VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES

KJPP RHR
KJPP Rengganis, Hamid & Rekan
Izin Usaha KJPP No. 2.09.0012
Penilaian Properti, Bisnis & Konsultansi
Wilayah Kerja Negara Republik Indonesia

To:	**Oriental Holdings Berhad**	**Ref.**	: RHR00AC1A0123013.0 RHR00AC1A0123013.1
	25-B, Farquhar Street	**Report No**	: **RHR00UM423.0**
	10200 Georgetown	**Date**	: **18 April 2023**
	Penang, Malaysia		

Knight Frank Malaysia
Suite 10.01, Level 10 Centrepoint
South Mid Valley City, Lingkaran Syed
Putra 59200 Kuala Lumpur, Malaysia

1. **VALUATION OF OIL PALM PLANTATION LOCATED IN MULYOHARJO, PELAWE AND RAKSABUDI VILLAGES, BULANG TENGAH SUKU ULU DISTRICT, MUSI RAWAS REGENCY, SOUTH SUMATERA PROVINCE, INDONESIA, OWNED BY PT DAPO AGRO MAKMUR**
2. **VALUATION OF OIL PALM PLANTATION LOCATED IN RANTAU SERIK, LUBUK BESAR, MUARA KATI, BATU BANDUNG, KEBUR, SUGI WARAS, BATU RAJA LAMA AND TABA VILLAGES, JAYA LOKA, TIANG PUMPUNG KEPUNGUT, BULANG TENGAH SUKU ULU, TEBING TINGGI AND SALING DISTRICTS, MUSI RAWAS AND EMPAT LAWANG REGENCY, SOUTH SUMATERA PROVINCE, INDONESIA, OWNED BY PT GUNUNG SAWIT SELATAN LESTARI**
3. **VALUATION OF OIL PALM PLANTATION LOCATED IN PAUH AND KETAPAT BENING VILLAGES, RAWAS ILIR DISTRICT, NORTH MUSI RAWAS (MURATARA) REGENCY, SOUTH SUMATERA PROVINCE, INDONESIA, OWNED BY PT SURYA AGRO PERSADA**
4. **VALUATION OF OIL PALM PLANTATION LOCATED IN PAUH, PAUH I AND BATU KUCING VILLAGES, RAWAS ILIR DISTRICT, NORTH MUSI RAWAS REGENCY, SOUTH SUMATERA PROVINCE, INDONESIA, OWNED BY PT SUMATERA SAWIT LESTARI**
5. **VALUATION OF OIL PALM PLANTATION AND PALM OIL MILL LOCATED IN BELO LAUT, AIR BELO, AIR LIMAU, AND MAYANG VILLAGES, MENTOK AND SIMPANG TERITIP DISTRICTS, BANGKA BARAT REGENCY, BANGKA BELITUNG ISLANDS PROVINCE, INDONESIA, OWNED BY PT GUNUNGSAWIT BINALESTARI**
6. **VALUATION OF OIL PALM PLANTATION LOCATED IN PRABUMULIH I, BINGIN JUNGUT, MAMBANG, BIARO BARU, AIR BALUI, PANAI AND NGUNANG VILLAGES, MUARA LAKITAN, MUARA KELINGI, KARANG DAPO, AND SANGA DESA DISTRICTS, MUSI RAWAS, MUSI RAWAS UTARA AND MUSI BANYUASIN REGENCIES, SOUTH SUMATERA PROVINCE, INDONESIA AND PALM OIL MILL LOCATED IN PRABUMULIH I VILLAGE, MUARA LAKITAN DISTRICT, MUSI RAWAS REGENCY, SOUTH SUMATERA PROVINCE, INDONESIA, OWNED BY PT PRATAMA PALM ABADI**

