls generally comprise plastered and painted wall except for two of the lift lobbies have marble tiles; kitchen, toilets, guest bathrooms, changing rooms, part of and canteen and security office which have ceramic/homogeneous tile; hotel reception, pub, ballroom, function rooms, boardroom, lift lobby & corridor (3rd storey), part of restaurant, some of the offices and billiard room which have part featured wall/timber panel wall /wall-papered finishes; acoustic wall panel for the theatre; and mirror panels to the gymnasium and aerobic room.

Ceiling is generally improved with suspended ceiling boards and part ceiling cornices.

13.0 Gross Floor Area

The gross floor area of the subject property is 17,566.145 square metres as provided by the management.

14.0 Age and Condition

The subject property was built circa 1990s. It is in an average state of repair and maintenance.

It has undergone upgrading and renovation works over the years. The upgrading works in 2014 involves the levelling of certain parts of the compound which have sunken due to the settlement of the reclaimed land. The changing room and ballrooms were renovated in Year 2015 & 2016 respectively. The fencing and security upgrading work for the operation of CIQP was carried out in 2019. One of the lifts at the clubhouse was upgraded this year. Ongoing ground levelling works are carried out in Year 2023.

15.0 Membership and Charges

(as provided by client)

Raffles Marina has a total of about 716 members (Year 2024). The membership details is summarized below :

Type of Memberships	No. of Members	Membership Price (inclusive of GST)
Individual	576	S\$3,888/-
Corporate	66	S\$8,888/-
Term	50	S\$2,140/-
Gold & Gold Linked	24	No Entrance Fee

16.0 Public Schemes

We have not carried out any searches with regards to any proposed road, drainage or public schemes. We recommend that they be carried out through your solicitors and refer back to us for further comments.

17.0 Valuation Premise

We have valued the subject property in its continued existing use as a going concern and without taking into account any redevelopment potential it may have.

Our valuation has taken into account the following asset classes as a whole and as part of the operation of the marina resort :

- Leasehold Land
- Building
- Plant & Machinery
- Computer & Office Equipment
- Marine Equipment
- Other Equipments such as Furniture & Fittings, Club & MRA Equipments, F&B Equipments and Housekeeping Equipments

No separate valuation has been conducted to determine the value of the plant & machinery and chattels within the subject property.

18.0 Valuation Approach

We have adopted on the Discounted Cash Flow (DCF) approach in this valuation.

In this approach, the gross revenue from marine, F&B, rooms, membership operations and other incomes are estimated based on historical and projected revenue for the 10-year period. Cost of sales and operating expenses are deducted from the gross revenue to derive at the net operating income. This is then discounted at an appropriate discount rate over the 10-year period. At the end of the 10th year, the net income is capitalized at an appropriate terminal yield on the remaining lease term. The discounted income over the 10-year period plus the terminal value is the Market Value of the subject property.

19.0 Valuation Parameters

The major parameters adopted in the valuation are as follows :-

Parameters	Assumptions / Values Adopted
Membership Income	: 1 st Year - S\$1,100,000/- [Average growth rate : 0%]
F & B Income	: 1 st Year - S\$6,150,000/- [Average growth rate : 5.0%]
Rooms Income	: 1 st Year - S\$800,000/- [Average growth rate : 5.0%]
Marina Income	: 1 st Year - S\$3,550,000/- [Average growth rate : 4.2%]
Other Income	: 1 st Year - S\$1,200,000/- [Average growth rate : 2.5%]
Cost of Sales	: 46.0% (Average)
Other Expenses	: 40.5% (Average)
Discount Rate	: 7.5%
Terminal Yield	: 6.5%

20.0 Opinion of Value - as at 31 August 2024

Having considered all relevant factors, we are of the opinion that the Market Value of the unexpired leasehold interest of the subject property, free from all encumbrances, is:

Market Value : S\$20,700,000/-
(Singapore Dollars Twenty Million And Seven Hundred Thousand)

SRE GLOBAL PTE LTD



Chng Shih Hian

Appraiser

License No.AD041-2006472D

MSISV, MRICS (Registered Valuer)



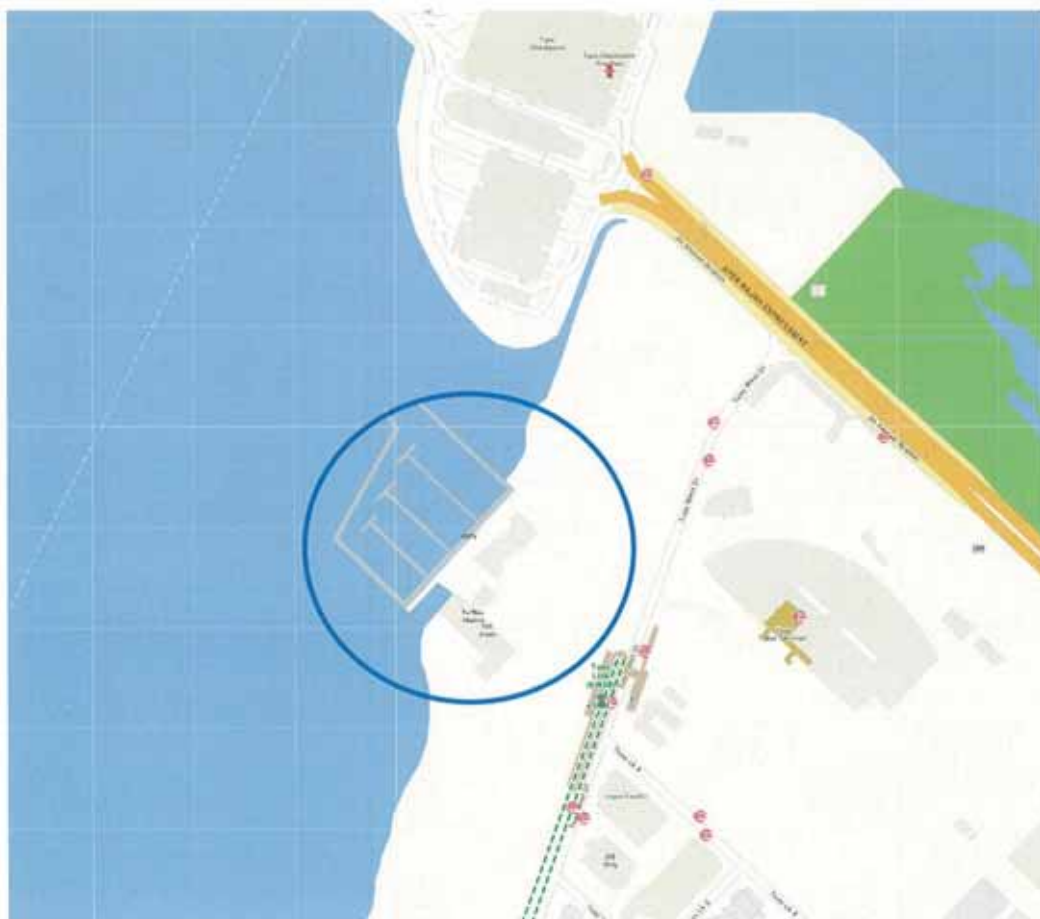
Tan Teck Moi

Appraiser

License No.AD041-2006558A

MSISV

Date of Report : 18 October 2024





SITE PLAN

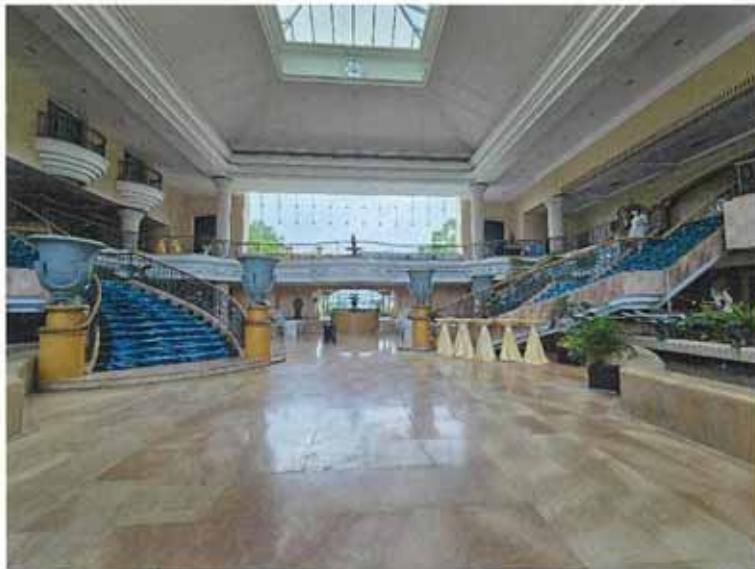




External View of Subject Property



External View of Clubhouse



Clubhouse – Atrium



Clubhouse – Hotel Reception



Clubhouse – Bistro



Clubhouse – Members' Lounge (not in used)



Clubhouse – Club Operation Office



Clubhouse – Ballroom's Holding Area



Clubhouse – Ballroom



Clubhouse – Function Rooms



Clubhouse – Theatre



Clubhouse – Boardroom



Clubhouse – Restaurant



Clubhouse – Guest Room



Clubhouse – Roof Garden



Clubhouse – Watch Tower Function Room



Clubhouse – Basement Store



External View of Annex Block & Surface Car Park



Annex Block – Shops



Annex Block – Multi-Storey Car Park



Annex Block – Changing Room



Annex Block – Management Office



Annex Block – Canteen



Annex Block – Gymnasium



External View of Boathouse



Boathouse – Boat Storage Area



Boathouse – Marine Office



Boathouse – Dock Master Office



Marine Workshop



Swimming Pool



Berths

LIMITING CONDITIONS

Basis of Valuation

This valuation is prepared in accordance with the Valuation Standards and Guidelines published by the Singapore Institute of Surveyors and Valuers or any other internationally recognized valuation standards as may be stated in the report.

The valuation is prepared on the basis that the premises and any works (eg. alterations and addition) thereto comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a statutory completion by the Building Authority.

No allowance is made in the Valuation for any charges, housing grants, mortgages or amounts owing on the property, or similar financial encumbrance on or over the property, nor for any expenses, taxation or levies which may be incurred in effecting a sale. It is assumed that the property is free of encumbrances, restrictions or outgoings of an onerous nature which could affect its value.

The legal interests in this property are assumed to be good and unless otherwise stated no legal searches and requisitions are made on the property.

The valuation takes no account of furnishing and removable fittings of any description.

Any projections made in respect of income, rental, expenditures, growth rates and other variables are based on the assessment and judgment of the valuers. These projections are by no means certain and should be interpreted as indicative assessments of potentialities.

Unless otherwise stated, the values reported are in Singapore currency.

Liability of the Valuer

The Valuation and Report are for the use of the party to whom they are addressed and to his professional advisors for the specific purpose to which they refer, or for the sole purpose which the Valuation and Report are commissioned. The Valuer disclaims all responsibility and will accept no liability to any other party, or any third party.

Source of Information

Where it is stated in the Report that information has been supplied to the Valuer by another party or the Client or his agents or employees, or obtained by the Valuer from any enquiries, searches or investigations made from any government or statutory bodies, this information is believed to be reliable. The Valuer accepts no responsibility if this should prove not to be so.

Reproduction Of Report

Neither the whole nor any part of the Valuation and Report or any reference to it may be included in any published document, circular to statement nor published in any way without the Valuer's prior written approval of the form and context in which it may appear. The Valuer accepts no responsibility for any unauthorised inclusion or publication.

Structural Defects

While due care is taken to note building defects in the course of inspection, no building or structural survey is conducted and no opinion, advice, representation or guarantee is given in respect of rot, termite or pest infestation or defects. None of the building services have been tested and they are assumed to be in good working order.

Attendance in Court

The Valuer is not required to give testimony or to appear in the court of law or tribunals by reason of the Valuation and Report with reference to the property in question, unless prior arrangement has been made thereof.



VALUATION REPORT OF PROPERTY AT

7 Tuas Avenue 10
Singapore 639131

Prepared for

NSL LTD.

Our Ref : 2024/4131/PTE/EC/DN

18 October 2024

VALUATION FOR

NSL Ltd.
7 Tuas Avenue 10
Singapore 639131

Attn: Ms Lee Chai Ching

Dear Sir/ Madam

VALUATION OF 7 TUAS AVENUE 10 SINGAPORE 639131

1.0 Purpose of Valuation

In accordance with the instructions from NSL Ltd. (the “Company”) to carry out the valuation of 7 Tuas Avenue 10 (the “Property”) subject to vacant possession as at 31 August 2024 (the “Date of Valuation”) for the purposes of a Mandatory General Offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled, or agreed to be acquired by YTL Cement Berhad.

We confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing the Company with our opinion of the market value of the unencumbered leasehold interest of the Property, as at the Date of Valuation. This valuation report is provided subject to the assumptions, disclaimers, limitation, qualification detailed throughout this report and the limiting conditions herein.

2.0 Qualifications of Valuer

We confirm that the valuer who has undertaken this valuation:

- a) is suitably qualified to carry out such valuations and has at least 25 years' appropriate experience and in particular has the necessary expertise and experience in valuing properties of this type and in the relevant area;
- b) is not aware of any conflict of interest that would interfere with the valuer's ability to give an independent and professional valuation of the subject property; and
- c) is not a related corporation of or has a relationship with the Client.

3.0 Inspection

The subject property was inspected on 2 October 2024 by Ms. Eleen Chia, who is Singapore Licensed Appraiser.

4.0 Property Details

4.1 Type

A 4-storey single-user ramp-up wastewater treatment plant

4.2 Land Area

8,201.8 sq m or 88,284 sq ft

4.3 Gross Floor Area

Approximately 8,342.54 sq m or 89,798 sq ft, according to client's information and subject to survey.

4.4 Age

We understand that the Temporary Occupation Permit was obtained on 01/02/2019.

4.5 Condition

The subject property was in good condition as at the date of our inspection. We have undertaken no structural or condition surveys. We advise that we have not inspected unexposed or inaccessible portions of the building and cannot therefore state that these are not free from rot, infestation or hazardous material. We have also assumed that the buildings comply with all relevant statutory requirements in respect of health, building and fire safety regulations.

4.6 Orientation

Main entrance faces south-east

4.7 Encumbrances

The subject property is mortgaged to United Overseas Bank Limited.

5.0 Title & Tenure

We have not been provided with copies of the title documents relating to the Property but we have arranged to conduct searches at the Land Registry. However, we have not examined the original documents to verify ownership or to ascertain the existence of any lease amendments which may not appear on the copies handed to us. All documents and leases below have been used for reference only.

5.1 Legal Description

Lot No. 1138X Mukim 7

5.2 Tenure/Title

30 years leasehold w.e.f. 01/04/2024
(based on balance lease term of 30 years as at the material date of valuation)

5.3 Registered Proprietor(s)

NSL Oilchem Waste Management Pte. Ltd.

6.0 Town Planning

Master Plan (2019) : Business 2

Note: According to The Planning Act Master Plan Written Statement 2019, Business 2 zones are areas used or intended to be used for clean industry, light industry, general industry, warehouse, public utilities and telecommunication uses and other public installations. Special industries such as manufacture of industrial machinery, shipbuilding and repairing, may be allowed in selected areas subject to evaluation by the relevant authority and the competent authority.

7.0 Location *(Please refer to Location Plan)*

The subject property is located along Tuas Avenue 10.

The immediate locality comprises mainly industrial developments. Prominent developments in the vicinity include Asia Pacific Breweries, Fraser & Neaves, Kian Guan Industries Building, Tuas Lot, Bauer Building, WYN2000 Logistics Centre and Toll Automotive Building, amongst others.

Amenities and facilities such as schools, markets, food centres, shops, parks, etc. are readily available at the Jurong West HDB estate a short drive away.

Public transport is provided along Tuas Avenue 7 and Tuas Avenue 9. Within short driving distance are the Tuas West Road and Tuas Crescent MRT stations.

Access to the city and other parts of Singapore is facilitated by the subject property's proximity to the Ayer Rajah Expressway.

8.0 The Subject Development

The subject property comprises a 4-storey single-user ramp-up wastewater treatment plant, erected on a rectangular plot of land along Tuas Avenue 10.

The building is constructed of bored pile/ driven pile piling system foundation, reinforced concrete superstructure with reinforced concrete/ aluminium cladded walls, cast in situ floor slabs supported on cast in situ reinforced concrete columns and reinforced concrete roof. Vertical access is served by passenger lift, fire lift and staircases.

Lorry/ car parking lots are provided. Fire protection system such as automatic fire sprinkler system, automatic fire alarm system, fire hose reel, fire hydrant system, etc. are also provided.

9.0 Accommodation And Finishes

9.1 Accommodation

Lower 1st Storey

Pump room/ tank area and car parking lots generally.

Upper 1st Storey

Lobby, transformer/ MDF/ Genset area, substation, equipment room, loading/ unloading bay and toilets generally.

2nd Storey

Lobby, plant room, waste gas collection processing area, laboratory room, control room, changing room and toilets generally.

3rd Storey

Lobby, roots blower room, sludge dewatering room, dosing room, distribution room and toilets generally.

4th Storey & roof

Lobby, office area, MVR room and toilets generally.

9.2 Finishes

Floor

Homogeneous tiles/ concrete finish/ epoxy generally

Wall

Paint/ glass panels/ homogeneous tiles/ concrete finish/ epoxy generally

Ceiling

Paint/ plastered ceiling board/ concrete finish generally

9.3 Improvements

Fittings/Fixtures

Split-unit/ cassette/ centralized air-conditioner, galvanized steel platform, reinforced concrete platform, cabinets, aluminium frame windows, timber doors and roller shutters generally.

Others

CCTV system, card access system, carpark barrier system, weighing bridge and guard house generally.

10.0 Tenancy Details

The subject property was owner occupied as at the date of inspection.

11.0 Property Tax

The Annual Value of the Property is currently assessed at S\$2,097,000/- for year 2024.

Property tax is payable at 10% of annual value.

13.0 Services

All main utilities and telecoms services are provided.

14.0 Method of Valuation

We have valued the subject property, in its existing continued use, by the Comparable Sales Method. In this method, a comparison is made with sales of similar properties in the vicinity and adjustments are made for differences in location, land area, land shape, floor area, floor loading, ceiling height, age, condition, tenure, design and layout, dates of transaction and the prevailing market conditions etc. before arriving at the value of the subject property.

15.0 Source of Information

Where applicable, information as to title particulars is obtained from searches carried out at Singapore Land Authority. We have also relied on information provided to us by our client pertaining to matters such as the floor area, usage, floor loading, particulars of occupancy, addition and alteration works and all other relevant matters.

The dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore only approximations.

All information provided is treated as true, accurate and we reserve the right to change our opinion of values if any information provided were to be materially change.

16.0 Plant and Machinery

Our valuation normally includes all plant and machinery that form part of the building services installations. Furniture and furnishings, tenant's fixtures and fittings are excluded in our valuations.

17.0 Basis of Valuation

All works are carried out in accordance with the SISV Valuation Standards" published by The Singapore Institute of Surveyors ("SISV"), the "international Valuation Standards" published by the International Valuation Standards Council ("IVSC") and the RICS Valuation – Global Standards" published by the Royal Institution of Chartered Surveyors("RICS") subject to variation to meet local established law. Unless otherwise stated, our valuations are undertaken as External Valuers as defined in the relevant Valuation Standards.

Compliance with the RICS standards may be subject to monitoring under the RICS' conduct and disciplinary regulations.

Our valuation is made on the basis of Market Value as defined by IVSC and adopted by SISV and RICS, as set out as:

"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 and where the parties had each acted knowledgeably, prudently and without compulsion."

The valuation presented in this report represents 100% interest of the Property and not the shareholdings of the company holding the property interest hereof.

- a) Our valuation report has been prepared with reference to the assumptions, definitions and limiting conditions as set out in our General Principles of Valuation, copy of which is attached in Appendix No.1.

18.0 Valuation Assumptions

Our valuation has been made on the assumptions that the owner sells the Property in the open market as at 31 August 2024 in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the market value of the subject property. We are not instructed to assess the redevelopment potential of the subject property and thus it is not considered in this valuation.

No account has been taken of any option or right of pre-emption concerning or affecting the sale of the subject property. No allowance has been made in our valuation for any charges, mortgages or amounts owing on the subject property nor for any expenses or taxation which may be incurred in effecting a sale.

Unless otherwise stated, we have assumed that the subject property is free from encumbrances, restrictions and outgoing of an onerous nature which could affect the market value and the owner has absolute title to the subject property.

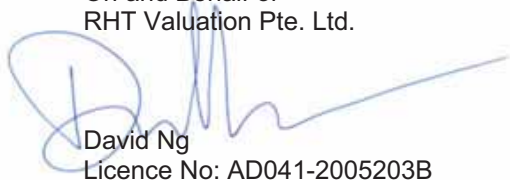
Unless otherwise stated, the subject property is valued on the basis of 100% attributable interest. It is assumed that the owner of the subject property has free and uninterrupted rights to occupy, use, dispose and transfer the subject property during the whole of the remaining land lease term.

19.0 Valuation

With due regard to the foregoing and taking into consideration the prevailing market conditions and other relevant factors, we are of the opinion that the value of the subject property, with vacant possession and free from encumbrances, is as follows:

Market Value As At	:	S\$36,000,000/-
31 August 2024		(SINGAPORE DOLLARS THIRTY SIX MILLION ONLY)

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.


David Ng
Licence No: AD041-2005203B
MSISV, MRICS

Enclosures: Location Plan, Site Plan, Photographs and Limiting Conditions

Location Plan



Site Plan



Photographs



LIMITING CONDITIONS

This valuation report has been prepared subject to the following limiting conditions: -

1. This valuation report is restricted to the use of our client or person(s) to whom this valuation report is specifically to and for the specific purpose stated therein and to be used within a reasonable time. We disclaim any liability should it be used by other person(s) or for any other purpose(s) or beyond a reasonable time.
2. Neither the whole or any part of this valuation report or any reference to it may be included in any document, circular or statement or be published in any way without our prior written consent to the form and context in which it may appear. We shall bear no responsibility for any unauthorized inclusion or publication.
3. The valuer accepts no liability if his opinion is quoted without regard to the full background of the reason why this Report is written.
4. In the event we are subject to any liability in connection with this engagement, regardless of legal theory advanced, such liability will be limited to the amount of fees we received for this engagement.
5. The values assessed in this report for the subject property and any allocation of values between parts of the property applies strictly on the terms of and for the purpose of this valuation. The values assessed should not be used in conjunction with any other assessment as they may prove incorrect if so used.
6. Where it is stated in the Report that information has been made known to the Valuer by another party or obtained by the Valuer from any enquiries, searches or investigations made from any government or statutory bodies, this information is believed to be reliable and he disclaims all responsibility if this should later prove not to be so.
7. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes. No requisition on road or drainage proposals has been made.
8. While due care is taken in the course of inspection to note serious building defects, no structural survey has been made and no guarantee is given that the building is free from rot, infestations or other hidden defects. We have also not made any tests on the building services and these services are presumed to be in good working order.
9. Our valuation assumes that as at the date of valuation, the property is free and clear of all mortgages, encumbrances and other outstanding premiums, charges and liabilities.
10. The title to the property is presumed to be good and marketable and, unless mentioned in this report, be free from any encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title, searches and requisitions and other such legal matters.
11. Our valuation presumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations.
12. Any sketch, plan or map in this report is for identification purpose only and should not be treated as certified copies of areas or other particulars contained therein.
13. Where information is given without reference to another party in this Report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge.
14. The report was prepared on the basis that we are not required to give testimony or appear in court or any other tribunal or to any government agency by reason of this valuation report or with reference to the property in question unless prior arrangements have been made and we be properly reimbursed.

**REPORT AND VALUATION
OF
A PARCEL OF INDUSTRIAL LAND ERECTED THEREON
A DORMITORY KNOWN AS
LOT 1-01, JALAN PERUSAHAAN LIMA
KAWASAN PERINDUSTRIAN MAHKOTA
43700 BERANANG
SELANGOR DARUL EHSAN**

(CLIENT(S): M/S EASTERN PRETECH (MALAYSIA) SDN BHD)

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HENRY BUTCHER MALAYSIA

International Asset Consultants

Your Ref :-

Our Ref : HB/SEL/8824/09/0875/TKL-007(Kelly)

October 18, 2024

M/S EASTERN PRETECH (MALAYSIA) SDN BHD

10th Floor, Office Block Mines 2

Pusat Perdagangan The Mines

Jalan Mines 2

The Mines Resort City

43300 Seri Kembangan

Selangor Darul Ehsan

Attn: Mr. Ryan

Dear Sirs

REPORT AND VALUATION OF A PARCEL OF INDUSTRIAL LAND ERECTED THEREON A DORMITORY KNOWN AS LOT 1-01, JALAN PERUSAHAAN LIMA, KAWASAN PERINDUSTRIAN MAHKOTA, 43700 BERANANG, SELANGOR DARUL EHSAN.

We thank you for your instructions to advise on the current **Market Value** of the above-mentioned property for the purposes of a mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert). The property is shown in the attached plans and is more fully described in the Report.

The subject property was inspected and referenced on October 08, 2024. This Report contains an analysis of the available data. It is our considered opinion that the current **Market Value (MV)** of the unencumbered interest in the subject property in its existing physical condition with the benefit of vacant possession as at August 31, 2024 and based on the terms and reference as stated herein is as follow: -

MV - RM 23,900,000.00 (Ringgit Malaysia: Twenty Three Million and Nine Hundred Thousand Only)

We would also draw your attention to the Limiting Conditions at the end of this Report, governing its use and applications.

Please do not hesitate to contact us if you require any further information or assistance.

Yours faithfully,

HENRY BUTCHER MALAYSIA (SEL) Sdn Bhd

DATUK Sr TEW KOK HUAT

B.Surv., MRISM, APEPS

Registered Valuer (V-481)

TKH/TKL

HENRY BUTCHER MALAYSIA (SEL) Sdn Bhd 199901020603 (495503-K)

Firm's Registration No.: VEPM (1) 0079/4

No. 36-1, 2 & 3, Jalan SS 15/4D, 47500 Subang Jaya, Selangor, Malaysia.

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RICS



V0481, E1457, PM0481
V0441, E1341, PM0441

1.0 INTRODUCTION

1.1 TERMS OF REFERENCE

We have been instructed by **M/S EASTERN PRETECH (MALAYSIA) SDN BHD** to ascertain the current **Market Value (MV)** of the subject property for the purposes of a mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert).

The subject property comprises a parcel of 5.1103 acres freehold industrial land erected thereon the following buildings: -

- a. A four (4) storey worker quarters;
- b. A double (2) storey kitchen & dining;
- c. Two (2) units of guardhouse;
- d. A pump house;
- e. A refuse chamber; and
- f. A TNB sub-station.

The buildings above has been issued with a Certificate of Completion and Compliance by Dato' Ar. Hj. Norman Selamat vide Serial No. LAM/S/No.6409 on June 04, 2024 based on approved building plan bearing reference no. MPKj 2/P/38/2019 dated June 24, 2020.

Copies of the Certificate of Completion and Compliance and approved building plans are attached as Appendix VI and Appendix III respectively.

1.2 DATE OF VALUATION

The subject property was inspected by Ms. Kelly Tay on October 08, 2024. However, the date of valuation for this valuation exercise is taken as at August 31, 2024.

1.3 DEFINITION

The term "**Market Value**" as used herein is defined as 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 and where the parties had each acted knowledgeably, prudently and without compulsion.

1.4 QUALIFICATIONS AND DISCLAIMERS

The valuer has no pecuniary interest in the said property in the past, present or prospective, and the opinion expressed is free of any bias in this regard.

This Valuation has been made in conformity with the Malaysian Valuations Standards laid down by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

Any encumbrances, restriction or other factor not specifically referred to in this report, which is or should be revealed by the appropriate land and title searches and which would, in the opinion of the client's solicitor, affect the value or marketability of the property, should be referred to the valuer for comment before any advancement is made.

This Valuation represents our opinion of value as at the date of the valuation. It must be recognised that the real estate market fluctuates with internal and external influences and the valuation should be reviewed at regular intervals.

The instructions and valuation assignment does not automatically bind us to attendance in Court or to appear in any enquiry before any government or statutory bodies in connection with the valuation unless agreed when the instruction is given.

2.0 PROPERTY SEARCH DETAILS

2.1 TITLE PARTICULARS

The following details were obtained from a title search conducted at the Selangor Registry of Land Titles, Shah Alam on October 09, 2024. This information as extracted is assumed to be correct for the purpose of this valuation exercise and brief details are as follows: -

Title No.	:	GRN 79026
Lot No.	:	Lot 3218
Bandar/Pekan/Mukim	:	Mukim Beranang
District	:	Ulu Langat
State	:	Selangor
Surveyed Land Area	:	20,680 square metres
Annual Quit Rent	:	RM 6,784.00
Tenure	:	Term In Perpetuity
Registered Owner(s)	:	Eastern Pretech (Malaysia) Sdn. Bhd.
Category of Land Use	:	"Industri"
Express Condition	:	"Perusahaan"
Restriction In Interest	:	Nil
Endorsement	:	A portion of land measuring about 41.8 square metres has been leased to Tenaga Nasional Berhad for a period of 30 years commencing on June 09, 2009 and expiring on June 08, 2039 vide Presentation No. 001SC97923/2014 dated September 08, 2014.
Encumbrances	:	Charged twice to AmBank (M) Berhad vide:- i. Presentation No. 001SC26676/2010 on March 24, 2010; and ii. Presentation No. 001SC30395/2019 on April 03, 2019.

Copy of title document is attached as Appendix V.

Report and Valuation of
Lot 1-01, Jalan Perusahaan Lima
Kawasan Perindustrian Mahkota
43700 Beranang
Selangor Darul Ehsan

2.2 ASSESSMENT

The subject property is assessed by the Local Authority, Majlis Perbandaran Kajang (MPKj).

2.3 TOWN PLANNING

The subject property is situated within an area designated for industrial purposes.



PART II
GENERAL, SOCIAL, ECONOMIC
AND
OTHER DATA INFLUENCING VALUE

3.0 SITE DETAILS

3.1 DESCRIPTION

The subject property comprises a parcel of 5.1103 acres freehold industrial land erected thereon the following buildings: -

- a. A four (4) storey worker quarters;
- b. A double (2) storey kitchen & dining;
- c. Two (2) units of guardhouse;
- d. A pump house;
- e. A refuse chamber; and
- f. A TNB sub-station.

It bears a postal address of Lot 1-01, Jalan Perusahaan Lima, Kawasan Perindustrian Mahkota, 43700 Beranang, Selangor Darul Ehsan.

3.2 LOCATION

The subject property is located at Jalan Perusahaan Lima, Kawasan Perindustrian Mahkota which is approximately 45 kilometres due southeast of Kuala Lumpur City Centre.

It is accessible from Kuala Lumpur City Centre via the Cheras-Kajang Expressway [E9] followed by Jalan Cheras and thereafter a left turn onto Jalan Semenyih heading towards Beranang Town, Jalan Perusahaan 1 and finally onto Jalan Perusahaan Lima leading to the subject property.

3.3 SURROUNDING LOCALITY

Developments within the immediate vicinity comprise mainly factory complexes, vacant industrial plots, double and three storey semi-detached factories, double storey terraced houses, double and three storey shop offices as well as apartments.

The subject property is surrounded by a number of factories namely Tonn Cable Sdn Bhd, Tube Home (M) Sdn Bhd, SMK Electronics (Malaysia) Sdn Bhd, LB Aluminium Bhd, Inix L&S Gloves Sdn Bhd, Mariwealth Engineering & Consultancy Sdn Bhd, Huahong Plastic Industries Sdn Bhd, Efram Metals (M) Sdn Bhd, Dura-Mine Sdn Bhd and FBK Manufacturing Malaysia Sdn Bhd.

Setia EcoHill and Eco Majestic are ongoing developments and are located to the north-west of the subject property. Setia EcoHill and Setia EcoHill 2 are developed by SP Setia Berhad Group. Setia EcoHill consists of 753 acres mixed township developments while Setia EcoHill 2 comprises 1,010 acres mixed township developments consisting of double storey terraced houses, super-link houses, semi-detached houses, detached houses, bungalow lands, apartments and shop offices. Eco Majestic is developed by Eco World Development Sdn Bhd and consists of 1,089 acres mixed township developments comprising double storey terraced houses, clustered houses and semi-detached houses.

Other housing developments within the immediate vicinity include Bandar Sri Kesuma, Semenyih Parklands, Taman Pelangi Semenyih, Bandar Rinchang and Taman PKNS Beranang.

Kolej Profesional MARA Beranang, Sekolah Kebangsaan Bandar Rinchang, Sekolah Menengah Kebangsaan Bandar Rinchang, Sekolah Kebangsaan Kampung Rinchang, Tenby International School Setia EcoHill, Sekolah Rendah Agama Sesapan Batu Minangkabau, Sekolah Menengah Kebangsaan Bandar Tasik Kesuma and Sekolah Kebangsaan Bandar Tasik Kesuma are among the higher learning institutions serving the neighbourhood.

Immediate located further to the north is Semenyih Town Centre, which is approximately 5 kilometres away from the subject property.

Facilities available within the locality include medical, banking, shopping, educational, marketing and entertainment.

For easy reference, the subject property is shown edged red in Appendix I indicating the approximate location of the subject property.

3.4 SITE

The land is near rectangular in shape land encompassing a surveyed land area of 20,680 square metres (about 222,605 square feet or 5.1103 acres). It has a direct frontage of approximately 104.55 metres (343 feet) onto Jalan Perusahaan Lima and a maximum depth of about 192.63 metres (632 feet). The physical terrain of the land is generally flat and lies slightly above the level of the frontage road.

We noted that the subject property was sharing the entrance with the neighboring lot, i.e. No. 2, Jalan Perusahaan 5. The compounds were secured with chain link fencing except for the part of northern boundary which abuts to No. 2, Jalan Perusahaan 5 was not demarcated with any form of fencing to provide direct access between both lots.

Areas where not built upon are generally tarmacadamised/cement rendered/turfed. Proper drainage system and car parking bays are provided within the subject site.

We have not conducted any boundary checks. However, we assume that the dimensions correspond with those shown on the title document.

Appendix II shows the site plan of the subject property.

3.5 SERVICES

Mains water, electricity supplies and telephone lines are available and are connected to the subject property.

Details of the services provided to the subject building are as follows: -

Fire fighting facilities : Fire alarm, fire hydrants, hose reels, water tank and fire extinguishers are available within the buildings.

Street lighting, road maintenance and rubbish collection are provided by Majlis Perbandaran Kajang (MPKj).

Public transportation in the form of e-hailing, buses and taxis is available within the vicinity.

4.0 BUILDING DETAILS

4.1 BUILDING

Erected on the land is a dormitory comprising the following buildings: -

- a. A four (4) storey worker quarters;
- b. A double (2) storey kitchen & dining;
- c. Two (2) units of guardhouse;
- d. A pump house;
- e. A refuse chamber; and
- f. A TNB sub-station.

Brief descriptions of subject buildings are as follows: -

a. Four (4) storey worker quarters

This four (4) storey worker quarters is constructed of reinforced concrete framework with plastered brickwalls supporting a reinforced concrete flat roof with water proof membrane. The doors are mainly of timber flush and fire-rated door. The windows are generally of adjustable glass louvres. Internal walls of the toilets are glazed with 2.1 metres (7 feet) high ceramic wall tiles whilst the ceilings are generally of plastered cement.

Vertical accesses to the upper floors are provided with two (2) units of reinforced concrete staircase.

The accommodation and floor finishes of this four (4) storey worker quarters are as follows: -

<u>Accommodation</u>	<u>Floor Finishes</u>
<u>Ground Floor</u>	
Drying Areas	Cement Rendered
Bedrooms	Cement Rendered
Surau	Cement Rendered
Switch Room	Cement Rendered
Games Room	Cement Rendered
Passage Area	Cement Rendered
Toilets	Ceramic Tiles
Store Rooms	Cement Rendered

4.1 BUILDING (Cont'd)

a. Four (4) storey worker quarters (Cont'd)

The accommodation and floor finishes of this four (4) storey worker quarters are as follows: -

<u>Accommodation</u>	<u>Floor Finishes</u>
<u>First Floor</u>	
Drying Areas	Cement Rendered
Bedrooms	Cement Rendered
Toilets	Ceramic Tiles
Store Rooms	Cement Rendered
<u>Second Floor</u>	
Drying Areas	Cement Rendered
Bedrooms	Cement Rendered
Toilets	Ceramic Tiles
Store Rooms	Cement Rendered
<u>Third Floor</u>	
Drying Areas	Cement Rendered
Bedrooms	Cement Rendered
Toilets	Ceramic Tiles
Store Rooms	Cement Rendered

The approximate gross floor area of this four (4) storey worker quarters is 3,060.50 square metres (32,944 square feet). The building is newly completed and its condition is in a good state of repair and maintenance.

4.1 BUILDING (Cont'd)

b. Double (2) storey kitchen & dining

This double (2) storey kitchen & dining is constructed of reinforced concrete framework with plastered brickwalls supporting a pitched metal deck roof on steel trusses and rafters. The doors are movable metal grilles and timber flush. Internal walls of the kitchens are glazed with 1.5 metres (5 feet) high ceramic wall tiles whilst the ceilings are generally of plastered cement and T-section suspended fibre mineral board.

Vertical accesses to the upper floors are provided with two (2) units of reinforced concrete staircase with metal handrail and finished with cement screed.

The accommodation and floor finishes of this double (2) storey kitchen & dining are as follows: -

<u>Accommodation</u>	<u>Floor Finishes</u>
<u>Ground Floor</u>	
Dining Area	Ceramic Tiles
Kitchens	Ceramic Tiles
Store Rooms	Cement Rendered
<u>First Floor</u>	
Dining Area	Ceramic Tiles
Kitchens	Ceramic Tiles
Store Rooms	Cement Rendered

The approximate gross floor area of this double (2) storey kitchen & dining is 580.35 square metres (6,247 square feet). The building is newly completed and its condition is in a good state of repair and maintenance.

c. Two (2) units of guardhouse

These guardhouses are constructed of reinforced concrete frameworks with plastered brickwalls supporting a pitched metal deck roof on steel trusses and rafters. The door of each guardhouse is of timber flush door whilst the windows are of aluminium framed glass sliding as well as adjustable glass louvres. The floor finishes within each building are of cement rendered throughout whilst the ceilings are of T-section suspended fibre mineral boards.

The approximate gross floor area of each guardhouse is 4.55 square metres (49 square feet). The building is newly completed and its condition is in a good state of repair and maintenance.

4.1 BUILDING (Cont'd)

d. Pump house

This pump house is constructed of reinforced concrete frameworks with plastered brickwalls supporting a pitched metal deck roof on steel trusses and rafters. The entrances are secured with a pair of alunoid louvres doors whilst the windows are of adjustable glass louvres. The floor within the building is of cement rendered throughout whilst the ceiling is of T-section suspended fibre mineral boards.

The approximate gross floor area of this pump house is 7.52 square metres (81 square feet). The building is newly completed and its condition is in a good state of repair and maintenance.

e. Refuse chamber

This refuse chamber is constructed of reinforced concrete frameworks with plastered brickwalls supporting a pitched metal deck roof on steel trusses and rafters. The entrance is secured with metal roller shutter door whilst the internal walls are glazed with ceiling height ceramic wall tiles. The floor within the building is of ceramic tiles whilst the ceiling is of T-section suspended fibre mineral boards.

The approximate gross floor area of this refuse chamber is 9.29 square metres (100 square feet). The building is newly completed and its condition is in a good state of repair and maintenance.

f. TNB sub-station

This TNB sub-station is constructed of reinforced concrete framework supporting a reinforced concrete flat roof with water proof membrane. The walls are of plastered brickwalls incorporated with fixed aluminium louvres windows. The ceilings are of plastered cement whilst the floor finishes are of reinforced concrete finished with cement screed. The entrances are secured with aluminium louvres doors.

The approximate gross floor area of this TNB sub-station is 70.60 square metres (760 square feet). The building condition is in a good state of repair and maintenance.

4.2 STRUCTURAL SURVEY

We have not sighted a building surveyor/engineer's report or inspected unexposed or inaccessible portions of the premises. We therefore cannot comment on the structural integrity, defect, rot or infestation or the improvements. However, at the date of our inspection, we noted that the subject property was in a good state of decorative repair and maintenance.

Appendix III shows the approved building plans of the subject property whilst some photographs of the subject property are attached in the Appendix IV.

5.0 OCCUPANCY STATUS

5.1 TENANCY

We noted during inspection that the subject property was owner occupied.



PART III

BASIS OF VALUATION

6.0 VALUATION METHODOLOGY

6.1 BASIS OF VALUATION

We have adopted the “**Cost Approach**” in formulating our opinion of the current **Market Value** of the subject property.

The “**Cost Approach**” is a method valuation, which is based on an estimate of the current Market Value of land for its existing use, plus the current gross replacement cost of improvements less allowances for physical deterioration and all relevant forms of obsolescence and optimisation.

6.2 COMPARABLES

In arriving at our opinion of value, we have taken into consideration amongst others, the following transactions: -

Comparable 1

Property	:	Title No. Geran 246, Lot No. 3232, Mukim of Beranang, District of Ulu Langat, State of Selangor
Locality	:	3232, Jalan Perindustrian Mahkota Utama, Lion Industrial Park
Land Area	:	2.3502 acres (102,375 square feet)
Type	:	Vacant industrial land
Tenure	:	Term In Perpetuity
Date of Transaction	:	March 19, 2024
Consideration	:	RM 8,523,518.00 (RM 83.26 per square foot)
Source	:	Department of Property Valuation and Services (JPPH)

Comparable 2

Property	:	Title No. HSD 58984, Lot No. PT 28, Bandar Batu 26 Beranang, District of Ulu Langat, State of Selangor
Locality	:	No. 12, Jalan Perusahaan 2, Kawasan Perusahaan Beranang
Land Area	:	2.2457 acres (97,822 square feet)
Type	:	Vacant industrial land
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of Transaction	:	November 14, 2023
Consideration	:	RM 7,200,000.00 (RM 73.60 per square foot)
Source	:	Department of Property Valuation and Services (JPPH)

6.2 COMPARABLES (Cont'd)

Comparable 3

Property	:	Title No. HSD 58974, Lot No. PT 18, Bandar Batu 26 Beranang, District of Ulu Langat, State of Selangor
Locality	:	No. 25, Jalan Perusahaan 1, Kawasan Perusahaan Beranang
Land area	:	3.2897 acres (143,300 square feet)
Type	:	Vacant industrial land
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of transaction	:	October 27, 2023
Consideration	:	RM 9,888,556.00 (RM 69.01 per square foot)
Source	:	Department of Property Valuation and Services (JPPH)

Notes:

1. The land area and total gross floor area of the subject property are 222,605 square feet and 40,230 square feet respectively.
2. The similar land value within the subject vicinity can be fetched in between RM 65.00 to RM 75.00 per square foot. While the construction cost of similar building within the subject locality is ranging from RM 190.00 to RM 210.00 per square foot.

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LIMITING CONDITIONS

MALAYSIAN VALUATION STANDARDS

This Valuation Report is carried out in accordance with the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers.

MEASUREMENTS

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Royal Institution of Surveyors Malaysia or such other building measurement standards as acceptable and agreed to by the client.

For properties situated outside Malaysia, the appropriate/applicable methods of measurement such as the International Property Measurement Standards (IPMS) are used in parallel with the Uniform Method of Measurement of Buildings (UMMB).

CONFIDENTIALLY

This Valuation Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the report to any other person.

Neither the whole, nor any part of the Valuation Report or Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear.

We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorised publication of the Valuation Report, whether in part or in whole.

USE OF VALUATION REPORT

The opinion of value expressed in this Valuation Report shall only be used by the addressee for the purpose stated or intended in this Valuation Report. We are not responsible for any consequences arising from the Valuation Report or any part thereof being relied upon by any other party whatsoever or for any information therein being quoted out of context.

TITLE SEARCH

Wherever possible, a private title search is conducted at the relevant Land Registry/Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/Office. Legal advice may be sought to verify the title details, if required.

TOWN PLANNING AND OTHER STATUTORY ENQUIRIES

Such enquiries are conducted at the respective offices or by extracting the required information from published reports and are deemed sufficiently reliable in the profession.

continued overleaf.....

SITE SURVEYS

We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

STRUCTURAL SURVEY

While due care has been taken to note building defects in the course of inspection, no structural survey nor any testing of services were made nor have we inspected any woodwork or other parts of the structure which were covered or inaccessible. We are therefore unable to express an opinion or advice on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance of the absence in respect of any rot, termite or pest infestation or other hidden defects.

DELETERIOUS OR HAZARDOUS MATERIALS

No investigations have been carried out to determine whether or not any deleterious or hazardous materials had been used in the construction of the property (building) or had since been incorporated and we are, therefore, unable to account or report on any such material in our Valuation Report.

SOIL INVESTIGATION

No soil investigation has been carried out to determine the suitability of soil conditions and/or availability of services for the existing or any future development or planting.

No soil investigation has been carried out to determine the soil suitability for the continued use of the property in its current condition or for any redevelopment.

CONTAMINATION

We have not carried out investigations into the past and present use of either the property or of any neighbouring land to establish whether there has been any contamination or if there is any potential for contamination to the property and are therefore, unable to account and report for such contamination in our Valuation Report.

DISEASE OR INFESTATION

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any tests to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Valuation Report.

LEASES AND TENANCIES

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

continued overleaf.....

DEVELOPMENT AGREEMENTS

Unless otherwise stated, no considerations are made in our valuation for any joint venture agreement, development rights agreement or other similar contracts.

OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, no allowances are made for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

TAXATION, ENCUMBRANCES, STATUTORY NOTICES AND OUTGOINGS

Unless otherwise stated, no allowances are made in our valuation for any expense of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoing.

ATTENDANCE

The instruction and the valuation assignment do not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory body in connection with the valuation unless agreed when the instructions were given or subsequently agreed upon.

SOURCE OF INFORMATION

This Valuation Report has been prepared on the basis that full disclosure of all information and facts which may affect the valuation have been made known to us and we cannot accept any liability or responsibility for information or facts that have been suppressed or not disclosed to us.

Where it is stated in the Valuation Report that information has been supplied by the sources listed, this information is deemed to be reliable and no responsibility is accepted should it be proven otherwise, be it expressed or implied. All other information stated without being attributed directly to another party is deemed to be from our searches of records, examination of documents or relevant sources.

VALIDITY PERIOD OF VALUATION REPORT

A Valuation Report is current as at the valuation date only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

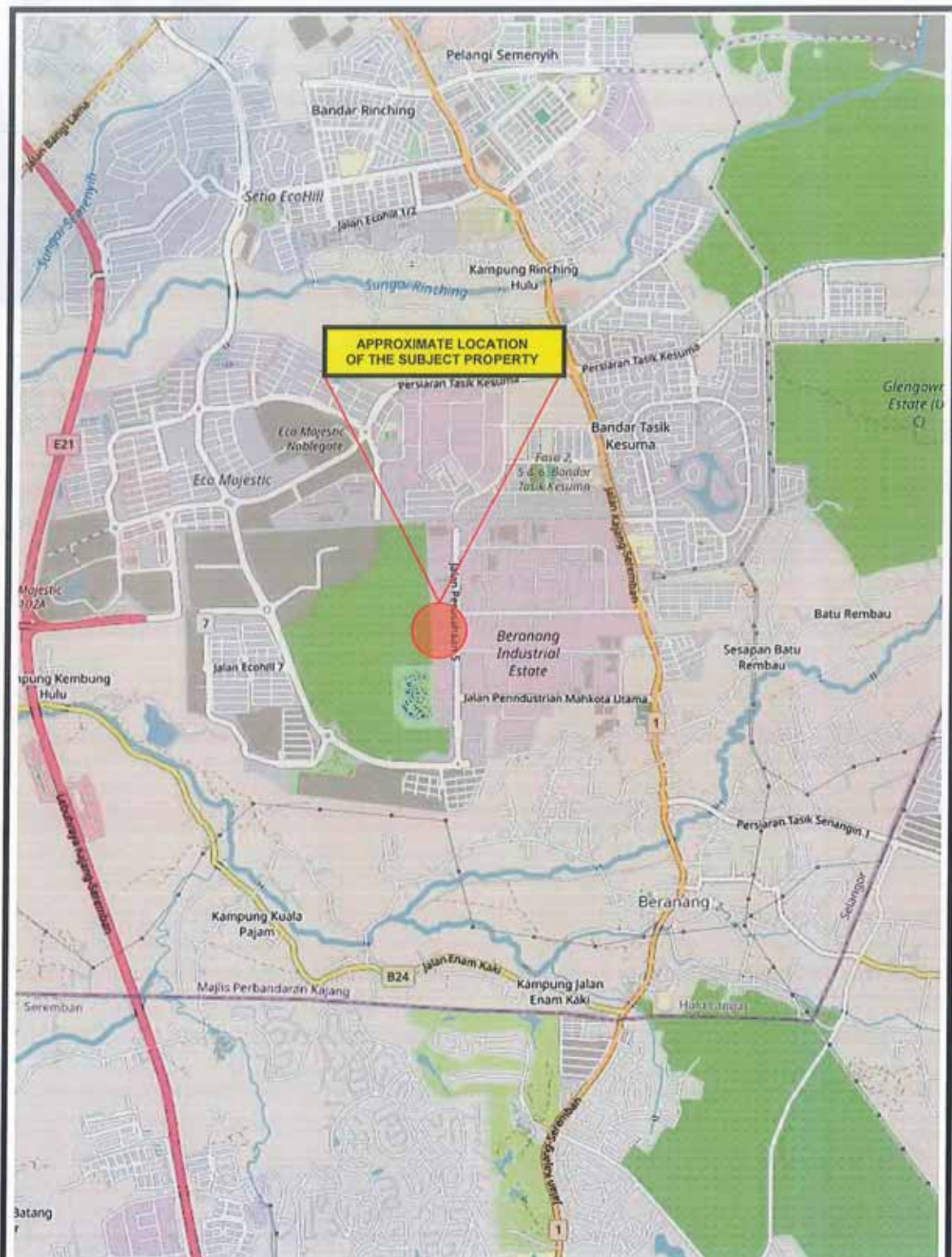
No warranty can be given as to the maintenance of this value into the future. A periodical valuation review is recommended.

LIMITATION OF LIABILITY

Although every care has been taken in preparing the Valuation Report, if it is proven that there is an apparent negligence on the part of the Valuer, the liability of this valuation (whether arising from this valuation, negligence or any other cause whatsoever) is limited in respect of any event or series of events to the actual loss or damage sustained subject to a liability cap to be mutually agreed between the client and the Valuer and clearly set out in the terms of engagement.