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7. **VALUATION OF OIL PALM PLANTATION LOCATED IN BANGKA KOTA, PANGKAL BULUH, MALIK, SIMPANG RIMBA AND SUNGAI SELAN VILLAGES, SIMPANG RIMBA, PAYUNG AND SUNGAI SELAN DISTRICTS, BANGKA SELATAN AND BANGKA TENGAH REGENCIES, BANGKA BELITUNG ISLANDS PROVINCE, INDONESIA, PALM OIL MILL LOCATED IN MALIK AND PANGKAL BULUH VILLAGES, PAYUNG DISTRICT, BANGKA SELATAN REGENCY, BANGKA BELITUNG ISLANDS PROVINCE, INDONESIA AND WORKERS QUARTERS LAND LOCATED IN PANGKAL BULUH, MALIK, AND SIMPANG RIMBA VILLAGES, PAYUNG AND SIMPANG RIMBA DISTRICTS, BANGKA SELATAN REGENCY, BANGKA BELITUNG ISLANDS PROVINCE, INDONESIA, OWNED BY PT BUMI SAWIT SUKSES PRATAMA**
8. **VALUATION OF OIL PALM PLANTATION LOCATED IN DALIL, MABAT, MANGKA, AIR DUREN, SEMPAN, PUDING BESAR AND BAKAM VILLAGES, SUNGAI LIAT DISTRICT, BANGKA REGENCY, BANGKA BELITUNG ISLANDS PROVINCE, INDONESIA, PALM OIL MILL LOCATED AT MANGKA VILLAGES, BAKAM DISTRICT, BANGKA REGENCY, BANGKA BELITUNG ISLANDS PROVINCE, INDONESIA AND TANK FARM LOCATED IN KERISI STREET, LONTONG PANCUR SUB DISTRICT, PANGKAL BALAM DISTRICT, PANGKAL PINANG CITY, BANGKA BELITUNG ISLANDS PROVINCE, INDONESIA, OWNED BY PT GUNUNG MARAS LESTARI**

Dear Sir/Madam,

Following the instructions of Knight Frank Malaysia Sdn Bhd on behalf of Oriental Holdings Berhad ("**OHB**") (hereinafter referred to as the "**Client**") under contract No. RHR00AC1A0123013.0 dated 12 January 2023 to form an opinion of the Market Value of assets valuation of the following subject properties owned by OHB's subsidiaries:-

(a) oil palm plantations owned by PT Dapo Agro Makmur ("**PT DAM**"), PT Gunung Sawit Selatan Lestari ("**PT GSSL**"), PT Sumatera Sawit Lestari ("**PT SSL**") and PT Surya Agro Persada ("**PT SAP**");

(b) oil palm plantations and palm oil mills owned by PT Gunungsawit Binalestari ("**PT GSBL**") and PT Pratama Palm Abadi ("**PT PPA**");

(c) oil palm plantation, palm oil mill and workers' quarters land owned by PT Bumi Sawit Sukses Pratama ("**PT BSSP**"); and

(d) oil palm plantation, palm oil mill and tank farm owned by PT Gunung Maras Lestari ("**PT GML**").

(the above mentioned properties are collectively referred to as "**Subject Properties**").

In respect thereof, we hereby declare that we have completed our inspection and analysis on the Subject Properties and have prepared this valuation certificate together with valuation reports on the Subject Properties for OHB as the Client and its non-interested directors and non-interested shareholders.

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1. **Valuer Status**

This valuation assignment has been carried out by an independent valuer who is a Public Valuer and one of the partners in KJPP Rengganis, Hamid & Rekan ("**KJPP RHR**"). The Public Valuer and KJPP RHR has a business permit and registered as Public Valuer with the Ministry of Finance and Financial Services Authority – FSA or OJK.

KJPP RHP has established a strategic alliance with CBRE, an integrated global property consultant listed on the New York Stock Exchange.

This valuation is carried out objectively and impartially as the Valuer does not have any potential conflict of interest in respect of the Subject Properties and/or with the Client.

All valuers, experts, and executive staffs involved in this valuation shall be regarded as a unified assigned team under a licensed valuer coordinator or person in charge of the valuation who have the competence to conduct valuation.

For information purposes, Knight Frank Malaysia Sdn Bhd has reviewed the contents of the report (including the valuation workings) and the valuation certificate in respect of the Subject Properties and confirmed that the reports and the valuation certificate are in accordance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia.

2. **Client**

The Client is OHB with the business address at 25-B, Farquhar Street 10200 Georgetown, Penang, Malaysia.

3. **Intended User**

This valuation certificate has been prepared for the non-interested directors and non-interested shareholders of OHB to deliberate on the proposed acquisition by OHB of the remaining equity interests it does not already own in Selasih Permata Sdn Bhd (a holding company of PT GML and PT GSBL) and Oriental Boon Siew (Mauritius) Pte Ltd (a holding company of PT DAM, PT GSSL, PT SAP, PT SSL, PT PPA and PT BSSP) from Boon Siew Sdn Bhd ("**Proposed Acquisition**").

4. **Subject Properties and Ownership**

The Subject Properties are categorized as real property and personal property assets of OHB's subsidiaries, further details of which are set out as follows:

No	Subject Properties	Location	Description
1	Oil palm plantation owned by PT DAM consisting of oil palm plants, oil palm seeds, Effective Land (planted area), Excess Land (unplanted area), nursery land preparation, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers.	Mulyoharjo, Pelawe and Raksabudi Villages, Bulang Tengah Suku Ulu District, Musi Rawas Regency, South Sumatera Province, Indonesia.	• Planted area ±1,300.83 hectares. • Oil palm seeds ±967 seeds. • Concession area ±9,435.06 hectares.