PART IV
APPENDICES



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX I

LOCATION PLAN



Not to Scale



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

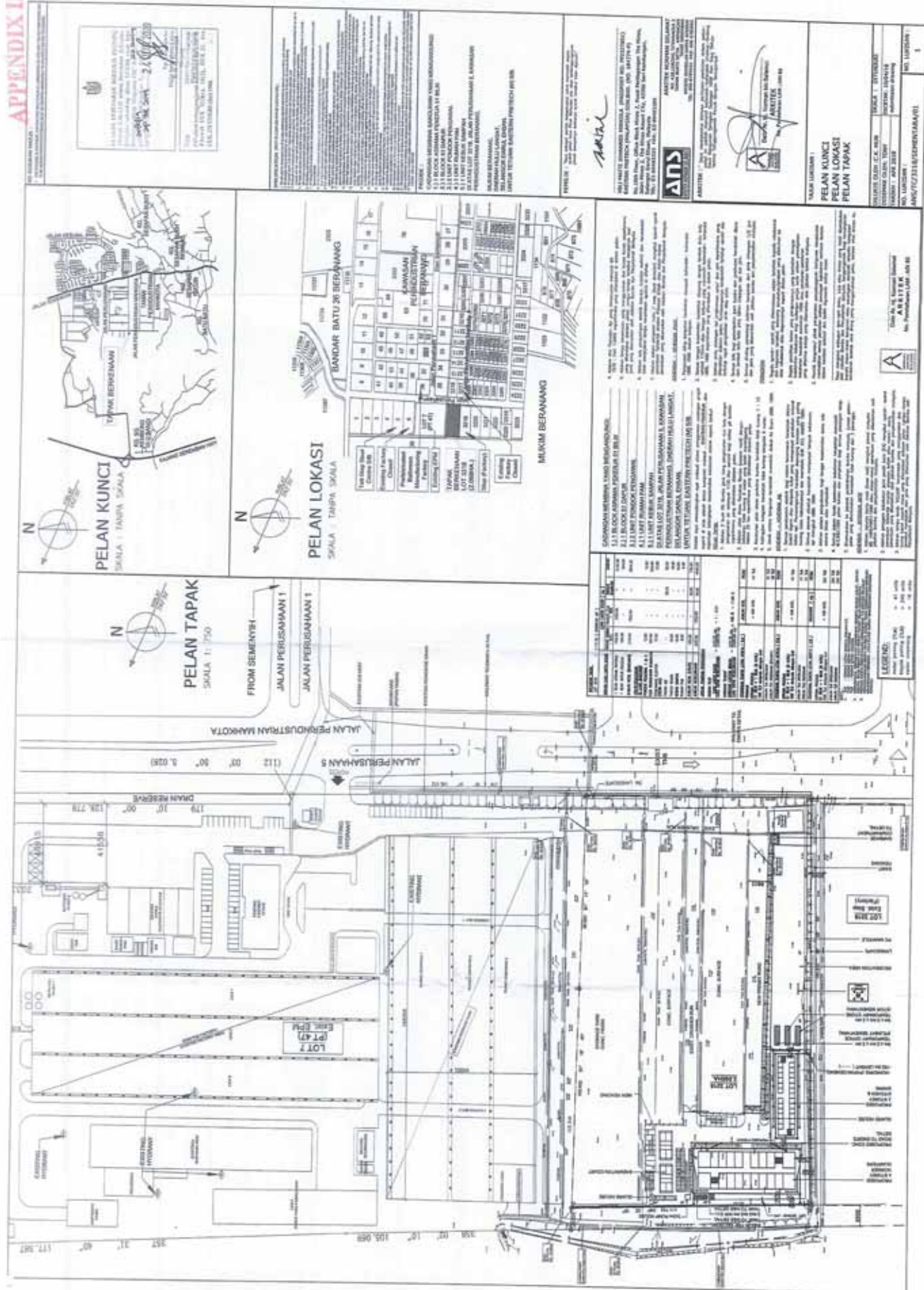
APPENDIX II

SITE PLAN

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Not to Scale



21/P/38/2019

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PLUMBING LAYOUT

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PLUMBING LAYOUT

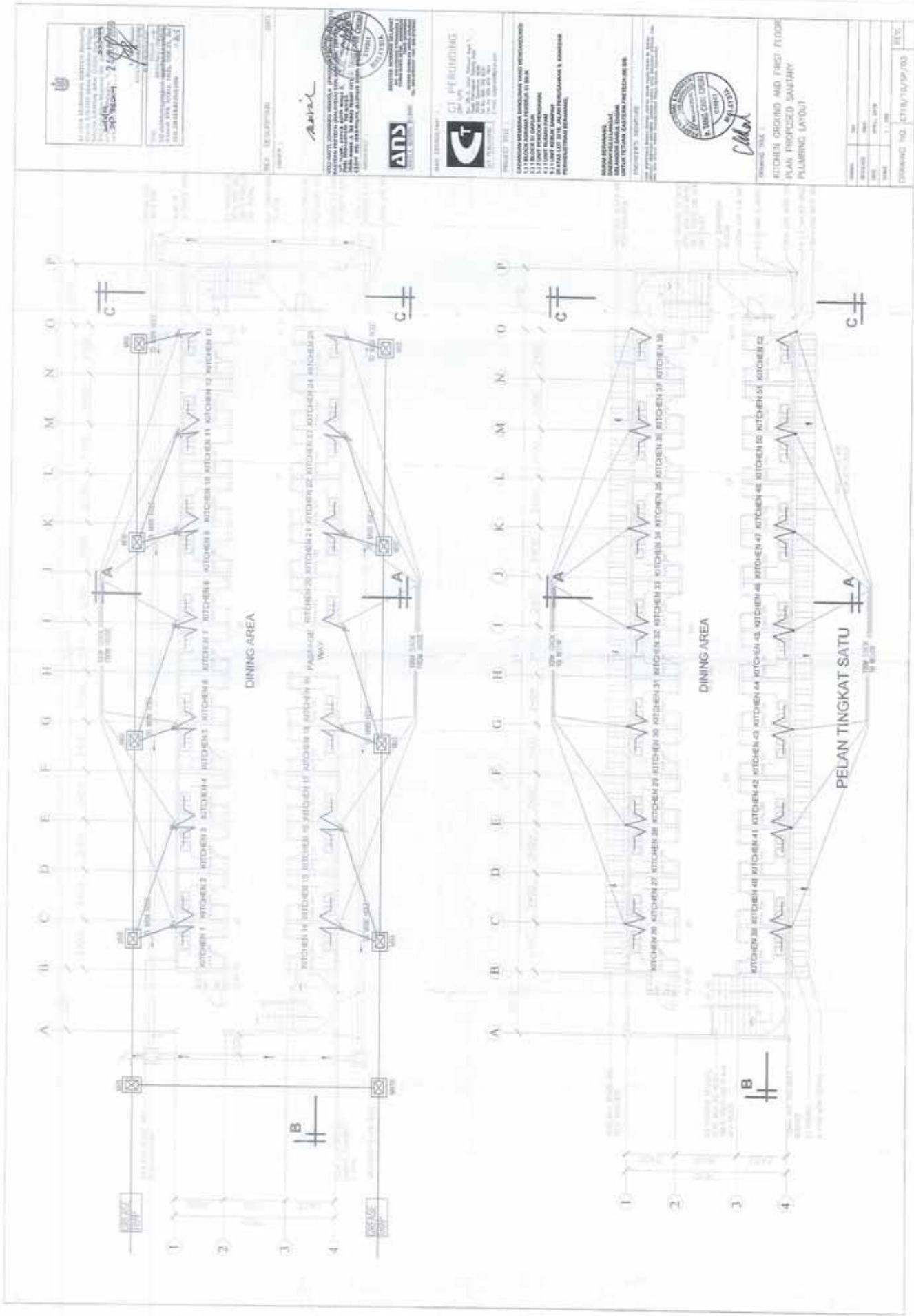
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HOISTEL GROUND FLOOR
PLAN PROPOSED SANITARY
PLUMBING LAYOUT

HOISTEL GROUND FLOOR
PLAN PROPOSED SANITARY
PLUMBING LAYOUT





GENERAL VIEW OF THE SUBJECT PROPERTY



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE FOUR STOREY WORKER QUARTERS



VIEW OF THE BEDROOM



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APPENDIX IV

PHOTOGRAPH



VIEW OF THE DOUBLE STOREY KITCHEN & DINING



VIEW OF THE DINING AREA



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APPENDIX IV

PHOTOGRAPH



VIEW OF THE GUARDHOUSE 1



VIEW OF THE GUARDHOUSE 2



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APPENDIX IV

PHOTOGRAPH



VIEW OF THE PUMP HOUSE



VIEW OF THE WATER TANK



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APPENDIX IV

PHOTOGRAPH



VIEW OF THE REFUSE CHAMBER



VIEW OF THE TNB SUB-STATION



**HENRY BUTCHER MALAYSIA
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International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH

CATATAN CARIAN PERSENDIRIAN HAKMILIK

ADALAH DIPERAKUI BAHAWA SUATU CARIAN PERSENDIRIAN TELAH DIBUAT
MENGIKUT SEKSYEN 384, KANUN TANAH NEGARA BERKENAAN TANAH BERIKUT :

JENIS DAN NO. HAKMILIK : GRN 79026	NOMBOR LOT	: LOT 3218
BANDAR/PEKAN/MUKIM : MUKIM BERANANG	TEMPAT	: TIADA
KELUASAN : 20680 METER PERSEGI	DAERAH	: ULU LANGAT
NOMBOR SYIT PIAWAI : 111-C&D	NOMBOR PELAN AKUI	: PA 86832
TARAF PEGANGAN : SELAMA-LAMANYA (SELAMA-LAMANYA ATAU	TARIKH LUPUT PAJAKAN	: TIADA (JIKA BERKENAAN)
KAWASAN RIZAB : TIADA (JIKA BERKENAAN)		
TARIKH DAFTAR : 19 JULAI 2005	CUKAI TANAH	: RM 6,784.00

BAHAWA PADA TARIKH DAN WAKTU PERAKUAN INI DIKELUARKAN,
BUTIR-BUTIR TANAH TERSEBUT ADALAH SEPerti BERIKUT :

KATEGORI KEGUNAAN : INDUSTRI
SYARAT NYATA : PERUSAHAAN
SEKATAN KEPENTINGAN : TIADA

PEMILIKAN DAN ALAMAT :

EASTERN PRETECH (MALAYSIA) SDN. BHD., No. Syarikat: 184774-P, Tertubuh di bawah Akta Syarikat 1965, 1/1 BAHAGIAN, SEBAGAI PEMILIK,
10TH FLOOR, OFFICE BLOCK MINES 2, PUSAT PERDAGANGAN THE MINES, JALAN MINES 2, THE MINES RESORT CITY, SERI KEMBANGAN, 43300 SELANGOR

TANGGUNGAN DAN ENDOSAN – ENDOSAN LAIN :

NO. PERSERAHAN 001SC26676/2010 GADAIAN MENJAMIN WANG POKOK

OLEH EASTERN PRETECH (MALAYSIA) SDN. BHD., NO. SYARIKAT : 184774-P, 1/1 BAHAGIAN
KEPADA AMBANK (M) BERHAD, NO. SYARIKAT : 8515-D,
LEVEL 31, SELESA TOWER, JALAN DATO' ABDULLAH TAHIR, JOHOR BAHRU, 80300 JOHOR
DIDAFTARKAN PADA 24 MAC 2010 JAM 11:36:08
NO. SURATKUASA WAKIL : 001SW953/2009

NO. PERSERAHAN : 00CS212612/2024
HAKMILIK : 100601GRN00079026
MUKA SURAT : 1 [3]
TARIKH : 09/10/2024

NO. PERSERAHAN 001SC30395/2019 GADAIAN MENJAMIN WANG POKOK

OLEH EASTERN PRETECH (MALAYSIA) SDN. BHD., NO. SYARIKAT : 184774-P, 1/1 BAHAGIAN
KEPADA AMBANK (M) BERHAD, NO. SYARIKAT : 8515-D,
LEVEL 39, MENARA AMBANK, JALAN YAP KWAN SENG, 50450 WILAYAH PERSEKUTUAN KUALA
LUMPUR

DIDAFTARKAN PADA 03 APRIL 2019 JAM 09:52:40

NO. SURATKUASA WAKIL : 001SW1063/2016

NO. SURAT KEBENARAN : 001SB12629/2019

NO. PERSERAHAN 001B6826/2019 TUKAR ALAMAT

DARIPADA NO. 28, JALAN 7/108C, TAMAN SUNGAI BESI, OFF JALAN SUNGAI BESI, SALAK SOUTH, 57100 ,
WILAYAH PERSEKUTUAN KUALA LUMPUR.

KEPADA 10TH FLOOR, OFFICE BLOCK MINES 2, PUSAT PERDAGANGAN THE MINES, JALAN MINES 2,
THE MINES RESORT CITY, SERI KEMBANGAN, 43300 SELANGOR.

DIDAFTARKAN PADA 18 FEBRUARI 2019 JAM 12:18:46

NO. PERSERAHAN 001SC97923/2014 PAJAKAN SEBAHAGIAN TANAH

KEPADA TENAGA NASIONAL BERHAD, NO. SYARIKAT : 200866-W,
NO.129, JALAN BANGSAR, 50732 WILAYAH PERSEKUTUAN KUALA LUMPUR

SELUAS 41.8 METER PERSEGI

BAGI TEMPOH SELAMA 30 TAHUN

MULAI DARI 09 JUN 2009 DAN BERAKHIR PADA 08 JUN 2039

DIDAFTARKAN PADA 08 SEPTEMBER 2014 JAM 11:09:38

NO. SURATKUASA WAKIL : NO. JILID : 2 NO. FOLIO : 82

NO. SURATKUASA WAKIL : 001SW80/2014

NO. SURAT KEBENARAN : 001SB35965/2014

URUSAN-URUSAN DALAM PERSERAHAN YANG BELUM DIDAFTARKAN : TIADA

ENDOSAN-ENDOSAN TERDAHULU YANG TIDAK BERKUATKUASA :

NO. PERSERAHAN 001SC71915/2002 GADAIAN MENJAMIN WANG POKOK

OLEH EASTERN PRETECH (MALAYSIA) SDN. BHD., NO. SYARIKAT : 184774-P, 1/1 BAHAGIAN

KEPADA MALAYAN BANKING BERHAD, NO. SYARIKAT : 3813-K,
SUITE 163-0-14, GROUND FLOOR, WISMA MAH SING, JALAN SUNGAI BESI, 57100 WILAYAH
PERSEKUTUAN KUALA LUMPUR

DIDAFTARKAN PADA 05 NOVEMBER 2002 JAM 15:00:34

NO. SURATKUASA WAKIL : 001SW839/2002

NO. PERSERAHAN : 00CS212612/2024

HAKMILIK : 100601GRN00079026

MUKA SURAT : 2 [3]

TARIKH : 09/10/2024

NO. PERSERAHAN 001N31605/2005 PINDAAN CUKAI TANAH
CUKAI TANAH DIPINDA DARI RM 6,010.00 KEPADA RM 6,610.00
MENURUT SEKSYEN 101 KANUN TANAH NEGARA MULAI DARI 01 JANUARI 2006
NO. WARTA SEL.P.U.11 BERTARIKH 23 JUN 2005
DIDAFTARKAN PADA 10 OGOS 2005 JAM 17:55:34
(NO. RUJUKAN FAIL : -)

NO. PERSERAHAN 001SC40606/2008 MELEPASKAN GADAIAN
KE ATAS GADAIAN MENJAMIN WANG POKOK NO. PERSERAHAN 001SC71915/2002
OLEH MALAYAN BANKING BERHAD, NO. SYARIKAT : 3813-K
DIDAFTARKAN PADA 12 MEI 2008 JAM 15:01:17
NO. SURATKUASA WAKIL : 001SW78/2006

NO. PERSERAHAN 001SC87655/2008 GADAIAN MENJAMIN WANG POKOK
OLEH EASTERN PRETECH (MALAYSIA) SDN. BHD., NO. SYARIKAT : 184774-P, 1/1 BAHAGIAN
KEPADA UNITED OVERSEAS BANK (MALAYSIA) BHD, NO. SYARIKAT : 271809-K,
NO. 2, JALAN DATO SERI AHMAD SAID, IPOH, 30450 PERAK
DIDAFTARKAN PADA 10 SEPTEMBER 2008 JAM 13:54:43
NO. SURATKUASA WAKIL : 001SW1290/2006

NO. PERSERAHAN 001SC26675/2010 MELEPASKAN GADAIAN
KE ATAS GADAIAN MENJAMIN WANG POKOK NO. PERSERAHAN 001SC87655/2008
OLEH UNITED OVERSEAS BANK (MALAYSIA) BHD, NO. SYARIKAT : 271809-K
DIDAFTARKAN PADA 24 MAC 2010 JAM 11:36:08
NO. SURATKUASA WAKIL : 001SW268/2003

PERKARA LAIN YANG MELIBATKAN HAKMILIK :

CUKAI TANAH DIPINDA DARI RM 6,610.00 KEPADA RM 6,784.00
MENURUT SEKSYEN 101 KANUN TANAH NEGARA MULAI DARI 01 JANUARI 2017
NO. WARTA SEL.P.U.6 BERTARIKH 17 MAC 2016

HAKMILIK YANG TERDAHULU :

(JIKA HAKMILIK SAMBUNGAN)

TARIKH MULA DIBERI MILIK : 14 NOVEMBER 1928
HAKMILIK ASAL (TETAP ATAU SEMENTARA) : CT 8061 MUKIM BERANANG
HAKMILIK SEBELUM DARIPADA INI : HSD 58330 MUKIM BERANANG

DIKELUARKAN PADA : 09/10/2024 09:42:51 NO. PERSERAHAN : 00CS212612/2024

BAYARAN DIJELASKAN : RM 30.00 NOMBOR RESIT : 241009BSAT00320

TARIKH DAN MASA CETAKAN : 09/10/2024 09:42:58
PEJABAT TANAH DAN GALIAN SELANGOR
TEMPOH JANAAN : 0.582 SAAT

NO. PERSERAHAN : 00CS212612/2024
HAKMILIK : 100601GRN00079026
MUKA SURAT : 3 [3]
TARIKH : 09/10/2024

UNDANG-UNDANG KECIL BANGUNAN SERAGAM SELANGOR 1986



BORANG F

PERAKUAN SIAP DAN PEMATUHAN
[undang-undang kecil 25]

LAM / S / No. 6409

Tarikh : 04 JUN 2024

Kepada : * **TETUAN EASTERN PRETECH (MALAYSIA) SDN BHD**
NO. 10TH FLOOR, OFFICE BLOCK MINES 2,
PUSAT PERDAGANGAN THE MINES, JALAN MINES 2,
THE MINES RESORT CITY,
43300 SERI KEMBANGAN, SELANGOR DARUL EHSAN

Saya dengan ini mengeluarkan Perakuan Siap dan Pematuhan untuk bangunan/bangunan-bangunan
 atas Lot/Lot-Lot **CADANGAN MEMBINA BANGUNAN YANG MENGANDUNGI :**

Seksyen	1. 1 BLOK ASRAMA PEKERJA 51 BILIK	4. 1 UNIT RUMAH PAM
	2. 1 BLOK 51 DAPUR	5. 1 UNIT KEBUK SAMPAH
Jalan	3. 2 UNIT PONDOK PENGAWAL	

DI ATAS LOT 3218, JALAN PERUSAHAAN 5, KAWASAN PERINDUSTRIAN BERANANG,
MUKIM BERANANG, DAERAH HULU LANGAT, SELANGOR DARUL EHSAN
UNTUK TETUAN EASTERN PRETECH (M) SDN BHD

setelah berpuas hati bahawa bangunan/bangunan-bangunan itu telah siap menurut
 pelan yang diluluskan No. MPKJ 2/P/38/2019 bertarikh 24/06/2020

Saya telah mengawasi pembinaan dan penyiapan bangunan/bangunan-bangunan itu dan sepanjang
 pengetahuan dan kepercayaan saya kerja/kerja-kerja itu adalah mengikut Akta, Undang-Undang
 Kecil Bangunan Seragam Selangor 1986 dan pelan-pelan yang diluluskan. Saya dengan ini
 memperakui bahawa bangunan/bangunan-bangunan itu adalah selamat dan layak untuk diduduki.

1. Butir-butir orang utama yang mengemukakan

Nama : **DATO' AR. HJ. NORMAN SELAMAT**

Alamat : **NO. 428, LORONG TITIWANGSA 2, TAMAN BUKTI SETIA,**
AMPANGAN, 70400 SEREMBAN, NEGERI SEMBILAN DARUL KHUSUS

No. Pendaftaran LAM : **LAM A/N 85**

2. Salinan kepada :

(a) Pihak Berkuasa Tempatan :
 (Nama Pihak Berkuasa Tempatan)

(b) Lembaga Arkitek Malaysia (LAM)

* Pemaju, jika ia adalah untuk pembangunan selain rumah berasingan yang dibina secara tunggal atau,
 pemunya jika ia adalah untuk rumah berasingan yang dibina secara tunggal

SALINAN ASAL

**REPORT AND VALUATION
OF
A PARCEL OF INDUSTRIAL LAND ERECTED THEREON
AN INDIVIDUAL DESIGN FACTORY COMPLEX KNOWN AS
NO. 18, JALAN PERUSAHAAN 1
KAWASAN PERUSAHAAN BERANANG
43700 BERANANG
SELANGOR DARUL EHSAN**

(CLIENT(S): M/S EASTERN PRETECH (MALAYSIA) SDN BHD)

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HENRY BUTCHER MALAYSIA

International Asset Consultants

Your Ref :-

Our Ref : HB/SEL/8824/09/0872/TKL-004(Kelly)

October 18, 2024

M/S EASTERN PRETECH (MALAYSIA) SDN BHD

10th Floor, Office Block Mines 2

Pusat Perdagangan The Mines

Jalan Mines 2

The Mines Resort City

43300 Seri Kembangan

Selangor Darul Ehsan

Attn: Mr. Ryan

Dear Sirs,

REPORT AND VALUATION OF A PARCEL OF INDUSTRIAL LAND ERECTED THEREON AN INDIVIDUAL DESIGN FACTORY COMPLEX KNOWN AS NO. 18, JALAN PERUSAHAAN 1, KAWASAN PERUSAHAAN BERANANG, 43700 BERANANG, SELANGOR DARUL EHSAN.

We thank you for your instructions to advise on the current **Market Value** of the above-mentioned property for the purposes of a mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert). The property is shown in the attached plans and is more fully described in the Report.

The subject property was inspected and referenced on October 08, 2024. This Report contains an analysis of the available data. It is our considered opinion that the current **Market Value (MV)** of the unencumbered interest in the subject property in its existing physical condition with the benefit of vacant possession as at August 31, 2024 and based on the terms and reference as stated herein is as follow: -

MV - RM 13,300,000.00 (Ringgit Malaysia: Thirteen Million and Three Hundred Thousand Only)

We would also draw your attention to the Limiting Conditions at the end of this Report, governing its use and applications.

Please do not hesitate to contact us if you require any further information or assistance.

Yours faithfully,

HENRY BUTCHER MALAYSIA (SEL) Sdn. Bhd.

DATUK Sr TEW KOK HUAT

B.Surv., MRISM, APEPS
Registered Valuer (V-481)

TKH/TKL

HENRY BUTCHER MALAYSIA (SEL) Sdn Bhd 199901020603 (495503-K)

Firm's Registration No.: VEPM (1) 0079/4

No. 36-1, 2 & 3, Jalan SS 15/4D, 47500 Subang Jaya, Selangor, Malaysia.

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Valuation | Real Estate Agency | Investment Advisory | International Marketing | Market Research | Development Consultancy
Project Marketing | Asset Management | Retail Planning & Consultancy | Auctions | Plant & Machinery | Art Consultancy



RICS



V0481, E1457, PM0481
V0441, E1341, PM0441

1.0 INTRODUCTION

1.1 TERMS OF REFERENCE

We have been instructed by **M/S EASTERN PRETECH (MALAYSIA) SDN BHD** to ascertain the current **Market Value (MV)** of the subject property for the purposes of a mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert).

The subject property comprises a parcel of 2.6747 acres leasehold industrial land erected thereon the following buildings: -

- a. Two (2) units of double (2) storey office building;
- b. Two (2) units of single (1) storey factory annexed;
- c. A TNB sub-station; and
- d. A guardhouse.

The buildings above has been issued with two (2) Certificate of Fitness for Occupation by Majlis Perbandaran Kajang vide Certificate No. 0205 on March 04, 1999 based on approved building plan bearing reference no. MPKj 2P/24/96 and Certificate No. 0151 on July 06, 2000 based on approved building plan bearing reference no. MPKj 2P/24/96.

We wish to bring to your attention that the above approved building plans were not made available to us.

For the purpose of this valuation, we have valued the subject property based on the basis that the buildings erected thereon are built accordance to the above approved building plans.

Copies of Certificate of Fitness for Occupation are attached as Appendix V.

1.2 DATE OF VALUATION

The subject property was inspected by Ms. Kelly Tay on October 08, 2024. However, the date of valuation for this valuation exercise is taken as at August 31, 2024.

1.3 DEFINITION

The term "**Market Value**" as used herein is defined as 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 and where the parties had each acted knowledgeably, prudently and without compulsion.

Report and Valuation of
No. 18, Jalan Perusahaan 1
Kawasan Perusahaan Beranang
43700 Beranang
Selangor Darul Ehsan

1.4 QUALIFICATIONS AND DISCLAIMERS

The valuer has no pecuniary interest in the said property in the past, present or prospective, and the opinion expressed is free of any bias in this regard.

This Valuation has been made in conformity with the Malaysian Valuations Standards laid down by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

Any encumbrances, restriction or other factor not specifically referred to in this report, which is or should be revealed by the appropriate land and title searches and which would, in the opinion of the client's solicitor, affect the value or marketability of the property, should be referred to the valuer for comment before any advancement is made.

This Valuation represents our opinion of value as at the date of the valuation. It must be recognised that the real estate market fluctuates with internal and external influences and the valuation should be reviewed at regular intervals.

The instructions and valuation assignment does not automatically bind us to attendance in Court or to appear in any enquiry before any government or statutory bodies in connection with the valuation unless agreed when the instruction is given.

2.0 PROPERTY SEARCH DETAILS

2.1 TITLE PARTICULARS

The following details were obtained from a title search conducted at Ulu Langat Land Office, Bandar Baru Bangi on October 09, 2024. This information as extracted is assumed to be correct for the purpose of this valuation exercise and brief details are as follows: -

Title No.	: HSM 152
Lot No.	: PT 158
Locality	: Tapak Perusahaan Beranang
Bandar/Pekan/Mukim	: Mukim Beranang
District	: Ulu Langat
State	: Selangor
Tenure	: Leasehold 99 years expiring on April 29, 2085. The remaining unexpired term is about 61 years.
Provisional Land Area	: 1.0117 hectares (2.5 acres) ^{*See Note}
Annual Quit Rent	: RM 5,920.00
Registered Owner	: Eastern Pretech (Malaysia) Sdn Bhd
Category of Land Use	: "Industri"
Express Condition	: "Perusahaan"
Restriction in Interest	: "Tanah ini tidak boleh dijual, dipajak, digadai atau dipindahmilik dengan apa cara sekalipun melainkan dengan kebenaran Pihak Berkuasa Negeri."
Endorsement	: Nil
Encumbrances	: Nil

Note:

We noted that the provisional land area of the subject property as per the title document is about 1.0117 hectares (10,116 square metres). However, our enquiries at the Survey Department, Shah Alam revealed that the surveyed land area as per in the Certified Plan No. PA 75963 is 1.0824 hectares (10,824 square metres) and the subject property is now known as Lot 36.

For the purpose of this valuation, we have adopted the surveyed land area of 1.0824 hectares (10,824 square metres) as per the Certified Plan in our valuation.

Copies of the title document and Certified Plan No. PA 75963 are enclosed as Appendix VI and VII respectively.

Report and Valuation of
No. 18, Jalan Perusahaan 1
Kawasan Perusahaan Beranang
43700 Beranang
Selangor Darul Ehsan

2.2 ASSESSMENT

The subject property is assessed by the Local Authority, Majlis Perbandaran Kajang (MPKj).

2.3 TOWN PLANNING

The subject property is situated within an area designated for industrial purposes.



PART II

GENERAL, SOCIAL, ECONOMIC
AND
OTHER DATA INFLUENCING VALUE

3.0 SITE DETAILS

3.1 DESCRIPTION

The subject property comprises a parcel of 2.6747 acres leasehold industrial land erected thereon the following buildings: -

- a. Two (2) units of double (2) storey office building;
- b. Two (2) units of single (1) storey factory annexed;
- c. A TNB sub-station; and
- d. A guardhouse.

It bears a postal address of No. 18, Jalan Perusahaan 1, Kawasan Perusahaan Beranang, 43700 Beranang, Selangor Darul Ehsan.

3.2 LOCATION

The subject property is located at Jalan Perusahaan 1, Kawasan Perusahaan Beranang which is approximately 45 kilometres due southeast of Kuala Lumpur City Centre.

It is accessible from Kuala Lumpur City Centre via the Cheras-Kajang Expressway [E9] followed by Jalan Cheras and thereafter a left turn onto Jalan Semenyih heading towards Beranang Town, and finally onto Jalan Perusahaan 1 leading to the subject property.

3.3 SURROUNDING LOCALITY

Developments within the immediate vicinity comprise mainly factory complexes, vacant industrial plots, double and three storey semi-detached factories, double storey terraced houses, double and three storey shop offices as well as apartments.

The subject property is surrounded by a number of factories namely Tonn Cable Sdn Bhd, Tube Home (M) Sdn Bhd, SMK Electronics (Malaysia) Sdn Bhd, LB Aluminium Bhd, Inix L&S Gloves Sdn Bhd, Mariwealth Engineering & Consultancy Sdn Bhd, Huahong Plastic Industries Sdn Bhd, Eram Metals (M) Sdn Bhd, Dura-Mine Sdn Bhd and FBK Manufacturing Malaysia Sdn Bhd.

Setia EcoHill and Eco Majestic are ongoing developments and are located to the north-west of the subject property. Setia EcoHill and Setia EcoHill 2 are developed by SP Setia Berhad Group. Setia EcoHill consists of 753 acres mixed township developments while Setia EcoHill 2 comprises 1,010 acres mixed township developments consisting of double storey terraced houses, super-link houses, semi-detached houses, detached houses, bungalow lands, apartments and shop offices. Eco Majestic is developed by Eco World Development Sdn Bhd and consists of 1,089 acres mixed township developments comprising double storey terraced houses, clustered houses and semi-detached houses.

Other housing developments within the immediate vicinity include Bandar Sri Kesuma, Semenyih Parklands, Taman Pelangi Semenyih, Bandar Rinchang and Taman PKNS Beranang.

Kolej Profesional MARA Beranang, Sekolah Kebangsaan Bandar Rinchang, Sekolah Menengah Kebangsaan Bandar Rinchang, Sekolah Kebangsaan Kampung Rinchang, Tenby International School Setia EcoHill, Sekolah Rendah Agama Sesapan Batu Minangkabau, Sekolah Menengah Kebangsaan Bandar Tasik Kesuma and Sekolah Kebangsaan Bandar Tasik Kesuma are among the higher learning institutions serving the neighbourhood.

Immediate located further to the north is Semenyih Town Centre, which is approximately 5 kilometres away from the subject property.

Facilities available within the locality include medical, banking, shopping, educational, marketing and entertainment.

For easy reference, the subject property is shown edged red in Appendix I indicating the approximate location of the subject property.

3.4 SITE

The provisional land area of the subject land as per the title document is approximately 1.0117 hectares (10,116 square metres or 108,891 square feet or 2.4998 acres). However, our enquiries at Survey Department, Shah Alam revealed that the surveyed land area as per the Certified Plan no. PA 75963 is 1.0824 hectares (10,824 square metres or 116,512 square feet or 2.6747 acres) and also known as Lot 36. For the purpose of this valuation, we have adopted the surveyed land area of 1.0824 hectares (10,824 square metres or 116,512 square feet or 2.6747 acres) in our valuation.

The subject land, a corner unit, is near rectangular in shape. It has dual frontages; i.e. its western boundary of approximately 106.97 metres (351 feet) fronts onto Jalan Perusahaan 5 and its southern boundary of about 79.27 metres (260 feet) fronts onto Jalan Perusahaan 1. The physical terrain of the land is generally flat and lies above the level of the frontage roads.

Main entrance to the subject property is secured with a pair of metal swing gates. The front compound is demarcated with plastered brickwalls surmounted with metal railings above.

Areas where not built upon are generally tarmacadamised/cement rendered/turfed. Proper drainage system and car parking bays are provided within the subject site.

We have not conducted any boundary checks. However, we assume that the dimensions correspond with those shown on the Certified Plan No. PA 75963.

Appendix II shows the site plan of the subject property.

3.5 SERVICES

Mains water, electricity supplies and telephone lines are available and are connected to the subject property.

Details of the services provided to the subject building are as follows: -

Air-conditioning : The office building is fitted with split unit air conditioners.

Fire fighting facilities : Fire alarm, fire hydrants, hose reels and fire extinguishers are available within the buildings.

Street lighting, road maintenance and rubbish collection are provided by Majlis Perbandaran Kajang (MPKj).

Public transportation in the form of e-hailing, buses and taxis is available within the vicinity.

4.0 BUILDING DETAILS

4.1 BUILDING

Erected on the land is a factory complex comprising the following buildings: -

- a. Two (2) units of double (2) storey office building;
- b. Two (2) units of single (1) storey factory annexed;
- c. A TNB sub-station; and
- d. A guardhouse.

Brief descriptions of subject buildings are as follows: -

a. Two (2) units of double (2) storey office building

These two (2) units of double (2) storey office building are constructed of reinforced concrete framework with plastered infill brickwalls. The roofs are of pitched metal deck roofing on steel trusses.

The main entrance to each building is provided with a pair of aluminium framed glass doors. Other internal doorways are of timber flush, aluminium framed glass doors and fire rated timber doors. The windows are generally of aluminium framed glass sliding and top hung as well as fixed glass louvres.

The internal walls at the toilets are glazed with 2.1 metres (7 feet) high / ceiling height ceramic wall tiles. The ceilings are of plastered cement and T-section suspended fibre mineral board. The office area is fully air-conditioned with split unit air-conditioners.

Vertical access to the upper floor for each building is provided with a unit of reinforced concrete staircase with metal handrail.

Planned accommodation and floor finishes of the office building are as follows: -

<u>Accommodation</u>	<u>Floor Finishes</u>
<u>Office A</u>	
<u>Ground Floor</u>	
Office Areas	Cement Rendered
Office Rooms	Cement Rendered
Spare Parts Room	Cement Rendered
Canteen	Cement Rendered
Pantry	Cement Rendered
Surau	Ceramic Tiles
Toilets	Ceramic Tiles

4.1 BUILDING (Cont'd)

a. Two (2) units of double (2) storey office building (Cont'd)

<u>Accommodation</u>	<u>Floor Finishes</u>
<u>Office A</u>	
<u>First Floor</u>	
Office Area	Cement Rendered
Toilets	Ceramic Tiles
<u>Office B</u>	
<u>Ground Floor</u>	
Office Areas	Cement Rendered
Office Room	Cement Rendered
Spare Parts Room	Cement Rendered
Toilets	Ceramic Tiles
<u>First Floor</u>	
Office Area	Cement Rendered
Toilets	Ceramic Tiles

The approximate gross floor areas of these office buildings are estimated as follow: -

Building	Gross Floor Area		Building Condition
	Square metres	Square feet	
Office A	899.18	9,679	Fair
Office B	899.18	9,679	Fair
Total gross floor area	1,798.36	19,358	

4.1 BUILDING (Cont'd)

b. Two (2) units of single (1) storey factory annexed

These two (2) units of single (1) storey factory are constructed of steel framework supporting a pitched roof on steel trusses. The pitched roof is covered with non-reflective colorbond metal deck insulated with double sided aluminium foil on chicken wire mesh and incorporated with acrylic transparent sheets. The walls are of plastered brickwalls incorporated with adjustable glass louvres.

There are four (4) entrances to each factory and each of the entrances is secured with a pair of metal plate sliding doors. The floor is generally of reinforced concrete finished with cement rendered throughout. The height to eaves of each factory is approximately 7.00 metres (about 23 feet).

The internal walls at the toilets are glazed with 2.1 metres (7 feet) high ceramic wall tiles. The ceilings are of plastered cement.

We noted during our inspection that a metal deck awning has been constructed between factory A and factory B for sun shedding purpose.

For the purpose of this valuation, we have excluded the abovementioned metal deck awning in arriving at the market of the subject property.

The accommodation and floor finishes of these factories are as follows: -

Accommodation

Factory A

Factory Area

Toilets

Factory B

Factory Area

Floor Finishes

Cement Rendered

Ceramic Tiles

Cement Rendered

The approximate gross floor areas of these factories are estimated as follow: -

Building	Gross Floor Area		Building Condition
	Square metres	Square feet	
Factory A	2,247.81	24,196	Fair
Factory B	2,247.81	24,196	Fair
Total gross floor area	4,495.62	48,392	

4.1 BUILDING (Cont'd)

c. TNB sub-station

This TNB sub-station is constructed of reinforced concrete framework supporting a reinforced concrete flat roof with water proof membrane. The walls are of plastered brickwalls incorporated with fixed aluminium louver windows. The ceiling is of plastered cement whilst the floor is of reinforced concrete finished with cement screed. The entrances are secured with aluminium louver doors.

The approximate gross floor area of this building is estimated at 41.81 square metres (450 square feet). The building condition is in a fair state of repair.

d. Guardhouse

This guardhouse is located at the main entrance to the subject site. It is constructed of reinforced concrete framework with plastered infill brickwalls supporting a pitched roof covered with metal deck roof on timber trusses and rafters. The walls are of plastered brickwalls incorporated with aluminium framed glass side hung windows. The ceiling is of flat cement sheets whilst the floor is of reinforced concrete finished with cement screed. The entrance is secured with timber flush door.

The approximate gross floor area of this building is estimated at 8.36 square metres (90 square feet). The building condition is in a fair state of repair.

4.2 STRUCTURAL SURVEY

We have not sighted a building surveyor/engineer's report or inspected unexposed or inaccessible portions of the premises. We therefore cannot comment on the structural integrity, defect, rot or infestation or the improvements. However, at the date of our inspection, we noted that the subject property was in a fair state of decorative repair and maintenance.

Appendix III shows the floor plan of the subject property whilst some photographs are attached as Appendix IV.

5.0 OCCUPANCY STATUS

5.1 TENANCY

At the date of our inspection, we noted that the subject property was owner occupied.



PART III

BASIS OF VALUATION

6.0 VALUATION METHODOLOGY

6.1 BASIS OF VALUATION

We have adopted the “**Cost Approach**” in formulating our opinion of the current **Market Value** of the subject property.

“**Cost Approach**” is a method valuation, which is based on an estimate of the current Market Value of land for its existing use, plus the current gross replacement cost of improvements less allowances for physical deterioration and all relevant forms of obsolescence and optimisation.

6.2 COMPARABLES

In arriving at our opinion of value, we have taken into consideration amongst others, the following transactions: -

Comparable 1

Property	:	No. 21, Jalan Perusahaan 1, Kawasan Perusahaan Beranang
Land Area	:	3.1701 acres (138,090 square feet)
Type	:	Factory Complex
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 75 years.
Date of Transaction	:	February 19, 2024
Consideration	:	RM 11,750,000.00
Source	:	Department of Property Valuation and Services (JPPH)

Comparable 2

Property	:	No. 17, Jalan Perusahaan 1, Kawasan Perusahaan Beranang
Land Area	:	3.3520 acres (146,012 square feet)
Type	:	Factory Complex
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of Transaction	:	January 12, 2023
Consideration	:	RM 17,000,000.00
Source	:	Department of Property Valuation and Services (JPPH)

Comparable 3

Property	:	Title No. HSD 58984, Lot No. PT 28, Bandar Batu 26 Beranang, District of Ulu Langat, State of Selangor
Locality	:	No. 12, Jalan Perusahaan 2, Kawasan Perusahaan Beranang
Land Area	:	2.2457 acres (97,822 square feet)
Type	:	Vacant industrial land
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of Transaction	:	November 14, 2023
Consideration	:	RM 7,200,000.00 (RM 73.60 per square foot)
Source	:	Department of Property Valuation and Services (JPPH)

6.2 COMPARABLES (Cont'd)

Comparable 4

Property	:	Title No. HSD 58974, Lot No. PT 18, Bandar Batu 26 Beranang, District of Ulu Langat, State of Selangor
Locality	:	No. 25, Jalan Perusahaan 1, Kawasan Perusahaan Beranang
Land Area	:	3.2897 acres (143,300 square feet)
Type	:	Vacant industrial land
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of Transaction	:	October 27, 2023
Consideration	:	RM 9,888,556.00 (RM 69.01 per square foot)
Source	:	Department of Property Valuation and Services (JPPH)

Notes:

- i. The land area and gross floor area of the subject property are 116,512 square feet and 68,290 square feet respectively.
- ii. The similar leasehold land value within the subject vicinity can be fetched in between RM 50.00 to RM 70.00 per square foot. While the construction cost of similar building within the subject locality is ranging from RM 130.00 to RM 170.00 per square foot.

..... end

LIMITING CONDITIONS

MALAYSIAN VALUATION STANDARDS

This Valuation Report is carried out in accordance with the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers.

MEASUREMENTS

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Royal Institution of Surveyors Malaysia or such other building measurement standards as acceptable and agreed to by the client.

For properties situated outside Malaysia, the appropriate/applicable methods of measurement such as the International Property Measurement Standards (IPMS) are used in parallel with the Uniform Method of Measurement of Buildings (UMMB).

CONFIDENTIALLY

This Valuation Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the report to any other person.

Neither the whole, nor any part of the Valuation Report or Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear.

We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorised publication of the Valuation Report, whether in part or in whole.

USE OF VALUATION REPORT

The opinion of value expressed in this Valuation Report shall only be used by the addressee for the purpose stated or intended in this Valuation Report. We are not responsible for any consequences arising from the Valuation Report or any part thereof being relied upon by any other party whatsoever or for any information therein being quoted out of context.

TITLE SEARCH

Wherever possible, a private title search is conducted at the relevant Land Registry/Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/Office. Legal advice may be sought to verify the title details, if required.

TOWN PLANNING AND OTHER STATUTORY ENQUIRIES

Such enquiries are conducted at the respective offices or by extracting the required information from published reports and are deemed sufficiently reliable in the profession.

continued overleaf.....

SITE SURVEYS

We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

STRUCTURAL SURVEY

While due care has been taken to note building defects in the course of inspection, no structural survey nor any testing of services were made nor have we inspected any woodwork or other parts of the structure which were covered or inaccessible. We are therefore unable to express an opinion or advice on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance of the absence in respect of any rot, termite or pest infestation or other hidden defects.

DELETERIOUS OR HAZARDOUS MATERIALS

No investigations have been carried out to determine whether or not any deleterious or hazardous materials had been used in the construction of the property (building) or had since been incorporated and we are, therefore, unable to account or report on any such material in our Valuation Report.

SOIL INVESTIGATION

No soil investigation has been carried out to determine the suitability of soil conditions and/or availability of services for the existing or any future development or planting.

No soil investigation has been carried out to determine the soil suitability for the continued use of the property in its current condition or for any redevelopment.

CONTAMINATION

We have not carried out investigations into the past and present use of either the property or of any neighbouring land to establish whether there has been any contamination or if there is any potential for contamination to the property and are therefore, unable to account and report for such contamination in our Valuation Report.

DISEASE OR INFESTATION

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any tests to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Valuation Report.

LEASES AND TENANCIES

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

continued overleaf.....

DEVELOPMENT AGREEMENTS

Unless otherwise stated, no considerations are made in our valuation for any joint venture agreement, development rights agreement or other similar contracts.

OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, no allowances are made for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

TAXATION, ENCUMBRANCES, STATUTORY NOTICES AND OUTGOINGS

Unless otherwise stated, no allowances are made in our valuation for any expense of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoing.

ATTENDANCE

The instruction and the valuation assignment do not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory body in connection with the valuation unless agreed when the instructions were given or subsequently agreed upon.

SOURCE OF INFORMATION

This Valuation Report has been prepared on the basis that full disclosure of all information and facts which may affect the valuation have been made known to us and we cannot accept any liability or responsibility for information or facts that have been suppressed or not disclosed to us.

Where it is stated in the Valuation Report that information has been supplied by the sources listed, this information is deemed to be reliable and no responsibility is accepted should it be proven otherwise, be it expressed or implied. All other information stated without being attributed directly to another party is deemed to be from our searches of records, examination of documents or relevant sources.

VALIDITY PERIOD OF VALUATION REPORT

A Valuation Report is current as at the valuation date only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

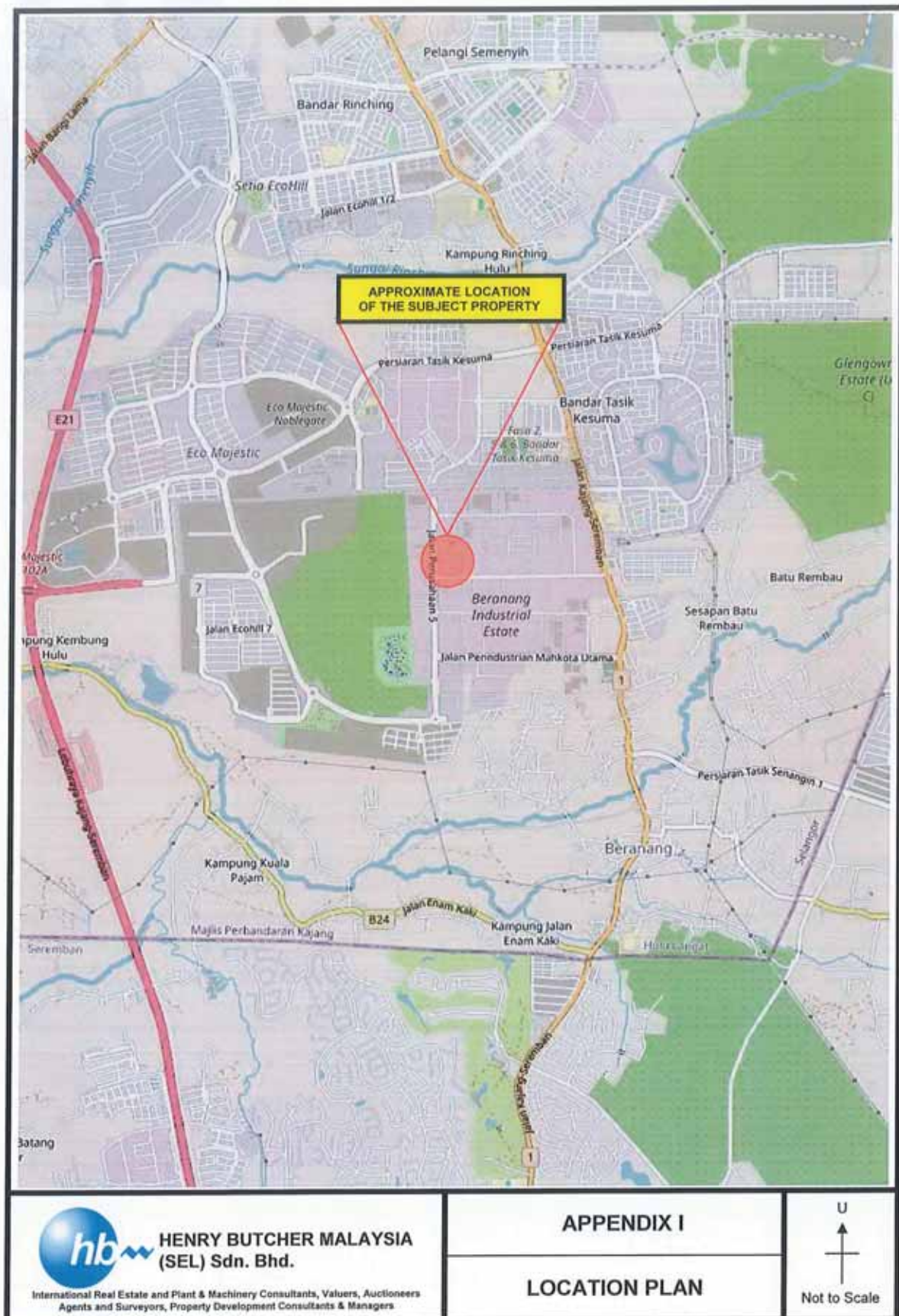
No warranty can be given as to the maintenance of this value into the future. A periodical valuation review is recommended.

LIMITATION OF LIABILITY

Although every care has been taken in preparing the Valuation Report, if it is proven that there is an apparent negligence on the part of the Valuer, the liability of this valuation (whether arising from this valuation, negligence or any other cause whatsoever) is limited in respect of any event or series of events to the actual loss or damage sustained subject to a liability cap to be mutually agreed between the client and the Valuer and clearly set out in the terms of engagement.



PART IV
APPENDICES





**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX II

SITE PLAN



Not to Scale



GENERAL VIEW OF THE SUBJECT PROPERTY



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



**VIEW OF THE DOUBLE STOREY OFFICE BUILDING
(OFFICE A)**



**VIEW OF THE OFFICE AREA
(OFFICE A)**



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



**VIEW OF THE OFFICE AREA
(OFFICE A)**



**VIEW OF THE DOUBLE STOREY OFFICE BUILDING
(OFFICE B)**



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



**VIEW OF THE OFFICE AREA
(OFFICE B)**



**VIEW OF THE OFFICE AREA
(OFFICE B)**



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



**VIEW OF THE SINGLE STOREY FACTORY ANNEXED
(FACTORY A)**



**VIEW OF THE SINGLE STOREY FACTORY ANNEXED
(FACTORY B)**



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE TNB SUB-STATION



VIEW OF THE GUARDHOUSE



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH

MAJLIS PERBANDARAN KAJANG
JALAN SEMENYIH, 43000 KAJANG,
SELANGOR DARUL EHSAN.

No. PAIL... *mpej 3P/24/96*

No. 0205



PERAKUAN KELAYAKAN MENDUDUKI BANGUNAN
Undang-Undang Kecil Bangunan Seragam 1984
Undang-Undang Kecil 25.

Kepada :

*teknik Lian Wah Stationers and printers sdn. bhd.**Lot 18 Jalan Perusahaan 1**Kawasan Perusahaan Bersemita**43700 Bersemita*

Dengan ini adalah diakui bahawa bangunan *PERUMAH KILANG 3 PRJABAT 2*
PINGLAT diatas lot (sublot) *18*

Mukim/Sekyen : *PERANANG* Jalan *PERUSAHAAN 1*
telah dibina mengikut Nombor Pelan *mpej 3P/24/96* yang telah diluluskan oleh
Majlis Perbandaran Kajang pada *10 HB. SEPTEMBER* 19 *97* didapati layak diduduki
sebagaimana diperakui dalam Borang 2 oleh Arkitek/Jurutera/Pemaju.
Bertarikh : *4 / 3 / 19 99*

[Signature]
B.P. Yang Dipertua,
Majlis Perbandaran Kajang,
Bibi Khairani Bt. Mohd. Sabri
Arkitek
Majlis Perbandaran Kajang.

NOTIS MENGENAI CUKAI TAKSIRAN

Nilai Tahunan Bangunan RM *88,800.00*
Cukai Taksiran : *8.5* % daripada RM *88,800.00* = RM *7,548.00*
Tarikh Mula Pembayaran : *1 HB. JULAI* 19 *99*

INGATAN

Bangunan ini tidak boleh diubahsuai/sambung tanpa kelulusan daripada Majlis Perbandaran Kajang.

Attn: Mr. SOH/SIM
[Signature]

[Signature]
B.P. Yang Dipertua,
Majlis Perbandaran Kajang,
Bibi Khairani Bt. Mohd. Sabri
Arkitek
Majlis Perbandaran Kajang.

MAJLIS PERBANDARAN KAJANG
JALAN SEMBENTIN, 43000 KAJANG,
SELANGOR DARUL EHSAN.

MAJLIS PERBANDARAN KAJANG
20/04/00

No. 0151



PERAKUAN KELAYAKAN MENDUOKI BANGUNAN
Undang-Undang Keefi Bunsunan Beragam 1981
Undang-Undang Keefi 21.

Ketua:

Yusuf Han Wan Stationery & Paper Sdn. Bhd.

Jat. IB, Jalan Perumahan 1, Kawasan Perumahan

Kawasan Perumahan Beragam

Tamabah

32000 Kajang Perumahan

Dengan ini adalah diisytiharkan bahawa

yang

adalah (sublot) IB

diisytiharkan

Jalan Perumahan 1, Kawasan Perumahan

yang telah diisytiharkan oleh

Majlis Perbandaran Kajang pada

17/12/00

sejak mula dipertika dalam Borang F oleh Pihak/Pertika/Pertika

bermula: 6/12/00

NOTIS MENGENAI CUKAI TAKSIRAN

Nilai Binaan Bangunan RM 88,800.00

Nilai Taksiran 85% daripada RM 88,800.00 = RM 75,480.00

Nilai Masa Perumahan 10% 2000

PAGIAN

It is hereby notified that the above is the value of the building as assessed by the Majlis Perbandaran Kajang.