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No	Subject Properties	Location	Description
2	Oil palm plantation owned by PT GSSL consisting of oil palm plants, oil palm seeds, Effective Land (planted area), Excess Land (unplanted area), nursery land preparation, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers.	Rantau Serik, Lubuk Besar, Muara Kati, Batu Bandung, Kebur, Sugi Waras, Batu Raja Lama and Taba Villages, Jaya Loka, Tiang Pumpung Kepungut, Bulang Tengah Suku Ulu, Tebing Tinggi and Saling Districts, Musi Rawas and Empat Lawang Regency, South Sumatera Province, Indonesia.	• Planted area ±2,936.88 hectares. • Oil palm seeds ±14,112 seeds. • Concession area ±20,300.00 hectares.
3	Oil palm plantation owned by PT SAP consisting of oil palm plants, Effective Land (planted area), Excess Land (unplanted area), buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers.	Pauh and Ketapat Bening Villages, Rawas Ilir District, North Musi Rawas (Muratara) Regency, South Sumatera Province, Indonesia.	• Planted area ±2,725.12 hectares. • Concession area ±11,888.88 hectares.
4	Oil palm plantation pwned by PT SSL consisting of oil palm plants, oil palm seeds, Effective Land (planted area), Excess Land (unplanted area), nursery land preparation, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers.	Pauh, Pauh I and Batu Kucing Villages, Rawas Ilir District, North Musi Rawas Regency, South Sumatera Province, Indonesia	• Planted area ±2,104.90 hectares. • Oil palm seeds ±38,533 seeds. • Concession area ±7,000.79 hectares.
5	Oil Palm Plantation and Palm Oil Mill (POM) owned by PT GSBL consisting of oil palm plants, oil palm seeds, Effective Land (planted area), Excess Land (unplanted area), nursery land preparation, land clearing, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers.	Belo Laut, Air Belo, Air Limau and Mayang Villages, Mentok and Simpang Teritip Districts, Bangka Barat Regency, Bangka Belitung Islands Province, Indonesia	• Planted area ±8,514.07 hectares. • Oil palm seeds ±169,508 seeds. • Concession area ±9,098.90 hectares Capacity of POM 90 tonne FFB/hour. • Built in 2001 and commenced operations in 2003.
6	a. Oil Palm Plantation owned by PT PPA consisting of oil palm plants, oil palm seeds, Effective Land (planted area), Excess Land (unplanted area), nursery land preparation, land clearing, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture, and computers.	Prabumulih I, Bingin Jungut, Mambang, Biaro Baru, Air Balui, Panai and Ngunang Villages, Muara Lakitan, Muara Kelingi, Karang Dapo, and Sanga Desa Districts, Musi Rawas, Musi Rawas Utara, and Musi Banyuasin Regencies, South Sumatera Province, Indonesia.	• Planted area ±3,961.71 hectares. • Oil palm seeds ±62,558 seeds. • Concession area ±22,465.00 hectares.

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No	Subject Properties	Location	Description
	b. Palm Oil Mill owned by PT PPA consisting of Rights to Build (HGB) land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers.	Prabumulih I Village, Muara Lakitan District, Musi Rawas Regency, South Sumatera Province, Indonesia.	• Capacity of palm oil mill 60 tonne FFB/hour. • Built in 2019 and operational in July 2020. • Rights to Build (HGB) land ±6.68 hectares (±66,842 sqm).
7	a. Oil Palm Plantation owned by PT BSSP consisting of oil palm plants, Effective Land (planted area), Excess Land (unplanted area), buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture, and computers.	Bangka Kota, Pangkal Buluh, Malik, Simpang Rimba and Sungai Selan Villages, Simpang Rimba, Payung and Sungai Selan Districts, Bangka Selatan and Bangka Tengah Regencies, Bangka Belitung Islands Province, Indonesia.	• Planted area ±4,140.19 hectares. • Concession area ±4,380.36 hectares.
	b. Palm Oil Mill owned by PT BSSP consisting of Rights to Build (HGB) land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers.	Malik and Pangkal Buluh Villages, Payung District, Bangka Selatan Regency, Bangka Belitung Islands Province, Indonesia.	• Rights to Build (HGB) land ±221,920 sqm. • Built in 2015 and commenced operations in 2017 • Capacity of POM 80 tonnes FFB/hour.
	c. Workers' Quarters Land consist of Rights to Build (HGB) land owned by PT BSSP.	Pangkal Buluh, Malik and Simpang Rimba Villages, Payung and Simpang Rimba Districts, Bangka Selatan Regency, Bangka Belitung Islands Province, Indonesia.	• Rights to Build (HGB) land of Workers' Quarters Land in Pangkal Buluh ±83,285 sqm. • Rights to Build (HGB) land of Workers' Quarters Land in Malik ±35,820 sqm. • Rights to Build (HGB) land of Workers' Quarter Land in Simpang Rimba ±17,720 sqm.
8	a. Oil Palm Plantation owned by PT GML consisting of oil palm plants, nursery seeds, Effective Land (planted area), Excess Land (unplanted area), nursery land preparation, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture, and computers.	Dalil, Mabat, Mangka, Air Duren, Sempan, Puding Besar and Bakam Villages, Sungai Liat District, Bangka Regency, Bangka Belitung Islands Province, Indonesia.	• Planted area ±11,774.97 hectares. • Oil palm seeds ±112,179 seeds. • Concession area ±12,800.27 hectares.
	b. Palm Oil Mill owned by PT GML consisting of buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture, and computers.	Mangka Villages, Bakam District, Bangka Regency, Bangka Belitung Islands Province, Indonesia.	• Capacity of POM 90 tonnes FFB/hour.
	c. Tank Farm owned by PT GML consisting of Land, buildings, site improvement, machinery and equipment, fixture and furniture and computers.	Kerisi Street, Lontong Pancur Sub District, Pangkal Balam District, Pangkal Pinang City, Bangka Belitung Islands Province, Indonesia.	• Rights to Build (HGB) land ±38,876 sqm. • Total capacity of Tank Farm 18,000 tonne.

We conducted site inspections of the Subject Properties on 14 - 17 March 2023. The ownership of the Subject Properties are based on Right to Cultivate (Hak Guna Usaha) Certificates, Right to Build (Hak Guna Bangunan) Certificates, Cadastral and Location Permits / PKKPR as well as ownership rights of other non-plantation assets.

5. **Applicable Currency**
The Subject Properties are valued in Rupiah currency. For your information, the exchange rate of United States Dollar and Ringgit Malaysia against Rupiah as at 17 March 2023, being the date of valuation ("**Date of Valuation**") is US $1=Rp15,418 and Rp1 = RM0.0003 respectively (middle rate of Bank Indonesia).

6. **Purpose and Objective of Valuation**
The purpose of this valuation is to provide an opinion on the Market Value of the Subject Properties for the purposes of the circular to shareholders of OHB in relation to the Proposed Acquisition.

7. **Basis of Valuation**
The basis of valuation is Market Value as defined in the Indonesian Valuation Standard ("**SPI**") is as follows:

<u>**Market Value**</u>
"Market Value is the estimated amount that can be obtained or paid to exchange an asset or liability 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". (SPI 101.3.1)

Market Value does not consider any tax liability or costs associated with sales and transfer to another party.

8. **Date of Valuation**
We have conducted the site inspection on various occasions, being the latest on 17 March 2023 and adopted 17 March 2023 as the material Date of Valuation.

9. **Depth of Investigation**
This valuation is conducted with depth of investigation as follows:
   a. We conducted site inspections of the Subject Properties on 14-17 March 2023. Inspections were carried out by the Property Valuers, Mr. Hamid Yusuf, Mr. Ayip Ridwan Akbar, Mr. Budi Apriyanto, Mr. Kevin Faras Oktaviano, Mr. Iqbal Saputra, Mr. Adryil Achmad Fauzi Mr. Abdul Manan, Mr Hendito Ridho Utomo, Ms. Ega Nur Hidayah from KJPP RHR and Mr. Saravanan Muniandy, Mr. Suresh Varatharaju, Mr. Henry Chua Ah Jong, Mr. Sukron Taufik, Mr. Sandy, Mr. Suria, Mr. Arif, Mr. Dian Wuri Kurniawan, from OHB;
   b. Valuers were given access to obtain sufficient data and information by the Client;

c. The Subject Properties and documents that are physically limited to being able to be examined and viewed are identified based on data and information that is only available from OHB. Regarding these limitations, the Valuer carried out the procedures referred to in point 20 which are listed in the Scope of Work; and

d. Regarding land ownership documents, we confirm with the Client and the relevant department regarding the status of the documents. The confirmation process was held as part of site inspection in the plantation.

10. Nature and Sources of Reliable Information Data

The relevant information that does not require verification could be used if the source of the data is published at domestic or international levels. The sources of such information are as follows:

a. Bank Indonesia (Central Bank) or the central bank of other countries;
b. Indonesian Stock Exchange or other stock exchange;
c. Central Bureau of Statistics or other statistical institution;
d. Research data from independent institutions; and
e. Information from the electronic and printed media which are considered representative.