Yang Dipertua
Majlis Perbandaran Kajang
Mohd. Yusoff Bin. Yusoff
Ahli
Majlis Perbandaran Kajang

CATATAN CARIAN PERSENDIRIAN HAKMILIK

ADALAH DIPERAKUI BAHAWA SUATU CARIAN PERSENDIRIAN TELAH DIBUAT
MENGIKUT SEKSYEN 384, KANUN TANAH NEGARA BERKENAAN TANAH BERIKUT :

JENIS DAN NO. HAKMILIK : HSM 152	NOMBOR PT	: PT 158
BANDAR/PEKAN/MUKIM : MUKIM BERANANG	TEMPAT	: TAPAK PERUSAHAAN BERANANG
KELUASAN : 1.0117 HEKTAR (2.5 EKAR PERPULUHAN)	DAERAH	: ULU LANGAT
NOMBOR SYIT PIAWAI : 111-D	NOMBOR PELAN UKUR	:
TARAF PEGANGAN : PAJAKAN 99 TAHUN (SELAMA-LAMANYA ATAU	TARIKH LUPUT PAJAKAN	: 29 APRIL 2085 (JIKA BERKENAAN)
KAWASAN RIZAB : TIADA (JIKA BERKENAAN)		
TARIKH DAFTAR : 30 APRIL 1986	CUKAI TANAH	: RM 5,920.00

BAHAWA PADA TARIKH DAN WAKTU PERAKUAN INI DIKELUARKAN,
BUTIR-BUTIR TANAH TERSEBUT ADALAH SEPERTI BERIKUT :

KATEGORI KEGUNAAN : INDUSTRI
SYARAT NYATA : PERUSAHAAN
SEKATAN KEPENTINGAN : TANAH INI TIDAK BOLEH DIJUAL, DIPAJAK, DIGADAI ATAU
DIPINDAHMILIK DENGAN APA CARA SEKALIPUN MELAINKAN DENGAN
KEBENARAN PIHAK BERKUASA NEGERI.

PEMILIKAN DAN ALAMAT :

EASTERN PRETECH (MALAYSIA) SDN BHD, No. Syarikat: 184774-P, 1/1 BAHAGIAN, SEBAGAI PEMILIK,

TANGGUNGAN DAN ENDOSAN – ENDOSAN LAIN : TIADA

URUSAN-URUSAN DALAM PERSERAHAN YANG BELUM DIDAFTARKAN : TIADA

ENDOSAN-ENDOSAN TERDAHULU YANG TIDAK BERKUATKUASA :

NO. PERSERAHAN 061SC4291/2004 GADAIAN MENJAMIN WANG POKOK

NO. PERSERAHAN : 00CS212602/2024
HAKMILIK : 100601HSM00000152
MUKA SURAT : 1 [2]
TARIKH : 09/10/2024

OLEH EASTERN PRETECH (MALAYSIA) SDN BHD, NO. SYARIKAT : 184774-P, 1/1 BAHAGIAN
KEPADA MALAYAN BANKING BERHAD, NO. SYARIKAT : 3813-K,
TINGKAT 14, MENARA MAYBANK, 100, JALAN TUN PERAK, 50050 WILAYAH PERSEKUTUAN
KUALA LUMPUR

DIDAFTARKAN PADA 06 MEI 2004 JAM 10:53:37

NO. SURATKUASA WAKIL : 061SW123/2004

NO. SURAT KEBENARAN : 061SB2073/2004

NO. PERSERAHAN 061N7111/2005 PINDAAN CUKAI TANAH

CUKAI TANAH DIPINDA DARI RM 4,901.00 KEPADA RM 5,920.00

MENURUT SEKSYEN 101 KANUN TANAH NEGARA MULAI DARI 01 JANUARI 2006

NO. WARTA SEL.P.U.11 BERTARIKH 23 JUN 2005

DIDAFTARKAN PADA 22 OGOS 2005 JAM 20:14:01

(NO. RUJUKAN FAIL : -)

NO. PERSERAHAN 061SC10318/2008 MELEPASKAN GADAIAN

KE ATAS GADAIAN MENJAMIN WANG POKOK NO. PERSERAHAN 061SC4291/2004

OLEH MALAYAN BANKING BERHAD, NO. SYARIKAT : 3813-K

DIDAFTARKAN PADA 05 SEPTEMBER 2008 JAM 09:37:59

NO. SURATKUASA WAKIL : 061SW336/2006

PERKARA LAIN YANG MELIBATKAN HAKMILIK :

CUKAI TANAH DIPINDA DARI RM 5,920.00 KEPADA RM 5,920.00

MENURUT SEKSYEN 101 KANUN TANAH NEGARA MULAI DARI 01 JANUARI 2017

NO. WARTA SEL.P.U.6 BERTARIKH 17 MAC 2016

HAKMILIK YANG TERDAHULU :

(JIKA HAKMILIK SAMBUNGAN)

TARIKH MULA DIBERI MILIK :

HAKMILIK ASAL (TETAP ATAU SEMENTARA) :

HAKMILIK SEBELUM DARIPADA INI :

DIKELUARKAN PADA : 09/10/2024 09:37:48 NO. PERSERAHAN : 00CS212602/2024

BAYARAN DIJELASKAN : RM 30.00 NOMBOR RESIT : 241009BSAT00286

TARIKH DAN MASA CETAKAN : 09/10/2024 09:37:55

PEJABAT TANAH DAN GALIAN SELANGOR

TEMPOH JANAAN : 0.591 SAAT

NO. PERSERAHAN : 00CS212602/2024

HAKMILIK : 100601HSM00000152

MUKA SURAT : 2 [2]

TARIKH : 09/10/2024

**REPORT AND VALUATION
OF
A PARCEL OF INDUSTRIAL LAND ERECTED THEREON
AN INDIVIDUAL DESIGN FACTORY COMPLEX KNOWN AS
NO. 2, JALAN PERUSAHAAN 5
KAWASAN PERUSAHAAN BERANANG
43700 BERANANG
SELANGOR DARUL EHSAN**

(CLIENT(S): M/S EASTERN PRETECH (MALAYSIA) SDN BHD)

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PART II

GENERAL, SOCIAL, ECONOMIC AND OTHER DATA AFFECTING VALUE

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BASIS OF VALUATION AND VALUE CONCLUSION

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Appendix III	-	Floor plan(s)
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Appendix VI	-	Title document
Appendix VII	-	Certified plan



HENRY BUTCHER MALAYSIA

International Asset Consultants

Your Ref :-

Our Ref : HB/SEL/8824/09/0873/TKL-005(Kelly)

October 18, 2024

M/S EASTERN PRETECH (MALAYSIA) SDN BHD

10th Floor, Office Block Mines 2

Pusat Perdagangan The Mines

Jalan Mines 2

The Mines Resort City

43300 Seri Kembangan

Selangor Darul Ehsan

Attn: Mr. Ryan

Dear Sirs,

REPORT AND VALUATION OF A PARCEL OF INDUSTRIAL LAND ERECTED THEREON AN INDIVIDUAL DESIGN FACTORY COMPLEX KNOWN AS NO. 2, JALAN PERUSAHAAN 5, KAWASAN PERUSAHAAN BERANANG, 43700 BERANANG, SELANGOR DARUL EHSAN.

We thank you for your instructions to advise on the current **Market Value** of the above-mentioned property for the purposes of a mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert). The property is shown in the attached plans and is more fully described in the Report.

The subject property was inspected and referenced on October 08, 2024. This Report contains an analysis of the available data. It is our considered opinion that the current **Market Value (MV)** of the unencumbered interest in the subject property in its existing physical condition with the benefit of vacant possession as at August 31, 2024 and based on the terms and reference as stated herein is as follow: -

MV - RM 43,500,000.00 (Ringgit Malaysia: Forty Three Million and Five Hundred Thousand Only)

We would also draw your attention to the Limiting Conditions at the end of this Report, governing its use and applications.

Please do not hesitate to contact us if you require any further information or assistance.

Yours faithfully,

HENRY BUTCHER MALAYSIA (SEL) Sdn. Bhd.

DATUK Sr TEW KOK HUAT

B.Surv., MRISM, APEPS

Registered Valuer (V-481)

TKH/TKL

HENRY BUTCHER MALAYSIA (SEL) Sdn Bhd 199901020603 (495503-K)

Firm's Registration No.: YEPM (1) 0079/4

No. 36-1, 2 & 3, Jalan SS 15/4D, 47500 Subang Jaya, Selangor, Malaysia.

t • +603-5631 5555 f • +603-5632 7155 e • hbselangor@henrybutcher.com.my w • www.henrybutcher.com.my

Valuation | Real Estate Agency | Investment Advisory | International Marketing | Market Research | Development Consultancy
Project Marketing | Asset Management | Retail Planning & Consultancy | Auctions | Plant & Machinery | Art Consultancy



RICS



V0481, E1457, P5M0481
V0441, E1341, P5M0441

1.0 INTRODUCTION

1.1 TERMS OF REFERENCE

We have been instructed by **M/S EASTERN PRETECH (MALAYSIA) SDN BHD** to ascertain the current **Market Value (MV)** of the subject property for the purposes of a mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert).

The subject property comprises a parcel of 13.6720 acres leasehold industrial land erected thereon the following buildings: -

- a. A double (2) storey office building;
- b. A one-and-a-half (1½) storey office building;
- c. A single (1) storey open-sided factory;
- d. A single (1) storey factory with a double (2) storey office building;
- e. A single (1) storey workshop;
- f. Two (2) units of single (1) storey open-sided sand storage buildings;
- g. A TNB sub-station;
- h. A powerhouse;
- i. A boiler room;
- j. A toilet;
- k. A store room; and
- l. A guardhouse.

The buildings above has been issued with a Certificate of Fitness for Occupation by Majlis Daerah Hulu Langat (now known as Majlis Perbandaran Kajang) vide Certificate No. 1908 on April 29, 1992 based on approved building plan bearing reference no. MDHL 2/D/12/90 and a Certificate of Completion and Compliance by Ir. Siau Fart Jum vide Serial No. LJM/S/2416 on June 24, 2013 based on approved building plan bearing reference no. Bil(16)dml.MPKj 2/TPK/5/2012.

We wish to bring to your attention that the above approved building plans were not made available to us.

For the purpose of this valuation, we have valued the subject property based on the basis that the buildings erected thereon are built accordance to the above approved building plans.

Copies of Certificate of Fitness for Occupation and Certificate of Completion and Compliance are attached as Appendix V.

1.2 DATE OF VALUATION

The subject property was inspected by Ms. Kelly Tay on October 08, 2024. However, the date of valuation for this valuation exercise is taken as at August 31, 2024.

1.3 DEFINITION

The term “**Market Value**” as used herein is defined as 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 and where the parties had each acted knowledgeably, prudently and without compulsion.

1.4 QUALIFICATIONS AND DISCLAIMERS

The valuer has no pecuniary interest in the said property in the past, present or prospective, and the opinion expressed is free of any bias in this regard.

This Valuation has been made in conformity with the Malaysian Valuations Standards laid down by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

Any encumbrances, restriction or other factor not specifically referred to in this report, which is or should be revealed by the appropriate land and title searches and which would, in the opinion of the client's solicitor, affect the value or marketability of the property, should be referred to the valuer for comment before any advancement is made.

This Valuation represents our opinion of value as at the date of the valuation. It must be recognised that the real estate market fluctuates with internal and external influences and the valuation should be reviewed at regular intervals.

The instructions and valuation assignment does not automatically bind us to attendance in Court or to appear in any enquiry before any government or statutory bodies in connection with the valuation unless agreed when the instruction is given.

2.0 PROPERTY SEARCH DETAILS

2.1 TITLE PARTICULARS

The following details were obtained from a title search conducted at the Selangor Registry of Land Titles, Shah Alam on October 09, 2024. This information as extracted is assumed to be correct for the purpose of this valuation exercise and brief details are as follows: -

Title No.	: HSD 59003
Lot No.	: PT 47
Bandar/Pekan/Mukim	: Bandar Batu 26, Beranang
District	: Ulu Langat
State	: Selangor
Tenure	: Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 75 years.
Provisional Land Area	: 55,531 square metres *See Note
Annual Quit Rent	: RM 30,320.00
Registered Owner	: Eastern Pretech (Malaysia) Sdn. Bhd.
Category of Land Use	: "Industri"
Express Condition	: "Perindustrian"
Restriction in Interest	: "Tanah yang diberi milik ini tidak boleh dipindah milik, dipajak atau digadai melainkan dengan kebenaran Pihak Berkuasa Negeri."
Endorsement	: Nil
Encumbrances	: Charged twice to Malayan Banking Berhad vide:- i. Presentation No. 001SC12777/2008 on February 26, 2008; and ii. Presentation No. 001SC111804/2022 on October 20, 2022.

2.1 TITLE PARTICULARS (Cont'd)

Note:

We noted that the provisional land area of the subject property as per the title document is about 55,531 square metres (5.5531 hectares or 597,750 square feet or 13.7225 acres). However, our enquiries at the Survey Department, Shah Alam revealed that the surveyed land area as per in the Certified Plan No. PA 75963 is 5.533 hectares (55,330 square metres or 595,554 square feet or 13.6720 acres) and the subject property is now known as Lot 7.

For the purpose of this valuation, we have adopted the surveyed land area of 5.533 hectares (55,330 square metres or 595,554 square feet or 13.6720 acres) as per the Certified Plan in our valuation.

Copies of the title document and Certified Plan No. PA 75963 are enclosed as Appendix VI and VII respectively.

2.2 ASSESSMENT

The subject property is assessed by the Local Authority, Majlis Perbandaran Kajang (MPKj).

2.3 TOWN PLANNING

The subject property is situated within an area designated for industrial purposes.



PART II

GENERAL, SOCIAL, ECONOMIC
AND
OTHER DATA INFLUENCING VALUE

3.0 SITE DETAILS

3.1 DESCRIPTION

The subject property comprises a parcel of 13.6720 acres leasehold industrial land erected thereon the following buildings: -

- a. A double (2) storey office building;
- b. A one-and-a-half (1½) storey office building;
- c. A single (1) storey open-sided factory;
- d. A single (1) storey factory with a double (2) storey office building;
- e. A single (1) storey workshop;
- f. Two (2) units of single (1) storey open-sided sand storage buildings;
- g. A TNB sub-station;
- h. A powerhouse;
- i. A boiler room;
- j. A toilet;
- k. A store room; and
- l. A guardhouse.

It bears a postal address of No. 2, Jalan Perusahaan 5, Kawasan Perusahaan Beranang, 43700 Beranang, Selangor Darul Ehsan.

3.2 LOCATION

The subject property is located at Jalan Perusahaan 5, Kawasan Perusahaan Beranang which is approximately 45 kilometres due southeast of Kuala Lumpur City Centre.

It is accessible from Kuala Lumpur City Centre via the Cheras-Kajang Expressway [E9] followed by Jalan Cheras and thereafter a left turn onto Jalan Semenyih heading towards Beranang Town, Jalan Perusahaan 1 and finally onto Jalan Perusahaan 5 leading to the subject property.

3.3 SURROUNDING LOCALITY

Developments within the immediate vicinity comprise mainly factory complexes, vacant industrial plots, double and three storey semi-detached factories, double storey terraced houses, double and three storey shop offices as well as apartments.

The subject property is surrounded by a number of factories namely Tonn Cable Sdn Bhd, Tube Home (M) Sdn Bhd, SMK Electronics (Malaysia) Sdn Bhd, LB Aluminium Bhd, Inix L&S Gloves Sdn Bhd, Mariwealth Engineering & Consultancy Sdn Bhd, Huahong Plastic Industries Sdn Bhd, Efram Metals (M) Sdn Bhd, Dura-Mine Sdn Bhd and FBK Manufacturing Malaysia Sdn Bhd.

Setia EcoHill and Eco Majestic are ongoing developments and are located to the north-west of the subject property. Setia EcoHill and Setia EcoHill 2 are developed by SP Setia Berhad Group. Setia EcoHill consists of 753 acres mixed township developments while Setia EcoHill 2 comprises 1,010 acres mixed township developments consisting of double storey terraced houses, super-link houses, semi-detached houses, detached houses, bungalow lands, apartments and shop offices. Eco Majestic is developed by Eco World Development Sdn Bhd and consists of 1,089 acres mixed township developments comprising double storey terraced houses, clustered houses and semi-detached houses.

Other housing developments within the immediate vicinity include Bandar Sri Kesuma, Semenyih Parklands, Taman Pelangi Semenyih, Bandar Rinchang and Taman PKNS Beranang.

Kolej Profesional MARA Beranang, Sekolah Kebangsaan Bandar Rinchang, Sekolah Menengah Kebangsaan Bandar Rinchang, Sekolah Kebangsaan Kampung Rinchang, Tenby International School Setia EcoHill, Sekolah Rendah Agama Sesapan Batu Minangkabau, Sekolah Menengah Kebangsaan Bandar Tasik Kesuma and Sekolah Kebangsaan Bandar Tasik Kesuma are among the higher learning institutions serving the neighbourhood.

Immediate located further to the north is Semenyih Town Centre, which is approximately 5 kilometres away from the subject property.

Facilities available within the locality include medical, banking, shopping, educational, marketing and entertainment.

For easy reference, the subject property is shown edged red in Appendix I indicating the approximate location of the subject property.

3.4 SITE

The provisional land area of the subject land as per the title document is approximately 55,531 square metres (5.5531 hectares or 597,750 square feet or 13.7225 acres). However, our enquiries at Survey Department, Shah Alam revealed that the surveyed land area as per the Certified Plan no. PA 75963 is 5.533 hectares (55,330 square metres or 595,554 square feet or 13.6720 acres) and also known as Lot 7. For the purpose of this valuation, we have adopted the surveyed land area of 5.533 hectares (55,330 square metres or 595,554 square feet or 13.6720 acres) in our valuation.

The subject land is near rectangular in shape. It has a direct frontage of approximately 265.65 metres (872 feet) fronts onto Jalan Perusahaan 5 and a maximum depth of about 202.60 metres (665 feet). The physical terrain of the land is generally flat and lies above the level of the frontage road.

Main entrance to the subject property is secured with a metal sliding gate. The front compound is demarcated with chain link fencing.

Areas where not built upon are generally tarmacadamised/cement rendered/turfed. Proper drainage system and car parking bays are provided within the subject site.

We have not conducted any boundary checks. However, we assume that the dimensions correspond with those shown on the Certified Plan No. PA 75963.

Appendix II shows the site plan of the subject property.

3.5 SERVICES

Mains water, electricity supplies and telephone lines are available and are connected to the subject property.

Details of the services provided to the subject building are as follows: -

Air-conditioning : The office buildings are fitted with split unit air conditioners.

Fire fighting facilities : Fire alarm, fire hydrants, hose reels and fire extinguishers are available within the buildings.

Street lighting, road maintenance and rubbish collection are provided by Majlis Perbandaran Kajang (MPKj).

Public transportation in the form of e-hailing, buses and taxis is available within the vicinity.

4.0 BUILDING DETAILS

4.1 BUILDING

Erected on the land is a factory complex comprising the following buildings: -

- a. A double (2) storey office building;
- b. A one-and-a-half (1½) storey office building;
- c. A single (1) storey open-sided factory;
- d. A single (1) storey factory with a double (2) storey office building;
- e. A single (1) storey workshop;
- f. Two (2) units of single (1) storey open-sided sand storage buildings;
- g. A TNB sub-station;
- h. A powerhouse;
- i. A boiler room;
- j. A toilet;
- k. A store room; and
- l. A guardhouse.

Brief descriptions of subject buildings are as follows: -

a. Double (2) storey office building

This double (2) storey office building is constructed of reinforced concrete framework with plastered infill brickwalls covered with reinforced concrete flat roof with water-proofing membranes.

The main entrance to the building is provided with a pair of aluminium framed glass doors. Other internal doorways are of timber flush, metal roller shutter, aluminium framed glass doors and fire rated timber doors. The windows are generally of aluminium framed glass top hung.

The internal walls at the toilets are glazed with 2.1 metres (7 feet) or 1.5 metres (5 feet) high ceramic wall tiles whilst the kitchen and surau are glazed with 1.5 metres (5 feet) high ceramic wall tiles. The ceilings are plastered cement, T-section suspended board and plastered ceiling. The office area is fully air-conditioned with split unit air-conditioners.

Vertical access to the upper floors is provided with a unit of reinforced concrete staircase with stainless steel handrail whilst two (2) units of reinforced concrete staircase with metal handrail which acted as fire escape staircases were located at both side of the building.

4.1 BUILDING (Cont'd)

a. Double (2) storey office building (Cont'd)

Planned accommodation and floor finishes of the office building are as follows: -

<u>Accommodation</u>	<u>Floor Finishes</u>
<u>Ground Floor</u>	
Driveway	Cement Rendered
Reception Area	Ceramic Tiles
Lobby	Ceramic Tiles
Interview Room	Ceramic Tiles
Training Room	Ceramic Tiles
Conference Room	Ceramic Tiles
Server Room	Ceramic Tiles
Office Area	Ceramic Tiles
Office Rooms	Ceramic Tiles
Store Room	Ceramic Tiles
Pantry	Ceramic Tiles
Canteen	Ceramic Tiles
Kitchen	Ceramic Tiles
Rest Room	Ceramic Tiles
Surau	Ceramic Tiles
Toilets	Ceramic Tiles

4.1 BUILDING (Cont'd)

a. Double (2) storey office building (Cont'd)

<u>Accommodation</u>	<u>Floor Finishes</u>
<u>First Floor</u>	
Office Areas	Ceramic Tiles
Office Rooms	Ceramic Tiles
Pantry	Ceramic Tiles
Surau	Ceramic Tiles
Toilets	Ceramic Tiles

The approximate gross floor areas of these office buildings are estimated as follow: -

Building	Gross Floor Area		Building Condition
	Square metres	Square feet	
Main floor area	1,265.67	13,624	Fair
Ancillary floor area	111.11	1,196	
Total gross floor area	1,376.78	14,820	

b. One-and-a-half (1½) storey office building

This one-and-a-half (1½) storey office building is constructed of reinforced concrete framework with plastered infill brickwalls. The roof is of pitched metal deck roofing on steel trusses and reinforced concrete flat roof with water-proofing membranes.

The doorways are of timber flush, timber flush incorporated with glass panel, aluminium framed glass doors, metal doors and fire rated timber doors. The windows are generally of aluminium framed glass sliding, side hung and top hung.

The internal walls at the toilets are glazed with ceiling height ceramic wall tiles. The ceilings are plastered cement and T-section suspended board. The office area is fully air-conditioned with split unit air-conditioners.

Vertical access to the upper floor is provided with a unit of reinforced concrete staircase with stainless steel handrail and finished with ceramic tiles.

Planned accommodation and floor finishes of the office building are as follows: -

<u>Accommodation</u>	<u>Floor Finishes</u>
<u>Ground Floor</u>	
Office Rooms	Ceramic Tiles
Storage Area	Cement Rendered
Store Rooms	Cement Rendered

4.1 BUILDING (Cont'd)

b. One-and-a-half (1½) storey office building (Cont'd)

<u>Accommodation</u>	<u>Floor Finishes</u>
<u>First Floor</u>	
Office Area	Ceramic Tiles
Office Rooms	Ceramic Tiles
Store Room	Ceramic Tiles
Toilets	Ceramic Tiles

The approximate gross floor area of this building is estimated at 484.94 square metres (5,220 square feet). The building condition is in a fair state of repair.

c. Single (1) storey open-sided factory

This single (1) storey open-sided factory is constructed of reinforced concrete framework supporting a pitched roof on steel trusses. The pitched roofs are covered with non-reflective colorbond metal deck roofing sheets insulated with double sided aluminium foil and incorporated with transparent acrylic sheets; & non-reflective colorbond metal deck roofing sheets and incorporated with transparent acrylic sheets.

The floor is generally of reinforced concrete finished with cement rendered throughout. The height to eaves of the factory is approximately 11.58 metres (38 feet).

The approximate gross floor area of this building is estimated at 9,323.35 square metres (100,359 square feet). The building condition is in a fair state of repair.

d. Single (1) storey factory with a double (2) storey office building

This single (1) storey factory with a double (2) storey office building is constructed of steel framework supporting a pitched roof on steel trusses. The pitched roof is covered with non-reflective colorbond metal deck insulated with double sided aluminium foil on chicken wire mesh and incorporated with transparent acrylic sheets. The walls are of metal deck sheets.

There are three (3) entrances to the factory. The main entrance is secured with an automatic metal roller shutter whilst the other two (2) entrances are secured with metal roller shutter and metal sliding door respectively. The floor is generally of reinforced concrete finished with cement rendered throughout. The height to eaves of each factory is approximately 8.53 metres (about 28 feet).

4.1 BUILDING (Cont'd)

d. Single (1) storey factory with a double (2) storey office building (Cont'd)

A double (2) storey office has been partitioned with plastered brickwalls at the front portion of the factory. The main entrance to this office area is provided with a pair of dual swing aluminium framed glass doors. Other internal doorways are mainly of fire rated doors, timber flush and PVC doors. The windows are generally of aluminium framed glass side hung and top hung.

The internal walls at the toilets are glazed with ceiling height ceramic wall tiles. The ceilings are of plastered ceiling. Vertical access to the upper floor is provided with a reinforced concrete staircase with stainless steel handrail and finished with ceramic tiles.

The accommodation and floor finishes of the factory are as follows: -

<u>Accommodation</u>	<u>Floor Finishes</u>
<u>Ground Floor – Factory</u>	
Factory Area	Cement Rendered
<u>Ground Floor – Office</u>	
Office Areas	Ceramic Tiles
Office Room	Ceramic Tiles
Toilet	Ceramic Tiles
<u>First Floor – Office</u>	
Office Areas	Ceramic Tiles
Office Room	Ceramic Tiles
Toilet	Ceramic Tiles

The approximate gross floor area of the factory is estimated as follow: -

Building	Gross Floor Area		Building Condition
	Square metres	Square feet	
Factory Area	2,013.33	21,672	Fair
Office Building	208.75	2,247	Fair
Total gross floor area	2,222.08	23,919	

4.1 BUILDING (Cont'd)

e. Single (1) storey workshop

This single (1) storey workshop is constructed of steel framework supporting a pitched roof on steel trusses. The pitched roof is covered with non-reflective colorbond metal deck roofing sheets and incorporated with transparent acrylic sheets. The walls are partly of plastered brickwalls and partly of metal deck sheets.

The doorways are of metal swing doors and metal sliding doors. The floor is generally of reinforced concrete finished with cement rendered throughout.

Planned accommodation and floor finishes of the workshop are as follows: -

<u>Accommodation</u>	<u>Floor Finishes</u>
Workshop Area	Cement Rendered
Store Room	Cement Rendered
Rest Area	Cement Rendered
Storage Area	Cement Rendered

The approximate gross floor area of this building is estimated at 219.62 square metres (2,364 square feet). The building condition is in a fair state of repair.

f. Two (2) units of single (1) storey sand storage building

These two (2) units of single (1) storey open-sided sand storage building is constructed of reinforced concrete framework supporting a pitched roof on steel trusses. The pitched roof is covered with non-reflective colorbond metal deck roofing sheets.

The approximate gross floor area of these buildings is estimated as follow: -

Building	Gross Floor Area		Building Condition
	Square metres	Square feet	
Sand storage 1	832.38	8,960	Fair
Sand storage 2	327.01	3,520	Fair

4.1 BUILDING (Cont'd)

g. TNB sub-station

This TNB sub-station is constructed of reinforced concrete framework supporting a reinforced concrete flat roof with water proof membrane. The walls are of plastered brickwalls incorporated with fixed aluminium louvres windows. The ceiling is of plastered cement whilst the floor is of reinforced concrete finished with cement rendered. The entrances are secured with aluminium louvres doors.

The approximate gross floor area of this building is estimated at 111.11 square metres (1,196 square feet). The building condition is in a fair state of repair.

h. Powerhouse

This powerhouse is constructed of reinforced concrete framework supporting a reinforced concrete flat roof with water proof membrane. The walls are of plastered brickwalls incorporated with fixed aluminium louvres windows. The ceiling is of plastered cement whilst the floor is of reinforced concrete finished with cement rendered. The entrance is secured with a pair of metal swing doors.

The approximate gross floor area of this building is estimated at 53.14 square metres (572 square feet). The building condition is in a fair state of repair.

i. Boiler Room

This boiler room is constructed of reinforced concrete framework supporting a reinforced concrete flat roof with water proof membrane. The walls are of plastered brickwalls incorporated with fixed aluminium louvres windows. The ceiling is of plastered cement whilst the floor is of reinforced concrete finished with cement rendered. The entrance is secured with metal roller shutter.

The approximate gross floor area of this building is estimated at 51.10 square metres (550 square feet). The building condition is in a fair state of repair.

j. Toilet

This toilet is constructed of reinforced concrete framework supporting a reinforced concrete flat roof with water proof membrane. The walls are of plastered brickwalls whilst the ceiling is of plastered cement. The floor is of reinforced concrete finished with ceramic tiles. The doorways are of timber flush and PVC doors.

The approximate gross floor area of this building is estimated at 48.31 square metres (520 square feet). The building condition is in a fair state of repair.

4.1 BUILDING (Cont'd)

k. Store Room

This store room is constructed of reinforced concrete framework with plastered infill brickwalls supporting a pitched roof covered with metal deck roof on timber trusses and rafters. The walls are of plastered brickwalls incorporated with aluminium framed glass sliding windows. The ceiling is of flat cement sheets whilst the floor is of reinforced concrete finished with cement rendered. The entrance is secured with timber flush door.

The approximate gross floor area of this building is estimated at 11.15 square metres (120 square feet). The building condition is in a fair state of repair.

l. Guardhouse

The guardhouse is located at the main entrance to the subject site. It is constructed of reinforced concrete framework with plastered infill brickwalls supporting a pitched roof covered with metal deck roof on timber trusses and rafters. The internal walls of the toilet are glazed with ceramic wall tiles up to ceiling heights. The doors are of timber flush and PVC door whilst the windows are of aluminium framed glass sliding and fixed glass louvres. The ceiling is of flat cement sheets.

The accommodation and floor finishes of this building are as follows: -

Accommodation
Guardhouse Area

Floor Finishes
Cement Rendered

Toilet

Ceramic Tiles

The approximate gross floor area of the guardhouse is estimated at 15.79 square metres (170 square feet). The building condition is in a fair state of repair.

4.2 STRUCTURAL SURVEY

We have not sighted a building surveyor/engineer's report or inspected unexposed or inaccessible portions of the premises. We therefore cannot comment on the structural integrity, defect, rot or infestation or the improvements. However, at the date of our inspection, we noted that the subject property was in a fair state of decorative repair and maintenance.

Appendix III shows the floor plan of the subject property whilst some photographs are attached as Appendix IV.

5.0 OCCUPANCY STATUS

5.1 TENANCY

At the date of our inspection, we noted that the subject property was owner occupied.



PART III

BASIS OF VALUATION

6.0 VALUATION METHODOLOGY

6.1 BASIS OF VALUATION

We have adopted the “**Cost Approach**” in formulating our opinion of the current **Market Value** of the subject property.

“**Cost Approach**” is a method valuation, which is based on an estimate of the current Market Value of land for its existing use, plus the current gross replacement cost of improvements less allowances for physical deterioration and all relevant forms of obsolescence and optimisation.

6.2 COMPARABLES

In arriving at our opinion of value, we have taken into consideration amongst others, the following transactions: -

Comparable 1

Property	:	No. 21, Jalan Perusahaan 1, Kawasan Perusahaan Beranang
Land Area	:	3.1701 acres (138,090 square feet)
Type	:	Factory Complex
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 75 years.
Date of Transaction	:	February 19, 2024
Consideration	:	RM 11,750,000.00
Source	:	Department of Property Valuation and Services (JPPH)

Comparable 2

Property	:	No. 17, Jalan Perusahaan 1, Kawasan Perusahaan Beranang
Land Area	:	3.3520 acres (146,012 square feet)
Type	:	Factory Complex
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of Transaction	:	January 12, 2023
Consideration	:	RM 17,000,000.00
Source	:	Department of Property Valuation and Services (JPPH)

Comparable 3

Property	:	Title No. HSD 58984, Lot No. PT 28, Bandar Batu 26 Beranang, District of Ulu Langat, State of Selangor
Locality	:	No. 12, Jalan Perusahaan 2, Kawasan Perusahaan Beranang
Land Area	:	2.2457 acres (97,822 square feet)
Type	:	Vacant industrial land
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of Transaction	:	November 14, 2023
Consideration	:	RM 7,200,000.00 (RM 73.60 per square foot)
Source	:	Department of Property Valuation and Services (JPPH)

6.2 COMPARABLES (Cont'd)

Comparable 4

Property	:	Title No. HSD 58974, Lot No. PT 18, Bandar Batu 26 Beranang, District of Ulu Langat, State of Selangor
Locality	:	No. 25, Jalan Perusahaan 1, Kawasan Perusahaan Beranang
Land Area	:	3.2897 acres (143,300 square feet)
Type	:	Vacant industrial land
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of Transaction	:	October 27, 2023
Consideration	:	RM 9,888,556.00 (RM 69.01 per square foot)
Source	:	Department of Property Valuation and Services (JPPH)

Notes:

- i. The land area and gross floor area of the subject property are 595,554 square feet and 162,290 square feet respectively.
- ii. The similar leasehold land value within the subject vicinity can be fetched in between RM 50.00 to RM 70.00 per square foot. While the construction cost of similar building within the subject locality is ranging from RM 130.00 to RM 170.00 per square foot.

..... end

LIMITING CONDITIONS

MALAYSIAN VALUATION STANDARDS

This Valuation Report is carried out in accordance with the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers.

MEASUREMENTS

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Royal Institution of Surveyors Malaysia or such other building measurement standards as acceptable and agreed to by the client.

For properties situated outside Malaysia, the appropriate/applicable methods of measurement such as the International Property Measurement Standards (IPMS) are used in parallel with the Uniform Method of Measurement of Buildings (UMMB).

CONFIDENTIALLY

This Valuation Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the report to any other person.

Neither the whole, nor any part of the Valuation Report or Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear.

We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorised publication of the Valuation Report, whether in part or in whole.

USE OF VALUATION REPORT

The opinion of value expressed in this Valuation Report shall only be used by the addressee for the purpose stated or intended in this Valuation Report. We are not responsible for any consequences arising from the Valuation Report or any part thereof being relied upon by any other party whatsoever or for any information therein being quoted out of context.

TITLE SEARCH

Wherever possible, a private title search is conducted at the relevant Land Registry/Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/Office. Legal advice may be sought to verify the title details, if required.

TOWN PLANNING AND OTHER STATUTORY ENQUIRIES

Such enquiries are conducted at the respective offices or by extracting the required information from published reports and are deemed sufficiently reliable in the profession.

continued overleaf.....

SITE SURVEYS

We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

STRUCTURAL SURVEY

While due care has been taken to note building defects in the course of inspection, no structural survey nor any testing of services were made nor have we inspected any woodwork or other parts of the structure which were covered or inaccessible. We are therefore unable to express an opinion or advice on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance of the absence in respect of any rot, termite or pest infestation or other hidden defects.

DELETERIOUS OR HAZARDOUS MATERIALS

No investigations have been carried out to determine whether or not any deleterious or hazardous materials had been used in the construction of the property (building) or had since been incorporated and we are, therefore, unable to account or report on any such material in our Valuation Report.

SOIL INVESTIGATION

No soil investigation has been carried out to determine the suitability of soil conditions and/or availability of services for the existing or any future development or planting.

No soil investigation has been carried out to determine the soil suitability for the continued use of the property in its current condition or for any redevelopment.

CONTAMINATION

We have not carried out investigations into the past and present use of either the property or of any neighbouring land to establish whether there has been any contamination or if there is any potential for contamination to the property and are therefore, unable to account and report for such contamination in our Valuation Report.

DISEASE OR INFESTATION

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any tests to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Valuation Report.

LEASES AND TENANCIES

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

continued overleaf.....

DEVELOPMENT AGREEMENTS

Unless otherwise stated, no considerations are made in our valuation for any joint venture agreement, development rights agreement or other similar contracts.

OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, no allowances are made for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

TAXATION, ENCUMBRANCES, STATUTORY NOTICES AND OUTGOINGS

Unless otherwise stated, no allowances are made in our valuation for any expense of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoings.

ATTENDANCE

The instruction and the valuation assignment do not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory body in connection with the valuation unless agreed when the instructions were given or subsequently agreed upon.

SOURCE OF INFORMATION

This Valuation Report has been prepared on the basis that full disclosure of all information and facts which may affect the valuation have been made known to us and we cannot accept any liability or responsibility for information or facts that have been suppressed or not disclosed to us.

Where it is stated in the Valuation Report that information has been supplied by the sources listed, this information is deemed to be reliable and no responsibility is accepted should it be proven otherwise, be it expressed or implied. All other information stated without being attributed directly to another party is deemed to be from our searches of records, examination of documents or relevant sources.

VALIDITY PERIOD OF VALUATION REPORT

A Valuation Report is current as at the valuation date only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

No warranty can be given as to the maintenance of this value into the future. A periodical valuation review is recommended.

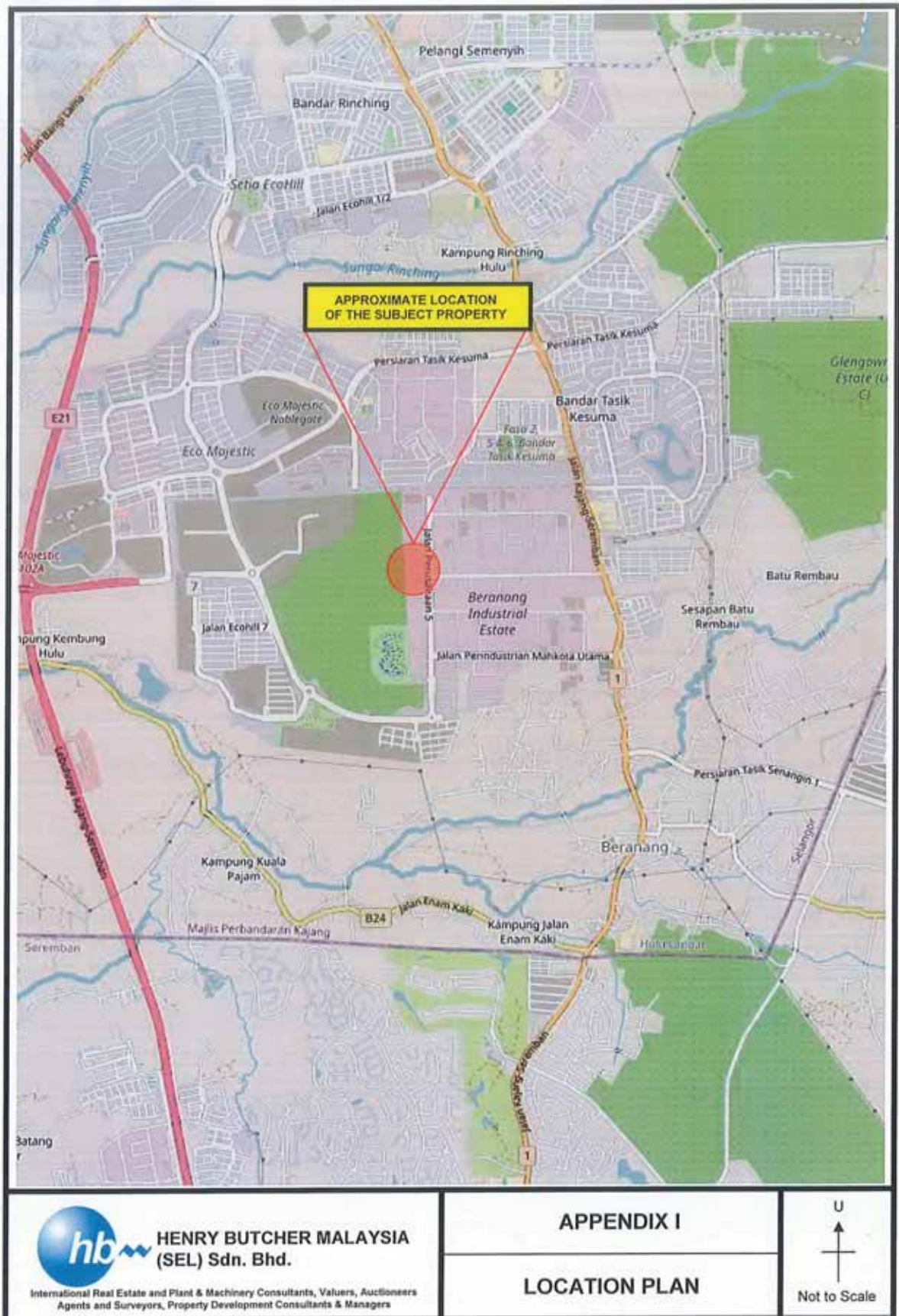
LIMITATION OF LIABILITY

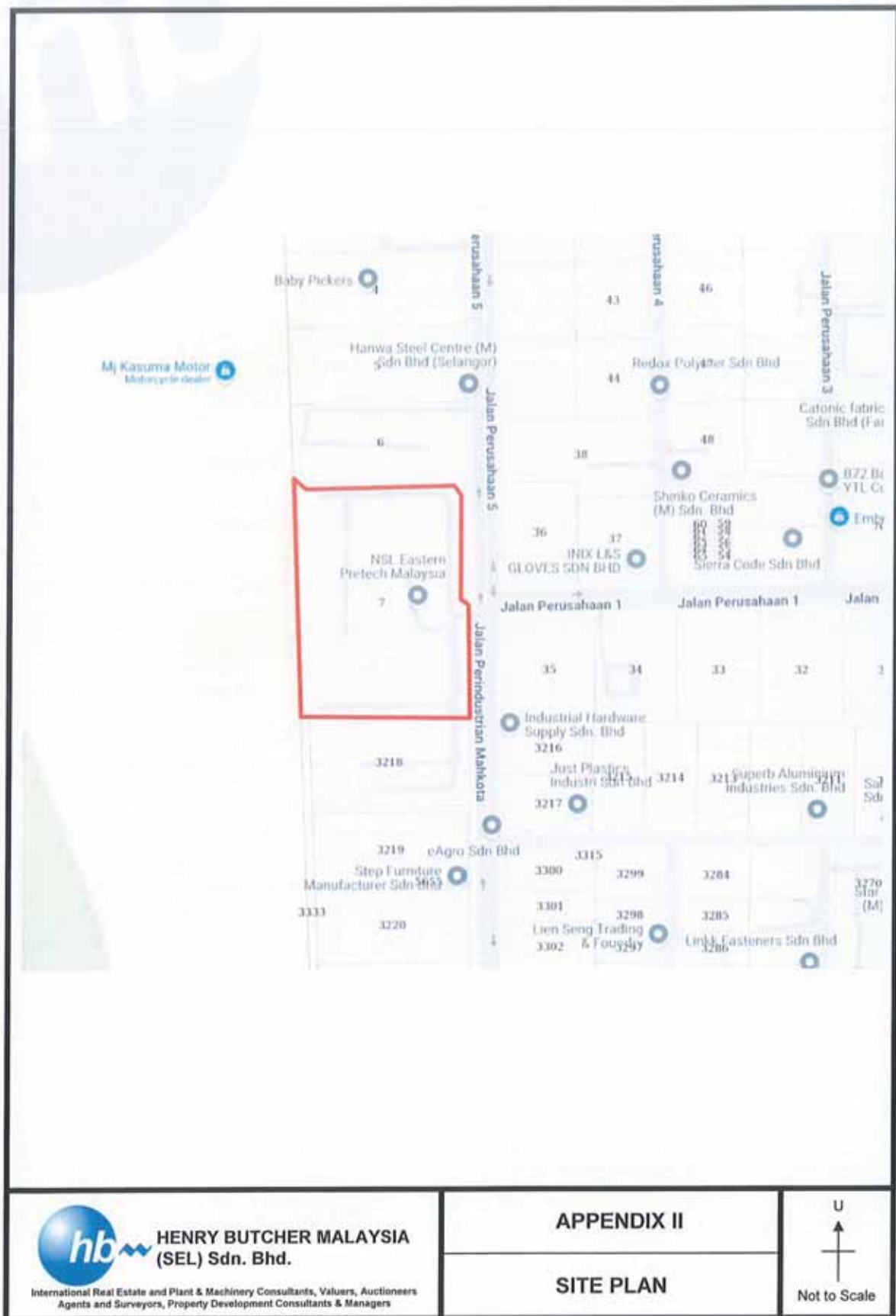
Although every care has been taken in preparing the Valuation Report, if it is proven that there is an apparent negligence on the part of the Valuer, the liability of this valuation (whether arising from this valuation, negligence or any other cause whatsoever) is limited in respect of any event or series of events to the actual loss or damage sustained subject to a liability cap to be mutually agreed between the client and the Valuer and clearly set out in the terms of engagement.

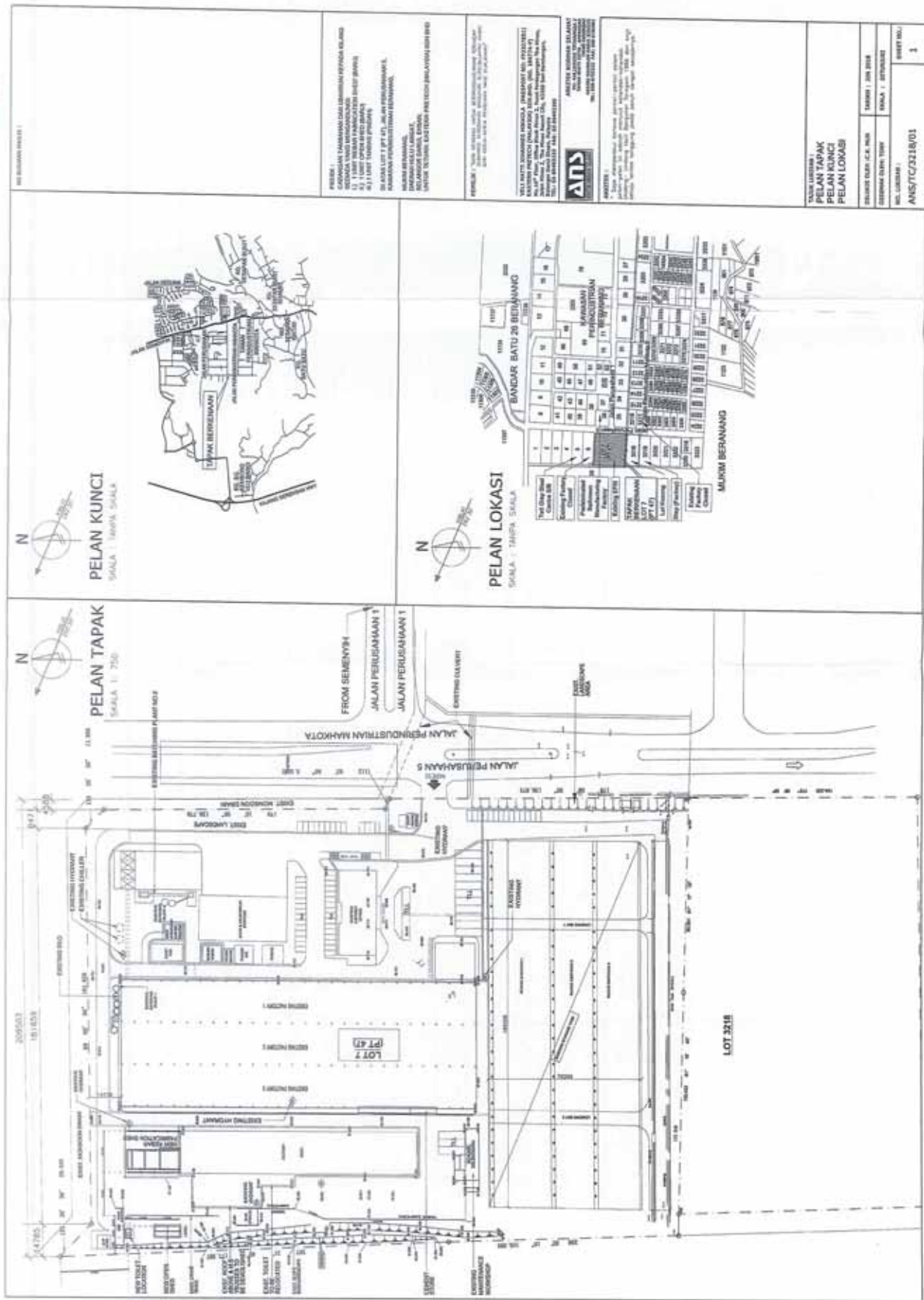


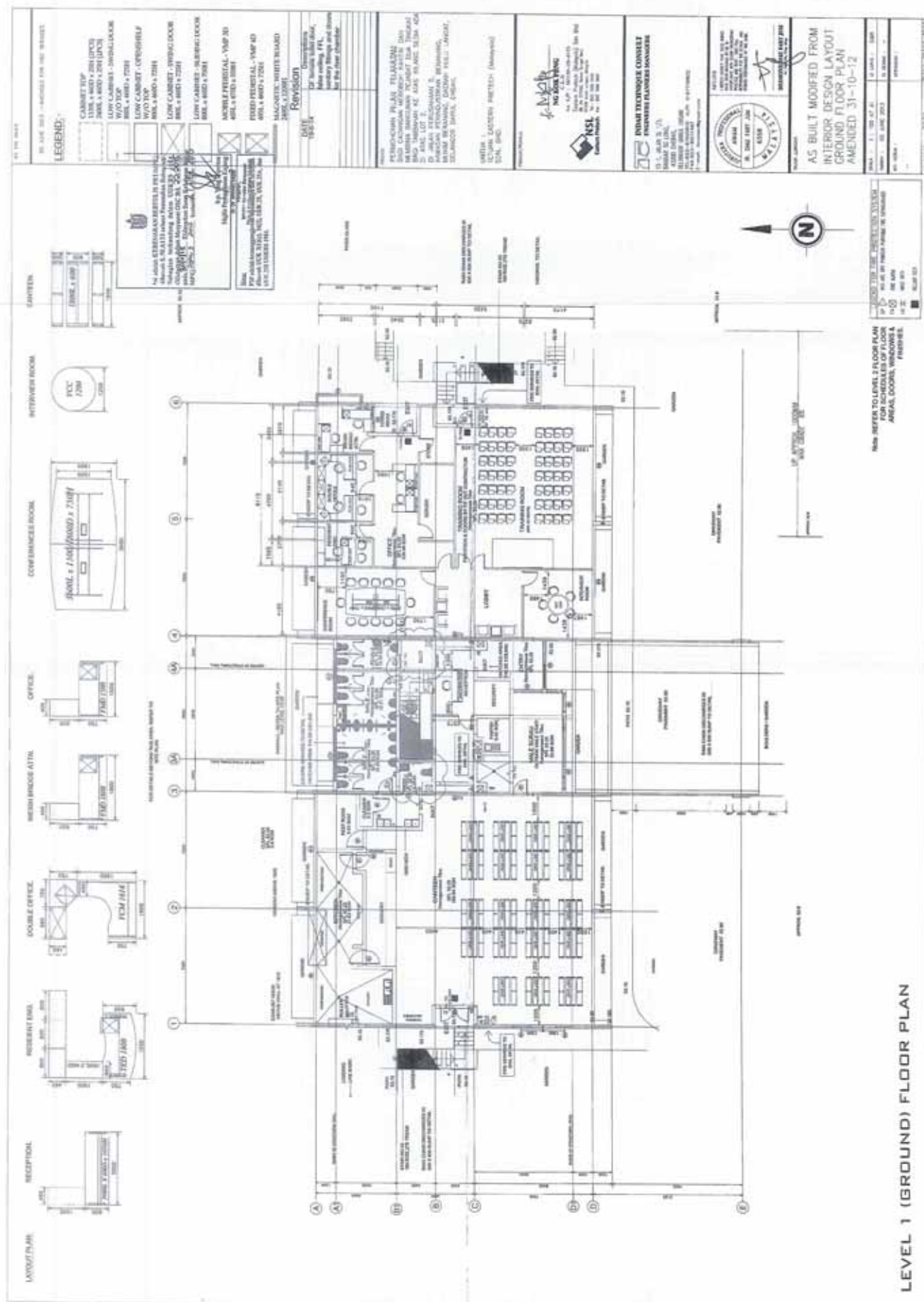
PART IV

APPENDICES









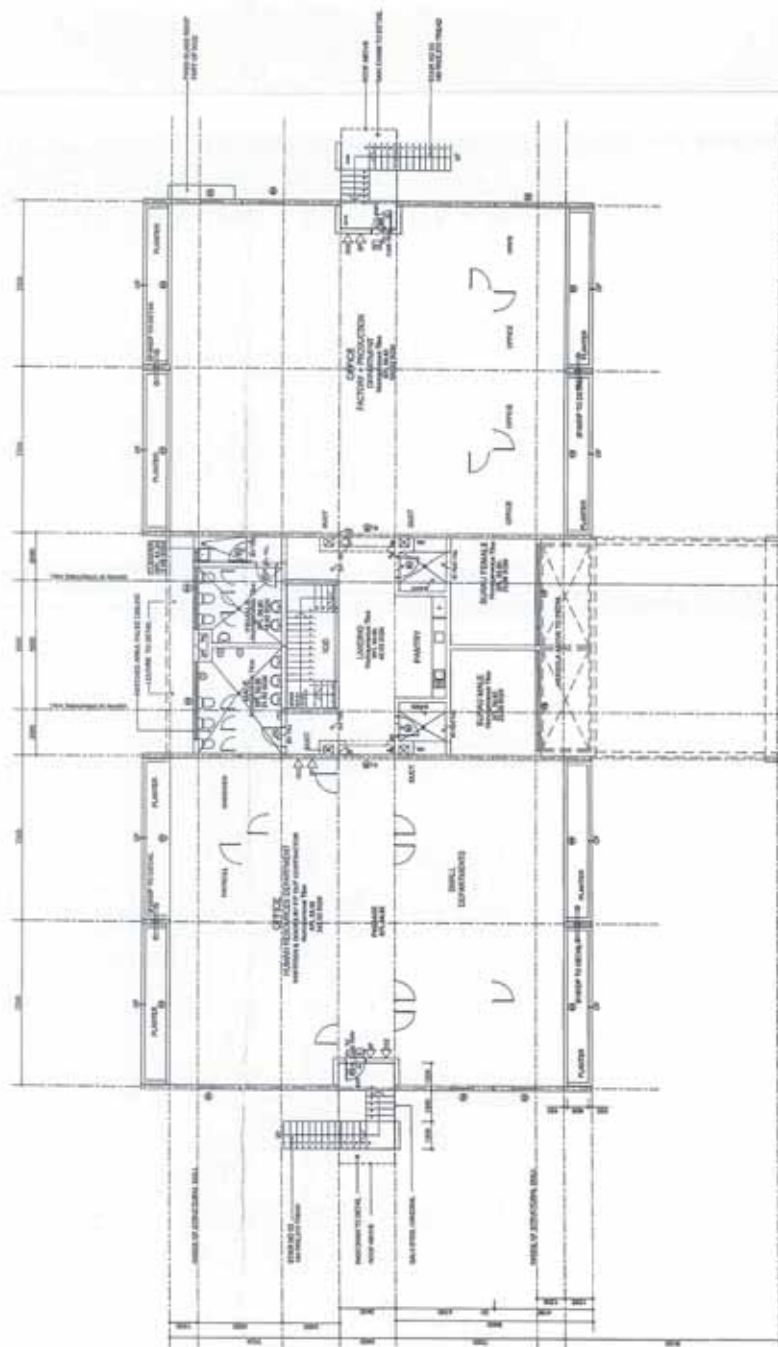
NAME _____
ADDRESS _____
CITY _____
STATE _____
ZIP _____
COUNTRY _____
TELEPHONE _____
FAX _____
E-MAIL _____
DATE _____

¹ **Books** . . . All books in office furniture by Edward Tordella.

sample period from a fixed to a
variable period, and the results in
equation (1) are estimated as follows:

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED
DATE 03-11-2009 BY 60322 UCBAW

LEVEL 2 (FRIST)
FLOOR PLAN

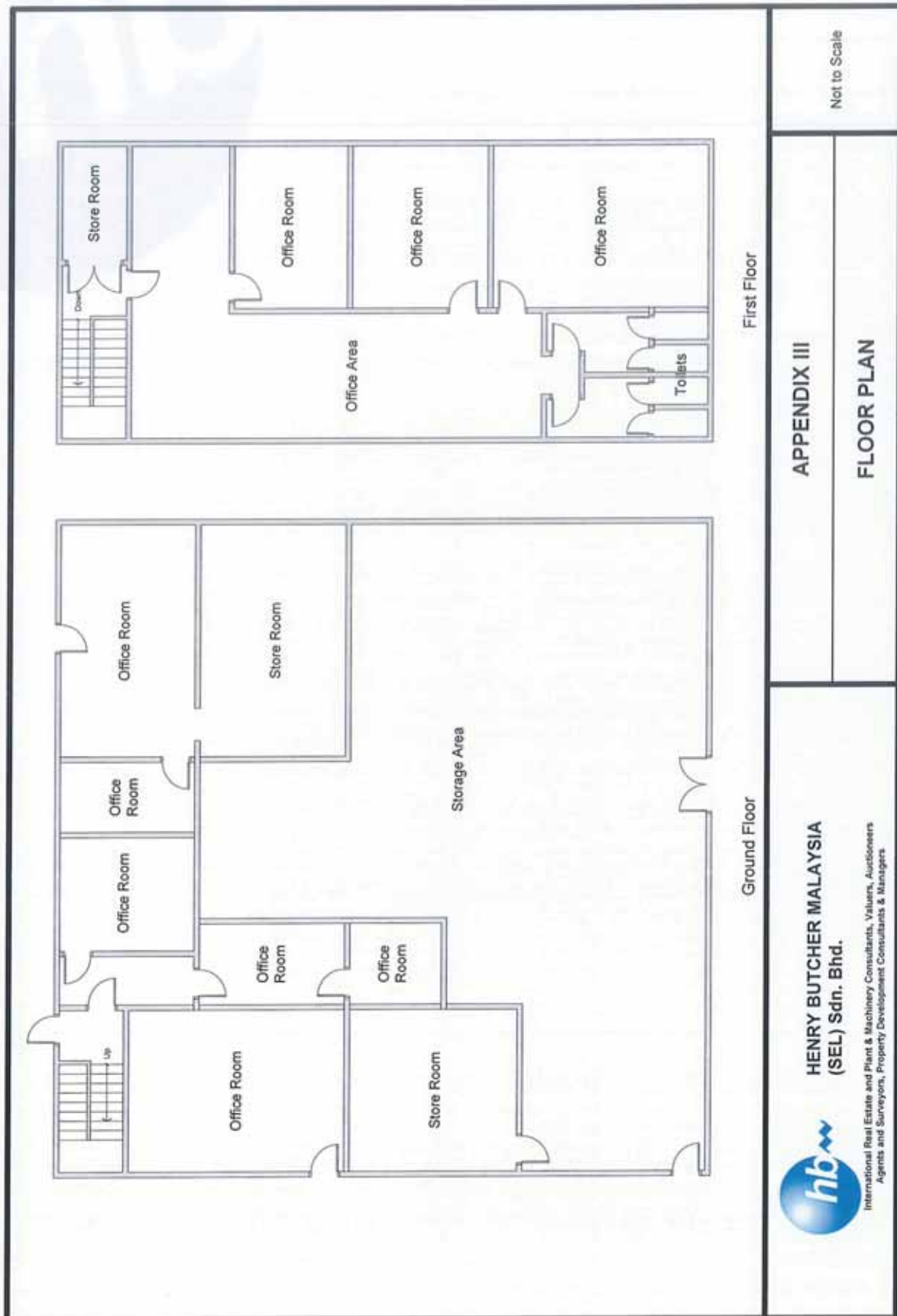


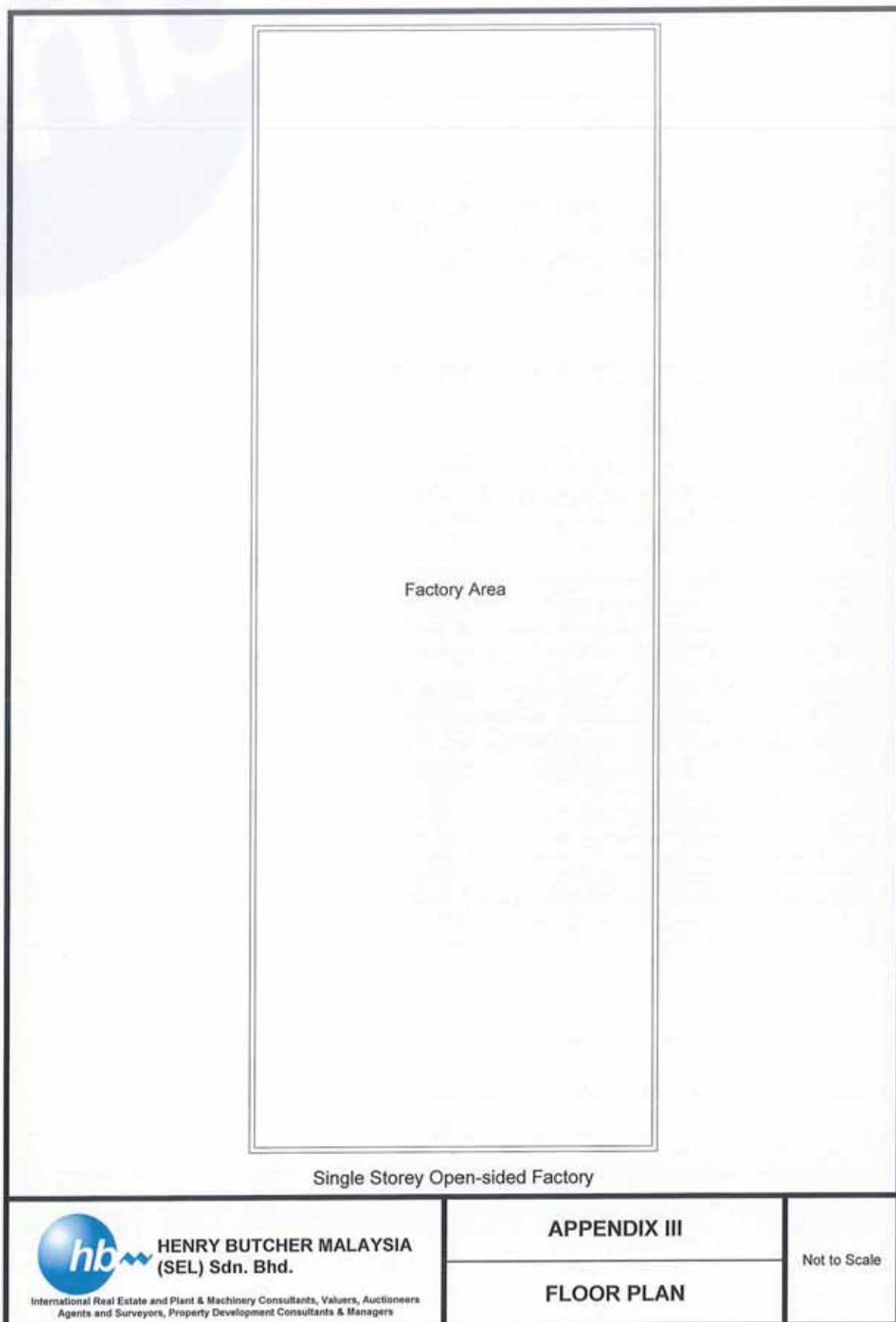
Now REFER TO LEVEL 2 FLOOR PLAN FOR SCHEDULES OF DOORS, WINDOWS & FINISHES.

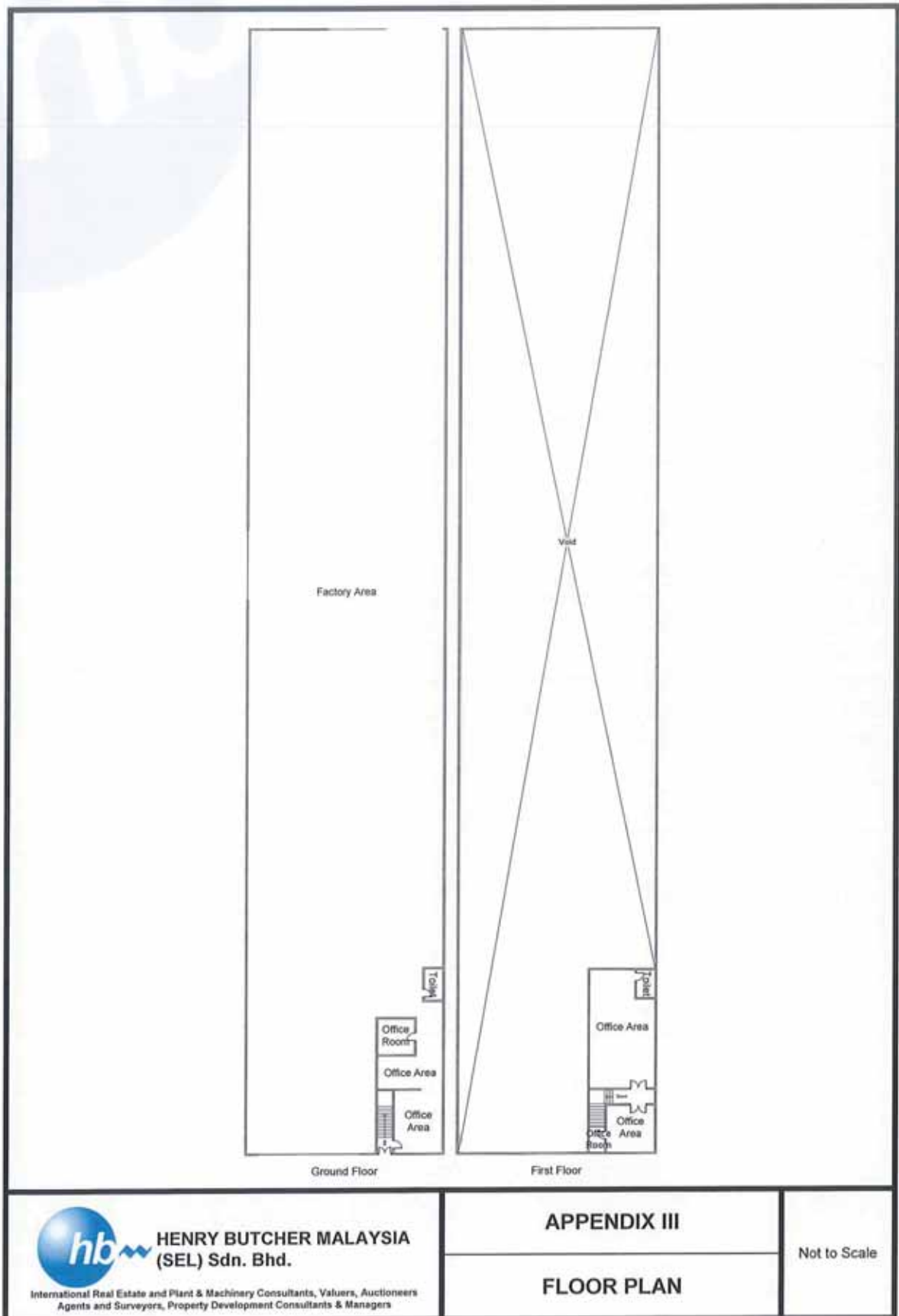
NO.	SCHEDULE OF DOORS		SCHEDULE OF WINDOWS		FINISHES
	NO.	DESCRIPTION	NO.	DESCRIPTION	
1	1	1	1	1	1
2	2	2	2	2	2
3	3	3	3	3	3
4	4	4	4	4	4
5	5	5	5	5	5
6	6	6	6	6	6
7	7	7	7	7	7
8	8	8	8	8	8
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73	73	73	73	73	73

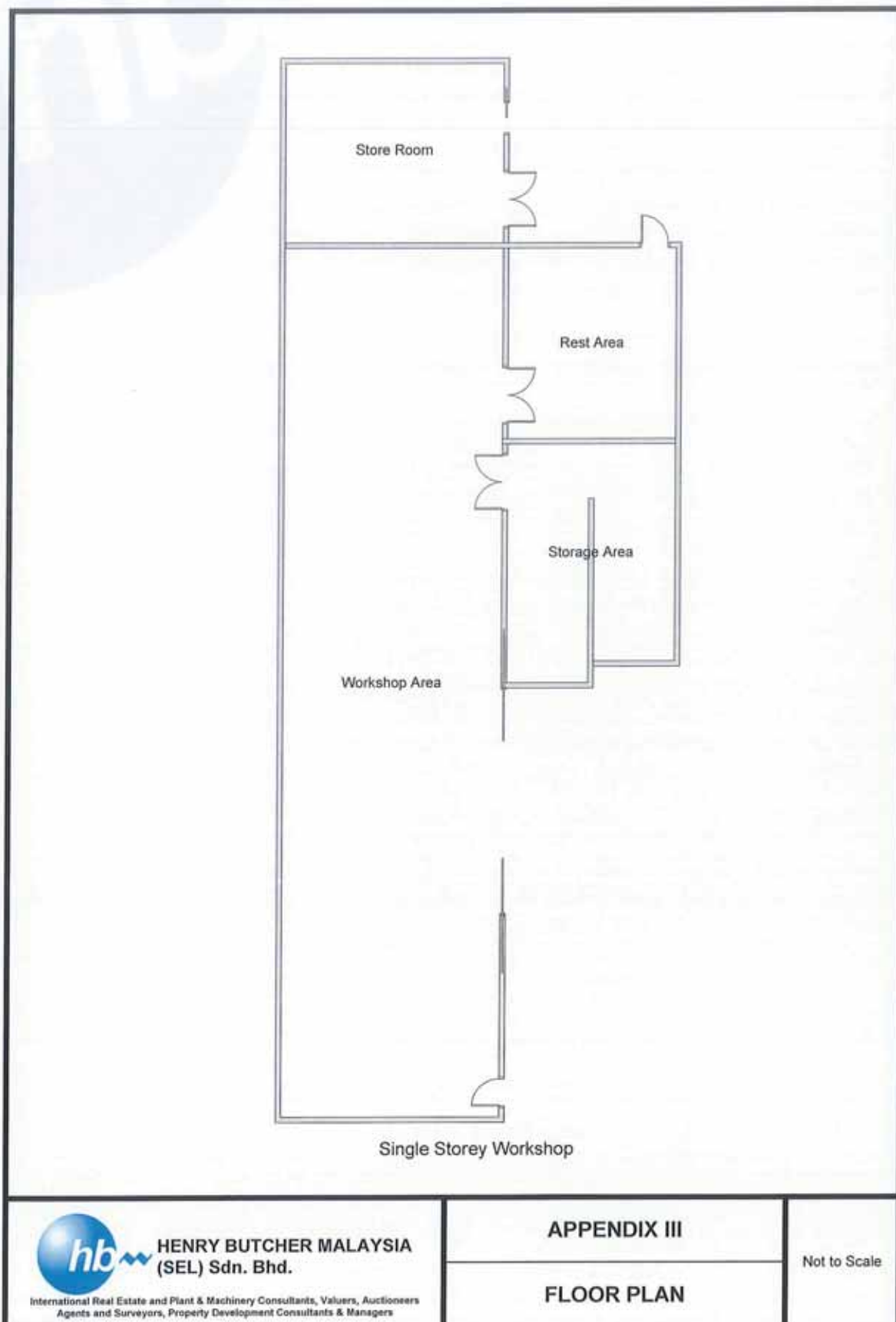
[illegible]

LEVEL 2 (FRIST) FLOOR PLAN











GENERAL VIEW OF THE SUBJECT PROPERTY


**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**
International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE DOUBLE STOREY OFFICE BUILDING



VIEW OF THE TRAINING ROOM



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE CANTEEN



VIEW OF THE OFFICE AREA



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE ONE-AND-A-HALF STOREY OFFICE BUILDING



VIEW OF THE OFFICE AREA



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE SINGLE STOREY OPEN SIDED FACTORY



VIEW OF THE FACTORY AREA



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



**VIEW OF THE SINGLE STOREY FACTORY WITH A DOUBLE STOREY
OFFICE BUILDING**



VIEW OF THE FACTORY AREA



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE OFFICE AREA



VIEW OF THE OFFICE AREA



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE SINGLE STOREY WORKSHOP



VIEW OF THE WORKSHOP AREA



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE SAND STORAGE BUILDING 1



VIEW OF THE SAND STORAGE BUILDING 2



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

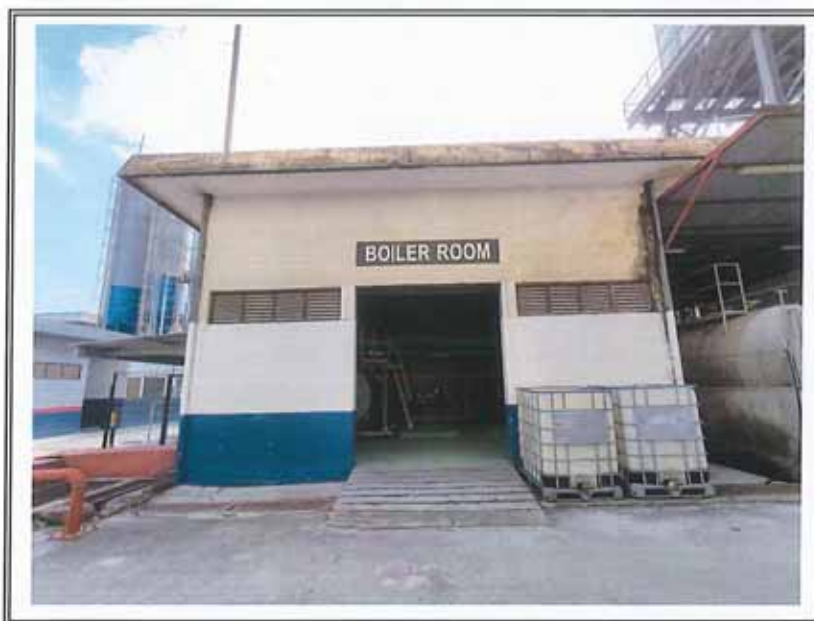
International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE TNB SUB-STATION



VIEW OF THE BOILER ROOM



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

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Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE POWERHOUSE



VIEW OF THE GUARHOUSE



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH

MAJLIS DAERAH HULU LANGAT
KAJANG, SELANGOR

NO FAIL MDHL 2/10/12/90



Nº 1908

PERAKUAN KELAYAKAN MENDUDUKI BANGUNAN
Undang-Undang Kecil Bangunan Seragam 1984
Undang-Undang Kecil 25.

Appendix 5

Kepada:

Eastern Partek (M) Sdn Bhd
8th Floor, Wisma Lee Rubber,
Jalan Melaka,
50100 Kuala Lumpur

Dengan ini adalah diaku bahawa bangunan Kilang Hollow Core Plant
diatas lot (sublot) 2, 4 dan 6

Mukim/Seksyen: Beranang Jalan Beranang
telah dibina mengikut Nombor Pelan MDHL 2/10/12/90 yang telah diluluskan oleh Majlis
Daerah Hulu Langat pada 18hb Mac 1991 didapati layak diduduki sebagaimana diperakui
dalam Borang E oleh Arkitek/Jurutera/Pemaja.
Bertarikh 29hb April 1992

Yang DiPertua,
Majlis Daerah Hulu Langat,
Kajang

NOTIS MENGENAI CUKAI TAKSIRAN

Nilai Tahunan Bangunan \$ 336,000
Cukai Taksiran 9 daripada \$ 336,000 \$ 30,240.00
Tarikh Mula Pembayaran 1hb Julai 1992

INGATAN

Bangunan ini tidak boleh diubahsuai/sambung tanpa kelulusan daripada Majlis Daerah Hulu Langat.

Yang DiPertua,
Majlis Daerah Hulu Langat,
Kajang

UNDANG-UNDANG KECIL BANGUNAN SERAGAM SELANGOR 1986

BORANG F

PERAKUAN SIAP DAN PEMATUHAN
[Undang-undang Kecil 25]

No. Siri: LJM/S/ 2416
Tarikh: 12 Nov 2015

Kepada : Eastern Pretech (M) Sdn Bhd.,
28, Jalan 7/108C,
Taman Sungai Besi,
Off Jalan Sungai Besi, Salak South,
57100 Kuala Lumpur

Saya dengan ini mengeluarkan Perakuan Siap dan Pematuhan untuk bangunan/bangunan-bangunan atas

Lot/Lot-Lot Cadangan Meroboh Kantin Dan Membina Bangunan Pejabat Dua Tingkat Bagi Tambahan
Seksyen Ke Atas P.T. 47, Jalan Perusahaan 5, Kawasan Perindustrian Beranang, Mukim Beranang,
Daerah Hulu Langat, Selangor Darul Ehsan.
Jalan Untuk : Tetuan Eastern Pretech (Malaysia) Sdn. Bhd.
-Peringkat I, II & III (Borang G1 Hingga G21)

setelah berpuashati bahawa bangunan/bangunan-bangunan itu telah siap menurut pelan yang diluluskan No.
bertarikh
24 June 2013

Saya telah mengawasi pembinaan dan penyiapan bangunan/bangunan-bangunan itu dan sepanjang pengetahuan dan kepercayaan saya kerja/kerja-kerja itu adalah mengikut Akta, Undang-undang Kecil Bangunan Seragam Selangor 1986 dan pelan-pelan yang diluluskan. Saya dengan ini memperakui bahawa bangunan/bangunan-bangunan itu adalah selamat dan layak untuk diduduki.

Ruj. Tuan : OSC/PS3/4/11-2012

Ruj. Pihak (dtdm) : MPKJ.2/TPK/5/2012

Tarikh : 24 JUN 2013

1. Butir-butir orang utama yang mengemukakan
Ir Siau Fart Jum

Nama : INDAH TECHNIQUE CONSULT
NO 18-1A, JALAN SL 11/9,
Alamat : BANDAR SG LONG,
43000, KAJANG, SELANGOR.
H/P: 016-7738822 TEL/FAX: 03-90111487
EMAIL: itcisaec@gmail.com
No. Pendaftaran LJM: M 6358 -AWAM



2. Salinan kepada : Majlis Perbandaran Kajang
(a) Pihak Berkuasa Tempatan : (Nama Pihak Berkuasa Tempatan)
(b) Lembaga Jurutera Malaysia (LJM)

* Pematuhan jika ia adalah untuk pembangunan selain rumah berasingan yang dibina secara tunggal atau, pemunya jika ia adalah untuk rumah berasingan yang dibina secara tunggal

SALINAN ASAL

CATATAN CARIAN PERSENDIRIAN HAKMILIK

ADALAH DIPERAKUI BAHAWA SUATU CARIAN PERSENDIRIAN TELAH DIBUAT
MENGIKUT SEKSYEN 384, KANUN TANAH NEGARA BERKENAAN TANAH BERIKUT :

JENIS DAN NO. HAKMILIK : HSD 59003	NOMBOR PT	: PT 47
BANDAR/PEKAN/MUKIM : BANDAR BATU 26, BERANANG	TEMPAT	: TIADA
KELUASAN : 55531 METER PERSEGI	DAERAH	: ULU LANGAT
NOMBOR SYIT PIAWAI : 111-D	NOMBOR PELAN UKUR	:
TARAF PEGANGAN : PAJAKAN 99 TAHUN (SELAMA-LAMANYA ATAU	TARIKH LUPUT PAJAKAN	: 09 OKTOBER 2099 (JIKA BERKENAAN)
KAWASAN RIZAB : TIADA (JIKA BERKENAAN)		
TARIKH DAFTAR : 10 OKTOBER 2000	CUKAI TANAH	: RM 30,320.00

BAHAWA PADA TARIKH DAN WAKTU PERAKUAN INI DIKELUARKAN,
BUTIR-BUTIR TANAH TERSEBUT ADALAH SEPerti BERIKUT :

KATEGORI KEGUNAAN : INDUSTRI
SYARAT NYATA : PERINDUSTRIAN
SEKATAN KEPENTINGAN : TANAH YANG DIBERI MILIK INI TIDAK BOLEH DIPINDAH MILIK, DIPAJAK
ATAU DIGADAI MELAINKAN DENGAN KEBENARAN PIHAK BERKUASA
NEGERI.

PEMILIKAN DAN ALAMAT :

EASTERN PRETECH (MALAYSIA) SDN. BHD., No. Syarikat: 198901007471 (184774-P), Tertubuh di bawah
Akta Syarikat 1965, 1/1 BAHAGIAN, SEBAGAI PEMILIK,
10TH FLOOR, OFFICE BLOCK MINES 2, PUSAT PERDAGANGAN THE MINES, JALAN MINES 2, THE MINES
RESORT CITY, SERI KEMBANGAN, 43300 SELANGOR
DIDAFTARKAN PADA 26 FEBRUARI 2008 JAM 10:16:10
NO SERAHAN 001SC12776/2008 PINDAHMILIK TANAH
OLEH PERBADANAN KEMAJUAN NEGERI SELANGOR, TIDAK BERKENAAN : 0, 1/1 BAHAGIAN

TANGGUNGAN DAN ENDOSAN – ENDOSAN LAIN :

NO. PERSERAHAN 001SC111804/2022 GADAIAN MENJAMIN WANG POKOK

NO. PERSERAHAN : 00CS212604/2024
HAKMILIK : 100650HSD00059003
MUKA SURAT : 1 [3]
TARIKH : 09/10/2024

OLEH EASTERN PRETECH (MALAYSIA) SDN. BHD., NO. SYARIKAT : 198901007471 (184774-P), 1/1
BAHAGIAN
KEPADA MALAYAN BANKING BERHAD, NO. SYARIKAT : 196001000142,
TINGKAT 37, MENARA MAYBANK, 100, JALAN TUN PERAK, KUALA LUMPUR, 50050 WILAYAH
PERSEKUTUAN KUALA LUMPUR
DIDAFTARKAN PADA 20 OKTOBER 2022 JAM 09:35:53
NO. SURATKUASA WAKIL : 001SW1044/2017
NO. SURAT KEBENARAN : 001SB46370/2022

NO. PERSERAHAN 001SC12777/2008 GADAIAN MENJAMIN WANG POKOK

OLEH EASTERN PRETECH (MALAYSIA) SDN. BHD., NO. SYARIKAT : 198901007471 (184774-P), 1/1
BAHAGIAN
KEPADA MALAYAN BANKING BERHAD, NO. BANK : 3813-K,
145-5 & 6, TINGKAT BAWAH, JALAN SUNGAI BESI, 57100 WILAYAH PERSEKUTUAN KUALA
LUMPUR
DIDAFTARKAN PADA 26 FEBRUARI 2008 JAM 10:16:10
NO. SURATKUASA WAKIL : 001SW1293/2006
NO. SURAT KEBENARAN : 001SB3217/2008

NO. PERSERAHAN 001B6827/2019 TUKAR ALAMAT

DARIPADA 34TH FLOOR, EAST WING, MENARA MAYBANK, 100 JALAN TUN PERAK, 50050 , WILAYAH
PERSEKUTUAN KUALA LUMPUR.
KEPADA 10TH FLOOR, OFFICE BLOCK MINES 2, PUSAT PERDAGANGAN THE MINES, JALAN MINES 2,
THE MINES RESORT CITY, SERI KEMBANGAN, 43300 SELANGOR.
DIDAFTARKAN PADA 18 FEBRUARI 2019 JAM 12:18:46

URUSAN-URUSAN DALAM PERSERAHAN YANG BELUM DIDAFTARKAN : TIADA

ENDOSAN-ENDOSAN TERDAHULU YANG TIDAK BERKUATKUASA :

NO. PERSERAHAN 001N19852/2005 PINDAAN CUKAI TANAH
CUKAI TANAH DIPINDA DARI RM 26,000.00 KEPADA RM 28,599.00
MENURUT SEKSYEN 101 KANUN TANAH NEGARA MULAI DARI 01 JANUARI 2006
NO. WARTA SEL.P.U.11 BERTARIKH 23 JUN 2005
DIDAFTARKAN PADA 21 JULAI 2005 JAM 14:09:28
(NO. RUJUKAN FAIL : -)

NO. PERSERAHAN 001NB7309/2022 PEMBETULAN DI BAWAH SEKSYEN 380 KTN
DIDAFTARKAN PADA 24 OGOS 2022 JAM 14:49:11

PERKARA LAIN YANG MELIBATKAN HAKMILIK :

CUKAI TANAH DIPINDA DARI RM 28,599.00 KEPADA RM 30,320.00
MENURUT SEKSYEN 101 KANUN TANAH NEGARA MULAI DARI 01 JANUARI 2017
NO. WARTA SEL.P.U.6 BERTARIKH 17 MAC 2016

NO. PERSERAHAN : 00CS212604/2024
HAKMILIK : 100650HSD00059003
MUKA SURAT : 2 [3]
TARIKH : 09/10/2024

HAKMILIK YANG TERDAHULU :

(JIKA HAKMILIK SAMBUNGAN)

TARIKH MULA DIBERI MILIK :

HAKMILIK ASAL (TETAP ATAU SEMENTARA) :

HAKMILIK SEBELUM DARIPADA INI :

DIKELUARKAN PADA : 09/10/2024 09:39:37 NO. PERSERAHAN : 00CS212604/2024

BAYARAN DIJELASKAN : RM 30.00 NOMBOR RESIT : 241009BSAT00292

TARIKH DAN MASA CETAKAN : 09/10/2024 09:39:43
PEJABAT TANAH DAN GALIAN SELANGOR
TEMPOH JANAAN : 0.675000000000000003 SAAT



NO. PERSERAHAN : 00CS212604/2024
HAKMILIK : 100650HSD00059003
MUKA SURAT : 3 [3]
TARIKH : 09/10/2024

DAERAH ULU LANGAT

BANDAR BATU 26 BERANANG

LOT 1-12, 31-51 & 66-71

BANKI SEBAGIAN L01 2250 (PA 51691)

SKALA 1 : 3000

WGT A)

Lal-lai yang bertelur di gada petakan dan pernyaman untuk Singaran Jalan dan Parit.

Secreted Dengan PA 75354-19965

Fall 1999 Publ. Scl. 1000/1000

Fall 1991, Tenth FTDA, 1/1/308-90

Lumber Prices: 111-0

THE ACTING SECRETARY

*Sampai
Tanjung Priuk, datang di bawah
1950 (Aksa 435, merupakan bawahan
in tahun disatukan, tahun pertama
sah baru dari di bawah (yang
pengaruh sangat-sangat banyak
Tanjung Priuk, dan bawahan
mawani 2)

Barwick	15	November	2005

Authoritative Through Your Efforts Dr. Thomas Davis 458

3.2. Diffusion Coefficient

(John Elms Koh, PhD)
Pengarah Uluu dan Pemelehan
Selangor

PA 75963



**REPORT AND VALUATION
OF
A PARCEL OF INDUSTRIAL LAND ERECTED THEREON
AN INDIVIDUAL DESIGN FACTORY COMPLEX KNOWN AS
NO. 8, JALAN PERUSAHAAN 5
KAWASAN PERUSAHAAN BERANANG
43700 BERANANG
SELANGOR DARUL EHSAN**

(CLIENT(S): M/S EASTERN PRETECH (MALAYSIA) SDN BHD)

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HENRY BUTCHER MALAYSIA

International Asset Consultants

Your Ref :-

Our Ref : HB/SEL/8824/09/0874/TKL-006(Kelly)

October 18, 2024

M/S EASTERN PRETECH (MALAYSIA) SDN BHD

10th Floor, Office Block Mines 2

Pusat Perdagangan The Mines

Jalan Mines 2

The Mines Resort City

43300 Seri Kembangan

Selangor Darul Ehsan

Attn: Mr. Ryan

Dear Sirs,

REPORT AND VALUATION OF A PARCEL OF INDUSTRIAL LAND ERECTED THEREON AN INDIVIDUAL DESIGN FACTORY COMPLEX KNOWN AS NO. 8, JALAN PERUSAHAAN 5, KAWASAN PERUSAHAAN BERANANG, 43700 BERANANG, SELANGOR DARUL EHSAN.

We thank you for your instructions to advise on the current **Market Value** of the above-mentioned property for the purposes of a mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert). The property is shown in the attached plans and is more fully described in the Report.

The subject property was inspected and referenced on October 08, 2024. This Report contains an analysis of the available data. It is our considered opinion that the current **Market Value (MV)** of the unencumbered interest in the subject property in its existing physical condition with the benefit of vacant possession as at August 31, 2024 and based on the terms and reference as stated herein is as follow: -

MV - RM 15,000,000.00 (Ringgit Malaysia: Fifteen Million Only)

We would also draw your attention to the Limiting Conditions at the end of this Report, governing its use and applications.

Please do not hesitate to contact us if you require any further information or assistance.

Yours faithfully,

HENRY BUTCHER MALAYSIA (SEL) Sdn. Bhd.

DATUK Sr TEW KOK HUAT

B.Surv., MRISM, APEPS

Registered Valuer (V-481)

TKH/TKL

HENRY BUTCHER MALAYSIA (SEL) Sdn Bhd 199901020603 (495503-K)

Firm's Registration No.: VEPM (1) 0079/4

No. 36-1, 2 & 3, Jalan SS 15/4D, 47500 Subang Jaya, Selangor, Malaysia.

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Valuation | Real Estate Agency | Investment Advisory | International Marketing | Market Research | Development Consultancy
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RICS



V0481, E1457, PM0481
V0441, E1341, PM0441

1.0 INTRODUCTION

1.1 TERMS OF REFERENCE

We have been instructed by **M/S EASTERN PRETECH (MALAYSIA) SDN BHD** to ascertain the current **Market Value (MV)** of the subject property for the purposes of a mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert).

The subject property comprises a parcel of 4.7715 acres leasehold industrial land erected thereon the following buildings: -

- a. A double (2) storey office building;
- b. A single (1) storey factory annexed;
- c. A canteen;
- d. A TNB sub-station; and
- e. A guardhouse.

The buildings above has been issued with a Certificate of Fitness for Occupation by Majlis Daerah Hulu Langat (now known as Majlis Perbandaran Kajang) vide Certificate No. 0143 on July 18, 1994 based on approved building plan bearing reference no. MDHL 2/P/7/92.

We wish to bring to your attention that the above approved building plan was not made available to us.

For the purpose of this valuation, we have valued the subject property based on the basis that the buildings erected thereon are built accordance to the above approved building plan.

A copy of Certificate of Fitness for Occupation is attached as Appendix V.

1.2 DATE OF VALUATION

The subject property was inspected by Ms. Kelly Tay on October 08, 2024. However, the date of valuation for this valuation exercise is taken as at August 31, 2024.

1.3 DEFINITION

The term "**Market Value**" as used herein is defined as 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 and where the parties had each acted knowledgeably, prudently and without compulsion.

1.4 QUALIFICATIONS AND DISCLAIMERS

The valuer has no pecuniary interest in the said property in the past, present or prospective, and the opinion expressed is free of any bias in this regard.

This Valuation has been made in conformity with the Malaysian Valuations Standards laid down by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

Any encumbrances, restriction or other factor not specifically referred to in this report, which is or should be revealed by the appropriate land and title searches and which would, in the opinion of the client's solicitor, affect the value or marketability of the property, should be referred to the valuer for comment before any advancement is made.

This Valuation represents our opinion of value as at the date of the valuation. It must be recognised that the real estate market fluctuates with internal and external influences and the valuation should be reviewed at regular intervals.

The instructions and valuation assignment does not automatically bind us to attendance in Court or to appear in any enquiry before any government or statutory bodies in connection with the valuation unless agreed when the instruction is given.

2.0 PROPERTY SEARCH DETAILS

2.1 TITLE PARTICULARS

The following details were obtained from a title search conducted at the Selangor Registry of Land Titles, Shah Alam on October 09, 2024. This information as extracted is assumed to be correct for the purpose of this valuation exercise and brief details are as follows: -

Title No.	: HSD 59005
Lot No.	: PT 49
Bandar/Pekan/Mukim	: Bandar Batu 26, Beranang
District	: Ulu Langat
State	: Selangor
Tenure	: Leasehold 99 years expiring on October 09, 2099 The remaining unexpired term is about 75 years.
Provisional Land Area	: 19,283 square metres *See Note
Annual Quit Rent	: RM 11,011.00
Registered Owner	: Eastern Pretech (Malaysia) Sdn. Bhd.
Category of Land Use	: "Industri"
Express Condition	: "Perindustrian"
Restriction in Interest	: "Tanah yang diberi milik ini tidak boleh dipindah milik, dipajak atau digadai melainkan dengan kebenaran Pihak Berkuasa Negeri."
Endorsement	: Nil
Encumbrances	: Charged to AmBank (M) Berhad vide Presentation No. 001SC4386/2023 on January 19, 2023.

Note:

We noted that the provisional land area of the subject property as per the title document is about 19,283 square metres (207,567 square feet or 4.7651 acres). However, our enquiries at the Survey Department, Shah Alam revealed that the surveyed land area as per in the Certified Plan No. PA 75963 is 19,309 square metres (207,847 square feet or 4.7715 acres) and the subject property is now known as Lot 6.

For the purpose of this valuation, we have adopted the surveyed land area of 19,309 square metres (207,847 square feet or 4.7715 acres) as per the Certified Plan in our valuation.

Copies of the title document and Certified Plan No. PA 75963 are enclosed as Appendix VI and VII respectively.

Report and Valuation of
No. 8, Jalan Perusahaan 5
Kawasan Perusahaan Beranang
43700 Beranang
Selangor Darul Ehsan

2.2 ASSESSMENT

The subject property is assessed by the Local Authority, Majlis Perbandaran Kajang (MPKj).

2.3 TOWN PLANNING

The subject property is situated within an area designated for industrial purposes.



PART II

GENERAL, SOCIAL, ECONOMIC
AND
OTHER DATA INFLUENCING VALUE

3.0 SITE DETAILS

3.1 DESCRIPTION

The subject property comprises a parcel of 4.7715 acres leasehold industrial land erected thereon the following buildings: -

- a. A double (2) storey office building;
- b. A single (1) storey factory annexed;
- c. A canteen;
- d. A TNB sub-station; and
- e. A guardhouse.

It bears a postal address of No. 8, Jalan Perusahaan 5, Kawasan Perusahaan Beranang, 43700 Beranang, Selangor Darul Ehsan.

3.2 LOCATION

The subject property is located at Jalan Perusahaan 5, Kawasan Perusahaan Beranang which is approximately 45 kilometres due southeast of Kuala Lumpur City Centre.

It is accessible from Kuala Lumpur City Centre via the Cheras-Kajang Expressway [E9] followed by Jalan Cheras and thereafter a left turn onto Jalan Semenyih heading towards Beranang Town, Jalan Perusahaan 1 and finally onto Jalan Perusahaan 5 leading to the subject property.

3.3 SURROUNDING LOCALITY

Developments within the immediate vicinity comprise mainly factory complexes, vacant industrial plots, double and three storey semi-detached factories, double storey terraced houses, double and three storey shop offices as well as apartments.

The subject property is surrounded by a number of factories namely Tonn Cable Sdn Bhd, Tube Home (M) Sdn Bhd, SMK Electronics (Malaysia) Sdn Bhd, LB Aluminium Bhd, Inix L&S Gloves Sdn Bhd, Mariwealth Engineering & Consultancy Sdn Bhd, Huahong Plastic Industries Sdn Bhd, Efram Metals (M) Sdn Bhd, Dura-Mine Sdn Bhd and FBK Manufacturing Malaysia Sdn Bhd.

Setia EcoHill and Eco Majestic are ongoing developments and are located to the north-west of the subject property. Setia EcoHill and Setia EcoHill 2 are developed by SP Setia Berhad Group. Setia EcoHill consists of 753 acres mixed township developments while Setia EcoHill 2 comprises 1,010 acres mixed township developments consisting of double storey terraced houses, super-link houses, semi-detached houses, detached houses, bungalow lands, apartments and shop offices. Eco Majestic is developed by Eco World Development Sdn Bhd and consists of 1,089 acres mixed township developments comprising double storey terraced houses, clustered houses and semi-detached houses.

Other housing developments within the immediate vicinity include Bandar Sri Kesuma, Semenyih Parklands, Taman Pelangi Semenyih, Bandar Rinching and Taman PKNS Beranang.

Kolej Profesional MARA Beranang, Sekolah Kebangsaan Bandar Rinching, Sekolah Menengah Kebangsaan Bandar Rinching, Sekolah Kebangsaan Kampung Rinching, Tenby International School Setia EcoHill, Sekolah Rendah Agama Sesapan Batu Minangkabau, Sekolah Menengah Kebangsaan Bandar Tasik Kesuma and Sekolah Kebangsaan Bandar Tasik Kesuma are among the higher learning institutions serving the neighbourhood.

Immediate located further to the north is Semenyih Town Centre, which is approximately 5 kilometres away from the subject property.

Facilities available within the locality include medical, banking, shopping, educational, marketing and entertainment.

For easy reference, the subject property is shown edged red in Appendix I indicating the approximate location of the subject property.

3.4 SITE

The provisional land area of the subject land as per the title document is approximately 19,283 square metres (207,567 square feet or 4.7651 acres). However, our enquiries at Survey Department, Shah Alam revealed that the surveyed land area as per the Certified Plan no. PA 75963 is 19,309 square metres (207,847 square feet or 4.7715 acres) and also known as Lot 6. For the purpose of this valuation, we have adopted the surveyed land area of 19,309 square metres (207,847 square feet or 4.7715 acres) in our valuation.

The subject land is near rectangular in shape. It has a direct frontage of approximately 102.11 metres (335 feet) fronts onto Jalan Perusahaan 5 and a maximum depth of about 211.84 metres (695 feet). The physical terrain of the land is generally flat and lies slightly above the level of the frontage road.

Main entrance to the subject property is secured with a metal sliding gate. The front compound is demarcated with chain link fencing.

Areas where not built upon are generally tarmacadamised/cement rendered/turfed. Proper drainage system are provided within the subject site.

We have not conducted any boundary checks. However, we assume that the dimensions correspond with those shown on the Certified Plan No. PA 75963.

Appendix II shows the site plan of the subject property.

3.5 SERVICES

Mains water, electricity supplies and telephone lines are available and are connected to the subject property.

Details of the services provided to the subject building are as follows: -

Air-conditioning : The office rooms are fitted with split unit air conditioners.

Fire fighting facilities : Fire alarm, water sprinklers and fire extinguishers are available within the buildings.

Street lighting, road maintenance and rubbish collection are provided by Majlis Perbandaran Kajang (MPKj).

Public transportation in the form of e-hailing, buses and taxis is available within the vicinity.

4.0 BUILDING DETAILS

4.1 BUILDING

Erected on the land is a factory complex comprising the following buildings: -

- a. A double (2) storey office building;
- b. A single (1) storey factory annexed;
- c. A canteen;
- d. A TNB sub-station; and
- e. A guardhouse.

Brief descriptions of subject buildings are as follows: -

a. Double (2) storey office building

This double (2) storey office building is constructed of reinforced concrete framework with plastered infill brickwalls. The roofs are of pitched metal deck roofing on steel trusses.

The doorways are of timber flush, timber panel, PVC doors and fire rated timber doors. The windows are generally of aluminium framed glass sliding, top hung as well as fixed glass louvres. The internal walls at the toilets are glazed with 2.1 metres (7 feet) high ceramic wall tiles. The ceilings are plastered cement and T-section suspended board.

Vertical access to the upper floors is provided with two (2) units of reinforced concrete staircase with stainless steel handrail and finished with ceramic tiles.

Planned accommodation and floor finishes of the office building are as follows: -

Accommodation

Floor Finishes

Ground Floor

Utility Areas

Cement Rendered

Utility Rooms

Cement Rendered / Ceramic Tiles

Toilets

Ceramic Tiles

First Floor

Utility Areas

Cement Rendered

Utility Room

Cement Rendered

Toilets

Ceramic Tiles

The approximate gross floor area of this building is estimated at 743.20 square metres (8,000 square feet). The building condition is in a poor state of repair.

4.1 BUILDING (Cont'd)

b. Single (1) storey factory

This single (1) storey factory is constructed of reinforced concrete framework supporting a pitched roof on steel trusses. The floor is generally of reinforced concrete finished with cement rendered throughout.

We noted during our inspection, the roof, trusses and walls had been demolished to use as an open-sided storage yard.

The approximate gross floor area of this factory is estimated at 4,645.00 square metres (50,000 square feet). The building condition is in a fair state of repair.

c. Canteen

This canteen is constructed of reinforced concrete framework with partly plastered infill brickwalls, partly metal deck sheets and partly open-sided. The roofs are of pitched cement tiles roofing on timber trusses.

The doorways are of timber panel and metal doors. The windows are generally of aluminium framed glass side. The ceilings are plastered cement and flat cement sheets.

The accommodation and floor finishes of this building is as follows: -

<u>Accommodation</u>	<u>Floor Finishes</u>
Store Rooms	Cement Rendered
Dining Area	Cement Rendered
Surau	Ceramic Tiles
Office Rooms	Ceramic Tiles

The approximate gross floor area of this canteen is estimated as follow: -

	Gross Floor Area		Building Condition
	Square metres	Square feet	
Main floor area	68.56	738	Fair
Ancillary floor area	96.62	1,040	
Total gross floor area	165.18	1,778	

4.1 BUILDING (Cont'd)

d. TNB sub-station

This TNB sub-station is constructed of reinforced concrete framework supporting a reinforced concrete flat roof with water proof membrane. The walls are of plastered brickwalls. The ceiling is of plastered cement whilst the floor is of reinforced concrete finished with cement screed. The entrances are secured with metal doors/metal sliding doors.

We noted during our inspection that part of this building was utilized as scheduled waste store.

The approximate gross floor area of this building is estimated at 152.17 square metres (1,638 square feet). The building condition is in a fair state of repair.

e. Guardhouse

This guardhouse is located at the main entrance to the subject site. It is constructed of reinforced concrete framework with plastered infill brickwalls supporting a pitched roof covered with cement tiles roof on timber trusses and rafters. The walls are of plastered brickwalls incorporated with adjustable glass louvres. The ceiling is of flat cement sheets whilst the floor is of reinforced concrete finished with cement rendered. The entrances are secured with timber panel doors.

The approximate gross floor area of this building is estimated at 10.40 square metres (112 square feet). The building condition is in a fair state of repair.

4.2 STRUCTURAL SURVEY

We have not sighted a building surveyor/engineer's report or inspected unexposed or inaccessible portions of the premises. We therefore cannot comment on the structural integrity, defect, rot or infestation or the improvements. However, at the date of our inspection, we noted that the subject property was in a fair state of decorative repair and maintenance.

Appendix III shows the floor plan of the subject property whilst some photographs are attached as Appendix IV.

5.0 OCCUPANCY STATUS

5.1 TENANCY

At the date of our inspection, we noted that the subject property was owner occupied.



PART III

BASIS OF VALUATION

6.0 VALUATION METHODOLOGY

6.1 BASIS OF VALUATION

We have adopted the “**Cost Approach**” in formulating our opinion of the current **Market Value** of the subject property.

“**Cost Approach**” is a method valuation, which is based on an estimate of the current Market Value of land for its existing use, plus the current gross replacement cost of improvements less allowances for physical deterioration and all relevant forms of obsolescence and optimisation.

6.2 COMPARABLES

In arriving at our opinion of value, we have taken into consideration amongst others, the following transactions: -

Comparable 1

Property	:	No. 21, Jalan Perusahaan 1, Kawasan Perusahaan Beranang
Land Area	:	3.1701 acres (138,090 square feet)
Type	:	Factory Complex
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 75 years.
Date of Transaction	:	February 19, 2024
Consideration	:	RM 11,750,000.00
Source	:	Department of Property Valuation and Services (JPPH)

Comparable 2

Property	:	No. 17, Jalan Perusahaan 1, Kawasan Perusahaan Beranang
Land Area	:	3.3520 acres (146,012 square feet)
Type	:	Factory Complex
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of Transaction	:	January 12, 2023
Consideration	:	RM 17,000,000.00
Source	:	Department of Property Valuation and Services (JPPH)

Comparable 3

Property	:	Title No. HSD 58984, Lot No. PT 28, Bandar Batu 26 Beranang, District of Ulu Langat, State of Selangor
Locality	:	No. 12, Jalan Perusahaan 2, Kawasan Perusahaan Beranang
Land Area	:	2.2457 acres (97,822 square feet)
Type	:	Vacant industrial land
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of Transaction	:	November 14, 2023
Consideration	:	RM 7,200,000.00 (RM 73.60 per square foot)
Source	:	Department of Property Valuation and Services (JPPH)

6.2 COMPARABLES (Cont'd)

Comparable 4

Property	:	Title No. HSD 58974, Lot No. PT 18, Bandar Batu 26 Beranang, District of Ulu Langat, State of Selangor
Locality	:	No. 25, Jalan Perusahaan 1, Kawasan Perusahaan Beranang
Land Area	:	3.2897 acres (143,300 square feet)
Type	:	Vacant industrial land
Tenure	:	Leasehold 99 years expiring on October 09, 2099. The remaining unexpired term is about 76 years.
Date of Transaction	:	October 27, 2023
Consideration	:	RM 9,888,556.00 (RM 69.01 per square foot)
Source	:	Department of Property Valuation and Services (JPPH)

Notes:

- i. The land area and gross floor area of the subject property are 207,847 square feet and 61,528 square feet respectively.
- ii. The similar leasehold land value within the subject vicinity can be fetched in between RM 50.00 to RM 70.00 per square foot. While the construction cost of similar building within the subject locality is ranging from RM 130.00 to RM 170.00 per square foot.

..... end

LIMITING CONDITIONS

MALAYSIAN VALUATION STANDARDS

This Valuation Report is carried out in accordance with the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers.