11. Assumptions and Special Assumptions

a. The Subject Properties are covered by valid and legally transferable ownership documents and free from all liens, encumbrances or any restrictions;
b. Data and information of the Subject Properties , whether in the form of ownership documents, legal documents and other permits are assumed to be correct, including data obtained through sampling;
c. The Subject Properties are free from any risk of environmental contamination;
d. Machinery and equipment are valued as a unit in place (in-situ/in-place) and as part of the ongoing business; and
e. The Subject Properties (which are oil palm plantations) are business entities and are operated by competent management. The Valuer assumes that the Subject Properties will continue to operate in accordance with the current use (going concern) as an oil palm plantation.

SPECIAL ASSUMPTIONS

a. THE VALUER CONDUCTED SAMPLING ON THE CONDITION AND TOTAL NUMBER OF PLANTS, DATA AND INFORMATION THAT WERE EXCLUDED IN THE SAMPLING ARE BASED ON COMPANY'S INFORMATION ON THE ASSUMPTIONS SUCH INFORMATION ARE TRUE.

b. THE VALUER DOES NOT INSPECT THE AREAS OF THE SUBJECT PROPERTIES THAT WERE CLOSED, NON-SIGHTABLE OR INACCESSIBLE, AND THE AREAS WERE CONSIDERED TO BE IN GOOD CONDITION AND OPERATIONAL.

c. ECONOMIC UNCERTAINTY AND LIMITED DATA OF TRANSACTIONS WHICH ARE SIMILAR TO THE SUBJECT PROPERTIES HAVE RESULTED IN THE DIFFICULTY TO OBTAIN ACCURATE VALUATION RESULTS. IT IS RECOMMENDED TO USE THIS CERTIFICATE CAREFULLY AND FULLY UNDERSTAND THE ASSUMPTIONS, LIMITATIONS, CONDITIONS, COMMENTS, AND DETAILS OF THE ENTIRE CERTIFICATE SECTION THAT UNDERLIES THE OPINION VALUE ON THE SUBJECT PROPERTIES.

d. IF THE LOCATION PERMITS WERE NO LONGER VALID, VALUATION SHALL BE BASED ON THE ASSUMPTION THAT RENEWALS WILL BE GRANTED TO CONVERT THE LANDS TO HAK GUNA USAHA (HGU) STATUS WITH A 35-YEAR OR 25-YEAR LEASE THAT CAN BE EXTENDED FOR ANOTHER 25-YEAR PERIOD WHILST HAK GUNA BANGUNAN (HGB) WITH A 30-YEAR LEASE THAT CAN BE EXTENDED FOR ANOTHER 20-YEAR PERIOD.

12. Requirements and Consent for Publication

The valuation reports and/or the attached appendices, and the valuation certificate are only intended for the Client and Intended User which is OHB as referred to in Sections 2 and 3 above.

13. Confirmation that the valuation is in accordance with Indonesian Valuation Standard (SPI) & Securities Commission Malaysia's Asset Valuation Guidelines (AVG)

This valuation is conducted in accordance with Indonesian Valuers Code of Ethics (KEPI) and Indonesian Valuation Standards (SPI) VII Edition – 2018 and SPI 300 & 310 – Revised Edition and Asset Valuation Guidelines (AVG) issued by the Securities Commission Malaysia.

14. Approaches and Rationale

The Subject Properties are plantation estate, which their economic value is measured by their ability to generate income. In this valuation, it is pertinent to note that some of the plantations are still in the Location Permits / PKKPR stage. The permits are deemed as "concessions" registered under the respective companies to enable the companies to undertake plantation activities on the Subject Properties.

We have hence undertaken the valuation of the following components to determine the total Market Value of the plantations, in view that the oil palm plantations owned by the subsidiaries of OHB are ongoing business entities (going concern) and generating revenue:

(a) The plantation assets, comprising the biological assets (i.e. the oil palm plants) and oil palm seeds; and

(b) The non-plantation assets (i.e. land, buildings, site improvement, machinery and equipment, vehicles, heavy equipment, fixture and furniture and computers).