MEASUREMENTS

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Royal Institution of Surveyors Malaysia or such other building measurement standards as acceptable and agreed to by the client.

For properties situated outside Malaysia, the appropriate/applicable methods of measurement such as the International Property Measurement Standards (IPMS) are used in parallel with the Uniform Method of Measurement of Buildings (UMMB).

CONFIDENTIALLY

This Valuation Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the report to any other person.

Neither the whole, nor any part of the Valuation Report or Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear.

We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorised publication of the Valuation Report, whether in part or in whole.

USE OF VALUATION REPORT

The opinion of value expressed in this Valuation Report shall only be used by the addressee for the purpose stated or intended in this Valuation Report. We are not responsible for any consequences arising from the Valuation Report or any part thereof being relied upon by any other party whatsoever or for any information therein being quoted out of context.

TITLE SEARCH

Wherever possible, a private title search is conducted at the relevant Land Registry/Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/Office. Legal advice may be sought to verify the title details, if required.

TOWN PLANNING AND OTHER STATUTORY ENQUIRIES

Such enquiries are conducted at the respective offices or by extracting the required information from published reports and are deemed sufficiently reliable in the profession.

continued overleaf.....

SITE SURVEYS

We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

STRUCTURAL SURVEY

While due care has been taken to note building defects in the course of inspection, no structural survey nor any testing of services were made nor have we inspected any woodwork or other parts of the structure which were covered or inaccessible. We are therefore unable to express an opinion or advice on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance of the absence in respect of any rot, termite or pest infestation or other hidden defects.

DELETERIOUS OR HAZARDOUS MATERIALS

No investigations have been carried out to determine whether or not any deleterious or hazardous materials had been used in the construction of the property (building) or had since been incorporated and we are, therefore, unable to account or report on any such material in our Valuation Report.

SOIL INVESTIGATION

No soil investigation has been carried out to determine the suitability of soil conditions and/or availability of services for the existing or any future development or planting.

No soil investigation has been carried out to determine the soil suitability for the continued use of the property in its current condition or for any redevelopment.

CONTAMINATION

We have not carried out investigations into the past and present use of either the property or of any neighbouring land to establish whether there has been any contamination or if there is any potential for contamination to the property and are therefore, unable to account and report for such contamination in our Valuation Report.

DISEASE OR INFESTATION

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any tests to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Valuation Report.

LEASES AND TENANCIES

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

continued overleaf.....

DEVELOPMENT AGREEMENTS

Unless otherwise stated, no considerations are made in our valuation for any joint venture agreement, development rights agreement or other similar contracts.

OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, no allowances are made for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

TAXATION, ENCUMBRANCES, STATUTORY NOTICES AND OUTGOINGS

Unless otherwise stated, no allowances are made in our valuation for any expense of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoing.

ATTENDANCE

The instruction and the valuation assignment do not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory body in connection with the valuation unless agreed when the instructions were given or subsequently agreed upon.

SOURCE OF INFORMATION

This Valuation Report has been prepared on the basis that full disclosure of all information and facts which may affect the valuation have been made known to us and we cannot accept any liability or responsibility for information or facts that have been suppressed or not disclosed to us.

Where it is stated in the Valuation Report that information has been supplied by the sources listed, this information is deemed to be reliable and no responsibility is accepted should it be proven otherwise, be it expressed or implied. All other information stated without being attributed directly to another party is deemed to be from our searches of records, examination of documents or relevant sources.

VALIDITY PERIOD OF VALUATION REPORT

A Valuation Report is current as at the valuation date only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

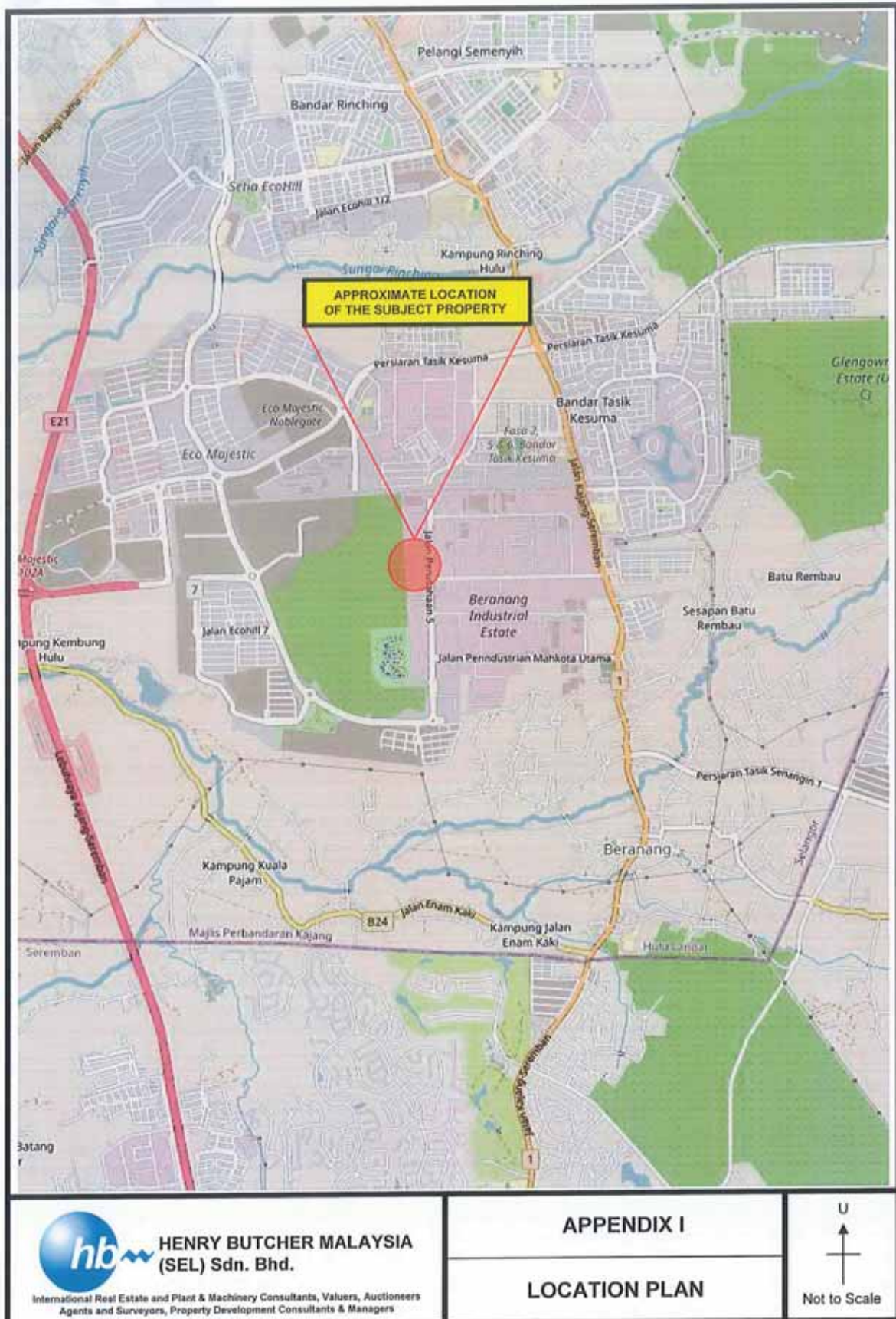
No warranty can be given as to the maintenance of this value into the future. A periodical valuation review is recommended.

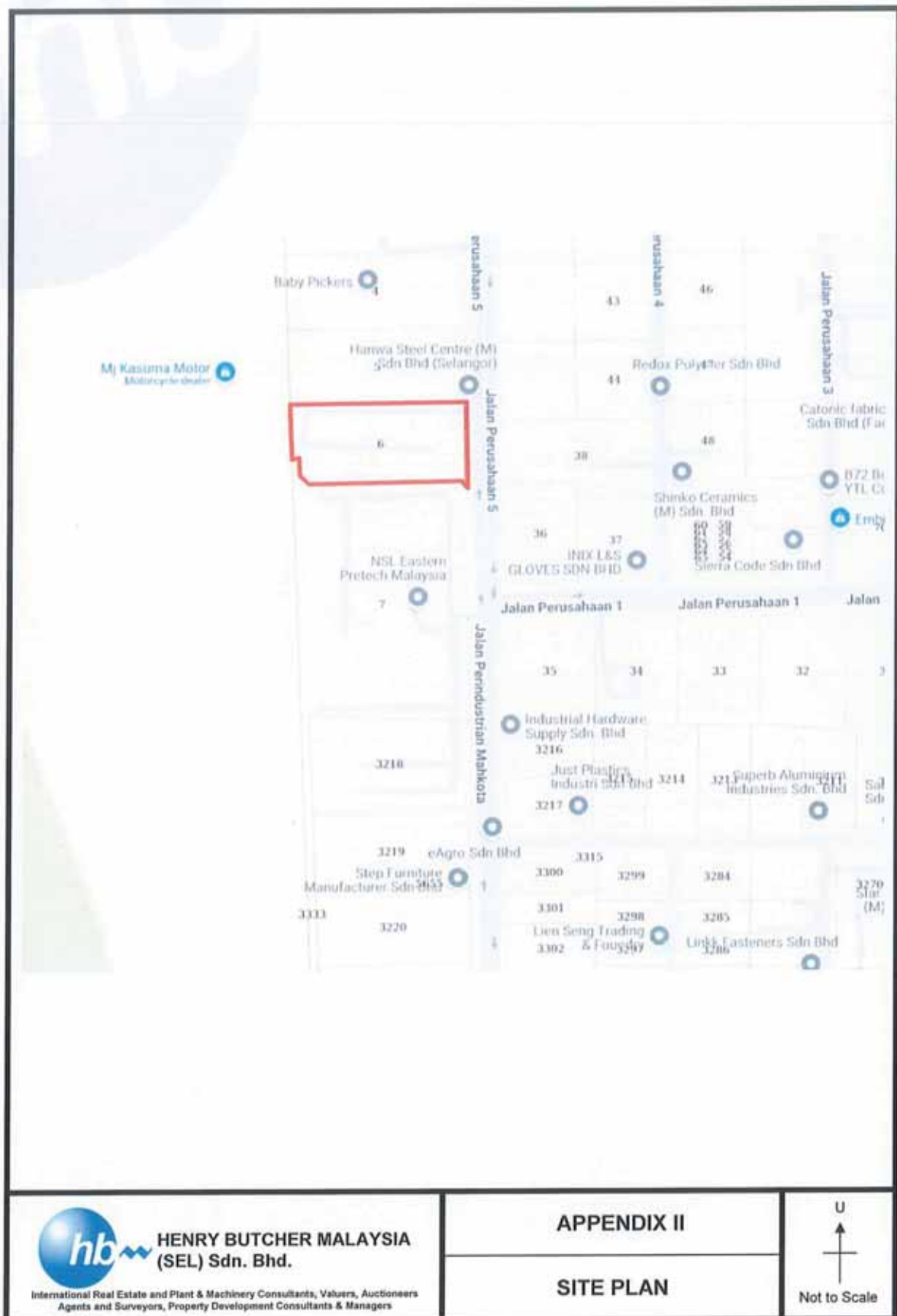
LIMITATION OF LIABILITY

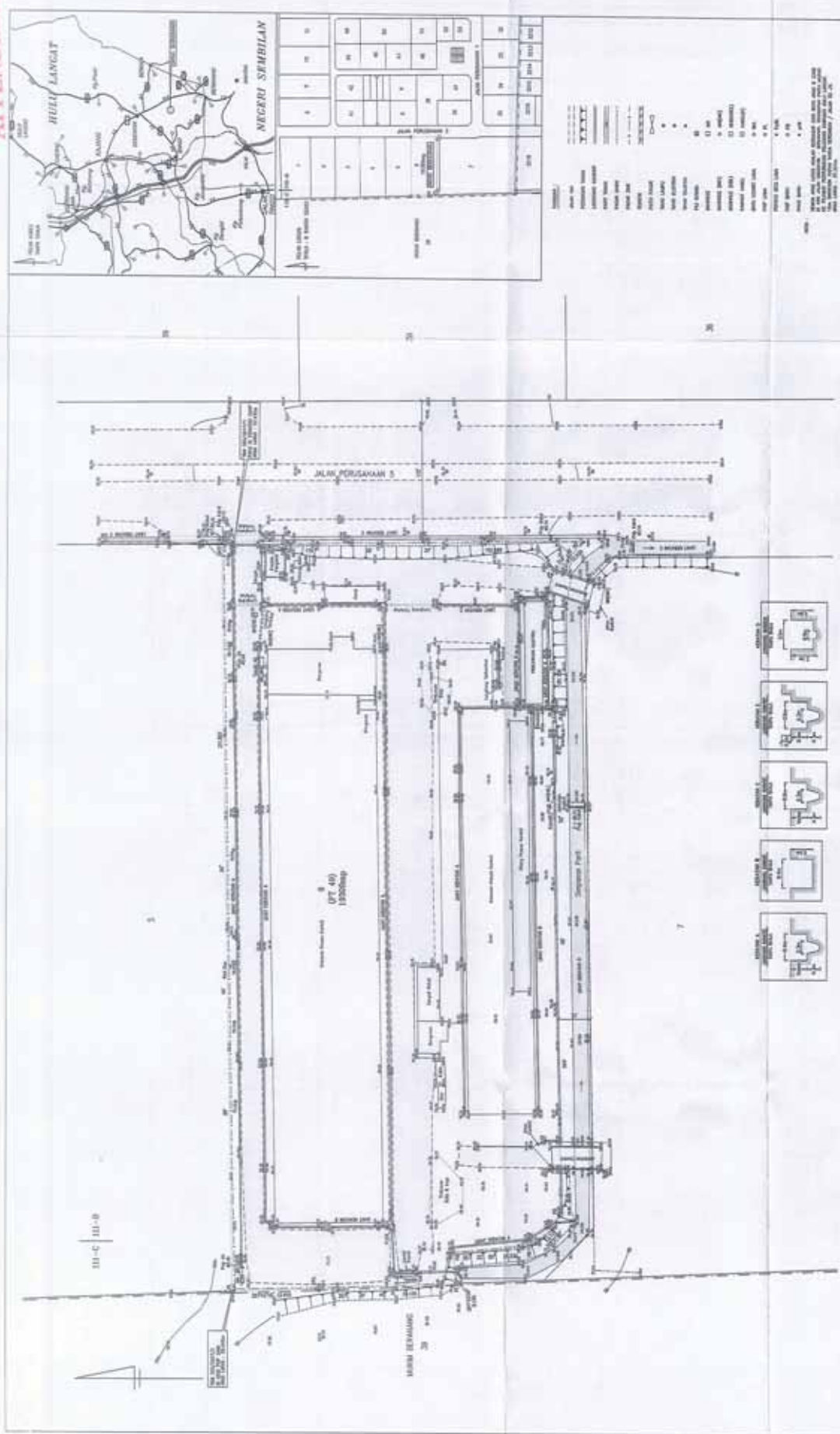
Although every care has been taken in preparing the Valuation Report, if it is proven that there is an apparent negligence on the part of the Valuer, the liability of this valuation (whether arising from this valuation, negligence or any other cause whatsoever) is limited in respect of any event or series of events to the actual loss or damage sustained subject to a liability cap to be mutually agreed between the client and the Valuer and clearly set out in the terms of engagement.



PART IV
APPENDICES



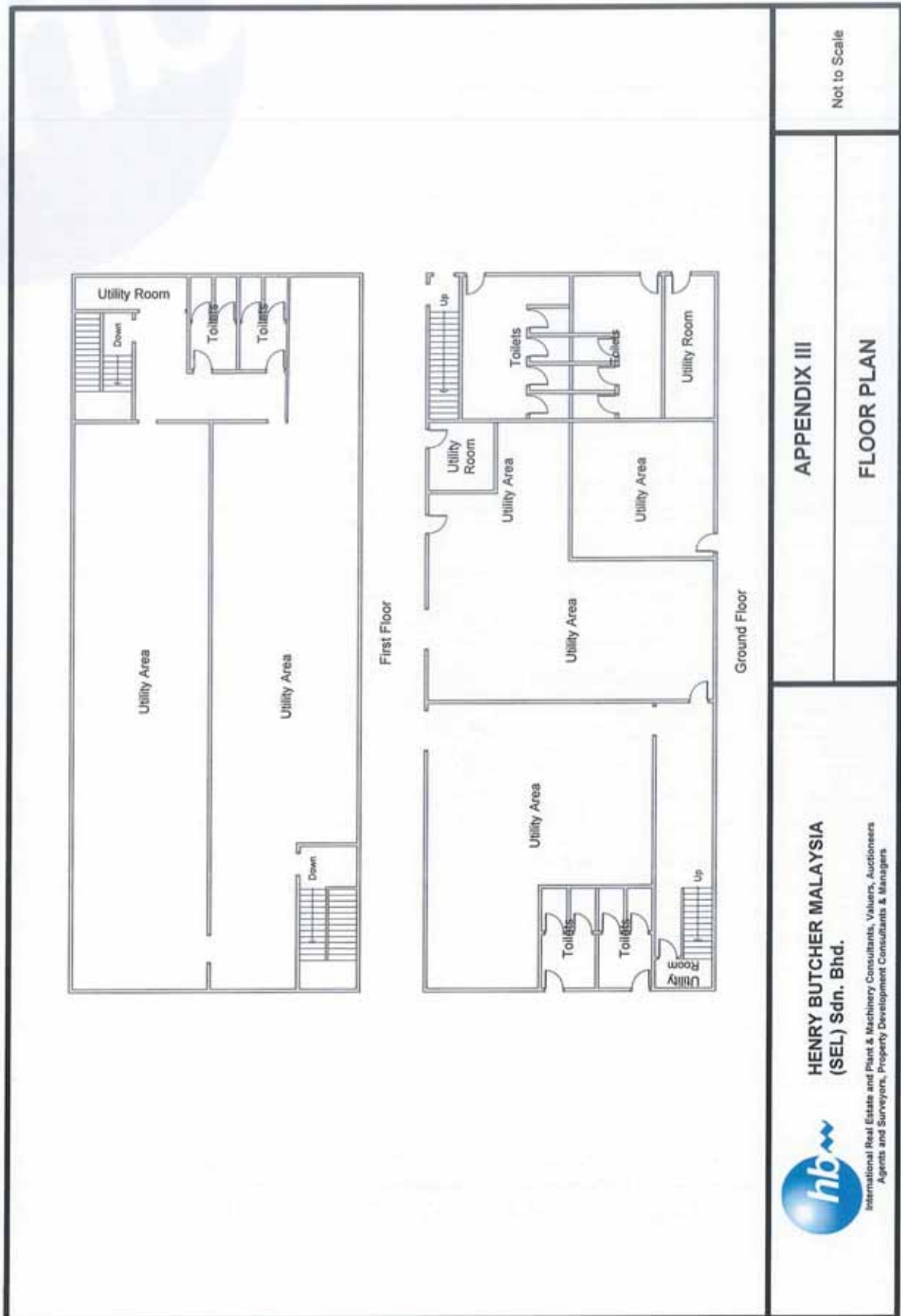


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UKURAN SEMPADAN & TOPOGRAFI BAGI LOT 6 (PT 49)
BANDAR BATU 28 BERANANG
DAERAH ULU LANGAT
SELANGOR DARUL EHSAN

SKALA 1:1,000
JANUARI 1960

SEG. NIS (with
PUBLISHED)
SALAS, NIS, CO
8, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, 36, 38, 40, 42, 44, 46, 48, 50, 52, 54, 56, 58, 60, 62, 64, 66, 68, 70, 72, 74, 76, 78, 80, 82, 84, 86, 88, 90, 92, 94, 96, 98, 100, 102, 104, 106, 108, 110, 112, 114, 116, 118, 120, 122, 124, 126, 128, 130, 132, 134, 136, 138, 140, 142, 144, 146, 148, 150, 152, 154, 156, 158, 160, 162, 164, 166, 168, 170, 172, 174, 176, 178, 180, 182, 184, 186, 188, 190, 192, 194, 196, 198, 200, 202, 204, 206, 208, 210, 212, 214, 216, 218, 220, 222, 224, 226, 228, 230, 232, 234, 236, 238, 240, 242, 244, 246, 248, 250, 252, 254, 256, 258, 260, 262, 264, 266, 268, 270, 272, 274, 276, 278, 280, 282, 284, 286, 288, 290, 292, 294, 296, 298, 300, 302, 304, 306, 308, 310, 312, 314, 316, 318, 320, 322, 324, 326, 328, 330, 332, 334, 336, 338, 340, 342, 344, 346, 348, 350, 352, 354, 356, 358, 360, 362, 364, 366, 368, 370, 372, 374, 376, 378, 380, 382, 384, 386, 388, 390, 392, 394, 396, 398, 400, 402, 404, 406, 408, 410, 412, 414, 416, 418, 420, 422, 424, 426, 428, 430, 432, 434, 436, 438, 440, 442, 444, 446, 448, 450, 452, 454, 456, 458, 460, 462, 464, 466, 468, 470, 472, 474, 476, 478, 480, 482, 484, 486, 488, 490, 492, 494, 496, 498, 500, 502, 504, 506, 508, 510, 512, 514, 516, 518, 520, 522, 524, 526, 528, 530, 532, 534, 536, 538, 540, 542, 544, 546, 548, 550, 552, 554, 556, 558, 560, 562, 564, 566, 568, 570, 572, 574, 576, 578, 580, 582, 584, 586, 588, 590, 592, 594, 596, 598, 600, 602, 604, 606, 608, 610, 612, 614, 616, 618, 620, 622, 624, 626, 628, 630, 632, 634, 636, 638, 640, 642, 644, 646, 648, 650, 652, 654, 656, 658, 660, 662, 664, 666, 668, 670, 672, 674, 676, 678, 680, 682, 684, 686, 688, 690, 692, 694, 696, 698, 700, 702, 704, 706, 708, 710, 712, 714, 716, 718, 720, 722, 724, 726, 728, 730, 732, 734, 736, 738, 740, 742, 744, 746, 748, 750, 752, 754, 756, 758, 760, 762, 764, 766, 768, 770, 772, 774, 776, 778, 780, 782, 784, 786, 788, 790, 792, 794, 796, 798, 800, 802, 804, 806, 808, 810, 812, 814, 816, 818, 820, 822, 824, 826, 828, 830, 832, 834, 836, 838, 840, 842, 844, 846, 848, 850, 852, 854, 856, 858, 860, 862, 864, 866, 868, 870, 872, 874, 876, 878, 880, 882, 884, 886, 888, 890, 892, 894, 896, 898, 900, 902, 904, 906, 908, 910, 912, 914, 916, 918, 920, 922, 924, 926, 928, 930, 932, 934, 936, 938, 940, 942, 944, 946, 948, 950, 952, 954, 956, 958, 960, 962, 964, 966, 968, 970, 972, 974, 976, 978, 980, 982, 984, 986, 988, 990, 992, 994, 996, 998, 1000, 1002, 1004, 1006, 1008, 1010, 1012, 1014, 1016, 1018, 1020, 1022, 1024, 1026, 1028, 1030, 1032, 1034, 1036, 1038, 1040, 1042, 1044, 1046, 1048, 1050, 1052, 1054, 1056, 1058, 1060, 1062, 1064, 1066, 1068, 1070, 1072, 1074, 1076, 1078, 1080, 1082, 1084, 1086, 1088, 1090, 1092, 1094, 1096, 1098, 1100, 1102, 1104, 1106, 1108, 1110, 1112, 1114, 1116, 1118, 1120, 1122, 1124, 1126, 1128, 1130, 1132, 1134, 1136, 1138, 1140, 1142, 1144, 1146, 1148, 1150, 1152, 1154, 1156, 1158, 1160, 1162, 1164, 1166, 1168, 1170, 1172, 1174, 1176, 1178, 1180, 1182, 1184, 1186, 1188, 1190, 1192, 1194, 1196, 1198, 1200, 1202, 1204, 1206, 1208, 1210, 1212, 1214, 1216, 1218, 1220, 1222, 1224, 1226, 1228, 1230, 1232, 1234, 1236, 1238, 1240, 1242, 1244, 1246, 1248, 1250, 1252, 1254, 1256, 1258, 1260, 1262, 1264, 1266, 1268, 1270, 1272, 1274, 1276, 1278, 1280, 1282, 1284, 1286, 1288, 1290, 1292, 1294, 1296, 1298, 1300, 1302, 1304, 1306, 1308, 1310, 1312, 1314, 1316, 1318, 1320, 1322, 1324, 1326, 1328, 1330, 1332, 1334, 1336, 1338, 1340, 1342, 1344, 1346, 1348, 1350, 1352, 1354, 1356, 1358, 1360, 1362, 1364, 1366, 1368, 1370, 1372, 1374, 1376, 1378, 1380, 1382, 1384, 1386, 1388, 1390, 1392, 1394, 1396, 1398, 1400, 1402, 1404, 1406, 1408, 1410, 1412, 1414, 1416, 1418, 1420, 1422, 1424, 1426, 1428, 1430, 1432, 1434, 1436, 1438, 1440, 1442, 1444, 1446, 1448, 1450, 1452, 1454, 1456, 1458, 1460, 1462, 1464, 1466, 1468, 1470, 1472, 1474, 1476, 1478, 1480, 1482, 1484, 1486, 1488, 1490, 1492, 1494, 1496, 1498, 1500, 1502, 1504, 1506, 1508, 1510, 1512, 1514, 1516, 1518, 1520, 1522, 1524, 1526, 1528, 1530, 1532, 1534, 1536, 1538, 1540, 1542, 1544

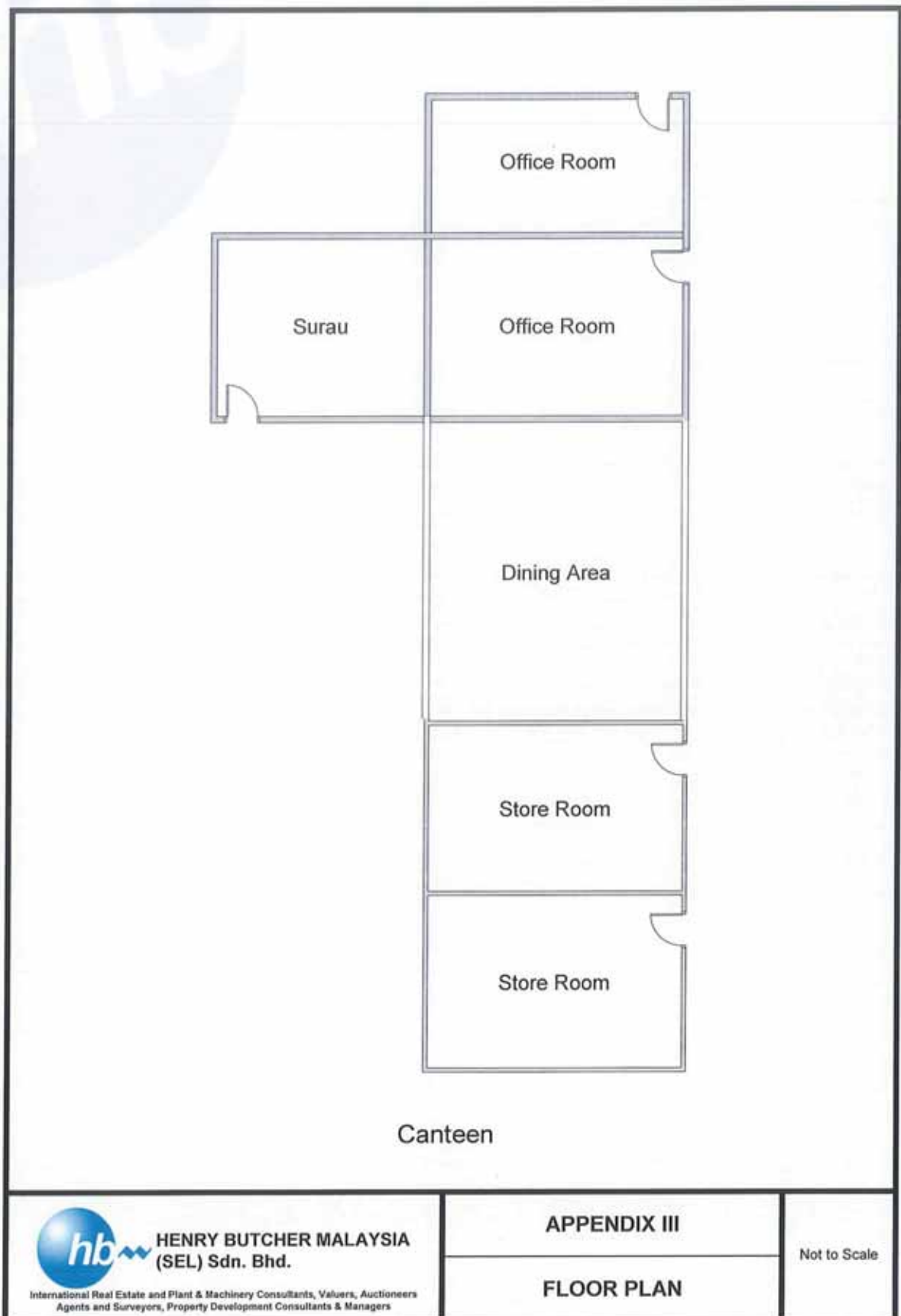


**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**
International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX III

FLOOR PLAN

Not to Scale





GENERAL VIEW OF THE SUBJECT PROPERTY


HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.
 International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
 Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE DOUBLE STOREY OFFICE BUILDING



VIEW OF THE UTILITY AREA



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

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Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE UTILITY AREA



VIEW OF THE SINGLE STOREY FACTORY



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Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE FACTORY AREA



VIEW OF THE CANTEEN



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH



VIEW OF THE TNB SUB-STATION



VIEW OF THE GUARDHOUSE



**HENRY BUTCHER MALAYSIA
(SEL) Sdn. Bhd.**

International Real Estate and Plant & Machinery Consultants, Valuers, Auctioneers
Agents and Surveyors, Property Development Consultants & Managers

APPENDIX IV

PHOTOGRAPH

MAJLIS DAERAH HULU LANGAT
KAJANG, SELANGOR.NO. FAIL MDDL 2/P/1/72

No 0143

PERAKUAN KELAYAKAN MENDUDUKI BANGUNAN
Undang-Undang Kecil Bangunan Seragam 1984
Undang-Undang Kecil 25.

Kepada :

Tuan Co-moplas Ind (M) Sdn Bhd
No. 11 A Jalan ZA Chua Jaya
Jalan Putehlong
42000 Kajang

Certificate of
Fitness.Dengan ini adalah diakui bahawa bangunan Kajangdiatas lot (sublot) 2Jalan Perusahaan LinaMukim/Seksyen : Lerawang Jalan Perusahaantelah dibina mengikut Nombor Pelan MDDL 2/P/1/72 yang telah diutuskan oleh MajlisDaerah Hulu Langat pada 2 ke Jalan 19 73 didapati layak diduduki sebagaimana diperaui

dalam Borang E oleh Akitek/Juruteran/Pemaju.

Bertarikh : 12 ke Jalan 19 94

Yang DiPertua,
 Majlis Daerah Hulu Langat,
 Kajang.

NOTIS MENGENAI CUKAI TAKSIRAN

Nilai Tahunan Bangunan \$ RM 22,800.00Cukai Taksiran : 7 % daripada \$ RM 22,800.00 = \$ RM 1,596.00Tarikh Mula Pembayaran : — 19 —

INGATAN

Bangunan ini tidak boleh diubahsuai/sambung tanpa kelulusan daripada Majlis Daerah Hulu Langat.

Yang DiPertua,
 Majlis Daerah Hulu Langat,
 Kajang.

CATATAN CARIAN PERSENDIRIAN HAKMILIK

ADALAH DIPERAKUI BAHAWA SUATU CARIAN PERSENDIRIAN TELAH DIBUAT
MENGIKUT SEKSYEN 384, KANUN TANAH NEGARA BERKENAAN TANAH BERIKUT :

JENIS DAN NO. HAKMILIK : HSD 59005	NOMBOR PT	: PT 49
BANDAR/PEKAN/MUKIM : BANDAR BATU 26, BERANANG	TEMPAT	: TIADA
KELUASAN : 19283 METER PERSEGI	DAERAH	: ULU LANGAT
NOMBOR SYIT PIAWAI : 111-D	NOMBOR PELAN UKUR	:
TARAF PEGANGAN : PAJAKAN 99 TAHUN (SELAMA-LAMANYA ATAU	TARIKH LUPUT PAJAKAN	: 09 OKTOBER 2099 (JIKA BERKENAAN)
KAWASAN RIZAB : TIADA (JIKA BERKENAAN)		
TARIKH DAFTAR : 10 OKTOBER 2000	CUKAI TANAH	: RM 11,011.00

BAHAWA PADA TARIKH DAN WAKTU PERAKUAN INI DIKELUARKAN,
BUTIR-BUTIR TANAH TERSEBUT ADALAH SEPERTI BERIKUT :

KATEGORI KEGUNAAN : INDUSTRI
SYARAT NYATA : PERINDUSTRIAN
SEKATAN KEPENTINGAN : TANAH YANG DIBERI MILIK INI TIDAK BOLEH DIPINDAH MILIK, DIPAJAK
ATAU DIGADAI MELAINKAN DENGAN KEBENARAN PIHAK BERKUASA
NEGERI.

PEMILIKAN DAN ALAMAT :

EASTERN PRETECH (MALAYSIA) SDN. BHD., No. Syarikat: 184774-P, Tertubuh di bawah Akta Syarikat
1965, 1/1 BAHAGIAN, SEBAGAI PEMILIK,
TINGKAT 10, OFFICE BLOCK MINES 2, PUSAT PERDAGANGAN THE MINES, JALAN MINES 2, THE MINES
RESORT CITY, SERI KEMBANGAN, 43300 SELANGOR
DIDAFTARKAN PADA 08 OKTOBER 2019 JAM 10:01:51
NO SERAHAN 001SC91022/2019 PINDAHMILIK TANAH
OLEH VIVA AIR CONDITIONING (M) SDN BHD, NO. SYARIKAT : 181164-M, 1/1 BAHAGIAN

TANGGUNGAN DAN ENDOSAN – ENDOSAN LAIN :

NO. PERSERAHAN 001SC4386/2023 GADAIAN MENJAMIN WANG POKOK

NO. PERSERAHAN : 00CS212607/2024
HAKMILIK : 100650HSD00059005
MUKA SURAT : 1 [6]
TARIKH : 09/10/2024

OLEH EASTERN PRETECH (MALAYSIA) SDN. BHD., NO. SYARIKAT : 184774-P, 1/1 BAHAGIAN
KEPADA AMBANK (M) BERHAD, NO. SYARIKAT : 8515-D,
TINGKAT 21, BANGUNAN AMBANK GROUO, JALAN RAJA CHULAN, 50200 WILAYAH
PERSEKUTUAN KUALA LUMPUR
DIDAFTARKAN PADA 19 JANUARI 2023 JAM 09:16:07
NO. SURATKUASA WAKIL : 001SW462/2021

URUSAN-URUSAN DALAM PERSERAHAN YANG BELUM DIDAFTARKAN : TIADA

ENDOSAN-ENDOSAN TERDAHULU YANG TIDAK BERKUATKUASA :

NO. PERSERAHAN 001N19852/2005 PINDAAN CUKAI TANAH
CUKAI TANAH DIPINDA DARI RM 9,454.00 KEPADA RM 10,399.00
MENURUT SEKSYEN 101 KANUN TANAH NEGARA MULAI DARI 01 JANUARI 2006
NO. WARTA SEL.P.U.11 BERTARIKH 23 JUN 2005
DIDAFTARKAN PADA 21 JULAI 2005 JAM 14:09:28
(NO. RUJUKAN FAIL : -)

NO. PERSERAHAN 001B10234/2007 KAVEAT PERSENDIRIAN ATAS TANAH
OLEH OCBC BANK (MALAYSIA) BERHAD, NO. BANK : 295400-W,
GROUND FLOOR,MENARA OCBC, 18 JALAN TUN PERAK, 50050 WILAYAH PERSEKUTUAN
KUALA LUMPUR
DIDAFTARKAN PADA 19 MAC 2007 JAM 11:23:32
NO. SURATKUASA WAKIL : 001SW610/2003

NO. PERSERAHAN 001B56085/2009 KAVEAT PERSENDIRIAN ATAS TANAH
OLEH UNITED OVERSEAS BANK (MALAYSIA) BERHAD, NO. SYARIKAT : 271809-K,
LEVEL 2, MENARA UOB, JALAN RAJA LAUT, 50350 WILAYAH PERSEKUTUAN KUALA LUMPUR
DIDAFTARKAN PADA 20 NOVEMBER 2009 JAM 10:24:01
NO. SURATKUASA WAKIL : 001SW136/2003

NO. PERSERAHAN 001B13155/2010 TARIK BALIK KAVEAT PERSENDIRIAN
KE ATAS KAVEAT PERSENDIRIAN ATAS TANAH NO. PERSERAHAN 001B10234/2007
DIDAFTARKAN PADA 17 MAC 2010 JAM 10:20:46
NO. SURATKUASA WAKIL : 001SW32/2006

NO. PERSERAHAN 001B13156/2010 TARIK BALIK KAVEAT PERSENDIRIAN
KE ATAS KAVEAT PERSENDIRIAN ATAS TANAH NO. PERSERAHAN 001B56085/2009
DIDAFTARKAN PADA 17 MAC 2010 JAM 10:20:46
NO. SURATKUASA WAKIL : 001SW136/2003

NO. PERSERAHAN : 00CS212607/2024
HAKMILIK : 100650HSD00059005
MUKA SURAT : 2 [6]
TARIKH : 09/10/2024

NO. PERSERAHAN 001SC23432/2010 PINDAHMILIK TANAH

DARIPADA PERBADANAN KEMAJUAN NEGERI SELANGOR, 1/1 BAHAGIAN

KEPADA DYNAMIC FORGING SDN BHD, NO. SYARIKAT : 706717-U, TERTUBUH DI BAWAH AKTA
SYARIKAT 1965, 1/1 BAHAGIAN

NO. 12, JALAN SATU, KAWASAN PERUSAHAAN CHERAS JAYA, BALAKONG, 43200 WILAYAH
PERSEKUTUAN KUALA LUMPUR

DIDAFTARKAN PADA 17 MAC 2010 JAM 10:20:46

NO. PERSERAHAN 001SC23433/2010 GADAIAN MENJAMIN WANG POKOK

OLEH DYNAMIC FORGING SDN BHD, NO. SYARIKAT : 706717-U, 1/1 BAHAGIAN

KEPADA UNITED OVERSEAS BANK (MALAYSIA) BHD., NO. SYARIKAT : 271809-K,
LEVEL 2, MENARA UOB, JALAN RAJA LAUT, 50350 WILAYAH PERSEKUTUAN KUALA LUMPUR

DIDAFTARKAN PADA 17 MAC 2010 JAM 10:20:46

NO. SURATKUASA WAKIL : 001SW136/2003

NO. PERSERAHAN 001SC23434/2010 GADAIAN MENJAMIN WANG POKOK

OLEH DYNAMIC FORGING SDN BHD, NO. SYARIKAT : 706717-U, 1/1 BAHAGIAN

KEPADA UNITED OVERSEAS BANK (MALAYSIA) BHD., NO. SYARIKAT : 271809-K,
LEVEL 2, MENARA UOB, JALAN RAJA LAUT, 50350 WILAYAH PERSEKUTUAN KUALA LUMPUR

DIDAFTARKAN PADA 17 MAC 2010 JAM 10:20:46

NO. SURATKUASA WAKIL : 001SW136/2003

NO. PERSERAHAN 001B67947/2011 KAVEAT PERSENDIRIAN ATAS TANAH

OLEH BANK PEMBANGUNAN MALAYSIA BERHAD, NO. SYARIKAT : 16562-K,

ARAS 16 MENARA BANK PEMBANGUNAN, BANDAR WAWASAN 1016 JALAN SULTAN ISMAIL,
50250 WILAYAH PERSEKUTUAN KUALA LUMPUR

DIDAFTARKAN PADA 23 DISEMBER 2011 JAM 08:32:39

NO. SURATKUASA WAKIL : 001SW806/2008

NO. PERSERAHAN 001B12639/2012 TARIK BALIK KAVEAT PERSENDIRIAN

KE ATAS KAVEAT PERSENDIRIAN ATAS TANAH NO. PERSERAHAN 001B67947/2011

DIDAFTARKAN PADA 07 MAC 2012 JAM 11:10:36

NO. SURATKUASA WAKIL : 001SW806/2008

NO. PERSERAHAN 001B12640/2012 TUKAR NAMA

DARIPADA CPM PRECISION SDN. BHD., NO. SYARIKAT : 706717-U SEBAGAI

KEPADA DYNAMIC FORGING SDN BHD, NO. SYARIKAT : 706717-U

DIDAFTARKAN PADA 07 MAC 2012 JAM 11:10:36

NO. PERSERAHAN : 00CS212607/2024

HAKMILIK : 100650HSD00059005

MUKA SURAT : 3 [6]

TARIKH : 09/10/2024

NO. PERSERAHAN 001SC20199/2012 MELEPASKAN GADAIAN
KE ATAS GADAIAN MENJAMIN WANG POKOK NO. PERSERAHAN 001SC23433/2010
GADAIAN MENJAMIN WANG POKOK NO. PERSERAHAN 001SC23434/2010
OLEH UNITED OVERSEAS BANK (MALAYSIA) BHD., NO. SYARIKAT : 271809-K
DIDAFTARKAN PADA 07 MAC 2012 JAM 11:10:36
NO. SURATKUASA WAKIL : 001SW450/2006

NO. PERSERAHAN 001SC20822/2012 PINDAHMILIK TANAH
DARIPADA DYNAMIC FORGING SDN BHD, NO. SYARIKAT : 706717-U, 1/1 BAHAGIAN
KEPADA COLD PARTS (MALAYSIA) SDN. BHD., NO. SYARIKAT : 255602-A, TERTUBUH DI BAWAH AKTA
SYARIKAT 1965, 1/1 BAHAGIAN
NO. 5-3, JALAN 109F, PLAZA DANAU 2, TAMAN DANAU DESA, 58100 WILAYAH PERSEKUTUAN
KUALA LUMPUR
DIDAFTARKAN PADA 08 MAC 2012 JAM 11:20:39

NO. PERSERAHAN 001SC20823/2012 GADAIAN MENJAMIN WANG POKOK
OLEH COLD PARTS (MALAYSIA) SDN. BHD., NO. SYARIKAT : 255602-A, 1/1 BAHAGIAN
KEPADA BANK PEMBANGUNAN MALAYSIA BERHAD, NO. SYARIKAT : 16562-K,
ARAS 16, MENARA BANK PEMBANGUNAN, BANDAR WAWASAN, 1016, JALAN SULTAN ISMAIL,
50250 WILAYAH PERSEKUTUAN KUALA LUMPUR
DIDAFTARKAN PADA 08 MAC 2012 JAM 11:20:39
NO. SURATKUASA WAKIL : 001SW806/2008

NO. PERSERAHAN 001B800/2014 KAVEAT PERSENDIRIAN ATAS TANAH
OLEH VIVA AIR-CONDITIONING (M) SDN BHD, NO. SYARIKAT : 181164-M,
LOT 6745, JALAN TEKALI 1, KAWASAN PERINDUSTRIAN TEKALI, HULU LANGAT, 43100
SELANGOR
DIDAFTARKAN PADA 08 JANUARI 2014 JAM 10:39:50

NO. PERSERAHAN 001B68768/2014 KAVEAT PERSENDIRIAN ATAS TANAH
OLEH MAYBANK ISLAMIC BERHAD, NO. SYARIKAT : 787435-M,
NO. 416-424, JALAN PUDU, 55100 WILAYAH PERSEKUTUAN KUALA LUMPUR
DIDAFTARKAN PADA 25 NOVEMBER 2014 JAM 09:02:49
NO. SURATKUASA WAKIL : 001SW1185/2008

NO. PERSERAHAN 001B17688/2016 TARIK BALIK KAVEAT PERSENDIRIAN
KE ATAS KAVEAT PERSENDIRIAN ATAS TANAH NO. PERSERAHAN 001B68768/2014
DIDAFTARKAN PADA 05 APRIL 2016 JAM 10:04:36
NO. SURATKUASA WAKIL : 001SW1185/2008

NO. PERSERAHAN : 00CS212607/2024
HAKMILIK : 100650HSD00059005
MUKA SURAT : 4 [6]
TARIKH : 09/10/2024

NO. PERSERAHAN 001B17689/2016 TARIK BALIK KAVEAT PERSENDIRIAN
KE ATAS KAVEAT PERSENDIRIAN ATAS TANAH NO. PERSERAHAN 001B800/2014
DIDAFTARKAN PADA 05 APRIL 2016 JAM 10:04:36

NO. PERSERAHAN 001SC27672/2016 PERINTAH JUAL MAHKAMAH SEBAB GADAIAN
KE ATAS BAHAGIAN COLD PARTS (MALAYSIA) SDN. BHD., NO. SYARIKAT : 255602-A, 1/1 BAHAGIAN
KEPADA VIVA AIR CONDITIONING (M) SDN BHD, NO. SYARIKAT : 181164-M, TERTUBUH DI
BAWAH AKTA SYARIKAT 1965, 1/1 BAHAGIAN
BLOK 8-16-1, JALAN JALIL 15, ARCADE ESPLANAD, TAMAN BUKIT JALIL, 57000
WILAYAH PERSEKUTUAN KUALA LUMPUR

DIDAFTARKAN PADA 05 APRIL 2016 JAM 10:04:36.

GADAIAN MENJAMIN WANG POKOK NO. PERSERAHAN 001SC20823/2012 DIBATALKAN

NO. PERSERAHAN 001SC27673/2016 GADAIAN MENJAMIN WANG POKOK
OLEH VIVA AIR CONDITIONING (M) SDN BHD, NO. SYARIKAT : 181164-M, 1/1 BAHAGIAN
KEPADA MAYBANK ISLAMIC BERHAD, NO. SYARIKAT : 787435-M,
NO. 418-424, JALAN PUDU, 55100 WILAYAH PERSEKUTUAN KUALA LUMPUR

DIDAFTARKAN PADA 05 APRIL 2016 JAM 10:04:36

NO. SURATKUASA WAKIL : 001SW1185/2008

NO. PERSERAHAN 001B27286/2019 KAVEAT PERSENDIRIAN ATAS TANAH
OLEH EASTERN PRETECH (MALAYSIA) SDN. BHD., NO. SYARIKAT : 184774-P,
TINGKAT 10, OFFICE BLOCK MINES 2, PUSAT PERDAGANGAN THE MINES, JALAN MINES 2, THE
MINES RESORT CITY, SERI KEMBANGAN, 43300 SELANGOR

DIDAFTARKAN PADA 21 MEI 2019 JAM 13:06:50

NO. PERSERAHAN 001SC81957/2019 MELEPASKAN GADAIAN
KE ATAS GADAIAN MENJAMIN WANG POKOK NO. PERSERAHAN 001SC27673/2016
OLEH MAYBANK ISLAMIC BERHAD, NO. SYARIKAT : 787435-M
DIDAFTARKAN PADA 13 SEPTEMBER 2019 JAM 10:18:59
NO. SURATKUASA WAKIL : 001SW181/2015

NO. PERSERAHAN 001B51637/2019 TARIK BALIK KAVEAT PERSENDIRIAN
KE ATAS KAVEAT PERSENDIRIAN ATAS TANAH NO. PERSERAHAN 001B27286/2019
DIDAFTARKAN PADA 08 OKTOBER 2019 JAM 10:01:51

NO. PERSERAHAN 001NB9862/2023 PEMBETULAN 380 - CUKAI
DIDAFTARKAN PADA 19 APRIL 2023 JAM 15:16:21

PERKARA LAIN YANG MELIBATKAN HAKMILIK :

CUKAI TANAH DIPINDA DARI RM 10,399.00 KEPADA RM 11,032.00
MENURUT SEKSYEN 101 KANUN TANAH NEGARA MULAI DARI 01 JANUARI 2017
NO. WARTA SEL.P.U.6 BERTARIKH 17 MAC 2016

NO. PERSERAHAN 001NB9868/2023 PEMBETULAN DI BAWAH SEKSYEN 380 KTN

NO. PERSERAHAN : 00CS212607/2024
HAKMILIK : 100650HSD00059005
MUKA SURAT : 5 [6]
TARIKH : 09/10/2024

DIDAFTARKAN PADA 19 APRIL 2023 JAM 15:55:03

HAKMILIK YANG TERDAHULU :

(JIKA HAKMILIK SAMBUNGAN)

TARIKH MULA DIBERI MILIK :

HAKMILIK ASAL (TETAP ATAU SEMENTARA) :

HAKMILIK SEBELUM DARIPADA INI :

DIKELUARKAN PADA : 09/10/2024 09:41:10 NO. PERSERAHAN : 00CS212607/2024

BAYARAN DIJELASKAN : RM 30.00 NOMBOR RESIT : 241009BSAT00307

TARIKH DAN MASA CETAKAN : 09/10/2024 09:41:17
PEJABAT TANAH DAN GALIAN SELANGOR
TEMPOH JANAAN : 0.711 SAAT



NO. PERSERAHAN : 00CS212607/2024
HAKMILIK : 100650HSD00059005
MUKA SURAT : 6 [6]
TARIKH : 09/10/2024

Report And Valuation Of
Title No. HSM 3700,
Lot No. PTD 103274,
Mukim of Senai, Johor



HENRY BUTCHER MALAYSIA

International Asset Consultants

**REPORT AND VALUATION ON A PARCEL
OF INDUSTRIAL LAND ERECTED UPON TEN
BLOCKS OF DOUBLE STOREY OFFICE BUILDING,
SINGLE STOREY WAREHOUSES / PLANT BUILDINGS
/ STORAGES AND OTHER ANCILLARY
BUILDINGS KNOWN AS NO. PTD 103274,
JALAN SEELONG, 81400 SENAI, JOHOR,
HELD UNDER LOT NO. PTD 103274, TITLE NO. HSM 3700,
MUKIM OF SENAI, DISTRICT OF KULAI AND STATE OF JOHOR**

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PRIVATE & CONFIDENTIAL

Our Ref : V/JB10-24/967/JEF

Date : October 18, 2024

The Directors
EASTERN PRETECH (MALAYSIA) SDN BHD
10th Floor, Office Block Mines 2,
Pusat Perdagangan The Mines
Jalan Mines 2, The Mines Resort City,
43300 Seri Kembangan, Selangor.

Attention: Mr. Ryan

Dear Sirs,

REPORT AND VALUATION ON A PARCEL OF INDUSTRIAL LAND ERECTED UPON TEN BLOCKS OF DOUBLE STOREY OFFICE BUILDING, SINGLE STOREY WAREHOUSES / PLANT BUILDINGS / STORAGES AND OTHER ANCILLARY BUILDINGS KNOWN AS NO. PTD 103274, JALAN SEELONG, 81400 SENAI, JOHOR, HELD UNDER LOT NO. PTD 103274, TITLE NO. HSM 3700, MUKIM OF SENAI, DISTRICT OF KULAI AND STATE OF JOHOR

We thank you for your instructions to advise on the current **Market Value** of the above-mentioned property hereinafter defined as the "Subject Property" for the purposes of a **mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd.** (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert). The Subject Property is shown in the attached plan and is more fully described in the Report.

The Subject Property was inspected on October 7, 2024. The material date of valuation for the above exercise is as August 31, 2024. This Report contains an analysis of the available data. In arriving at the **Market Value** of the Subject Property, we have adopted the "Cost Approach" of valuation. It is our considered opinion that the **Market Value (MV)** of the freehold unencumbered interest in the existing tenancies of the Subject Property in its existing physical condition is:-

MV – RM62,100,000/-

Ringgit Malaysia: Sixty Two Million and One Hundred Thousand Only

We would also draw your attention to the Limiting Conditions on Last Page of this Report, governing its use and applications.

Please do not hesitate to contact us if you require any further information or assistance.

Yours faithfully,

HENRY BUTCHER MALAYSIA (JOHOR) SDN BHD


Sr. TEOH LEONG SENG, BSc, MSc
FRISM, IRRV, MMIPFM, MPEPS
Registered Valuer (V183)



HENRY BUTCHER MALAYSIA (JOHOR) Sdn Bhd 199001007580 (199150-H)

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VPM (1) 0008/1

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1.0 INTRODUCTION

1.1 TERMS OF REFERENCE

We have been instructed by **EASTERN PRETECH (MALAYSIA) SDN BHD** to ascertain the **Market Value (MV)** of the Subject Property for the purposes of **a mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd.** (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert).