The valuation approaches used in this valuation are as follows:

Valuation Approaches	Rationale
Plantation Assets	
Income	The Income Approach by Discounted Cash Flow (DCF) is used because there is no typical and similar comparison data for the Subject Properties. The Income Approach is used for the valuation of the **oil palm plants (as a whole plantation)** in view that the Subject Properties are classified as an income producing property, generating income from Mature Plants. The Market approach was not utilized as thre are no similar comparison data available.
Cost	The Cost Approach is used in the valuation of the non-plantation assets (such as **oil palm seeds**) that forms part of the plantation estate.
Non-Plantation Assets	
Market	This approach was used in the valuation of non-plantation assets (such as **workers' quarters land (HGB)**, **tank farm land (HGB)** and **vehicles**), which forms part of the plantation estate.
Income	The Income Approach by Modified Land Residual Technique (MLRT) is used for the valuation of the oil palm plantation **Effective Land and Excess Land** that forms part of the plantation. This method was adopted given the lack of market data to adopt a market approach to undertake such valuation.
Cost	The Cost Approach is used in the valuation of the non-plantation assets (such as **POM, land preparation, buildings, site improvement, machinery and equipment, heavy equipment, fixture and furniture and computers**) that forms part of the plantation estate.

15. Valuation Methods

The Valuation Methods that are used in this valuation are as follows:

Valuation Approaches	Valuation Methods
Plantation Assets	
Income	Discounted Cash Flow (DCF)
Cost	Depreciated Replacement Cost (DRC)
Non-Plantation Assets	
Market	Direct Comparison Method
Income	Modified Land Residual Technique (MLRT)
Cost	Depreciated Replacement Cost (DRC)

16. Important Events Subsequent to the Date of Valuation

In this valuation, we did not consider the impact of subsequent events after the Date of Valuation, including changes in geopolitics, macro market conditions or uncertainty in commodity market after the Date of Valuation.

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17. Valuation Conclusion

Having considered all relevant information and the prevailing market conditions, we are of the opinion that the Market Value of the Subject Properties on 17 March 2023, are:

No	Company	Market Value	
		Rp	RM
1	PT Dapo Agro Makmur (PT DAM)	317,873,000,000	95,361,900
2	PT Gunung Sawit Selatan Lestari (PT GSSL)	592,654,000,000	177,796,200
3	PT Surya Agro Persada (PT SAP)	476,758,000,000	143,027,400
4	PT Sumatera Sawit Lestari (PT SSL)	298,334,000,000	89,500,200
5	PT Gunungsawit Binalestari (PT GSBL)	992,744,000,000	297,823,200
6	PT Pratama Palm Abadi (PT PPA)	943,258,000,000	282,977,400
7	PT Bumi Sawit Sukses Pratama (PT BSSP)	855,290,000,000	256,587,000
8	PT Gunung Maras Lestari (PT GML)	1,547,162,000,000	464,148,600

We advise to use this report with caution after understanding all assumptions, limitations, conditions, comments and details of all parts of this report which were adopted as the basis for this valuation.

Jakarta, 18 April 2023

Yours Sincerely,
KJPP Rengganis, Hamid & Rekan

KJPP Rengganis, Hamid & Rekan

<u>Hamid Yusuf, MAPPI (Cert.), FRICS</u>
Vice Managing Partner – Property and Business Valuer
Licensed Valuer No. PB-1.08.00005
STTD PPPM OJK No. STTD.PPB-06/PM.2/2018
MAPPI No. 95-S-00631

TERMS AND LIMITING CONDITIONS

This valuation and certificate are subject to the following limiting conditions:

1. In view of the COVID-19 pandemic, accompanied by the uncertainty in the global economy (as well as in Indonesia), we advise that greater uncertainty and a higher degree of caution should be attached to our valuation than would normally be the case. Given the unknown level of impact of COVID-19 pandemic on the market and the absence or lack of market data to inform or support a quantitative estimate, we recommend that a periodic review of the value assessment should be carried out as a precaution.
2. KJPP RHR does not allow the use of all or any part of this certificate or any reference to it in any published documents, circulars or statement or published in any form and context which it may appear without KJPP RHR's prior written consent (save for the purposes of the shareholders of OHB and Bursa Malaysia Securities Berhad in respect of the Proposed Acquisition).
3. Information that has been provided by other parties to KJPP RHR as stated in the valuation reports and valuation certificate are considered appropriate and reliable, but KJPP RHR is not responsible if it turns out that the information provided is proven not to be correct from what is stated. The information stated without mentioning the source is the result of our review of existing data, examination of documents, or information from authorized government agencies. The responsibility to re-check the correctness of the information rests entirely with the Client.
4. The values listed in this certificate for the Subject Properties and any allocation of values between parts of the Subject Properties apply only in terms of and for the purpose of the reports and the valuation certificate. The values assessed should not be used in conjunction with any other assessment as they may prove incorrect if so used.
5. We do not investigate the condition of the soil and other surrounding facilities for any new development. Unless otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.
6. Where Market Values are assessed, they reflect the full contract value and no account is taken of any liability to taxation on sale or the costs involved in effecting a sale. The Subject Properties are valued on the assumption that are free from all mortgages, encumbrances and other outstanding premiums and charges.
7. Any sketches, floor plans or maps in the reports and valuation certificate are included to assist the reader in visualizing the Subject Properties. We did not carry

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out any survey on the Subject Properties and assume no responsibility in connection with such matters.

8. The Subject Properties are covered with valid land certificates and are free from all liens and encumbrances. KJPP RHR do not make any land measurements, and we assume that the land drawing contained in the land certificates and/or provided by the Client is true and accurate.
9. The Valuer is not obligated to give testimony or appear in court by reason of the reports and valuation certificate, with reference to the Subject Properties without prior written agreement.
10. We have not made any measurements of the area of the Subject Properties. We assume that the area adopted in this valuation is the same as the area stated in the title document provided by OHB. We have not made any measurements of the area of the Subject Properties. We assume that the area adopted in this valuation is the same as the area stated in the title document provided by OHB.
11. We are not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the Subject Properties that may draw attention to any contamination or the possibility of any such contamination.
12. Regarding land ownership documents, we confirm with the Client and the relevant department regarding the status of the documents. We assume the data and information we receive are true and free from legal problems or disputes.
13. In view of the geopolitics condition and the subsequent uncertainty in the global economy (as well as occur in Indonesia), we advise that greater uncertainty and a higher degree of caution should be attached to our valuation than would normally be the case. Given the unknown level of impact that geopolitics condition has on the market in macro as well as in commodity market and the absence or lack of market data to inform or support a quantitative estimate, we recommend that a periodic review on the value assessment should be carried out as a precaution.

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A. PT DAPO AGRO MAKMUR (DAM)

A.1 IDENTIFICATION OF SUBJECT PROPERTY

Title Particulars and Permits	Location Permit No. 294/KPTS/BPM-PTP/2014 date issued 25th March 2014 and expired on 25th March 2015, Company Notarial Deed No. 07 date issued 16th May 2008, Business Plantation Permits No. 22/KPTS/BPM-PTP/2010 date issued 2nd February 2011, License of Trading Business No 07.15/124/BPM-PTP/VI/2016 date issued 21st June 2016, Company's Registration No. 06051012115 date issued 21st July 2017 and date expired 4th July 2022, and Distraction Permit No. 56.14/296/DPM-PTSP/VII/2017 date issued 21st July 2017.

The location permit typically grants the holder with a period of 3 years with a 1-year extension to undertake the plantation activities and fulfil the criteria and conditions imposed on the location permits, which includes the holder acquiring at least 50% of the land within the designated location permit land areas. The location permit was subsequently substituted with the PKKPR in 2021 following the implementation of Article 2 of Minister of Agrarian Affair and Spatial Planning/Head of the National Land Agency ("MoAA") Regulation No. 13/2021 ("PKKPR Regulation"). It is pertinent to note that there is no restriction in terms of time period or deadline stipulated for holders of expired location permit to apply for the PKKPR under the PKKPR Regulation. The PKKPR Regulation serves to provide an avenue for the holders of any expired location permits to resume its land certification processing path/route towards obtaining the HGU Certificate by applying to the relevant local land authority for the PKKPR permit, which will be valid for 3 years, and is extendable with a 2 year extension period provided that the said holder has acquired at least 30% of the approved land area in one overlay according to the assessment of the land office. No further extension will be granted to the holder of PKKPR after the expiry of the 2 year extended period.

Further, PT DAM had also obtained the confirmation letter No. 050/89/II/DPMPTSP/2023 from Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu, stating that the local land authority is committed and will prioritize PT DAM's application for PKKPR. The Confirmation Letter was issued to PT DAM despite expiry of the relevant location permits held by PT DAM as set out above. The local land authority had also confirmed that PKKPR for same area within the expired location permit will not be granted to any third parties upon PT DAM obtaining the PKKPR.

This statement in the Confirmation Letter further provides a form of security and assurance to PT DAM that as long as the company takes the necessary steps in applying for the PKKPR, the interest and rights over the expired location permit stays intact to PT DAM. Also to note that as there is no mentioned time limit or stipulated deadline for holders of expired location permit to apply for PKKPR, PT DAM is deemed to continue to have valid interest in the land title processing route to obtain the HGU certificate during this interim. Notwithstanding thereof, OHB group had via an undertaking letter declared their intentions to commence applying for the PKKPR to substitute their expired location permits within the next 2 years from the date of the completion of the Proposed Acquisition, whereby the company will gradually undertake the land acquisition activities and submit PKKPR application. Premised thereof and the company having obtained the Confirmation Letter, we are of the view that the risks of the companies of OHB Group not being able to obtain the PKKPR for the uncertificated land is fairly remote and minimal provided that the application documents are in order and fulfill the relevant prevailing requirements.