1.2 THE SUBJECT PROPERTY

The Subject Property comprises a parcel of industrial land erected upon eleven blocks of buildings i.e., double storey office building, single storey warehouses / plant buildings / storages and other ancillary buildings.

The Subject Property has the following land and gross floor area:-

Land Area	1,067,025 sq. ft. (about 99,130 sq. m.)
Gross Floor Area	290,749 sq. ft. (about 27,011.49 sq. m.)

*square feet ("sq. ft.") / square metres ("sq. m.")

The subject property was not transacted within the past two years.

1.3 DATE OF INSPECTION

The subject property was inspected by Sr Teoh Leong Seng (Valuer) and Sr Jefferi Japirun (Senior Valuation Executive) on October 7, 2024.

1.4 DATE OF VALUATION

The material date of valuation for the above exercise is at August 31, 2024.

1.5 DEFINITIONS

The term "**MARKET VALUE**" as used herein is defined as the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

1.6 QUALIFICATIONS AND DISCLAIMERS

The Valuer has no pecuniary interest in the said property past, present or prospective, and the opinion expressed is free of any bias in this regard.

This Valuation has been made in conformity with the Malaysian Valuation Standard laid down by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

Any encumbrance, restriction or other factor not specifically referred to in this report, which is or should be revealed by the appropriate land and title searches and which would, in the opinion of the client's solicitor, affect the value or marketability of the property, should be referred to the valuer for comment before any advancement is made.

The general basis of valuation is that the property is free from the any encumbrances, outstanding debts, statutory notices and taxation liabilities except where so stated in the report.

All the information supplied by the sources listed in the Report is believed to be reliable and no responsibility is accepted should the information not prove to be so.

This Valuation represents our opinion of value as at the date of the valuation. It must be recognised that the real estate market fluctuates with internal and external influences and the valuation should be reviewed at regular intervals.

2.0 PROPERTY SEARCH DETAILS

2.1 TITLE PARTICULARS

The history of the title has not been investigated and we recommend that solicitors be instructed to undertake this task.

The following details were extracted from a title search made at The Kulai Land office, Kulai, Johor dated on October 7, 2024. This information is assumed to be correct for the purpose of this valuation exercise.

Title No.	:	HSM 3700
Lot No.	:	PTD 103274
Mukim	:	Senai
District	:	Kulai
State	:	Johor
Provisional Land Area	:	99,130 square metres
Tenure	:	Freehold
Category of Land Use	:	Industry
Annual Rent	:	RM36,704/-
Registered Proprietor	:	Eastern Pretech (Malaysia) Sdn Bhd
Express Conditions	:	1) Tanah ini hendaklah digunakan sebagai kawasan Industri Sederhana untuk tujuan Concrete & Piling dan kegunaan lain yang berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan. 2) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan / dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan 3) Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa berkenaan hendaklah dipatuhi.

2.1 TITLE PARTICULARS (Cont'd)

Restriction In Interest : Tanah ini tidak dibenarkan dipindahmilik dengan apa cara sekalipun melainkan infrastruktur untuk kemudahan awam di kawasan kilang telah siap dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.

Encumbrances : Nil.

Note: Whilst the above details of title are believed and deemed to be correct, this should not be deemed to be legal advice provided to our client, given either expressly or by implication and Henry Butcher Malaysia will assume no responsibility or liability to in the interpretation of the registered proprietor's legal title of the property.

Copy of the title search and copy of the title deed is attached as **Appendix 'A'**

2.2 ASSESSMENT

The Subject Property is assessed by the local authority, Majlis Perbandaran Kulai (MPKu) at an Annual Value of RM34,716,000/- at the current rate of 0.5% per annum. The assessment levied by the local authority is RM173,580.00 per annum.

A copy of the assessment bill is attached as **Appendix B**.

2.3 TOWN PLANNING

The Subject Property is situated within an area zoned for industrial use.

3.0 SITE DETAILS

3.1 DESCRIPTION

The Subject Property is a parcel of industrial land erected upon ten blocks of buildings i.e., double storey office, single storey warehouses / plant buildings / storages, and other ancillary buildings, generally located within locality known as Seelong. It's bears a postal address at PTD 103274, Jalan Seelong, 81400 Senai, Johor.

3.2 LOCATION

The Subject Property is located along Jalan Seelong, Senai which lies about 5.9 kilometres North East of from Senai town.

Approach to the Subject Property from Senai town is via Johor Bahru-Air Hitam main road and Sultan Ismail Airport Highway. Thereafter a right turns to Jalan Seelong for a distance of about 4.5 kilometres leading to the Subject Property.

The approximate location of the Subject Property is shown in the location plan **Appendix I**.

3.3 SURROUNDING LOCALITY

The Subject Property is situated within locality known as Seelong and nearby the a mixed housing scheme in Senai. Taman Perindustrian Senai (Desa Idaman) is located adjacent to Subject Property.

Other industrial estate nearby include Taman Perindustrian Murni Senai, Senai Industrial Area II, III and IV. Industrial premises in the immediate vicinity are Emix Industry (M) Sdn Bhd, Oka Corporation Berhad, Tiong Nam Factory, JB Goodcare Recycle Sdn Bhd, Hino Q Auto Service Centre, CL Pile Sdn Bhd, etc.

The Grandeur (Sofitel Hotel) and Sultan Ismail Senai Airport are located nearby whilst the ECONSAVE is a new shopping complex located nearby the vicinity, whilst Senai-Desaru Highway is linked with cargo hub, Johor Port in Pasir Gudang and Port of Tanjung Pelepas in Tanjung Kupang.

Other notable landmark near is PUSPAKOM Centre (Pusat Pemeriksaan Kenderaan Berkomputer), whilst housing estates in the vicinity include Taman Scientex Senai, Taman Desa Idaman, Taman Impian Jaya, Kg Seelong, Taman Senai Jaya, etc.

The Subject Property enjoys good road access provided by the Sultan Ismail Airport Highway.

3.4 SITE

The subject site is almost regular in shape encompassing a land area of approximately 99,130 square metres / 1,067,025 square feet (24.495 acres). The land is generally flat in terrain and lies about the same level with the frontage metalled road, Jalan Seelong.

The land is generally flat in terrain and lies at about the same level with the frontage metalled road, Jalan Seelong.

The site boundaries are partly demarcated by plastered brickwalls and chain link fencing. The main entrance is secured by automatic metal gates.

The driveways are concreted and cement rendered.

Site Plan with the subject site edged in **RED** is attached as **Appendix II**.

3.5 SERVICES

Mains water, electricity supplies and telephone lines are available within the vicinity and connected to the Subject Property.

Street lighting, road maintenance, sewage disposal and rubbish collection are provided by Majlis Perbandaran Kulai (MPKu).

Public transportation in the form of buses and taxis is easily available along Jalan Seelong and also within the subject locality.

4.0 BUILDING DETAILS

4.1 BUILDING

The buildings erected on the subject site consists of ten blocks of buildings i.e., double storey office, single storey warehouses / plant buildings / storages, and other ancillary buildings.

The general building construction details, internal accommodation and finishes are as follows :-

Double Storey Office cum Storage / Canteen Building

Structure	:	Reinforced concrete framework
Roof and Ceiling	:	Metal deck roofing sheet incorporating aluminium insulation panels, cement plastered, plastered boards and suspended skim coated materials.
Walls	:	Cement plastered brickwalls.
Flooring	:	Glazed and ceramic tiles
Doors / Windows	:	Double leaves glass panel door, solid timber and timber flush door.
Accommodation	:	Porch, reception, conference, meeting, training discussion, rooms, general office, GM office, Managers office, filing room, Surau & pantry rooms, storage area, canteen area and male & female toilets.

Vertical access between floors is by means of four (4) reinforced concrete staircases finished with ceramic tiles.

Four (4) adjoining blocks of Single Storey Plant Building

Structure	:	Steel framework structure
Roof	:	Metal deck roofing sheet
Flooring	:	Cement screed with hardener
Accommodation	:	Production area and pre-cast concrete mold line, and toilets.
Roof Height	:	Approximately 36 feet eaves

Single Storey Warehouse

Structure	:	Reinforced concrete / steel framework structure
Roof	:	Metal deck roofing sheet
Walls	:	Plastered brickwall and cladding with metal decking
Flooring	:	Cement screed with hardener
Accommodation	:	Production, general office and storage area

Single Storey Workshop cum TNB-Substation

Structure	:	Reinforced concrete / steel framework structure
Roof and Ceiling	:	Concrete flat roof and metal deck roofing sheet.
Walls	:	Plastered brickwall and cladding with metal decking
Flooring	:	Cement screed with hardener
Doors	:	Fire rate door and metal shutter door.
Accommodation	:	Workshop area, general store, TNB transformer, MSB room and Genset room.

4.1 BUILDING (Cont'd)

Two (2) blocks of Single Storey Sand Bunker

Structure	:	Reinforced concrete / steel framework structure
Roof	:	Metal deck roofing sheet
Walls	:	Plastered brickwall and cladding with metal decking
Flooring	:	Cement screed with hardener
Accommodation	:	Sand bunker storage

Single Storey Scrape Metal Storage

Structure	:	Reinforced concrete / steel framework structure
Roof	:	Metal deck roofing sheet
Walls	:	Plastered brickwall and cladding with metal decking
Flooring	:	Cement screed with hardener
Accommodation	:	Scrape metal storage

Single Storey Schedule Waste Storage

Structure	:	Reinforced concrete / steel framework structure
Roof	:	Metal deck roofing sheet
Walls	:	Plastered brickwall and cladding with metal decking
Flooring	:	Cement screed with hardener
Accommodation	:	Scrape storage

Three (3) blocks of Single Storey Storage Areas

Structure	:	Steel framework structure
Roof	:	Metal deck roofing sheet
Walls	:	Cladding with metal decking
Flooring	:	Cement screed with hardener
Accommodation	:	Storage areas

The office, warehouse / plant buildings have the following approximate gross floor areas:

Building Name	Gross Floor Area	
	Square Feet	Square Metre
Double Storey Office cum Storage / Canteen Building	26,884	2,499.61
Four (4) adjoining blocks of Single Storey Plant Building	181,248	16,838.51
Single Storey Warehouse (Plant Building)	37,760	3,508.02
Single Storey Workshop cum TNB-Substation	8,496	789.30
Two (2) blocks of Single Storey Sand Bunker	12,500	1,161.29
Single Storey Scrape Metal Storage	2,953	274.34
Single Storey Schedule Waste Storage	646	60.01
Three (3) blocks of Single Storey Storage	17,110	1,589.57
Total	287,597	26,718.66

4.1 BUILDING (Cont'd)

Ancillary Buildings

Guard House

Structure	:	Reinforced concrete framework
Roof	:	Concrete flat roof
Walls	:	Plastered brickwall
Flooring	:	Ceramic and cement screed
Doors / Windows	:	Timber flush door with aluminium framed glass windows
Accommodation	:	Guard house and toilet

Two (2) units of Compressor and Pump Rooms

Structure	:	Reinforced concrete framework
Roof	:	Concrete flat roof
Walls	:	Plastered brickwall
Flooring	:	Cement screed
Doors / Windows	:	Timber flush door with aluminium framed glass windows
Accommodation	:	Pump room / Compressor attached with control office

Two (2) units of Boiler Rooms

Structure	:	Reinforced concrete framework
Roof	:	Concrete flat roof
Walls	:	Plastered brickwall
Flooring	:	Cement screed
Doors	:	Metal roller shutter

Weight Bridge Control Office

Structure	:	Reinforced concrete framework
Roof	:	Concrete flat roof
Walls	:	Plastered brickwall
Flooring	:	Ceramic and cement screed
Doors / Windows	:	Timber flush door with aluminium framed glass windows

Two (2) units of Toilets

Structure	:	Reinforced concrete framework
Roof	:	Concrete flat / metal deck roofing sheet
Walls	:	Plastered brickwall
Flooring	:	Cement screed
Doors	:	Metal sheet door

4.1 BUILDING (Cont'd)

Ancillary Buildings (Cont'd)

Single Storey Diesel Tank Storage

Structure	:	Steel framework structure
Roof	:	Metal deck roofing sheet
Flooring	:	Cement screed with hardener
Accommodation	:	Diesel tank storage

The ancillary buildings have the following approximate gross floor areas:

Building Name	Gross Floor Area	
	Square Feet	Square Metre
Guard House	155	14.40
Compressor & Pump Room	820	76.18
Boiler Rooms	1,112	103.31
Weight Bridge Control Office	110	10.22
Toilets	455	42.27
Diesel Tank Storage	500	46.45
Total	3,152	292.83

The Subject Property was completed in year 2010 based on the Certificate of Completion and Compliance vide Certificate No. LJM 00499 by Majlis Perbandaran Kulai dated May 17, 2010 and based on the approved building Plan No. MPKu 4/2-37/2008K (U/T) dated May 7, 2009.

During the time of inspection, we found that there are few additional buildings as single storey schedule waste and storages area were built and erected on the land. We were informed that the additional buildings have been approved by the Majlis Perbandaran Kulai (MPKu) vide Plan No. MPKu 4/2 - 20/2011K (U/T) dated July 28, 2011 and was obtained with the Certificate of Completion and Compliance vide Certificate No. LJM 00314 dated December 30, 2011. However, copy of the approved building plans are not provided to us. We have only provided with the engineer building plans prepared by the civil engineer (Ir. Norman Selamat, Arkitek Norman Selamat).

Reduced extract copies of the approved building plans and engineer building plans are attached as **Appendix III**.

Copies of the Certificate of Completion and Compliance are attached as **Appendix C**.

Note :

We have not carried out any site measurement of the building. For the purposes of this valuation, we have adopted the above gross floor area as extracted from the Building Plans as provided to us which are assumed to be correct.

4.2 REPAIRS AND MAINTENANCE

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

4.3 STRUCTURAL SURVEY

We have not sighted a building surveyor/engineer's report or inspected unexposed or inaccessible portions of the premises. We therefore cannot comment on the structural integrity, defect, rot or infestation or the improvements. However, at the date of our inspection, we noted that the buildings were in a fair state of decorative repair and maintenance.

Photographs of the Subject Property attached as **Appendix IV**.

5.0 OCCUPANCY STATUS

5.1 OCCUPANCY

The subject property is presently occupied.

LIMITING CONDITIONS

MALAYSIAN VALUATION STANDARDS

This Valuation Report is carried out in accordance with the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents And Property Managers.

MEASUREMENTS

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Royal Institution of Surveyors Malaysia or such other building measurement standards as acceptable and agreed to by the client.

For properties situated outside Malaysia, the appropriate/applicable methods of measurement such as the International Property Measurement Standards (IPMS) are used in parallel with the Uniform Method of Measurement of Buildings (UMMB).

CONFIDENTIALLY

This Valuation Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the report to any other person.

Neither the whole, nor any part of the Valuation Report or Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear.

We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorised publication of the Valuation Report, whether in part or in whole.

USE OF VALUATION REPORT

The opinion of value expressed in this Valuation Report shall only be used by the addressee for the purpose stated or intended in this Valuation Report. We are not responsible for any consequences arising from the Valuation Report or any part thereof being relied upon by any other party whatsoever or for any information therein being quoted out of context.

TITLE SEARCH

Whenever possible, a private title search is conducted at the relevant Land Registry / Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry / Office. Legal advice may be sought to verify the title details, if required.

TOWN PLANNING AND OTHER STATUTORY ENQUIRIES

Such enquiries are conducted at the respective offices or by extracting the required information from published reports and are deemed sufficiently reliable in the profession.

continued overleaf

SITE SURVEYS

We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

STRUCTURAL SURVEY

While due care has been taken to note building defects in the course of inspection, no structural survey nor any testing of services were made nor have we inspected any woodwork or other parts of the structure which were covered or inaccessible. We are therefore unable to express an opinion or advice on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance of the absence in respect of any rot, termite or pest infestation or other hidden defects.

DELETERIOUS OR HAZARDOUS MATERIALS

No investigations have been carried out to determine whether or not any deleterious or hazardous materials had been used in the construction of the property (building) or had since been incorporated and we are, therefore, unable to account or report on any such material in our Valuation Report.

SOIL INVESTIGATION

No soil investigation has been carried out to determine the suitability of soil conditions and/or availability of services for the existing or any future development or planting.

No soil investigation has been carried out to determine the soil suitability for the continued use of the property in its current condition or for any redevelopment.

CONTAMINATION

We have not carried out investigations into the past and present use of either the property or of any neighbouring land to establish whether there has been any contamination or if there is any potential for contamination to the property and are therefore, unable to account and report for such contamination in our Valuation Report.

DISEASE OR INFESTATION

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any tests to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Valuation Report.

LEASES AND TENANCIES

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

DEVELOPMENT AGREEMENTS

Unless otherwise stated, no considerations are made in our valuation for any joint venture agreement, development rights agreement or other similar contracts.

continued overleaf

OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, no allowances are made for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

TAXATION, ENCUMBRANCES, STATUTORY NOTICES AND OUTGOINGS

Unless otherwise stated, no allowances are made in our valuation for any expense of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoings.

ATTENDANCE

The instruction and the valuation assignment do not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory body in connection with the valuation unless agreed when the instructions were given or subsequently agreed upon.

SOURCE OF INFORMATION

This Valuation Report has been prepared on the basis that full disclosure of all information and facts which may affect the valuation have been made known to us and we cannot accept any liability or responsibility for information or facts that have been suppressed or not disclosed to us.

Where it is stated in the Valuation Report that information has been supplied by the sources listed, this information is deemed to be reliable and no responsibility is accepted should it be proven otherwise, be it expressed or implied. All other information stated without being attributed directly to another party is deemed to be from our searches of records, examination of documents or relevant sources.

VALIDITY PERIOD OF VALUATION REPORT

A Valuation Report is current as at the date of valuation date only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

No warranty can be given as to the maintenance of this value into the future. A periodical valuation review is recommended.

LIMITATION OF LIABILITY

Although every care has been taken in preparing the Valuation Report, it is proven that there is an apparent negligence on the part of the Valuer, the liability of this valuation (whether arising from this valuation, negligence or any other cause whatsoever) is limited in respect of any event or series of events to the actual loss or damage sustained subject to a liability cap to be mutually agreed between the client and the Valuer and clearly set out in the terms of engagement.

APPENDIX I

Location Plan



HENRY BUTCHER

Malaysia (Johor) Sdn. Bhd.

APPENDIX 'F'

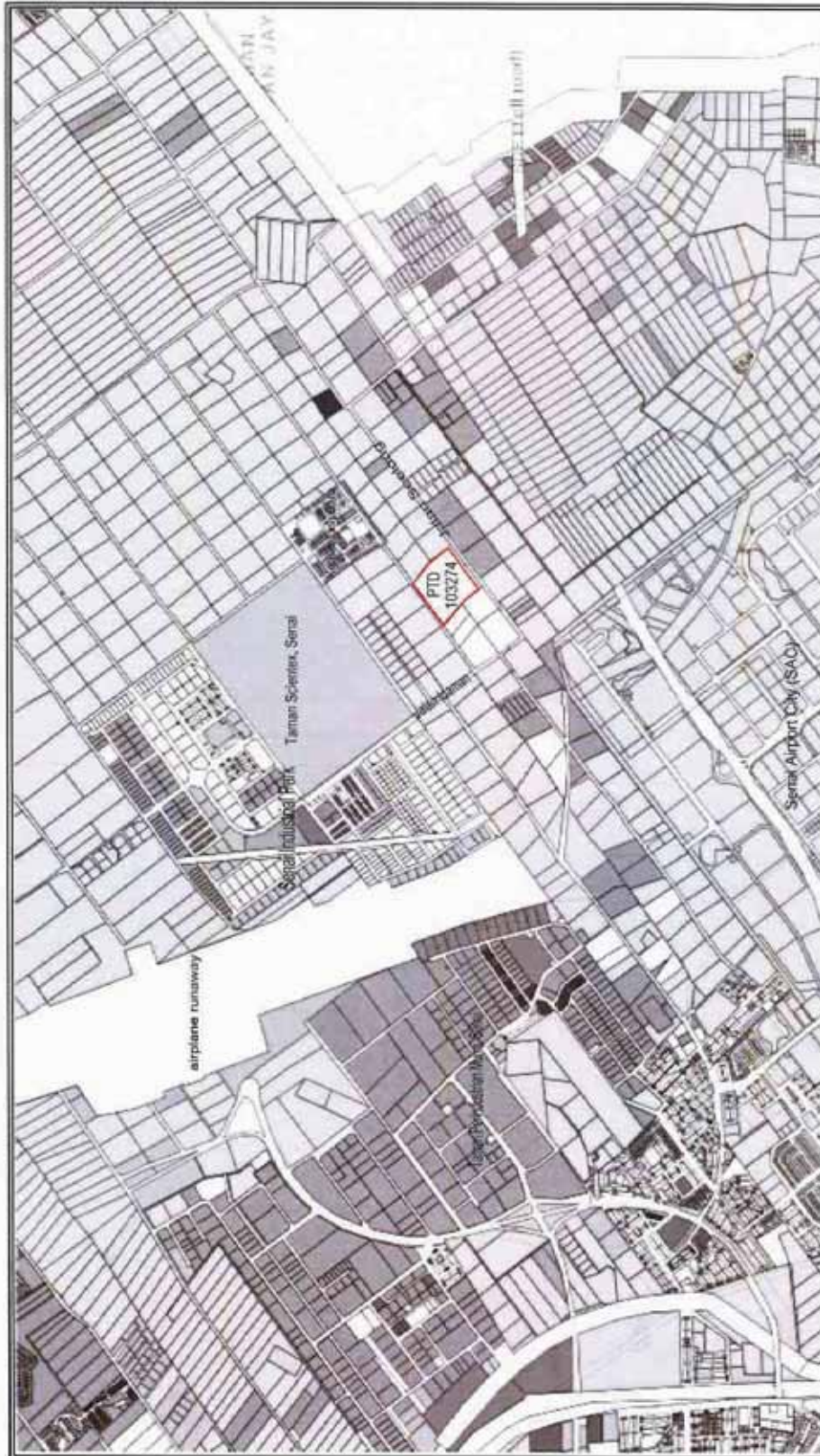


HENRY BUTCHER
MALAYSIA

LOCATION PLAN

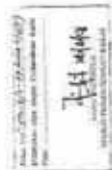
APPENDIX II

Site Plan



APPENDIX III

Copy of the Building Plans

[illegible]

1. The first step in the process of the investigation is the identification of the problem. This is done by the investigator who is responsible for the investigation. The investigator must identify the problem and the scope of the investigation. The investigator must also identify the objectives of the investigation and the methods to be used.

2. The second step in the process of the investigation is the collection of data. This is done by the investigator who is responsible for the investigation. The investigator must collect data that is relevant to the problem and the objectives of the investigation. The investigator must also collect data that is reliable and valid.

3. The third step in the process of the investigation is the analysis of the data. This is done by the investigator who is responsible for the investigation. The investigator must analyze the data to identify the causes of the problem and the effects of the problem. The investigator must also analyze the data to identify the solutions to the problem.

4. The fourth step in the process of the investigation is the presentation of the results. This is done by the investigator who is responsible for the investigation. The investigator must present the results of the investigation in a clear and concise manner. The investigator must also present the results of the investigation in a way that is understandable to the audience.

5. The fifth step in the process of the investigation is the evaluation of the results. This is done by the investigator who is responsible for the investigation. The investigator must evaluate the results of the investigation to determine the effectiveness of the investigation. The investigator must also evaluate the results of the investigation to determine the value of the investigation.

6. The sixth step in the process of the investigation is the dissemination of the results. This is done by the investigator who is responsible for the investigation. The investigator must disseminate the results of the investigation to the appropriate audience. The investigator must also disseminate the results of the investigation to the appropriate audience.

7. The seventh step in the process of the investigation is the follow-up. This is done by the investigator who is responsible for the investigation. The investigator must follow-up on the results of the investigation to ensure that the problem has been solved. The investigator must also follow-up on the results of the investigation to ensure that the problem has been solved.

8. The eighth step in the process of the investigation is the conclusion. This is done by the investigator who is responsible for the investigation. The investigator must conclude the investigation and provide a final report. The investigator must also conclude the investigation and provide a final report.

9. The ninth step in the process of the investigation is the evaluation of the process. This is done by the investigator who is responsible for the investigation. The investigator must evaluate the process of the investigation to determine the effectiveness of the process. The investigator must also evaluate the process of the investigation to determine the value of the process.

10. The tenth step in the process of the investigation is the dissemination of the results. This is done by the investigator who is responsible for the investigation. The investigator must disseminate the results of the investigation to the appropriate audience. The investigator must also disseminate the results of the investigation to the appropriate audience.

[illegible]

Item	Classification
1	Under existing work
2	Qualitative
3	Language type data
4	Is not
5	Abstract language
6	Language form, meaning [Linguistics]

SITE PLAN
SCALE 1" = 60'

G-245

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	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	



State of California
Professional Engineer Seal

Professional Engineer Seal

Professional Engineer Seal

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Professional Engineer Seal

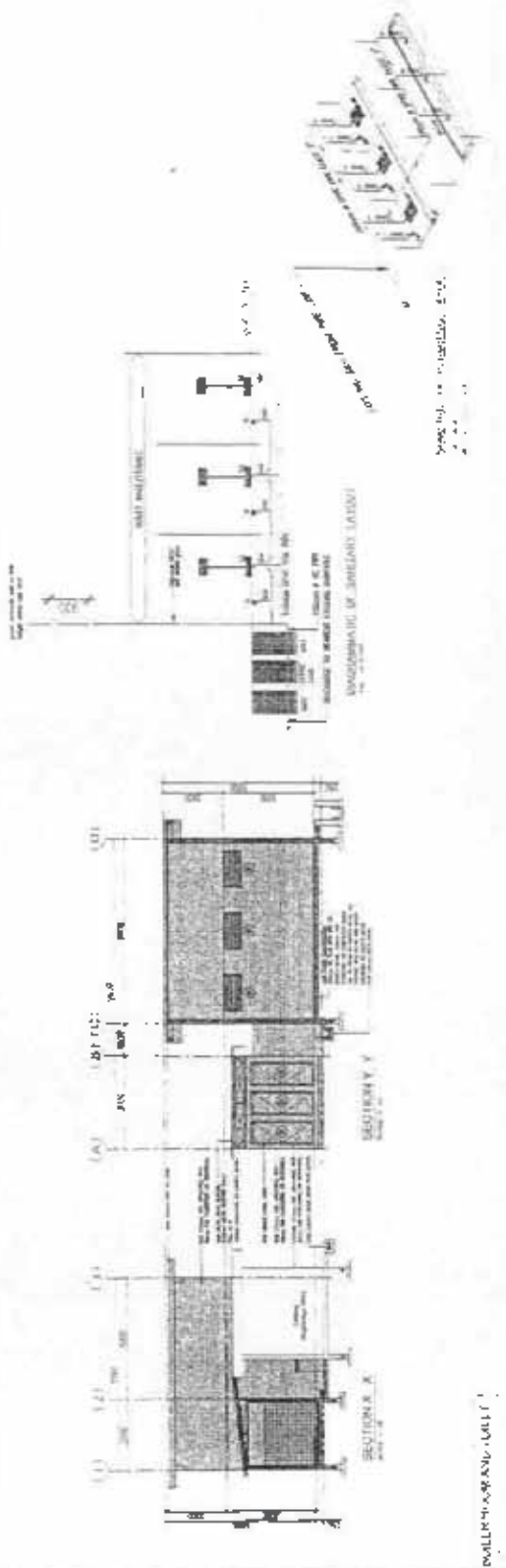
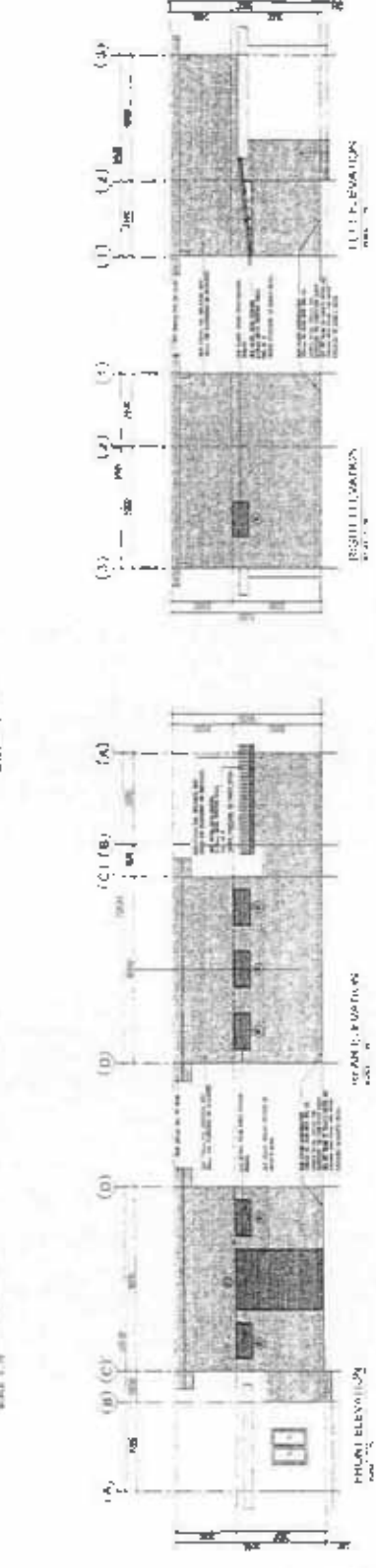
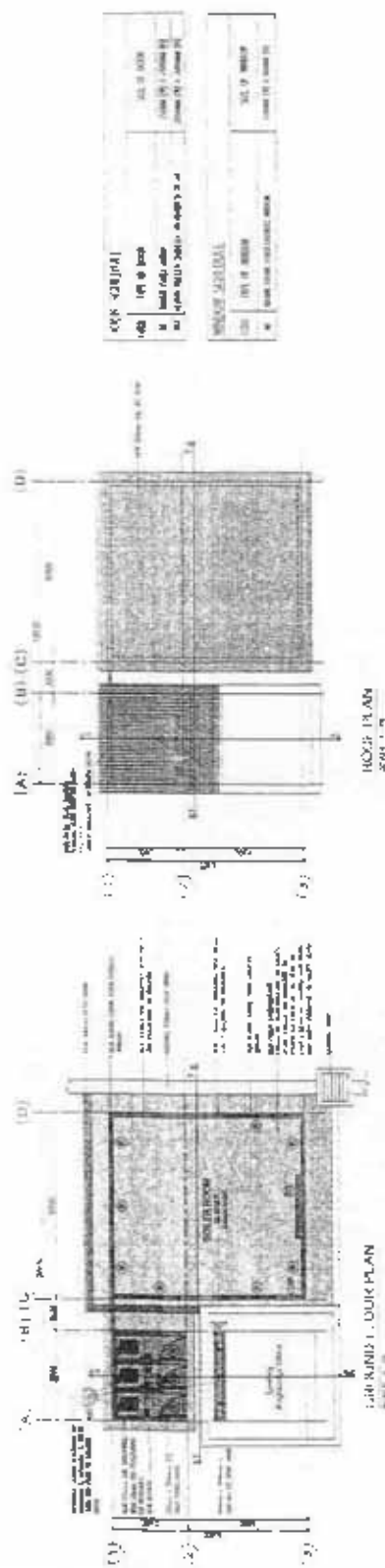
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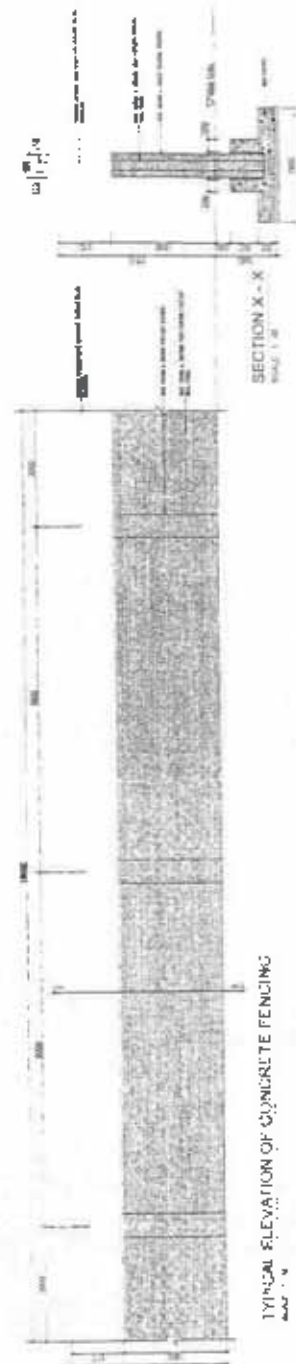
Professional Engineer Seal

Professional Engineer Seal

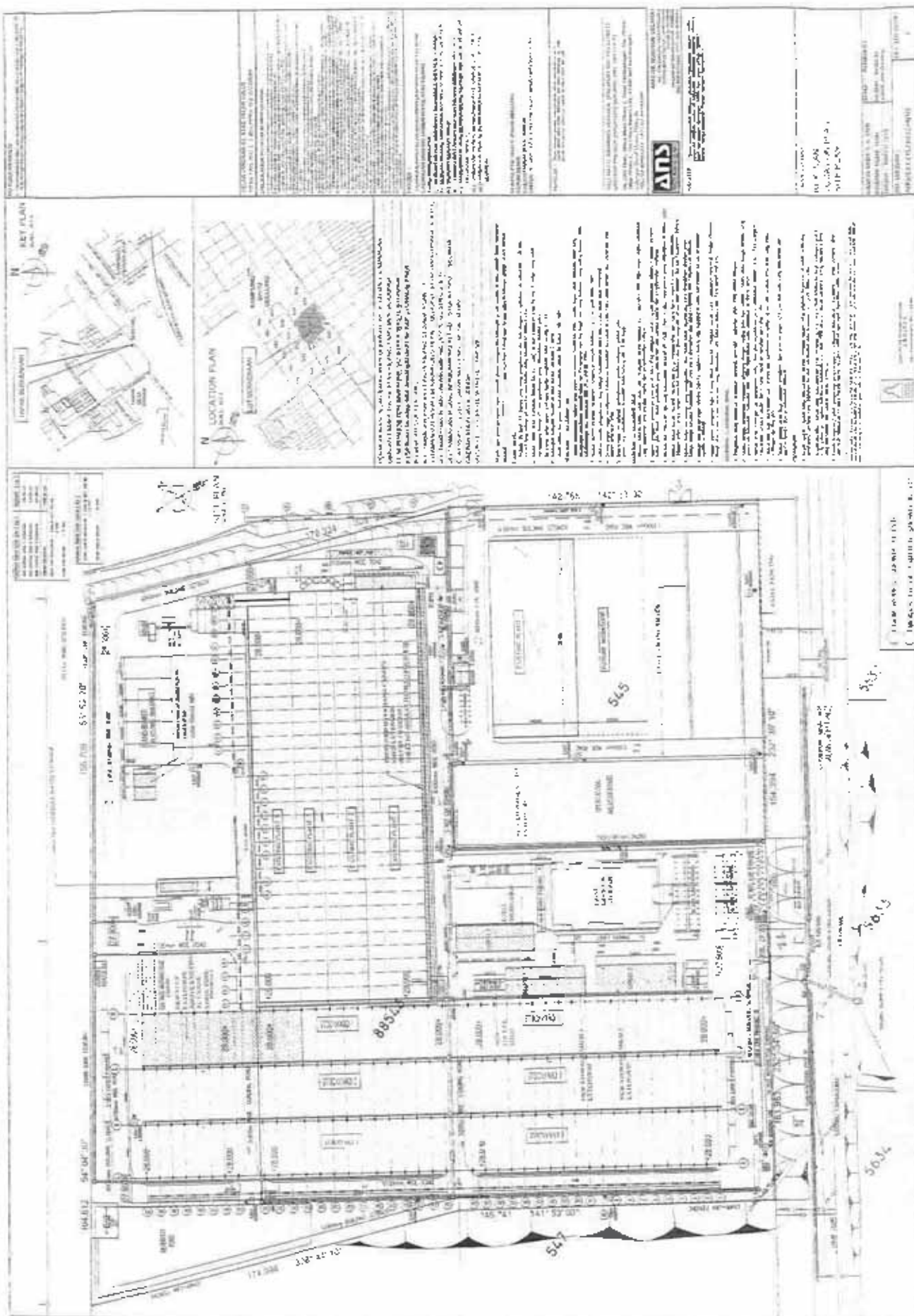
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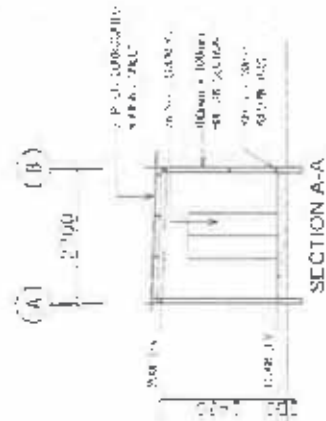
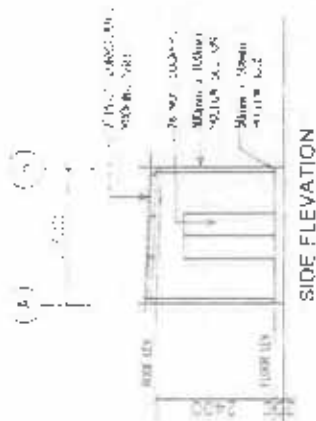
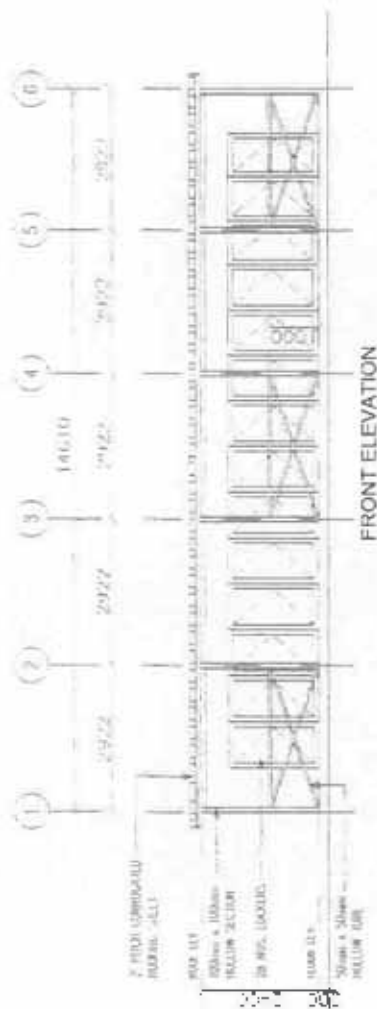
Professional Engineer Seal





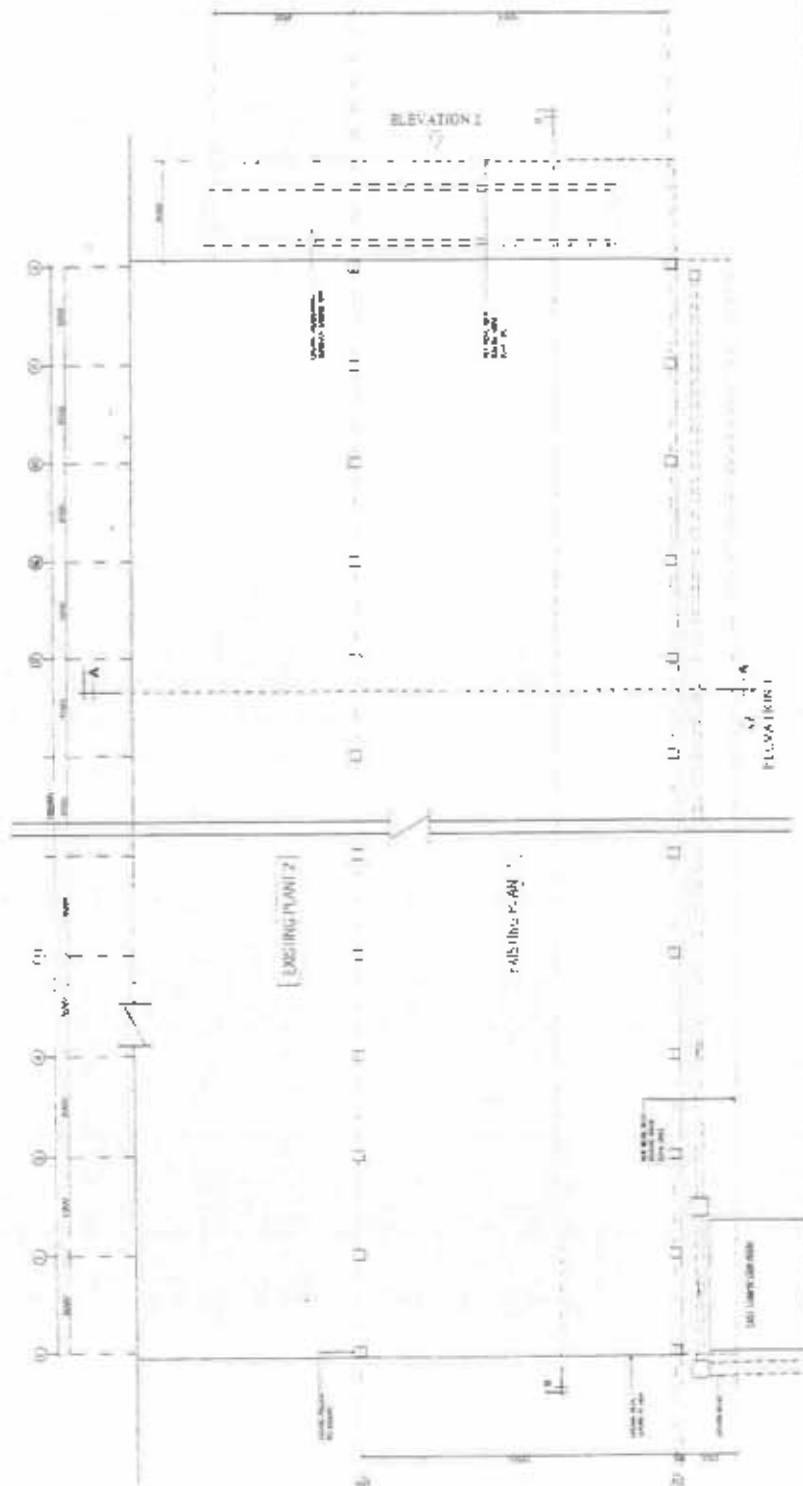
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Journal of Internal Medicine 247: 101-108





1st FLOOR PLAN (LOCKERS SHED)

ROOF PLAN



PLUC-4 PLAN

NEW WOODS STATION BY HALL

Architectural title block containing project information, scale, and notes.

PROJECT: NEW WOODS STATION BY HALL

SCALE: 1/4" = 1'-0"

DATE: 10/1/2010

DESIGNER: [Faint text]

NOTES:

- 1. ALL DIMENSIONS ARE IN FEET AND INCHES.
- 2. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
- 3. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
- 4. ALL DIMENSIONS ARE TO OUTLINE UNLESS OTHERWISE NOTED.
- 5. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
- 6. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
- 7. ALL DIMENSIONS ARE TO OUTLINE UNLESS OTHERWISE NOTED.
- 8. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
- 9. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
- 10. ALL DIMENSIONS ARE TO OUTLINE UNLESS OTHERWISE NOTED.

APPENDIX:

APPENDIX A: [Faint text]

APPENDIX B: [Faint text]

APPENDIX C: [Faint text]

APPENDIX D: [Faint text]

APPENDIX E: [Faint text]

APPENDIX F: [Faint text]

APPENDIX G: [Faint text]

APPENDIX H: [Faint text]

APPENDIX I: [Faint text]

APPENDIX J: [Faint text]

APPENDIX K: [Faint text]

APPENDIX L: [Faint text]

APPENDIX M: [Faint text]

APPENDIX N: [Faint text]

APPENDIX O: [Faint text]

APPENDIX P: [Faint text]

APPENDIX Q: [Faint text]

APPENDIX R: [Faint text]

APPENDIX S: [Faint text]

APPENDIX T: [Faint text]

APPENDIX U: [Faint text]

APPENDIX V: [Faint text]

APPENDIX W: [Faint text]

APPENDIX X: [Faint text]

APPENDIX Y: [Faint text]

APPENDIX Z: [Faint text]

1/2" = 1'-0"

North Arrow

Scale

1/2" = 1'-0"

1/2" = 1'-0"

1/2" = 1'-0"

1/2" = 1'-0"

1/2" = 1'-0"

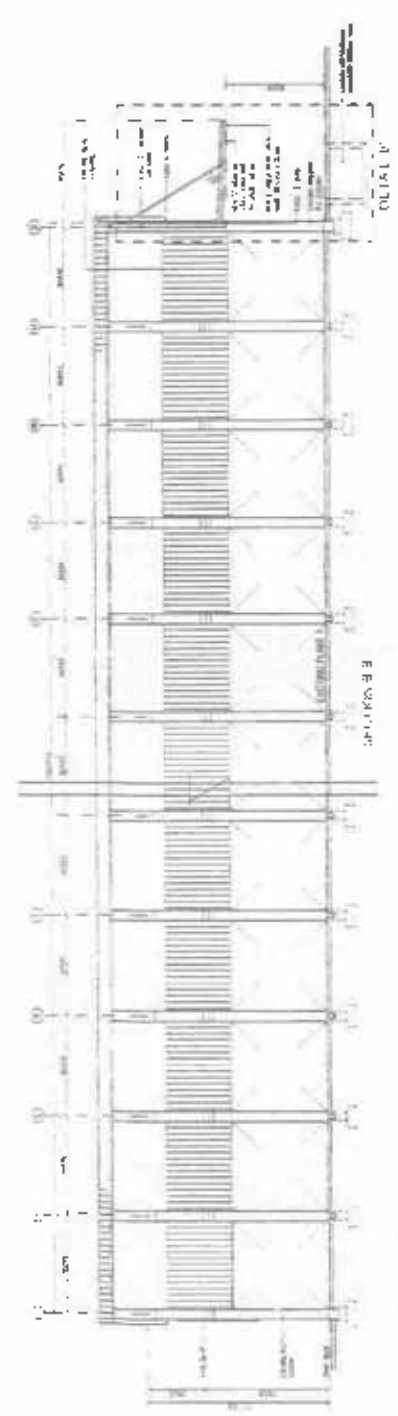
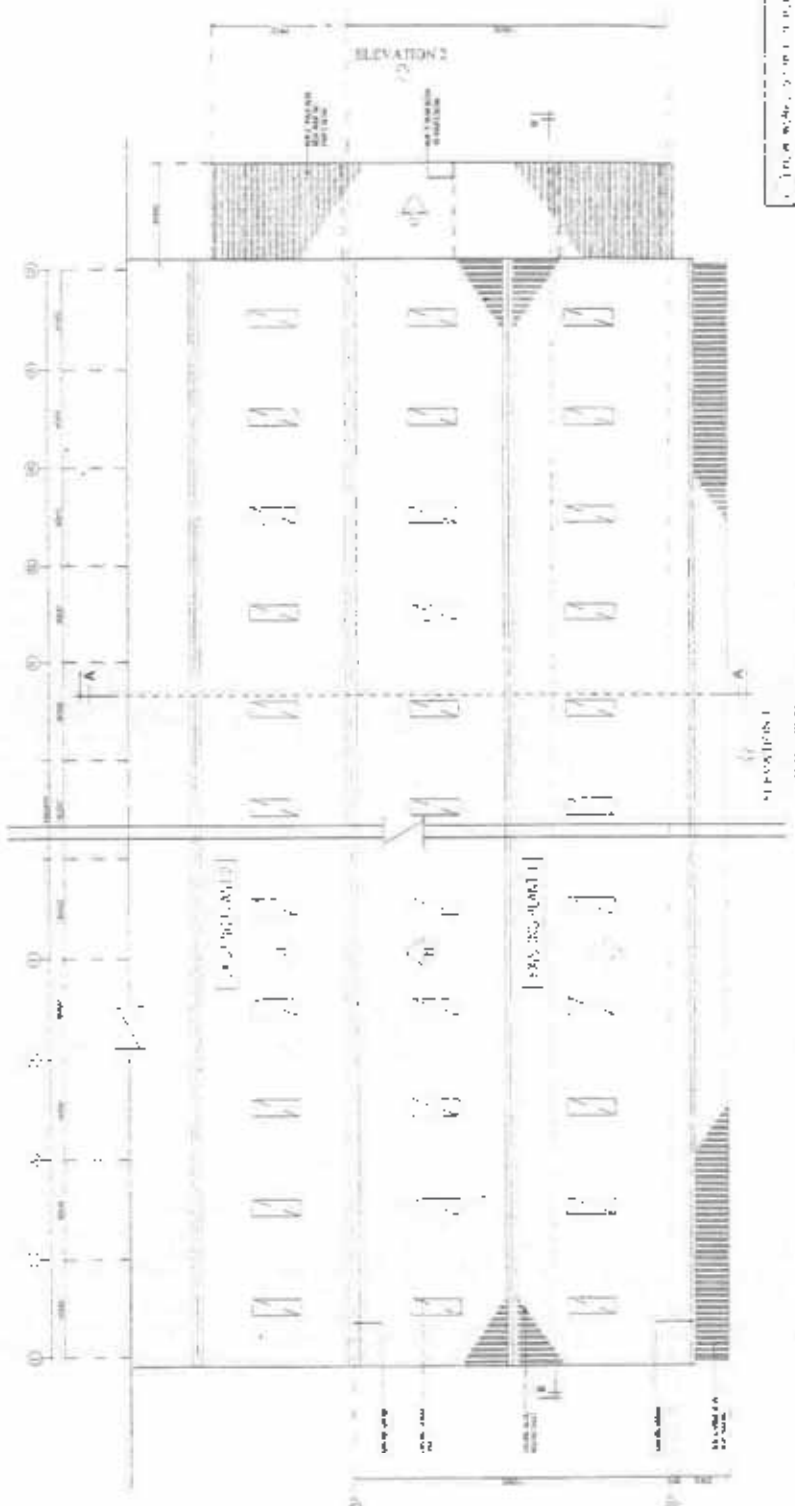
1/2" = 1'-0"

1/2" = 1'-0"

1/2" = 1'-0"

1/2" = 1'-0"

1/2" = 1'-0"



Author(s)	Year	Page
Chen, Y. & Chen, Y.	1998	100
Chen, Y. & Chen, Y.	1999	101
Chen, Y. & Chen, Y.	2000	102

F. 5 v. 141 27
 2. 12 11 14 15 : 2
 14. 14 14 14 14 14 14

Downloaded from <http://ajphaphysiol.physiology.org/> at University of California, San Diego on September 11, 2012

NOTES: Not intended solely as a reference tool. Use with a good understanding of the subject matter. Always consult the appropriate code books for the correct interpretation of the code.

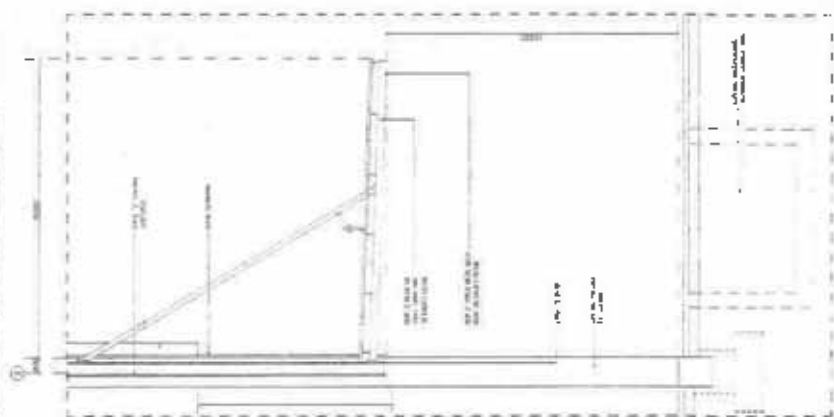
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18. H. P. V. N. 1971. *Journal of the Royal Microscopical Society*, 91, 105-110.

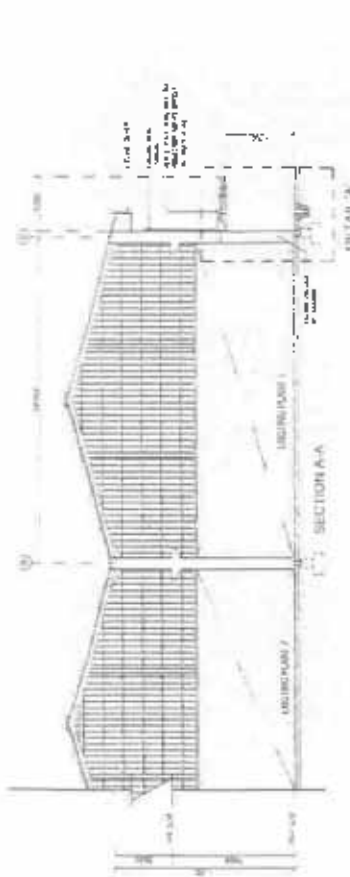
1. *What is the main purpose of the study?*
2. *What are the research objectives?*
3. *What is the research methodology?*
4. *What are the results of the study?*
5. *What are the conclusions of the study?*
6. *What are the limitations of the study?*
7. *What are the implications of the study?*
8. *What are the future research directions?*
9. *What are the contributions of the study?*
10. *What are the key findings of the study?*

[illegible]

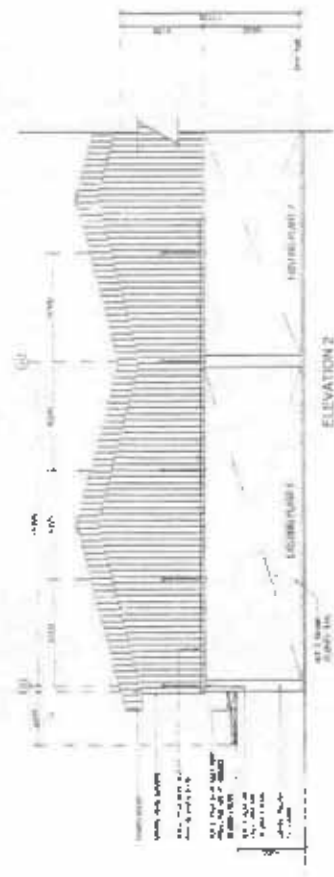
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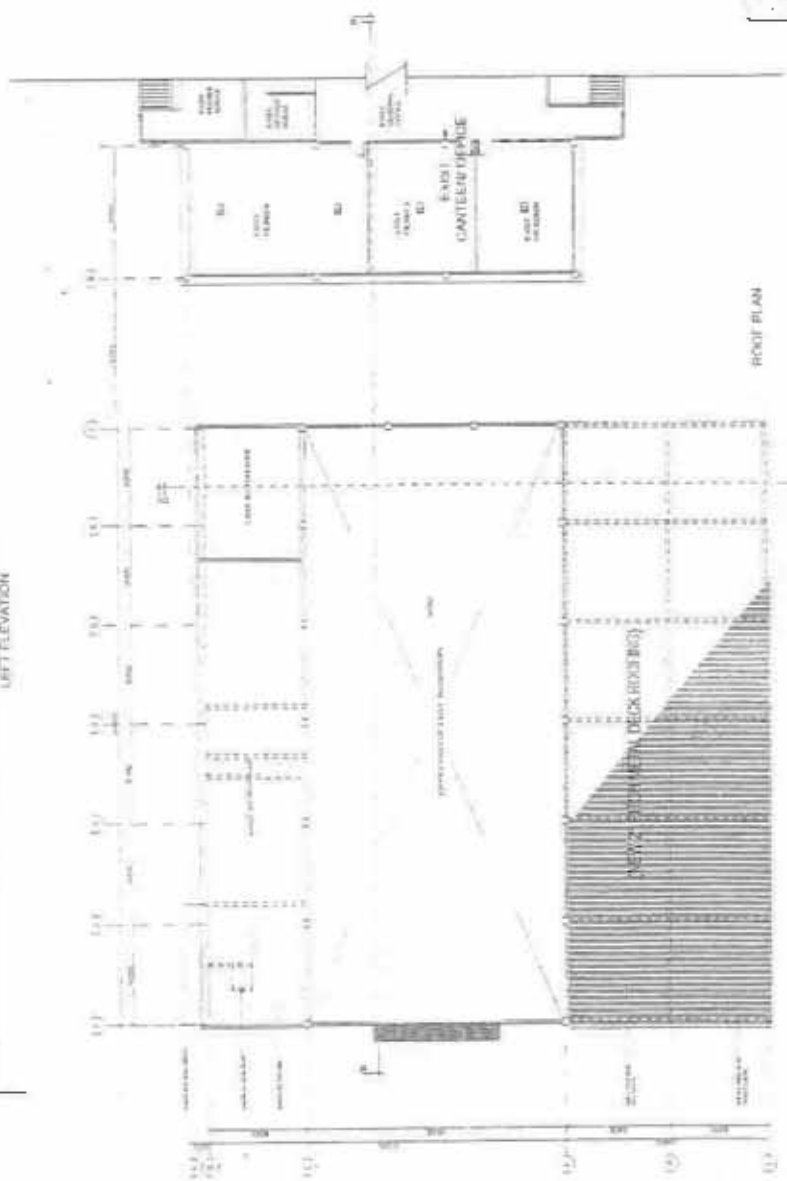


SECTION A-A



ELEVATION 2





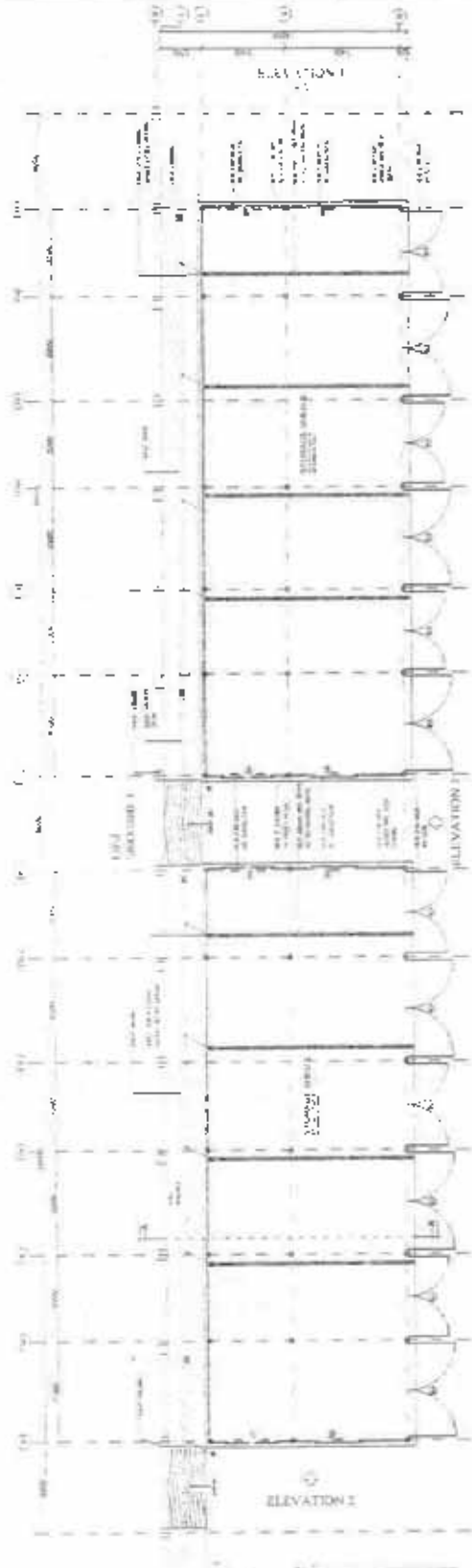
1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

שאלה

2000 10 10



NO.	DESCRIPTION	QTY	UNIT	PRICE	TOTAL
1	CEMENT CONCRETE	100	CU YD	120.00	12000.00
2	STEEL REINFORCEMENT	50	TON	150.00	7500.00
3	BRICKWORK	200	SQ YD	80.00	16000.00
4	PAINT	10	TON	200.00	2000.00
5	LABOR	1000	HOUR	10.00	10000.00
6	TRANSPORT	50	TRUCK	20.00	1000.00
7	WATER	100	CU YD	10.00	1000.00
8	WASTE REMOVAL	50	TRUCK	20.00	1000.00
9	INSULATION	100	SQ YD	10.00	1000.00
10	GLASS	100	SQ YD	10.00	1000.00
11	DOORS	10	UNIT	100.00	1000.00
12	WINDOWS	20	UNIT	50.00	1000.00
13	ROOFING	100	SQ YD	10.00	1000.00
14	PLASTER	100	SQ YD	10.00	1000.00
15	FINISH	100	SQ YD	10.00	1000.00
16	LANDSCAPING	100	SQ YD	10.00	1000.00
17	UTILITIES	100	SQ YD	10.00	1000.00
18	SEWER	100	SQ YD	10.00	1000.00
19	WATER SUPPLY	100	SQ YD	10.00	1000.00
20	STREET LIGHTS	10	UNIT	100.00	1000.00
21	PAVING	100	SQ YD	10.00	1000.00
22	GRASS	100	SQ YD	10.00	1000.00
23	SHRUBS	100	SQ YD	10.00	1000.00
24	TREES	100	SQ YD	10.00	1000.00
25	IRRIGATION	100	SQ YD	10.00	1000.00
26	WATER PUMP	10	UNIT	100.00	1000.00
27	WATER TANK	10	UNIT	100.00	1000.00
28	WATER PIPES	100	SQ YD	10.00	1000.00
29	WATER VALVES	10	UNIT	100.00	1000.00
30	WATER METER	10	UNIT	100.00	1000.00
31	WATER FILTER	10	UNIT	100.00	1000.00
32	WATER TREATMENT	10	UNIT	100.00	1000.00
33	WATER DISTRIBUTION	100	SQ YD	10.00	1000.00
34	WATER COLLECTION	100	SQ YD	10.00	1000.00
35	WATER STORAGE	100	SQ YD	10.00	1000.00
36	WATER PUMP	10	UNIT	100.00	1000.00
37	WATER TANK	10	UNIT	100.00	1000.00
38	WATER PIPES	100	SQ YD	10.00	1000.00
39	WATER VALVES	10	UNIT	100.00	1000.00
40	WATER METER	10	UNIT	100.00	1000.00



ELEVATION 1

FLOOR PLAN

SECTION 1

SECTION 2

SECTION 3

SECTION 4

SECTION 5

SECTION 6

SECTION 7

SECTION 8

SECTION 9

SECTION 10

SECTION 11

SECTION 12

SECTION 13

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SECTION 96

SECTION 97

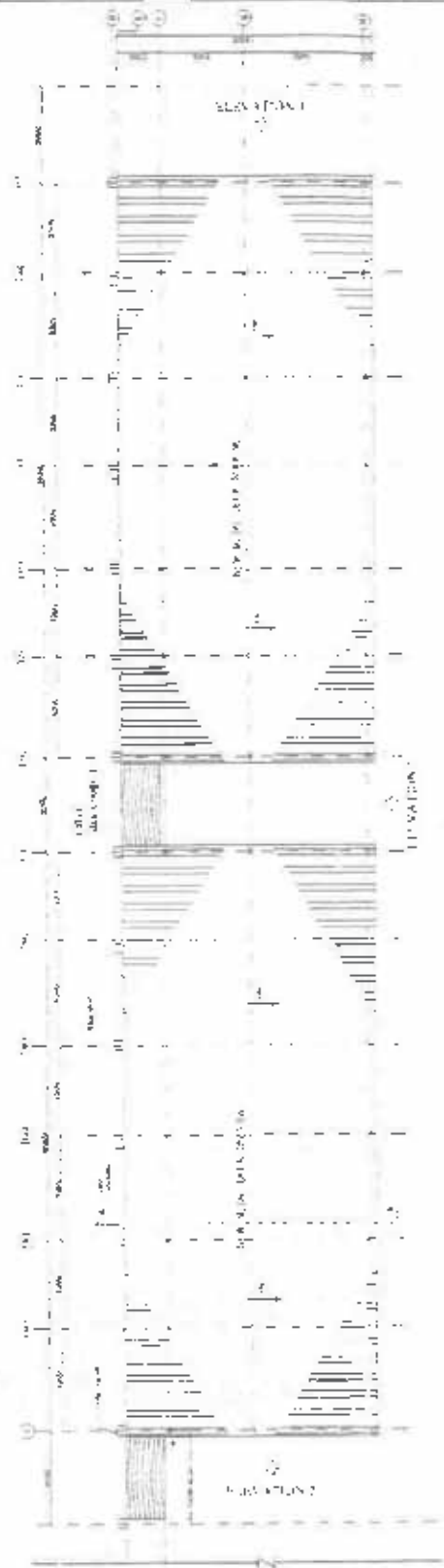
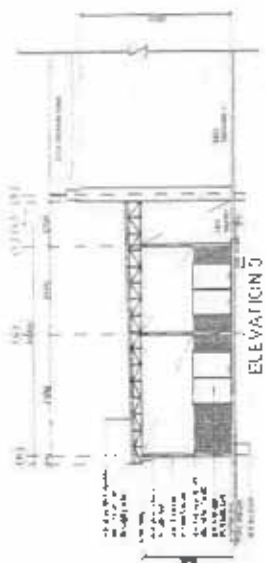
SECTION 98

SECTION 99

SECTION 100

SECTION 101

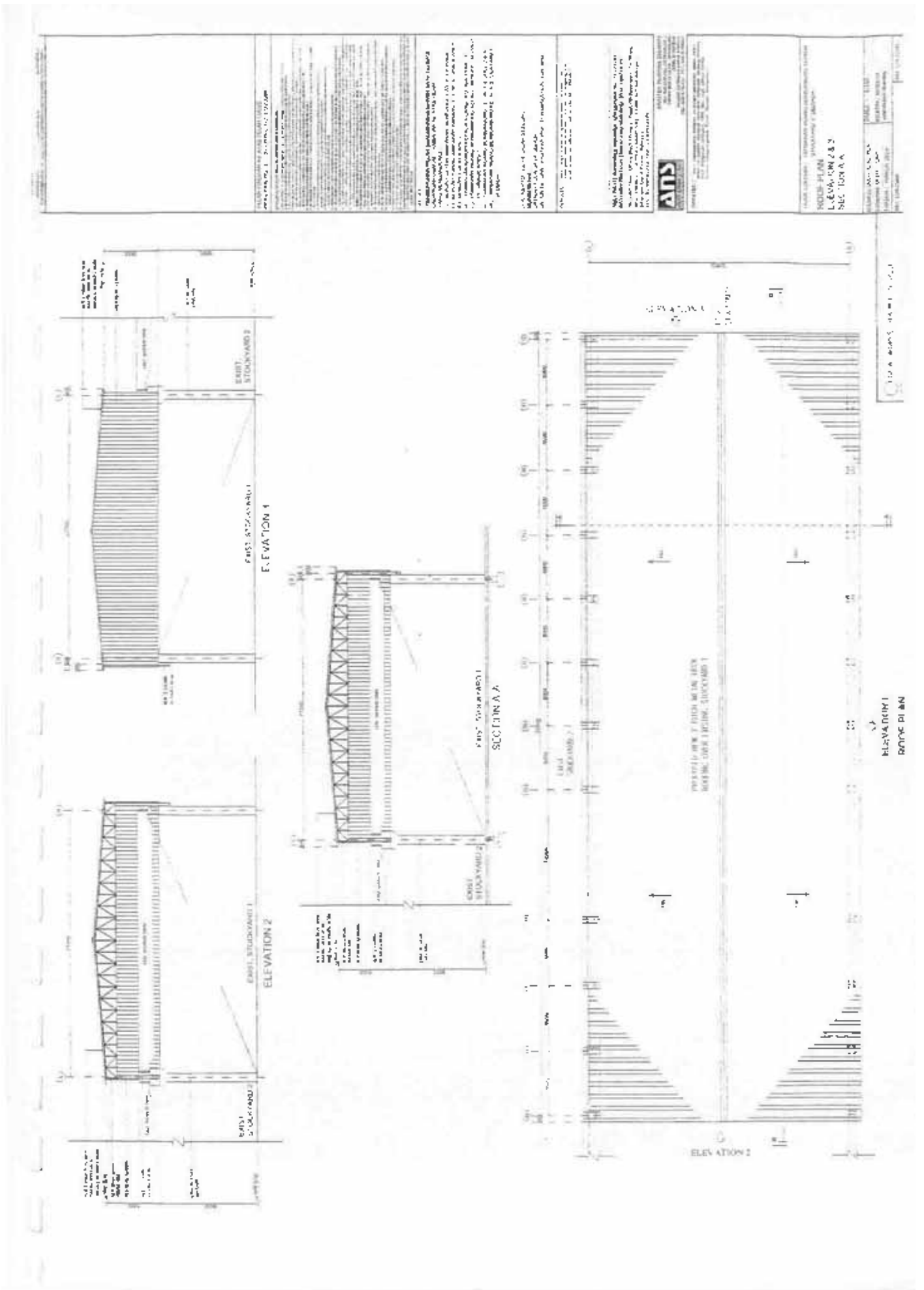
SECTION 102

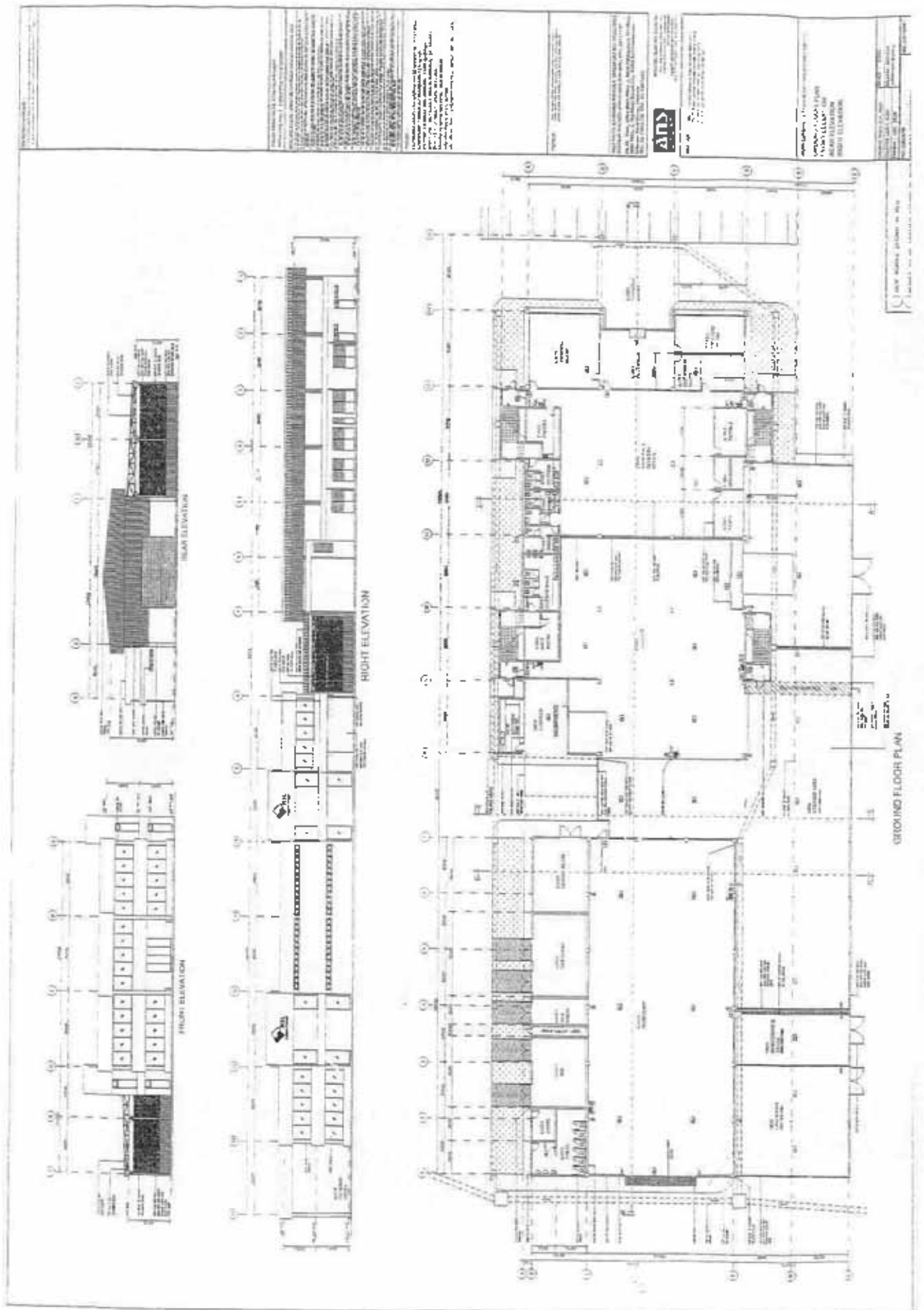


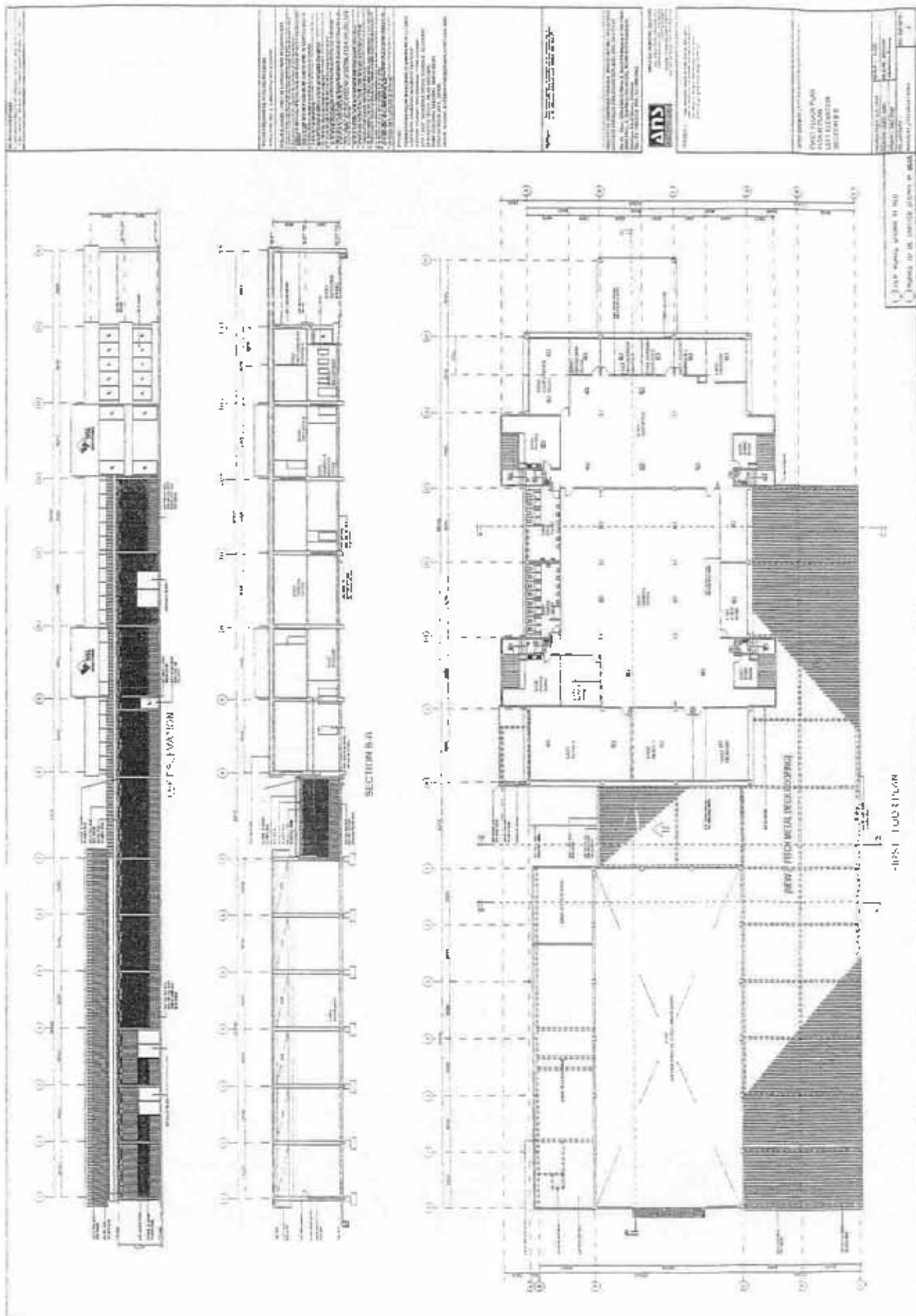
ROOF PLAN

1/4" = 1'-0"

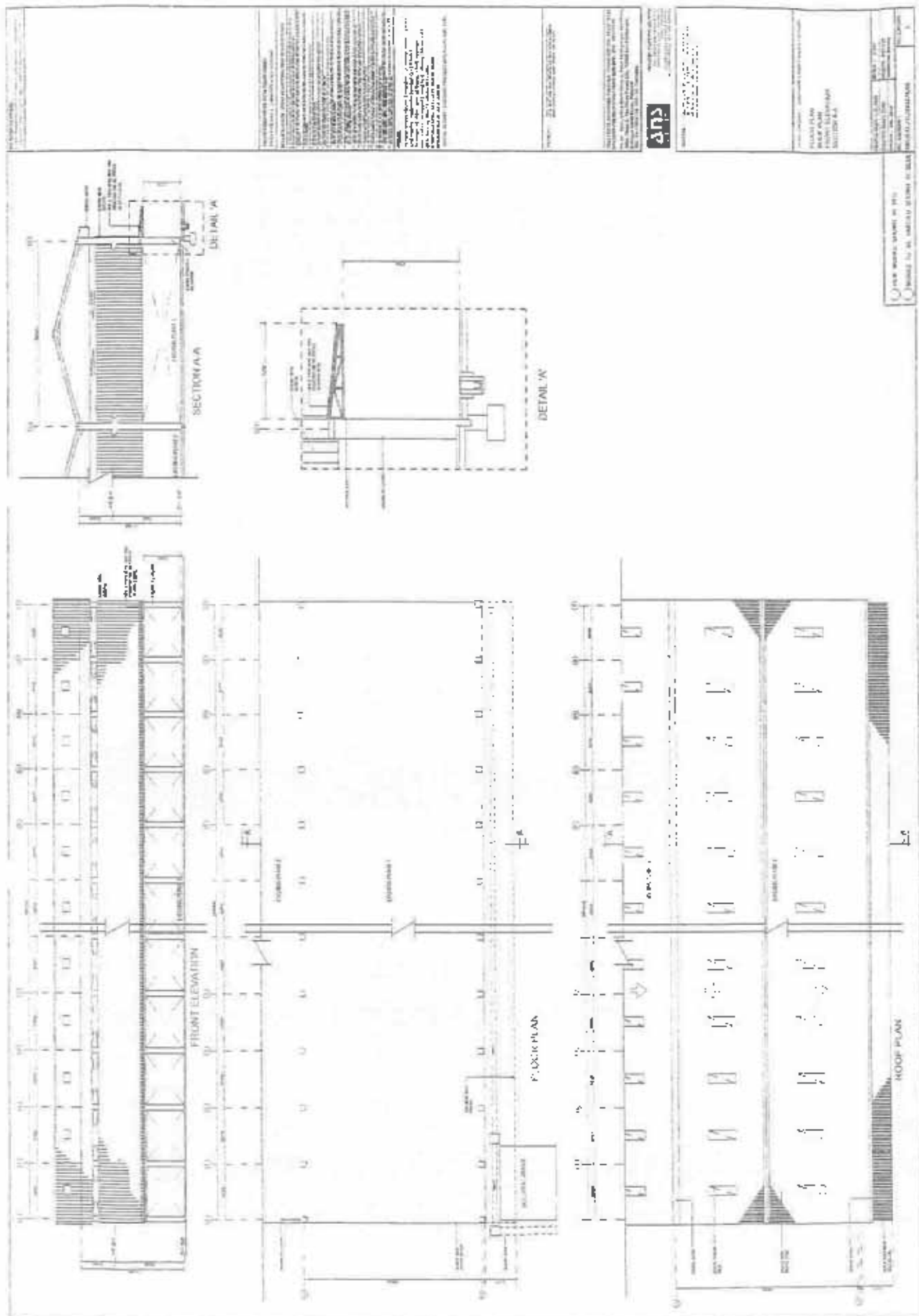
1/4" = 1'-0"













APPENDIX IV

Photographs



HENRY BUTCHER

Malaysia (Johor) Sdn. Bhd.

APPENDIX 'IV'



GENERAL VIEW OF THE SUBJECT PROPERTY

PHOTOGRAPH



**HENRY BUTCHER
MALAYSIA**



HENRY BUTCHER

Malaysia (Johor) Sdn. Bhd.

APPENDIX 'IV'



GENERAL VIEW (OFFICE BUILDING AND INTERNAL VIEW)

PHOTOGRAPH



HENRY BUTCHER
MALAYSIA



HENRY BUTCHER

Malaysia (Johor) Sdn. Bhd.

APPENDIX 'IV'



CANTEEN CUM STORAGE AREA BUILDING



GENERAL VIEW OF THE SINGLE STOREY WAREHOUSE

PHOTOGRAPH



**HENRY BUTCHER
MALAYSIA**



HENRY BUTCHER

Malaysia (Johor) Sdn. Bhd.

APPENDIX 'IV'



FOUR ADJOINING BLOCKS OF SINGLE STOREY PLANT BUILDING

PHOTOGRAPH



HENRY BUTCHER
MALAYSIA



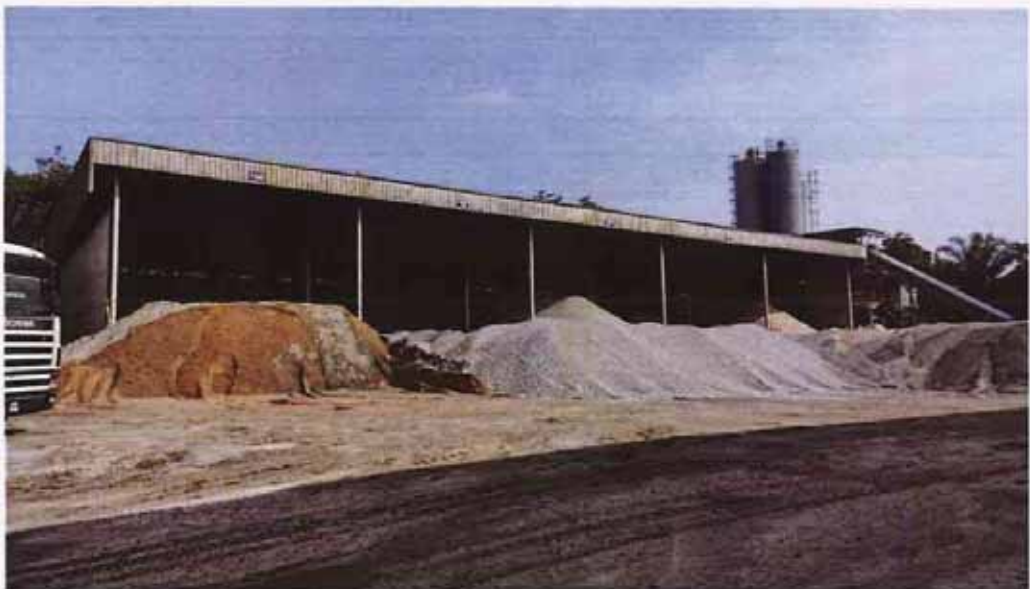
HENRY BUTCHER

Malaysia (Johor) Sdn. Bhd.

APPENDIX 'IV'



SINGLE STOREY WORKSHOP cum TNB-SUBSTATION



GENERAL VIEW OF SAND BUNKER

PHOTOGRAPH



HENRY BUTCHER
MALAYSIA



HENRY BUTCHER

Malaysia (Johor) Sdn. Bhd.

APPENDIX 'IV'



SINGLE STOREY STORAGE (WAREHOUSE A,B,C) BUILDING



COMPRESSOR & PUMP ROOMS

PHOTOGRAPH



HENRY BUTCHER
MALAYSIA



HENRY BUTCHER

Malaysia (Johor) Sdn. Bhd.

APPENDIX 'IV'



GUARD HOUSE & WEIGHT BRIDGE CONTROL OFFICE



TWO UNITS OF BOILER ROOMS

PHOTOGRAPH



HENRY BUTCHER
MALAYSIA



HENRY BUTCHER

Malaysia (Johor) Sdn. Bhd.

APPENDIX 'IV'



SINGLE STOREY SCRAPE METAL STORAGE



DIESEL TANK & SCHEDULE WASTE STORAGE

PHOTOGRAPH



**HENRY BUTCHER
MALAYSIA**

APPENDIX A

**Copy of lands search
& Title deeds**

CATATAN CARIAN PERSENDIRIAN HAKMILIK DAN MAKLUMAT TIDAK BERKUATKUASA

Jenis dan No. Hakmilik : HSM 3700	Nombor PT : PTD 103274
Bandar/Pekan/Mukim : Mukim Senai	Tempat : Seelong
Keluasan : 99130 Meter Persegi	Daerah : Kulai
Nombor Syit Piawai : 59 D III	Nombor Pelan Akui : Tiada
Taraf Pegangan : Selama-lamanya <i>(Selama-lamanya atau Pajakan)</i>	Tarikh Luput Pajakan : <i>(Jika Berkenaan)</i>
Tarikh Daftar : 4 Januari 2016	Cukai Tanah : RM36,704.00
Kawasan Rizab : Tiada <i>(Jika Berkenaan)</i>	

Kategori Kegunaan Tanah :	Perusahaan/Perindustrian
Syarat Nyata :	i) Tanah ini hendaklah digunakan sebagai kawasan Industri Sederhana untuk tujuan Concrete & Piling dan kegunaan lain yang berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan. ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan / dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan. iii) Segala dasar dan syarat yang telah ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi.
Sekatan Kepenungan :	Tanah ini tidak dibenarkan dipindahmilik dengan apa cara sekalipun melainkan infrastruktur untuk kemudahan awam di kawasan kilang telah siap dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.

Rekod Ketuanpunyaan:

EASTERN PRETECH (MALAYSIA) SDN.BHD. : No. Syarikat : 184774 P
 Terdaftar di bawah Akta Syarikat 1965, 1/1 bahagian
 NO 28, JALAN 7/108C, TAMAN SUNGAI BESI, 57100 WILAYAH PERSEKUTUAN KL.

Rekod urusan dan endosan lain:

Nombor Perserahan : 307/2019 Pindaan Cukai Tanah
 didaftarkan pada 21 Oktober 2019 jam 05:01:00 petang

Hakmilik : 012102HSM00003700
 Mukasurat : 1 1 2
 Tarikh : 07 / 10 / 2024

Urusan-urusan dalam Perserahan yang belum didaftarkan : Tiada

Urusan-urusan dalam Perserahan yang digantung : 0

Endosan-endosan yang terdahulu yang tidak berkuatkuasa lagi :

No Pers 468/2017 Melepaskan Gadaian
keatas Gadaian menjamin wang pokok No Pers 611/2013
oleh PUBLIC BANK BERHAD , 6463-H
didaftarkan pada 22 Jun 2017 jam 10:45:04 pagi

No Pers 611/2013 Gadaian menjamin wang pokok
oleh EASTERN PRETECH (MALAYSIA) SDN.BHD. , 184774-P , 1/1 bahagian
kepada PUBLIC BANK BERHAD, 6463-H
G1 & G2 WISMA DAIMAN 64, JALAN SULAM TAMAN SENTOSA 80150 Johor
didaftarkan pada 1 Julai 2013 jam 03:41:54 petang

Hakmilik yang terdahulu :

(Jika hakmilik sambungan)

Tarikh mula diberimilik :

Hakmilik Asal (Tetap atau Sementara) :

Hakmilik Terdahulu daripada ini : Mukim Senai HSM 3700

Perkara lain yang melibatkan hakmilik :

Cukai tanah dipinda dari RM 17856 kepada RM 36704
menurut Seksyen 101 Kanun Tanah Negara mulai dari
(No Warta J. P. U 49, bertarikh 5 Disember 2019.)

Dikeluarkan pada : 11:14:52 pagi

Bayaran dijelaskan : RM 60.00

Tarikh : 7 Oktober 2024

Nombor Resit : 071024400020

Hakmilik : 01210211SS400003700
Mukasurat : 2 / 2
Tarikh : 07 / 10 / 2024

Kanun Tanah Negara
Borang 11BK
 (Jadual Keempat Belas)

HAKMILIK SEMENTARA
 BERSAMAAN DENGAN HAKMILIK PEJABAT TANAH

No.	H.S.(M) : 3700	Cukai Tahunan : RM17,856.00

Negeri	: Johor
Daerah	: Kulai
Bandar/Pekan/Mukim	: Mukim Senal
Tempat	: Seelong
No. PT	: P1D 103274
Luas Sementara	: 99130 Meter Persegi
Kategori Penggunaan Tanah	: Perusahaan/Perindustrian
No. Lembaran Pawai	: 59 D III
No. Permohonan Ukar	: 275/2012(K)
No. Fail	: PTDKU/PND/1/15

Geran untuk selama-lamanya

Didaftarkan pada 4 Januari 2016

Dokumen hakmilik keluaran dikeluarkan pada



Pelan jakar-pelan tanah, bagi maksud pengenalan, adalah pada Borang B2.

SYARAT-SYARAT KHAS MENGENAI HAKMILIK SEMENTARA

- 1) Hakmilik ini adalah terakluk kepada peruntukan-peruntukan Kanun Tanah Negara dan kepada syarat-syarat, syarat dan sekatan sekatan berikut :

SYARAT-SYARAT NYATA

- Tanah ini hendaklah digunakan sebagai kawasan Industri Sederhana untuk tujuan Concrete & Pileg dan kegunaan lain yang berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.
- Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan & dibuang ke tempat-tempat yang telah ditentukan oleh



Hakmilik : 012101HSM20003/00
 Tarikh : 22/06/2017
 No. Versi : 2
 No. Salinan :
 Mukasurat : 1 | 1 | 1

JKUL 0025016

DIKK

Pihak Berkuasa Berkenaan.

iii) Segala dasar dan syarat yang telah ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi.

SEKATAN-SEKATAN KEPENTINGAN

Tanah ini tidak dibenarkan dipindahmilik dengan apa cara sekalipun melatinkan infrastruktur untuk kemudahan awam di kawasan kilang telah siap dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.

2. Dajam, pelan tanah pada Borang B2, sempadan yang ditunjukkan dengan warna merah, belum ditetapkan secara ukur adalah sementara sahaja.

Hendaklah dipenahkan apabila hakmilik dikeluarkan bagi sambungan

Tarikh mula-mula diberi milik	:	
No. hakmilik asal (Tetap atau sementara)	:	
No. hakmilik yang terakhir sekali	:	HSM 3700 Mukim Senai
<i>(jika beriatman daripada di atas)</i>		

REKOD KETUANPUNYAAN

EASTERN PRETECH (MALAYSIA) SDN.BHD. : 1:1 bhd.

No Syarikat : 164774-P. Tertubuh di bawah Akta Syarikat 1965

NO 28, JALAN 7/108C, TAMAN SUNGAI BESI, 57100 WILAYAH PERSEKUTUAN KL

REKOD URUSAN

PERKARA LAIN YANG MELIBATKAN HAKMILIK



Hakmilik	:	012102HSM0003700
Tarikh	:	22/06/2017
No. Versi	:	1
No. Salinan	:	
Muka Surat	:	2 (2)

Kanun Tanah Negeri
Borang B2
(Jadual Keempat Belas)

D/HKK

PELAN TANAH
(Hakmilik Sementara)

Saya mengesahkan bahawa *petan/petan lakar yang dikepitkan di bawah ini adalah salinan benar *petan/petan lakar tanah. Butiran hakmilik adalah seperti berikut:

*H S (D) H.S.(M) No	: HSM 3700
Negeri	: Johor
Daerah	: Kulai
*Bandar/Pekan/Mukim	: Mukim Senai
No. Lembaran	: 59 D III
No. Lot	: PTD 103274
Luas Sementara	: 99130 Meter Persegi

2. Dalam petan yang di bawah ini, sempadan yang ditunjukkan dengan warna merah, belum ditetapkan secara ukur, adalah sementara sahaja



04 JAN 2016

Bertarikh pada hari-bulan



APPENDIX B

Copy of Assessment Bill



MAJLIS PERBANDARAN KULAI
JALAN PEJABAT KERAJAAN,
81000 KULAI, JOHOR
NO TELEFON : 07-6613000
NO FAKS : 07-6613407

LAMAN WEB : <http://www.mpkulai.gov.my>
ID OS : 000581832704



Biller Code: 2956
Ref-1: No. Akaun
Ref-2: No. Telefon/ No. Telefon Simpati

JomPAY online di Perbankan Internet dan Telefon Mudah
Ata dengan akaun semasa, simpanan atau kad kredit

JULAI - DISEMBER 2023 (PENGGAL KEDUA)

BIL TUNTUTAN CUKAI HARTA

No. Akaun	: A0208108	No. Bil / Perakuan	: T20230002894155
Nama Pemilik	: EASTERN PRETECH (MALAYSIA) SDN. BHD.	Tarikh Bil	: 01-07-2023
Senarai Pemilik	:		
Alamat	: PTD 103274, JALAN SEELONG, 81400 SENAI JOHOR		



Mengikut Seksyen 147 Akta Kerajaan tempatan 1976, bayaran cukai setiap tahun bagi penggal pertama adalah sebelum 28 Februari dan bagi penggal kedua sebelum 31 Ogos. Jika bayaran masih belum dijelaskan mengikut mana yang berkenaan, jumlah tersebut adalah disifatkan sebagai suatu tunggakan dan boleh dituntut mengikut peruntukan Seksyen 148 atau 156. Pemilik adalah bertanggungjawab untuk membayar jumlah tunggakan beserta lain-lain bayaran yang ditetapkan oleh pihak Majlis.

IIARTA DAN KETERANGAN

			Tunggakan(RM)	Semasa(RM)
No Lot	: 103274			
No DLM	: HSM 3700	Cukai Harta	0.00	0.00
No Bangunan	:	Denda	0.00	0.00
Alamat Harta	: JALAN SEELONG KAMPUNG BARU SEELONG 81400 SEELONG JOHOR	Waran	0.00	0.00
		Lain-Lain	0.00	0.00
Nilaian Taksiran	: 34,716,000.00	Kumbahan	0.00	0.00
Kadar (%)	: 0.5	Jumlah :	0.00	0.00
Cukai Setahun	: 173,580.00	Jumlah Perlu Dibayar (RM)		0.00

JULAI - DISEMBER 2023 (PENGGAL KEDUA)

BIL TUNTUTAN CUKAI HARTA

			Tunggakan(RM)	Semasa(RM)
No. Akaun	: A0208108			
Nama Pemilik	: EASTERN PRETECH (MALAYSIA) SDN. BHD.	Cukai Harta	0.00	0.00
Senarai Pemilik	:	Denda	0.00	0.00
Alamat Harta	: JALAN SEELONG KAMPUNG BARU SEELONG 81400 SEELONG JOHOR	Waran	0.00	0.00
		Lain-Lain	0.00	0.00
		Kumbahan	0.00	0.00
No Lot	: 103274	Jumlah :	0.00	0.00
No. Bil / Perakuan	: T20230002894155	Jumlah Perlu Dibayar (RM)		0.00

APPENDIX C

Copy of Certificate of Completion and Compliance (CCC)

UNDANG-UNDANG KECIL BANGUNAN SERAGAM 1984

BORANG F1

PERAKUAN SIAP DAN PEMATUHAN SEBAHAGIAN
[Undang-undang Kecil 27]

Kepada: EASTERN PRETECH (MALAYSIA) SDN BHD
26, JALAN 7/108C, TAMAN SUNGAI BESI,
57100 KUALA LUMPUR,
MALAYSIA.

No. Siri: LJM 00499
Tarikh: 17 MAY 2009

Saya dengan ini mengeluarkan Perakuan Siap dan Pematuhan Sebahagian untuk bangunan-bangunan
bangunan atas Lot 1 & Lot 2 CADANGAN MEMBINA KILANG PRE-TUANG DENGAN PAJABAT
Seksyen DAN SATU BUAH PENCAWANG ELEKTRIK DI ATAS LOT
Jalan PTD 517, 518 & 546, MUKIM SENAI,
DAERAH KULAIJAYA, JOHOR (PASA 1).

setelah berpuashati saya telah disiapkan sebahagian sebagaimana yang telah diluluskan oleh pihak berkuasa
tempatan menurut pelan yang diluluskan No. MPK4/2-37/2008K // bertarikh 7hb. Mei 2009

Saya telah mengawasi pembinaan dan penyediaan sebahagian bangunan-bangunan berkenaan dan
sepanjang pengetahuan dan kepercayaan saya kerja-kerja itu adalah menurut Akta, Undang-
undang Kecil Bangunan Seragam 1984 dan pelan-pelan yang telah diluluskan. Saya dengan ini memperaku-
bahawa bangunan-bangunan tersebut adalah selamat dan layak untuk diduduki.

Phoon
(Orang Utama Yang Mengemukakan)

1. Rujukan orang utama yang mengemukakan

Nama: PHOON CHONG FOO

Alamat: 39-B, JALAN PERANG,
TAMAN PELANGI,
80400 JOHOR BAHRU.

No. Pendaftaran LJM: 10673

2. Salinan kepada

(a) Pihak Berkuasa Tempatan: MALAYSIA PERBANDARAN KULAI
(Nama Pihak Berkuasa Tempatan)

(b) Lembaga Jurutera Malaysia (LJM)



SALINAN ASAL

UNDANG-UNDANG KECIL BANGUNAN SERAGAM 1984

BORANG F1

PERAKUAN SIAP DAN PEMATUHAN SEBAHAGIAN

[Undang-undang Kecil 27]

No Siri LJM 00314

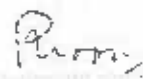
Tarikh: 30hb. Disember 2011

Kepada: EASTERN PRETECH (MALAYSIA) SDN BHD
28, JALAN 7/108C,
TAMAN SUNGAI BESI,
57100 KUALA LUMPUR.

Saya dengan ini mengeluarkan Perakuan Siap dan Pematuhan Sebahagian untuk bangunan-bangunan-
bangunan atas Lot 1-1-Lot 1 CADANGAN UBAHAN TAMBAHAN KE ATAS KILANG SEJAJA (LOT 86543)
Seksyen YANG MENGANDUNGI SEBUAH KILANG; TAPAK SIMFANAN BARANG TERBUKA;
TAMPAK SIMFANAN BARANG-BAHAN BILASAK BERTUMBUK & SEBUAH BANGUNAN
Tandas di atas Lot 543 (LOT BARU), MEKIN SENAI, DAERAH KUALA LUMPUR,
JALAN JOHOR (FASA 1).

selepas berpindahanya telah disiapkan sebahagian seragamnya yang telah diluluskan oleh pihak berkuasa
tempatan menurut pelan yang dibekalkan No. MEK 4/2-10/2011K (M/T) bertarikh 29hb. Julai 2011.

Saya telah mengawasi pembinaan dan penyediaan sebahagian bangunan-bangunan berkenaan dan
sepanjang pengetahuan dan kepercayaan saya kerja-kerja itu adalah menurut Akta Undang-
Undang Kecil Bangunan Seragam 1984 dan pelan-pelan yang telah diluluskan. Saya dengan ini memperakui
bahawa bangunan-bangunan tersebut adalah selamat dan layak untuk diduduki.


Orang Utama Yang Mengendalikan

Butir-butir orang utama yang mengemudikan

Nama: PHOON CHONG FOO

Alamat: 16-2, JALAN STRAIT,
TAMAN PELANGI,
80-10 JOHOR BARU.

No. Pendaftaran LJM: 10673



Salinan kepada:

1. Pihak Berkuasa Tempatan: MAJLIS PERBANDARAN BULAI
(Nama & No. Berkuasa Tempatan)

2. Tempaga Jurutera Negeri No. LJM

SALINAN ASAL



Parmarine Oy

Valuation Report

Industrial property
Murrontie 8
FI-30420 Forssa
Finland

Juha Kirvesmies
18.10.2024



Assignment Description

Assignment

Valuation summary (Value Date 31.8.2024)

- The valuation report is ordered by Jussi Raunio on behalf of Parmarine Oy.
- We refer to the instruction from NSL Ltd. to provide an opinion on the Market Value of the Property (as defined hereinafter) in its existing state, for the purposes of a mandatory unconditional cash offer for all the issued ordinary shares in the capital of NSL Ltd. (other than those already owned, controlled or agreed to be acquired by YTL Cement Berhad and parties acting in concert).
- Under valuation is a real estate located at Murrontie 8, FI-30420 Forssa, Finland. The property consists of a plot of land and the buildings on it.
- The valuation has been prepared in accordance with The RICS Valuation Standards (Global Standards).
- The purpose of the valuation report is to define the market value of the property under valuation.
 - Market value 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 (IVS).
- The valuation is based on information regarding the property and its surroundings received from the property manager, from public registers and from other information sources.
- The valuation is conducted by Juha Kirvesmies (responsible valuer) and Jari Lehikoinen (controller of the valuation) and they both act in this valuation in the capacity of an independent valuer. Neither the valuer or Retta Oy have a conflict of interest with the issuer.
- Juha Kirvesmies has made an external and internal inspection on 8th of October 2024.
- Juha Kirvesmies will give further information on the valuation.
 - Juha Kirvesmies: +358 400 553 339, juha.kirvesmies@retta.fi
- The valuer is qualified and has the required experience.

Subject

- Site: 61-15-277-9, site area 87,958 sqm.
- Address: Murrontie 8, FI-30420 Forssa.
- Buildings: An industrial building originally built in 1972, 1980 and 1984 and extended in 2017 and 2022. The old space is approximately 13,555 sqm and the two new extensions 7,600 sqm, totalling 21,155 sqm. The condition of the old space is fair/satisfactory, with satisfactory functionality (in some areas quite low). The condition and functionality of the new space is very good. In addition, there is a light-framed office loft of 295 sqm and several cold storage warehouses and warehouses.
- Usage: All premises are for the owner's own use.

Market Position

- The site is a very large industrial property with some excellent new space, but also some unsustainable old space. The location in Forssa is good from an operational point of view, but in our opinion only fair from a saleability point of view. The market position of the site in the industrial market is, in our opinion, below average B/C on a scale of A-A/B-B-B/C-C.

Determination of the Market Value

- Based on the large industrial property transactions that have taken place in Southern Finland, the market value of the site is estimated to be around **EUR 4.0 million**.
- Because of very low number of comparable deals the accuracy of this estimate is **+/- 20%**.

Structure of the Report and Reliance / Confidentiality / Assumptions

Structure of the Report

- Assignment and summary
- Structure and Reliance / Confidentiality
- Data used in this valuation
- Location and area
- The real property (site and town plan)
- Buildings
- Pictures
- Current use
- Operational costs
- Market review
- Market position and rating
- Valuation
- Market value

Reliance / Confidentiality / Assumptions

The intended use and the user of the valuation

- The valuation report is addressed to the Parmarine Oy and is marked for the attention of Jussi Raunio.

Confidentiality and conflicts of interest

- The valuer has no conflicts of interest with the Client.
- The Client may rely upon this Valuation Report in evaluating the Subject property as an investment object and to be used for loan security purposes.
- The Valuation Report may be disclosed to, but not relied upon by any of the Client's professional advisors, and to any rating agency or co-investor.
- This valuation report is confidential, and valuer (Retta Management Oy) will not take any responsibility towards third parties other than the Finance Parties referred to in "intended use and user of the valuation".
- The valuation fee is less than 5% of the yearly turnover of Retta Management Valuation Advisory team.

Special assumptions

- None.

Assumptions

- The soil is assumed to be free from contamination.

Sources of Data

Structure of the Report

Property

- Extracts from land data bank system (real estate).
- City of Forssa town plan information.

Technical data

- Database of Finnish Population Register Centre.
- Juha Kirvesmies has made an external and internal inspection on 8th October 2024.

Environmental data

- We had no environmental data available for the purposes of this valuation.

Floor area information

- The floor areas of the buildings used were obtained from Jussi Raunio and property tax data. We have measured the areas ourselves from the construction drawings and found the reported areas to be correct.

Operational cost and Maintenance charge

- The owner has provided us with information on the operating costs. They have also included some business expenses, including electricity costs, and are therefore not directly usable as such.
- Based on the management cost data provided by the owner and our own benchmarking data, we have arrived at the operation costs used in the estimate.

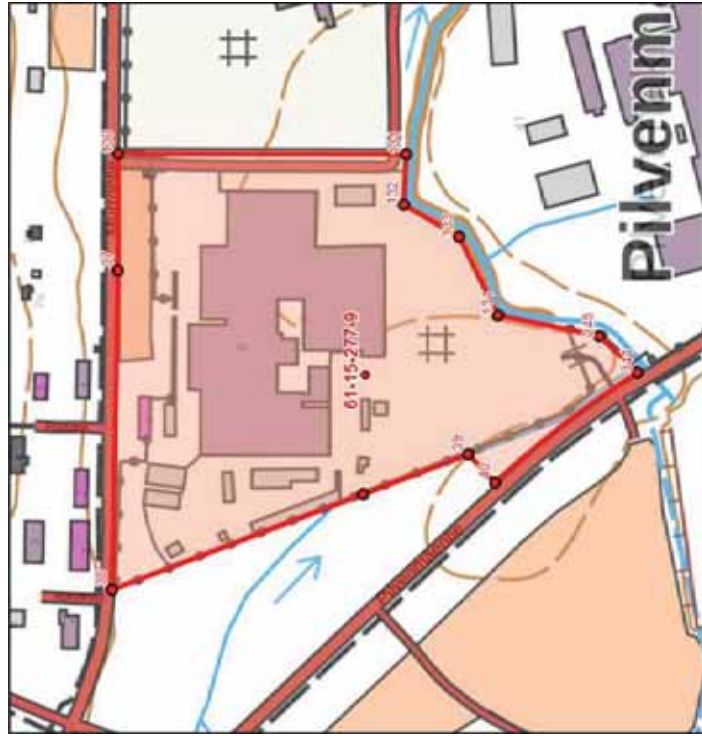
The Real Property

Freehold

Real Estate

- Address: Murrontie 8, 30420 Forssa
- Register no.: 61-15-277-9
- Site area: 87,958 sqm
- Owner: Oy Parmarine Ltd (According to certificate of registered ownership 22.11.2000)
- Encumbrances: According to the mortgage certificate of 8. 10. 2024, the property is encumbered by several dozen mortgages. These have no impact on the unencumbered market value determined in this valuation.
- Easements: The property is encumbered by the City of Forssa's right to an electricity line, which has no impact on the market value of the property.
- Yard: The courtyards are mainly asphalted on the parts that are open to traffic. The entire plot is fenced.
- Soil: No soil survey has been carried out on the property. The site has only ever been used for the manufacturing of bathrooms, where no environmentally harmful substances have been handled. For the purposes of this valuation, the assumption is that there are no problems with the soil.

Register map



The Real Property

Town Plan

- According to the zoning plan, the plot belongs to the industrial and warehouse building block area (T-1). The plot may only contain dwellings for the staff necessary for the management of the property, up to a maximum of two. There must be at least one parking space for every five employees.
- The building right is 43,979 k-m², with a plot efficiency of $e=0.50$. The remaining additional building right is 23 000 k-m², which has a marginal impact on the market value of the property, as industrial land in Forssa is cheap and the site needs a spacious yard for movement and storage of goods.
- A change in the zoning plan is pending for the area. The old zoning plan, dating from the 1970s, will be brought up to date. The existing one can continue on the site as before



Town Plan Map



The Buildings

Industrial Building

- The industrial building was mainly built in 1972, 1980 and 1984 (11.900 m² or 56% of the surface area). The cold Beshall of 787 gsm was completed in 1999. The most recent extensions are from 2017 (2,550 gsm) and 2022 (5,053 gsm).
- The load-bearing frame of the building varies in different parts and is made of glued laminated timber, reinforced concrete and steel. The floors are concrete, the facades are plastic-coated profiled sheeting and the roofs are mostly felt.
- The total gross floor area of the building is 21,155 gsm. The floor area is a self-measured estimate from a floor plan provided by the client.
- There is district heating, mechanical ventilation, cooling with heat pumps in the office, and a compressed air network. There are 3 bridge cranes of 2tn, 6 of 5tn and 1 of 8tn. They belong to the property.
- The condition of the old premises is fair/satisfactory and their functionality is satisfactory (quite low in some areas). The condition and functionality of the new premises is very good.

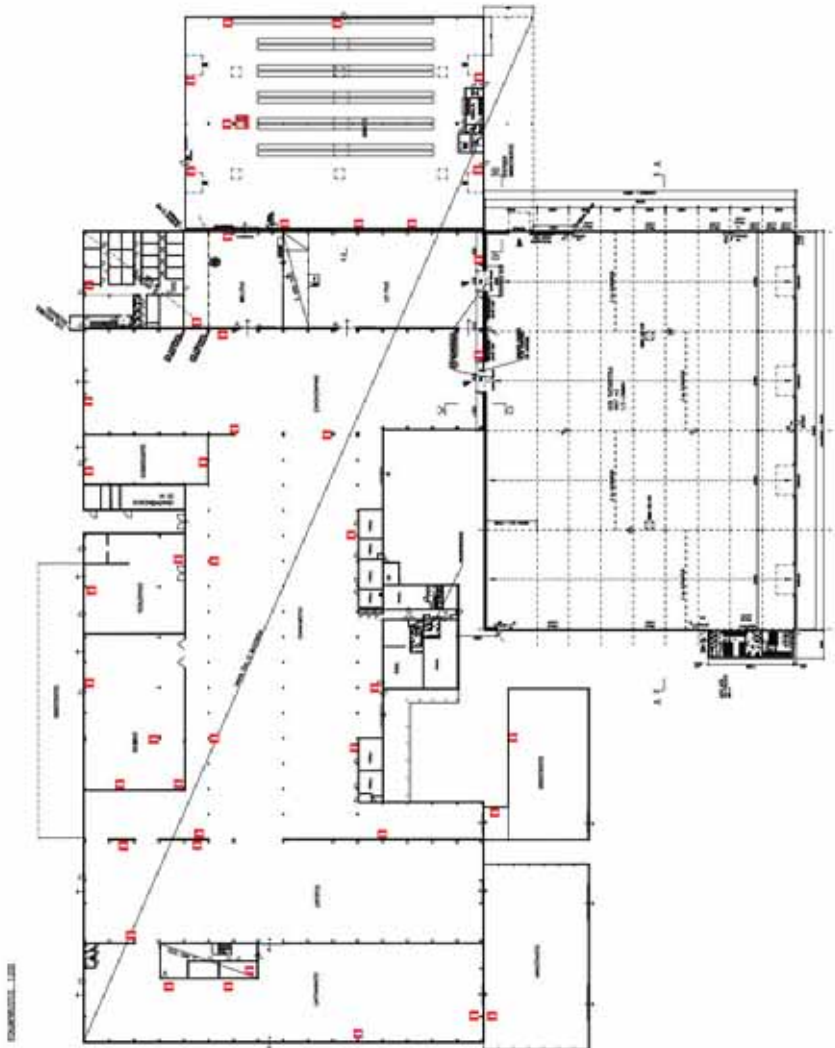
Space type	Area (Gross square meters, GSM)
Middle part of the old hall, height 3,5-4,0 m	5 000
Sides of the old hall, height 6-7 m	3 314
Production space, height 5-6 m	2 760
Offices I, II floors	780
Office and social space	320
New warehouse, height 7,5 m	2 550
New production space, height 6,5 m	5 053
Public shelter	98
Metal hall	493
Plastic fabric hall, cold	787
Total	21 155



Pictures



Floor plan



Space type	Area (Gross square meters, GSM)
Middle part of the old hall, height 3,5-4,0 m	5 000
Sides of the old hall, height 6-7 m	3 314
Production space, height 5-6 m	2 760
Offices I, II floors	780
Office and social space	320
New warehouse, height 7,5 m	2 550
New production space, height 6,5 m	5 053
Public shelter	98
Metal hall	493
Plastic fabric hall, cold	787
Total	21 155

The Buildings

Office Building



- The office is a lightweight (movable) building built in 1991. It is made of wood and steel.
- The office has a surface area of 295 gsm.
- The condition of the building is satisfactory.
- The functionality is also satisfactory.
- District heating, cooling by air-source heat pumps.



The Buildings

Cold Storage Buildings



- There are several cold storage buildings on the site. Some of them are old and modest, but there are also some good cold storage facilities.
- These have an operational value, but the impact on the market value is marginal.



Current Use, Operational Expenses and Repair Costs

Current Use

- The property is owner-occupied.

Operational Expenses and Repair Costs

- The owner has provided us with information on the operating costs. They have also included some business expenses, including electricity costs, and are therefore not directly usable as such.
- Based on the management cost data provided by the owner and our own benchmarking data, we have arrived at the operation costs used in the estimate.
- According to studies by Kinteistölouden Instituutti (KTI), maintenance costs for industrial and warehouse properties have typically been between €2.00 and €3.00/m²/month. Recently, maintenance costs have been rising sharply.
- The calculations in this evaluation estimate the average sustainable maintenance cost of a property at around €500,000 per year, or €2.09/m²/month.
- Renovations are not included in this amount. Naturally, renovations will have to be done in the future, as the building is already partly aged. Renovations have been taken into account as an increase in the yield.

General Market Situation

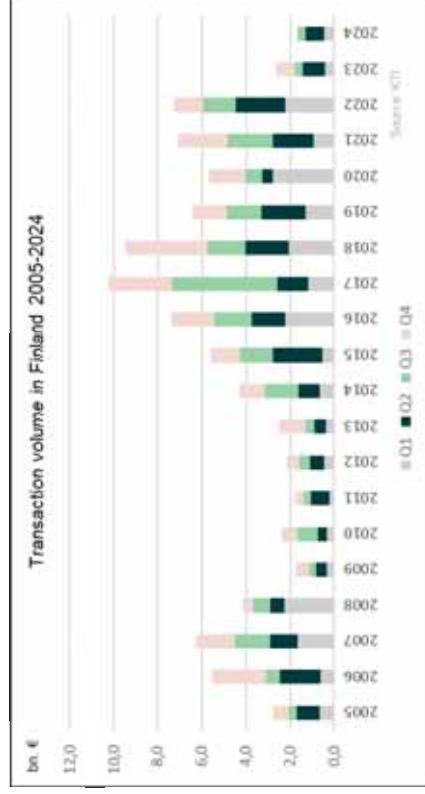
General

- The Finnish real estate investment market was very active for several years. After the summer of 2022, the investment market has slowed down. The prolonged war in Ukraine, rising interest rates, increased property management costs, rising inflation and general uncertainty have significantly stalled the investment market.
- Investment property transactions in 2023 amounted to around EUR 2.6 billion. At the beginning of this year, the market has been operating at more or less the same pace as the previous year.
- The best commercial space (technically sound, in prime locations in major cities, with secure tenants and long leases) used to attract a lot of investors. Apartments, care homes, public sector real estate and also land leased on long-term contracts became more attractive.
- For properties purchased by real estate investors in provincial cities, net returns have been roughly:
 - Prime local business properties 6 - 7 %
 - Good public properties 5 - 7 %
 - Best new industrial and logistics properties 7 - 8 %
 - Properties with technical and/or re-rental risks 10 - 15%
- The former represent the best category of the real estate investment market, i.e. new buildings and long leases with secure tenants.
- The subject of this valuation is completely different. It is located in a small town, has a lot of old space and there is no long-term secure lease. In our view, the likely buyer of the appraisal site in a sale situation would be an occupier buyer who would purchase the premises for their own business use. It is difficult to find a buyer for such a large and diverse industrial property in Forssa.

Retta Management

18.10.2024

14



Industrial and Warehouse Property Market in Forssa

- Demand for industrial and warehouse space in Forssa is typically low for a small city. The demand is mainly for new and well-maintained small halls for rent. There is little demand to buy. The supply of good new and modern premises is scarce, while there is a plentiful supply of old premises in suboptimal condition.
- In Forssa, only four industrial property transactions with a purchase price of more than EUR 1 million have taken place in the whole of this millennium. The two most significant of these transactions are briefly described in the adjacent column. However, neither of them is comparable to the subject of the evaluation. The Rautatiekatu property is adjacent to the site but has very different buildings and the transaction dates all the way back to 2004.
- In the last five years, there have been only two transactions of built industrial property at any price. These have involved the sale of small halls at prices of €550,000 (= €482/m2) and €153,000 (= €192/m2).
- In our experience, the prices per square meter paid for industrial property in small towns outside the metropolitan area can be roughly divided into the following categories:
 - Best properties 500 - €/m²
 - Ordinary properties 200 - 500 €/m²
 - Poor properties 100 - 200 €/m²
- Market rents for industrial and warehouse space (gross rent, VAT 0) in Forssa are mainly between 4,00 – 6,00 €/m²/month. In brand new warehouses, rents are higher because the rent level comes from the construction cost. On the other hand, the rent is lower in old, modest and cold premises.



Rautatiekatu 41,
Buildings: 28,700 m²,
Transaction date: 2004,
Price: 4,825,000€ (=168 €/m²)



Munkkiniementie 1,
Buildings: 2,900 m²,
Transaction date: 2016,
Price: 1,250,000€ (=434 €/m²)

Transactions in Large Industrial and Logistics Properties

- As is typical, there are no good comparable transactions in Forssa for the subject of this review. Therefore, we have looked at transactions of large industrial and logistics properties from a wider area.
- In the table below, we have compiled five years of transaction price data for industrial and logistics properties of more than 10,000 sqm sold in cities outside the Helsinki metropolitan area along the highways leading from Helsinki to Turku, Pori, Tampere and Lahti.
- There are many big and old industrial properties for sale in south Finland at the moment. Asking prices are public only in some of them. They vary quite much depending of age of the buildings, functionality, location, ...
- For example in Humppila 15.500 sqm old industrial property, asking price is 490.000 € (= 32 €/sqm) and in Tuusula 19.915 sqm industrial premises are for sale with price 1.650.000 € (= 83 €/sqm).
- Also the industrial property next to the target is for sale. There are 30.000 sqm old industrial space (concrete element factory). No public asking price.

Date	Location	Property	Area (sqm)	Transaction price, €	€/sqm	Comments
2024	Lahti	Former central warehouse of Kesko	14 568	6 000 000	412	Old buildings, several tenants
2022	Vihti	Logistics center of Martela	23 400	15 000 000	641	Bought by investors, leaseback agreement
2020	Hvinkää	Logistics property of Onninen	15 466	9 700 000	627	Newish building, fully leased property

- Only 3 such transactions were found, all of them with a real estate investor as buyer. In these cases, the existing leases and also the future expectations of rentability have determined the purchase price paid.
- None of the properties mentioned is comparable to the valuation. The fact that only three such transactions were found in thirteen cities over a five-year period shows the poor performance of the market.
- In our estimation, as there is no rental contract and the premises are already very old, the sale price (€/sqm) is significantly lower than the above-mentioned.
- It is not possible to find any good comparables also from this supply. It needs to be understood, that every property is built just for specific some company and just for their special needs. Quite often there is not any other company that can use these old premises as well .

Market Position and Rating

Market Position

- The overall location of the site is satisfactory.
- The site is very large in size. Premises of this size are mainly purchased by investors, but then they must be new and leased to a secure tenant with a long lease.
- There is good new space, but 2/3 of the premises are old and unsustainable.
- The likely buyer of the site in the event of a sale would be a user occupier who would take over a large part of the premises for his own use. And would try to find external tenants for the other spaces. There are few potential buyers for a large site in a small town. The attractiveness of the site in a sales situation would, in our view, be low or at best fair.

Strengths + • Large own plot • The new premises are good	Weaknesses - • Lots of old production space • Incoming renovations
Opportunities ↗ • Occupancy of premises remains high	Threats ➡ • Technical difficulties • Spaces become empty and no new use can be found

Rating

Feature	Total rating				Trend
	A	A / B	B	B / C	
Location					➡
- general location				x	
- macro location			x		
- micro location			x		
Lot					➡
- accessibility			x		
- parking			x		
- unused building right				x	
Building/premises					➡
- technical outfit				x	
- building quality				x	
- functionality			x		
- flexibility			x		
Image					➡
- object				x	
- surroundings				x	
Leases					➡
- maturity					
- vacancy					
- tenants					
Market position					➡
- saleability				x	
- rentability				x	

Determination of Market Value

Basics of Valuation

- The **market value** is the estimated amount for which an asset 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.
- It is assumed that the transaction (valuation date) has been preceded by a sufficiently long and effective marketing effort, taking into account the nature of the asset and the market situation. The subjective special interests of the parties involved in the purchase of the property are not taken into account in the valuation.
- A debt-free value means that no deduction has been made for possible company debts or VAT liabilities, etc.
- The market value of the property has been determined using:
 - the market approach, based on the purchase prices paid in transactions for industrial properties of the highest possible similarity
 - the income approach, which approximates the value of the asset on the basis of the net rental income that it will generate in the future.
- The market approach has been emphasized in the valuation as we believe that the likely buyer of the asset is most likely to be a user buyer.

Valuation Calculations

Market Approach

- The value of the appraised property using the market approach is as follows:

Value of the property, market approach

Space type	sqm	€/sqm	Total €
new production- and storage facilities	7 603	300	- 350
old production facilities	11 567	80	- 110
office- and social spaces	1 100	300	- 350
shelter	98	300	- 350
plastic fabric halls	1 262	50	- 70
office building	295	170	- 200
cold storage halls			0
unused building rights			0
Total	21 925		3 678 910 - 4 500 060

- We estimate the value of the property at the market approach to be between EUR 3.7 and 4.5 million.

- Because of the property is very big compared to the demand of industrial properties, there is very much old and not so effective spaces, the location in Forssa where market is very weak and of course the quite weak situation in Finnish investment/property market, the open market value of the property stays low.

Income Approach

- Using an income approximation simulating the investor-buyer approach, the following value has been estimated for the property:

Value of the property, income approach

Space type	sqm	€/sqm/month	€/month
new production- and storage facilities	7 603	5,50	- 6,50
old production facilities	11 567	3,00	- 3,50
office- and social spaces	1 100	5,50	- 6,50
shelter	98	5,50	- 6,50
plastic fabric halls	1 262	1,50	- 2,00
office building	295	7,00	- 8,00
cold storage halls	0	0,00	- 0,00
Gross income potential total	21 925		87 065 - 102 575
Yearly gross income potential, 100 % occupancy			1 044 774 - 1 230 900
Maintenance costs, approximate		-2,09 €/sqm/month	-500 000 - -600 000
Net income potential			544 774 - 630 900
100 % average occupancy			0 - 0
Income value €			
Annual returns	545	14%	15%
	631	3 891 200	3 631 800
		4 506 400	4 206 000
			3 761 500 - 4 074 550
			3 900 000

- We have estimated the gross market-based return on the target at around € 1.0 - 1.2 million/year.
- The long-term average sustainable maintenance cost of the property has been estimated at around €500,000/year.
- The net rental income is then in the range of €540,000 - €630,000/year.
- For a very large, ageing industrial property in a small location with significant technical repair needs and re-rental risk, we estimate that the return required by a real estate investor for such a property would be at least 15%.
- The return on investment is in the order of EUR 3.8 to 4.1 million.

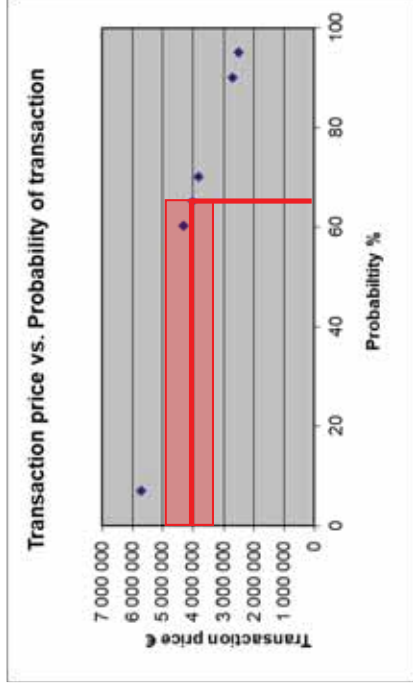
Summary and Accuracy of the Valuation

Summary

- We estimate the market value of the property to be roughly EUR 4.000.000.
- The accuracy of the determination of the market value of a property will always depend on the characteristics of the property being valued and the performance of the market for similar properties (e.g. number and reliability of comparable transactions).
- As the number of comparison transactions of the same type and size of industrial property, mainly old, which are essential for the determination of the market value, is very limited throughout Southern Finland, the accuracy of the valuation remains poor at +/- 20 %.
- The poor accuracy of the valuation is illustrated by the fact that every €50/m² of throughput in the value of a property adds up to around €1 million, which is already 25% of the estimated market value of the property.

Accuracy of the valuation

- The probability between the purchase price and the realization of the transaction can be described by the following graph:



- In our view, the probable purchase price being obtained for the property is roughly EUR 4 million.
- If a party were to be found that was looking for and needed exactly that kind of space, the purchase price could rise to a higher level. However, we consider it highly unlikely that such a buyer will be found.
- If the property is to be sold with a high degree of certainty and in a reasonably short period of time (a few months), we should be prepared for a price well below the market value estimated above. The large size of the property, the large amount of old space and the poor market situation will put pressure on buyer interest and liquidity.
- The risks on the site clearly outweigh the opportunities.

Market Value

- In our opinion, the unencumbered market value of the industrial property (property 61-15-277-9 and the buildings thereon) located at Murrontie 8, 30420 Forssa is in the order of

four million euros
4.000.000 €
- The market approach has been emphasised in the valuation.
- The accuracy of the valuation is +/- 20 %.
- Value date 31.8.2024.

In Lahti 18.10.2024

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APPENDIX H

SELECTED TEXTS OF THE CONSTITUTION

The provisions in the Constitution relating to the rights of Shareholders in respect of capital, dividends and voting are extracted from the Constitution of the Company and reproduced below. All capitalised terms used in the following extracts shall have the same meanings given to them in the Constitution, a copy of which is available for inspection at the registered address of the Company at 317 Outram Road, #03-02, Singapore 169075.

1. RIGHTS IN RESPECT OF CAPITAL

“ISSUE OF SHARES

7.	(1)	The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution.	<i>Shares of a class other than ordinary shares</i>
	(2)	The Company may issue shares for which no consideration is payable to the Company.	<i>Issue of shares for no consideration</i>

SHARE CAPITAL AND VARIATION OF RIGHTS

8.	Subject to the prior approval of the Company in general meeting, shares in the Company may be issued by the Directors. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject to the Statutes and this Constitution, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration (if any) and at such time and subject or not to the payment of any part of the amount (if any) thereof in cash as the Directors may think fit, and any such shares may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, redemption or otherwise, as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, provided always that:- (a) (subject to any direction to the contrary that may be given by the Company in general meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of article 55(2) with such adaptations as are necessary shall apply; and (b) any other issue of shares, the aggregate of which would exceed the limits referred to in article 55(3), shall be subject to the approval of the Company in general meeting.	<i>Issue of shares</i>
9.	If at any time the share capital of the Company is divided into different classes, subject to the provisions of the Statutes, preference capital other than redeemable preference capital may be repaid and the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated either with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class and may be so repaid, varied or abrogated either whilst	<i>Variation of rights</i>

the Company is a going concern or during or in contemplation of a winding-up. To every such separate general meeting the provisions of this Constitution relating to general meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him. 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 three-fourths of the issued shares of the class concerned within two months of the meeting shall be as valid and effectual as a special resolution carried at the meeting. The foregoing provisions of this article 9 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by this Constitution, be deemed to be varied by the creation or issue of further shares ranking equally with, or in priority to such shares. *Creation or issue of further shares with special rights*

11. (1) Preference shares may be issued subject to such limitation thereof as may be prescribed by any stock exchange upon which the shares in the Company may be listed. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and balance sheets, and attending general meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital, or winding up, or sanctioning a sale of the undertaking of the Company, or where the proposition to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares is in arrear for more than six months. *Rights of preference shareholders*
 - (2) The Company shall also have power to issue further preference capital ranking equally with, or in priority to, preference shares already issued. *Power to issue further preference capital*

12. Except as is otherwise expressly permitted by the Act, the Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee or the provision of security or otherwise, any financial assistance for the purpose of or in connection with the purchase of or subscription for the shares of the Company or its holding company or in any way purchase, deal in or lend money on the security of its shares. *Prohibition of dealing in its own shares*

13. Where any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital as is for the time being paid up (except treasury shares) for the period and subject to the conditions and restrictions mentioned in the Act and may charge the same to capital as part of the cost of the construction of the works or buildings or the provision of the plant. *Power to charge interest on capital*

14. *The Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.* *Power to pay commission and brokerage*
15. *Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by this Constitution or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee (as the case may be)) entered in the Register of Members as the registered holder thereof or (as the case may be) the person whose name is entered in the Depository Register in respect of that share.* *Exclusion of equities*

SHARE CERTIFICATE

16. (1) *Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within 10 market days of the closing date (or such other period as may be approved by any stock exchange upon which the shares in the Company may be listed) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose on the final application closing date for an issue of its shares.* *Allotment of shares*
- (2) *Every person whose name is entered as a member in the Register of Members shall be entitled without charge to receive within 10 market days (or such other period as may be approved by any stock exchange upon which the shares in the Company may be listed) of the closing date of any application for shares, or (as the case may be) the date of lodgement of a registrable transfer, one certificate for all his shares of any one class or (upon payment of a fee not exceeding \$2.00 for each certificate in addition to the first or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares in the Company may be listed) several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where a member transfers part only of the shares comprised in a certificate, one new certificate for the balance of such shares shall be issued in lieu of the old certificate without charge.* *Entitlement to certificate*
- (3) (a) *Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.* *Consolidating of certificates*

- (b) *If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a fee not exceeding \$2.00 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares in the Company may be listed.* Sub-division of share certificates
- (c) *In the case of shares registered jointly in the names of several persons any such request may be made by any one of the registered joint holders.* Requests by joint holders
17. *Every certificate of title to shares shall be issued under the Seal in such form as the Directors shall from time to time prescribe, shall bear the autographic or facsimile signatures of one Director and the Secretary or a second Director or some other person appointed by the Directors for the purpose and shall specify the number and class of shares to which it relates, whether the shares are fully or partly paid up and the amount (if any) unpaid thereon. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors. No certificate shall be issued representing shares of more than one class.* Form of share certificate
18. *Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of any stock exchange upon which the shares in the Company are listed or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery of the old certificate and in any case on payment of such sum not exceeding \$2.00 as the Directors may from time to time require. In the case of the certificate being destroyed, lost or stolen a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.* Replacement of certificate

JOINT HOLDERS OF SHARES

19. (1) *The Company shall not be bound to register more than three persons as the joint holders of any share, except in the case of executors or administrators (or trustees) of the estate of a deceased member.* Joint holders
- (2) *In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.* Certificate for shares held by joint holders

LIEN

20. *The Company shall have a first and paramount lien on shares and dividends from time to time declared in respect of such shares but such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the member or deceased member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this article 20.* *Company's lien*
21. *The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable and giving notice of intention to sell in default, has been given to the holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.* *Sale of shares subject to lien*
22. *To give effect to any such sale the Directors may authorise some person to transfer or effect the transfer of the shares sold to the purchaser thereof. The purchaser (or where the purchaser is a Depositor, the Depository or its nominee (as the case may be)) shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.* *Rights of purchaser of such shares*
23. *If any shares are forfeited and sold the proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and accrued interest and expenses, and the residue, if any, shall be paid to the person entitled to the shares at the date of the sale, or, his executors, administrators or assignees or as he may direct.* *Application of proceeds of such sale*

CALL ON SHARES

24. *The Directors may from time to time make calls upon the members in respect of any money unpaid on their shares and not by the conditions of allotment thereof made payable at fixed times, and each member shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.* *Calls on shares*
25. *A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be required to be paid by instalments.* *Time when made*
26. *If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding 8 per cent. per annum as the Directors may determine, but the Directors shall be at liberty to waive payment of that interest wholly or in part.* *Interest on calls*

27. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date shall for the purposes of this Constitution be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified. *Sum due on allotment*
28. No member shall, unless the Directors otherwise determine, be entitled to receive any dividend or to be present or vote at any meeting or upon a poll, or to exercise any privilege as a member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any). *Rights of member suspended until calls are duly paid*
29. The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment. *Power to differentiate*
30. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the money uncalled and unpaid upon any shares held by him, and upon all or any part of the money so advanced (until the same would, but for the advance, become payable) the Company may pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) 8 per cent. per annum as may be agreed upon between the Directors and the member paying the sum in advance. Capital paid on shares in advance of calls shall not, whilst carrying interest, confer a right to participate in profits. *Payment of calls in advance*

TRANSFER OF SHARES

31. Subject to this Constitution any member may transfer all or any of his shares. All transfers of the legal title in shares may be effected by registered holders thereof in writing and in the form for the time being approved by any stock exchange upon which the shares in the Company may be listed or in any other form acceptable to the Directors. The instrument of transfer shall be signed by or on behalf of both the transferor and the transferee, and by the witness or witnesses thereto, provided that an instrument of transfer in respect of which the transferee is the Depository or its nominee (as the case may be) shall be effective although not signed or witnessed by or on behalf of the Depository or its nominee (as the case may be). The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof. Shares of different classes shall not be comprised in the same instrument of transfer. *Form of transfer*
32. (1) All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may refuse to register shall (except in any case of fraud) be returned to the party presenting the same. *Retention of transfers*
- (2) The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of 6 years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of 6 years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of 6 years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer *Destruction policy*

or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:-

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;*
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this article 32(2); and*
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.*

33. *No share shall in any circumstances be transferred to any infant or bankrupt or person who is mentally disordered and incapable of managing himself or his affairs.* *Infant, bankrupt or person who is mentally disordered*

34. *The Directors may decline to register any transfer of shares not being fully paid shares to a person not approved by them and may also decline to register any transfer of shares on which the Company has a lien. Provided always that in the event of the Directors refusing to register a transfer of shares, they shall within 10 market days (or such other period as may be approved by any stock exchange upon which the shares in the Company may be listed) after the date on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Statutes.* *Directors' rights to decline to register transfer of shares*

35. (1) *The Directors may in their sole discretion decline to register any instrument of transfer unless:-* *Instrument of transfer*

- (a) such fee not exceeding \$2.00 as the Directors may from time to time determine is paid to the Company in respect thereof;*
- (b) the amount of proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is paid;*
- (c) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by a certificate of payment of stamp duty (if any), the certificates of the shares to which the transfer relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person to do so; and*
- (d) the instrument of transfer is in respect of only one class of shares.*

- (2) *There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or any document relating to or affecting the title to any share, such fee not exceeding \$2.00 as the Directors may from time to time determine.* *Fee for registration of probate, etc*

36. *If the Directors shall refuse to register any transfer of any share they shall within ten market days after the date on which the application for transfer was made (or such other period as may be approved by any stock exchange upon which the shares in the Company may be listed) serve on the transferor and transferee a notice in writing stating the reasons justifying the refusal to transfer and a notice of refusal as required by the Statutes. Save as provided in this Constitution, there shall be no restriction on the transfer of fully paid-up shares (except where required by law, the listing rules of, or bye-laws or rules governing, any stock exchange upon which the shares in the Company may be listed).* *Directors' right to refuse transfer of shares*

37. *The Register of Members may be closed at such times and for such periods as the Directors may from time to time determine provided always that it shall not be closed for more than 30 days in the aggregate in any calendar year. Provided always that the Company shall give prior notice of such closure as may be required to any stock exchange upon which the shares in the Company may be listed, stating the period and purpose or purposes for which the closure is made.* *Closing of Register*

TRANSMISSION OF SHARES

38. *In case of the death of a member whose name is entered in the Register of Members, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to his interest in the shares. In the case of the death of a member who is a Depositor, the survivors or survivor where the deceased is a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares. Nothing in this article 38 shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.* *Transmission on death*

39. *Any person becoming entitled to a share in consequence of the death or bankruptcy of a member whose name is entered in the Register of Members may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy.* *Persons becoming entitled on death or bankruptcy of member may be registered*

40. *If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he elects to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of this Constitution relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.* *Rights of person becoming entitled on death or bankruptcy of member*

41. *Save as otherwise provided by or in accordance with this Constitution, a person becoming entitled to a share pursuant to article 38 or article 39 shall, upon the production of such evidence as may from time to time be properly required by the Directors to show his title to the share, be entitled to the same dividends and other advantages, and to the same rights (whether in relation to meetings of the Company, or to voting, or otherwise), as the holder would have been entitled to if he had not died or become bankrupt except that he shall not (unless authorised by the Directors) be entitled in respect thereof to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in the Register of Members or his name shall have been entered in the Depository Register in respect of the share; and where two or more persons are jointly entitled to any share in consequence of the death of the holder they shall, for the purpose of this Constitution be deemed to be joint holders of the share.*
- Rights of unregistered executors and trustees*

FORFEITURE OF SHARES

42. *If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and any expenses incurred by the Company by reason of such non-payment.*
- Notice requiring payment of calls*
43. *The notice shall name a further day (not earlier than the expiration of 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.*
- Notice to state time and place*
44. *If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.*
- Forfeiture on non-compliance with notice*
45. *A forfeited or surrendered share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit.*
- Sale or disposition of forfeited shares*
46. *A person whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares, but shall, notwithstanding the forfeiture or surrender, remain liable to pay to the Company all moneys which, at the date of forfeiture or surrender, were payable by him to the Company in respect of the shares together with interest at the rate of 8 per cent. per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment, but his liability shall cease if and when the Company receives payment in full of all such moneys in respect of the shares. The Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.*
- Rights and liabilities of person whose shares have been forfeited*

47. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. *Title to shares forfeited*
48. Such declaration and the receipt of the Company for the consideration (if any) given for the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share. *Powers of Company on sale or disposition of forfeited shares*
49. The provisions of this Constitution as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, as if the same had been payable by virtue of a call duly made and notified. *Articles as to forfeiture applicable to non-payment on shares*

CONVERSION OF SHARES INTO STOCK

50. The Company may by ordinary resolution passed at a general meeting convert any paid-up shares into stock and re-convert any stock into paid up shares. *Power to convert into stock*
51. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit; but no stock shall be transferable except in such units as the Directors may from time to time determine. *Transfer of stock*
52. The holders of stock shall, according to the number of stock units held by them have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such aliquot number of stock units which would not if existing in shares have conferred that privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted. *Rights of stockholders*
53. The provisions of this Constitution applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" or similar expression herein shall include "stock" and "stockholder". *Interpretation*

ALTERATION OF CAPITAL

54. (1) The Company may from time to time by ordinary resolution:- *Power to consolidate, subdivide and redenominate shares*
- (a) consolidate and divide all or any of its shares;

- (b) *sub-divide its shares, or any of them (subject nevertheless, to the provisions of the Statutes and this Constitution) and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; and*
 - (c) *subject to the provisions of the Statutes, convert its share capital or any class of shares from one currency to another currency.*
- (2) *The Company may by special resolution, subject to and in accordance with the Statutes, convert one class of shares into another class of shares.* *Power to convert shares*
- 55. (1) *Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution or, if required by the Statutes, by special resolution determine (or, in the absence of any such determination, but subject to the Statutes, as the Directors may determine) and subject to the provisions of the Statutes, the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed.* *Rights and privileges of new shares*
- (2) *Subject to any direction to the contrary that may be given by the Company in general meeting or except as permitted under the listing rules of the SGX-ST, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered in accordance with this article 55(2).* *Offer of new shares*
- (3) *Notwithstanding article 55(2), the Company may by ordinary resolution in general meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the ordinary resolution, to:-* *Exception to preemption requirement*
 - (a) (i) *issue shares of the Company ("shares") whether by way of rights, bonus or otherwise; and/or*

- (ii) *make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and*
- (b) *(notwithstanding the authority conferred by the ordinary resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the ordinary resolution was in force,*

provided that:-

- (i) *the aggregate number of shares to be issued pursuant to the ordinary resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the ordinary resolution) shall be subject to such limits and manner of calculation as may be prescribed by the SGX-ST;*
- (ii) *in exercising the authority conferred by the ordinary resolution, the Company shall comply with the Listing Manual of the SGX-ST for the time being in force (unless such compliance is waived by the SGX-ST) and this Constitution; and*
- (iii) *(unless previously revoked or varied by the Company in general meeting), the authority conferred by the ordinary resolution shall not continue in force beyond the conclusion of the annual general meeting of the Company next following the passing of the ordinary resolution or the date by which such annual general meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).*

- (4) *Except so far as otherwise provided by the conditions of issue or by this Constitution, all new shares shall be subject to the provisions of the Statutes and of this Constitution with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise.* *New shares otherwise subject to provisions of Constitution*

- 56. (1) *The Company may reduce its share capital or any undistributable reserve in any manner and with, and subject to, any incident authorised, and consent required by law.* *Power to reduce share capital*

- (2) *The Company may, subject to and in accordance with the Act, purchase or otherwise acquire its issued shares on such terms and in such manner as the Company may from time to time think fit. If required by the Act, any share which is so purchased or acquired by the Company shall unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to the Act and this Constitution,* *Share repurchase*

the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.

- (3) *The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.* Treasury shares

WINDING UP

153. *If the Company shall be wound up, subject to due provision being made satisfying the claims of any holders of shares having attached thereto any special rights in regard to the repayment of the capital, the surplus assets shall be applied in repayment of capital paid up or credited as paid up on the Ordinary Shares at the commencement of the winding up in proportion to the capital paid up or credited as paid up on such shares.* Distribution of surplus assets
154. *If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court), the liquidator of the Company may, with the sanction of a special resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members of different classes of members. The liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority thinks fit, and the liquidation of the Company may be closed and the Company dissolved, but no member shall be compelled to accept any shares or other securities in respect of which there is a liability.* Distribution of assets in specie
155. *In the event of a winding up of the Company every member of the Company who is not for the time being in the Republic of Singapore shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily, or within the like period after the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some householder in the Republic of Singapore upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee shall be deemed to be a good personal service on such member for all purposes, and where the liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such member by advertisement in any leading daily newspaper in the English language in circulation in Singapore or by a registered letter sent through the post and addressed to such member at his address as appearing in the Register of Members or (as the case may be) the Depository Register, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted."* Service of notice after winding up

2. RIGHTS IN RESPECT OF VOTING

“GENERAL MEETINGS

57. *Save as otherwise permitted under the Act, an annual general meeting of the Company shall be held once in every year and not more than 15 months after the holding of the last preceding annual general meeting of the Company. All general meetings other than the annual general meetings shall be called extraordinary general meetings.* Annual General Meeting
58. *Any Director may whenever he thinks fit convene an extraordinary general meeting, and extraordinary general meetings shall be convened on such requisition or in default may be convened by such requisitionists as provided by the Act.* Extraordinary General Meeting
59. *The time and place of any meeting shall be determined by the convenors of the meeting.* Time and place of meeting

NOTICE OF GENERAL MEETING

60. (1) *Subject to the provisions of the Act as to special notice and agreement for shorter notice, a meeting of the Company at which it is proposed to pass a special resolution shall be called by 21 days' notice in writing at the least and any other meeting shall be called by 14 days' notice in writing at the least. So long as the shares in the Company are listed on any stock exchange, at least 14 days' notice of such meeting shall be given by advertisement in a daily English newspaper and in writing to any stock exchange upon which the shares in the Company are listed.* Notice of meetings
- (2) *The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day and the hour of meeting and in case of special business the general nature of the business.* Period and form of notice
- (3) *Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.* Nature of special business to be specified
- (4) *In every notice calling a meeting of a company or a meeting of any class of members of a company there shall appear with reasonable prominence a statement as to the rights of the member to appoint proxies to attend and vote instead of the member, and that a proxy need not also be a member.* Notice of right to appoint proxies
61. *All business shall be special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of (i) declaring a dividend; (ii) receiving and adopting the financial statements, the Directors' statement, the report of the auditor, and other documents required to be attached to the financial statements; (iii) the appointment or reappointment of Directors in the place of those retiring by rotation or otherwise; (iv) the fixing of the remuneration of the Directors proposed to be paid in respect of their office as such under article 85 and/or article 87(1); and (v) the appointment or re-appointment and fixing of the remuneration of the auditor or determining the manner in which such remuneration is to be fixed.* Special Business

62. (1) *Notice of every general meeting shall be given in any manner authorised by this Constitution to:-* *Persons entitled to receive notice*
- (a) *every member holding shares conferring the right to attend and vote at the meeting;*
- (b) *the Directors (including alternate Directors) of the Company; and*
- (c) *the auditor of the Company.*
- (2) *No other person shall be entitled to receive notices of general meetings.* *No other person entitled to receive notice*
- (3) *The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings at the meeting.* *Accidental omission to give and non-receipt of notice*

PROCEEDINGS AT GENERAL MEETINGS

63. *No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two members shall form a quorum. For the purposes of this article "member" includes a person attending as a proxy or as representing a corporation which is a member. Provided that (a) a proxy representing more than one member shall only count as one member for the purpose of determining the quorum; and (b) where a member is represented by more than one proxy such proxies shall count as only one member for the purpose of determining the quorum.* *Quorum*
64. *If within half an hour from the time appointed for the meeting (or such longer interval as the Chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following that public holiday) at the same time and place, or to such other day and at such other time and place as the Directors may by not less than 10 days' notice appoint. At such adjourned meeting any one or more members present in person or by proxy or as representing a corporation which is a member shall be a quorum.* *Adjournment if quorum not present*
65. *The Chairman, if any, of the Board of Directors failing whom, the Deputy Chairman, if any, shall preside as Chairman at every general meeting of the Company, or if there is no such Chairman or Deputy Chairman, or if neither is present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act, the Directors present shall choose one of their number (or if no Directors are present or if all the Directors present decline to take the chair, the members present shall elect one of their number) to be Chairman of the meeting.* *Chairman*
66. *The Chairman may (if he so deems fit) at any meeting at which a quorum is present, adjourn the meeting from time to time and from place to place or sine die, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. Where a meeting is adjourned for 30 days or more, the Company may (but shall not be obliged to) give not less than 7 days' notice of the adjourned meeting in the same manner as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.* *Adjournment*

67. (1) *If required by the listing rules of any stock exchange upon which the shares of the Company may be listed, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by such stock exchange).* *Mandatory polling*
- (2) *Subject to article 67(1), at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before or on the declaration of the result of the show of hands a poll is demanded:-* *Method of voting where mandatory polling not required*
- (a) *by the Chairman;*
 - (b) *by at least two members present in person or by proxy and entitled to vote thereat;*
 - (c) *by any member or members present in person or by proxy and representing not less than five per cent. of the total voting rights of all the members having the right to vote at the meeting; or*
 - (d) *by a member or members present in person or by proxy and holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than five per cent. of the total sum paid up on all the shares conferring that right.*

A demand for a poll made pursuant to this article 67(2) may be withdrawn only with the approval of the Chairman of the meeting, and any such demand shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. Unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

68. *Where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers) as the Chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. The Chairman of the meeting may (and, if required by the listing rules of any stock exchange upon which the shares of the Company may be listed or if so directed by the meeting, shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.* *Taking a poll*
69. *A poll on the choice of a chairman or on a question of adjournment shall be taken immediately. A poll on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.* *Timing for taking a poll*
70. *In the case of an equality of votes, whether on a poll or on a show of hands, the Chairman of the meeting at which the poll or show of hands takes place shall be entitled to a second or casting vote.* *Chairman's casting vote*

71. *If at any general meeting any votes shall be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, and be of sufficient magnitude to vitiate the result of the voting.* Error in counting of votes

72. *If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.* Amendment of resolutions

VOTES OF MEMBERS

73. *Subject to the provisions of this Constitution and the Statutes, every member shall be entitled to be present and to vote at any general meeting either personally or by proxy and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares upon which all calls due to the Company have been paid.* Right to vote

74. *Subject and without prejudice to any rights or restrictions for the time being attached to any class or classes of shares and to article 56(3), at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy. Every member who is present in person or by proxy shall:-* Voting rights of members

(a) *on a poll, have one vote for every share which he holds or represents; and*

(b) *on a show of hands, have one vote, provided always that:-*

(i) *in the case of a member who is not a relevant intermediary and who is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the Chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and*

(ii) *in the case of a member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.*

For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any general meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant general meeting as supplied by the Depository to the Company.

75. (1) *In the case of joint holders of a share any one of such persons may vote either personally or by proxy as if he were solely entitled thereto, but if more than one of such persons shall be present at a meeting, the vote of the senior who tenders a vote in respect of such share, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or (as the case may be) the Depository Register in respect of the share.* Voting rights of joint holders

- (2) *A member who is mentally disordered and incapable of managing himself or his affairs or whose person or estate is liable to be dealt with in any way under the law relating to mental disorders may vote whether on a show of hands or on a poll by his committee, curator bonis or such other person as properly has the management of his estate and any such committee, curator bonis or other person may vote on behalf of such member in person or by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than 72 hours before the time appointed for holding the meeting.* Voting rights of members who are mentally disordered
76. *Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise any person to act as its representative at any general meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation as a corporation would exercise if it were personally present at the meeting. Such corporation shall for the purposes of this Constitution (but subject to the Act) be deemed to be present in person at any such meeting if a person so authorised is present thereat.* Corporations acting by representatives
77. (1) *No objection shall be raised as to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.* Objections
- (2) *On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.* Vote on a poll
78. (1) *Save as otherwise provided in the Act:-* Appointment of proxies
- (a) *a member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same general meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy; and*
- (b) *a member who is a relevant intermediary may appoint more than two proxies to attend, speak and vote at the same general meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.*
- (2) *If the member is a Depositor, the Company shall be entitled and bound:-* Shares entered in Depository Register
- (a) *to reject any instrument of proxy lodged by that Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 hours before the time of the relevant general meeting as certified by the Depository to the Company; and*

- (b) *to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by that Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at 72 hours before the time of the relevant general meeting as supplied by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.*
- (3) *The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.* Notes and instructions
- (4) *A proxy need not be a member of the Company.* Proxy need not be member
- (5) *The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, to move any resolution or amendment thereto, and to speak at the meeting.* Proxy's right to demand poll
79. (1) *An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:-* Form of proxy instrument
- (a) *in the case of an individual, shall be:-*
- (i) *signed by the appointor or his attorney if the instrument is delivered personally or sent by post; or*
- (ii) *authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and*
- (b) *in the case of a corporation, shall be:-*
- (i) *either given under the common seal or signed on its behalf by its attorney or a duly authorised officer of the corporation if the instrument is delivered personally or sent by post; or*
- (ii) *authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.*
- The Directors may, for the purposes of articles 79(1)(a)(ii) and 79(1)(b)(ii), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.*
- (2) *The signature on, or authorisation of, such instrument need not be witnessed. Where an instrument of proxy is signed or authorised on behalf of the appointor by an attorney, the letter or power of attorney evidencing the authority of any such attorney or a duly certified copy thereof must (if not previously registered with the Company) be lodged with the instrument of proxy pursuant to article 80(1) failing which the instrument may be treated as invalid.* Witness and authority

(3) *The Directors may, in their absolute discretion:-*

Directors may approve method and manner, and designate procedure for electronic communications

- (a) *approve the method and manner for an instrument appointing a proxy to be authorised; and*
- (b) *designate the procedure for authenticating an instrument appointing a proxy,*

as contemplated in articles 79(1)(a)(ii) and 79(1)(b)(ii) for application to such members or class of members as they may determine. Where the Directors do not so approve and designate in relation to a member (whether of a class or otherwise), article 79(1)(a)(i) and/or (as the case may be) article 79(1)(b)(i) shall apply.

80. (1) *The instrument appointing a proxy:-*

Deposit of instrument appointing a proxy

- (a) *if sent personally or by post, shall be deposited at the Office, or at such other place in Singapore as is specified for that purpose in the notice convening the meeting; or*
- (b) *if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting,*

and in either case, not less than 72 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting, not less than 72 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; provided that any instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

(2) *The Directors may, in their absolute discretion, and in relation to such members or class of members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in article 80(1)(b). Where the Directors do not so specify in relation to a member (whether of a class or otherwise), article 80(1)(a) shall apply.*

Directors may specify means for electronic communications

81. *A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or mental disorder of the principal or revocation of the instrument or of the authority under which the instrument was executed, or the transfer of the share in respect of which the instrument is given, if no intimation in writing of such death, mental disorder, revocation, or transfer as aforesaid had been received by the Company at the Office at least 72 hours before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) before the time appointed for the taking of the poll at which the instrument is used.*

Intervening death or mental disorder of principal not to revoke proxy

3. RIGHTS IN RESPECT OF DIVIDENDS

"DIVIDENDS AND RESERVES

134. *The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.* Dividend
135. *If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed preferential dividends on any expressed class of shares carrying a fixed preferential dividend expressed to be payable on fixed dates on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they may think fit.* Payment of preference and interim dividends
136. *Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members, or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.* Record date
137. *The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.* Retention of dividends on shares subject to lien
138. *The Directors may retain the dividends payable on shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member or which any person under those provisions is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.* Retention of dividends on shares pending transmission
139. *The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first being payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of 6 years from the date they are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividends or moneys so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of 6 years has elapsed from the date such dividend or other moneys are first payable.* Unclaimed dividends
140. *No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes, and no dividends or other moneys payable on or in respect of a share shall bear interest as against the Company.* Payment of dividends

141. *The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purposes to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into any special funds or any part of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide. In carrying sums to reserve and in applying the same, the Directors shall comply with the provisions (if any) of the Statutes.* *Power to carry profit to reserve*
142. *Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:-* *Apportionment of dividends*
- (a) *all dividends in respect of shares shall be paid in proportion to the number of shares held by a member but where shares are partly paid all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and*
- (b) *all dividends shall be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.*
- For the purposes of this article 142, an amount paid or credited as paid on a share in advance of a call is to be ignored. If any share is issued on terms providing that it shall rank for dividend as from a particular date that share shall rank for dividend accordingly.*
143. *The Directors may deduct from any dividend or other moneys payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.* *Deduction of debts due to Company*
144. *The Company may, upon the recommendation of the Directors, by ordinary resolution direct payment of a dividend wholly or partly by the distribution of specific assets and in particular of paid-up shares, debentures or debenture stock of any other company or in any one or more of such ways and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.* *Payment of dividend in specie*
145. *Any dividend, interest, or other money payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder who is named in the Register of Members or (as the case may be) the Depository Register or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members or (as the case may be) entered in the Depository Register as the joint holders of the share or if two or more persons are entitled thereto in consequence of death or bankruptcy of the holder, to any one of such persons, at such address as such holder or person or persons may in writing direct. Every cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company.* *Dividends payable by cheque*

Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. The Company may, in such circumstances as the Directors deem appropriate, on the written request and at the sole risk of the holder(s) or person(s) entitled to the same, effect payment of the money by telegraphic transfer (or other electronic means) to such account as the holder(s) or person(s) may in writing direct. Notwithstanding the foregoing provisions of this article, the payment by the Company to the Depository of any dividend payable to a Depositor shall to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of that payment.

146. (1) *If two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.* *Effectual receipt from any joint holder*
- (2) *A transfer of a share shall not pass the right to any dividend declared in respect thereof before the transfer has been registered.* *Transfer of share and right to dividend*
- (3) *The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the holder of the share (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if, or to the extent that, the same is accepted as such or acted upon by the Company.* *Waiver of dividends*

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

147. (1) *The Directors may, with the sanction of an ordinary resolution of the Company (including any ordinary resolution passed pursuant to article 55(3)):-* *Power to issue free bonus shares and/or capitalise profits and reserves*
- (a) *issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-*
- (i) *the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or*
- (ii) *(in the case of an ordinary resolution passed pursuant to article 55(3)) such other date as may be determined by the Directors,*
- in proportion to their then holdings of shares; and/or*

(b) capitalise any sum for the time being standing to the credit of any of the Company's reserve accounts (including any undistributable reserve) or to the credit of the profit and loss account or otherwise available for distribution, and accordingly set free such sum for distribution amongst persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-

- (i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or
- (ii) (in the case of an ordinary resolution passed pursuant to article 55(3)) on such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full new shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, new shares of any other class not being redeemable shares) or debentures of the Company to be allotted, distributed and credited as fully paid to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other.

(2) In addition to and without prejudice to the powers provided for in article 147(1), the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other money of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case, on terms that such shares shall, upon issue:-

Power to issue free shares and/or capitalise profits and reserves for share-based incentive plans and/or Directors' remuneration

- (a) be held by or for the benefit of participants of any share incentive or option scheme for the time being implemented by the Company and approved by the Company in general meeting and on such terms as the Directors shall think fit; or
- (b) be held by or for the benefit of non-executive Directors as part of their remuneration under article 85 and/or article 87(1) approved by the Company in general meeting in such manner and on such terms as the Directors shall think fit.

148. The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation under article 147(1) with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may also authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto, and any agreement made under such authority shall be effective and binding on all concerned."

Implementation of resolution to issue free shares and/or capitalise profits and reserves