In view of the above, although the location permits have expired, we are of the view that there is still economic value in relation to such permits and the holders of such permits have rights to retain and affirms its rights towards obtaining the HGU Certificate as expired location permit holders are able to renew the permits to PKKPR.

We also wish to highlight that the company will continue to have certain rights to enter and acquire the lands which have yet to be acquired despite the expiry of the location permits. For information purposes, to-date, all expired location permits (which has been submitted by OHB group) have been accepted by the local land authorities for the application of land title certificates, in which the relevant authority has issued the relevant HGU/HGB certificates (despite the expiry of the location permits). The local land authorities have, to-date, been encouraging OHB group to apply for PKKPR (despite the expired location permits). This is evidence by the issuance of PKKPR dated 25 March 2023 to OHB Group's subsidiary, PT Sumatera Sawit Lestari (despite having an expired location permit dated 1 August 2017 with concession period of 1 August 2017 to 1 August 2018).

We also note that the company did not receive any sanctions, fines or warning letters from the regional government and authorities in relation to the expired location permits.

The company has also confirmed that the Subject Property has not been repossessed nor is the company aware that the relevant authorities have granted any rights to acquire the Subject Property to any third parties following the expiry of the location permits. Further, based on industry practice and the company's previous experience and dealings with the relevant authorities, the company is able to subsequently apply for HGU/HGB (with the expired location permits being attached as part of the HGU application and accepted by the authority as valid documentation) on the premise that the conditions of the expired location permits for the HGU/HGB application have been met. The Confirmation Letter also states that the local land authority is also committed to prioritize the issuance of HGU certificate subject to the company being a holder of the PKKPR and having submit the HGU application.

In respect of HGU certificates, the HGU may be extended for a maximum period of 25 years and a final extension of another 35 years ("HGU Extension"). Following the expiry of the HGU Extension, the HGU land shall be returned to the state as a State-controlled Land or right-to-manage (hak pengelolaan) land, depending on its initial underlying land. MoAA will only grant HGU Extension on the premise that, amongst others, the holder meets the prevailing requirements under Article 8 of Government Regulation No. 18/2021.

We have not made any detailed identification on each and every parcel of the land as stated above. However, based on the location map provided by PT DAM, we understand that the Subject Property consists of contiguous parcel lands. It is pertinent to note that we do not carry out extensive measurements of the Subject Property. However, based on observations of physical boundaries in the field and comparing with land certificate copies, we assume that the land area used in this valuation is the same with the area stated in the copies of land certificates of the Subject Property.

We do not investigate the past or existing use of the Subject Property or adjacent other property, to later determine whether or not there is environmental contamination or the potential for environmental contamination. For this reason, we assume there are no problems related to environmental contamination or the potential for environmental contamination in this valuation.

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However, should it be established subsequently that contamination or pollution exists at the Subject Property or on any neighboring land, or that the premises have been or are being put to a contaminative use, the values reported might not be applicable and is required to be revalued immediately.

Although we have made legal searches of the land title certificate, we advise that an independent legal advisor should be referred to for this matter. For the purpose of this valuation, we assume that the Subject Property is accompanied by a legally valid land title and is free and clear from all liens and encumbrances, easements, restriction or limitation.

Type of Property	Oil Palm Plantation.
Registered Proprietor	PT Dapo Agro Makmur.
Title Land Area	Total area of approximately 9,435.06 hectares consisting of 3,920.71 hectares Cadastral and 5,514.35 hectares Location Permit. Cadastral is part of the Location Permit, where it is the measurement stage after obtaining the Location Permit and is one of the requirements for HGU Certification.
Date of Valuation	17 March 2023.
Location	PT DAM's oil palm plantation is located in Mulyoharjo, Pelawe and Raksabudi Villages, Bulang Tengah Suku Ulu District, Musi Rawas Regency, South Sumatera Province, Indonesia.
Site Description	The ownership of the Subject Property is based on a Location Permit and Cadastral measurement, all of which form the land plot, registered under the name of PT Dapo Agro Makmur. Additionally, the ownership rights of other non-plantation assets are also held by PT DAM. PT DAM oil palm plantation has ±1,300.83 hectares planted area, consisting of 3 (three) estates. The location of the plantation is generally located at secondary forest and villages areas with plantation area boundaries of village and production forest.
Terrain	Generally, PT DAM oil palm plantation has a variety of topography and slope class. The topography is approximately 0-50 meters above sea level (masl). Generally, the dominant slope class is flat and undulating rolling with 0-2% and 9-15% slope respectively.

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Regional Planning

In accordance with the legal document of the Location Permit, the area designated in Location Permit No. 294/KPTS/BPM-PTP/2014 is for the cultivation of oil palm plantations.

Estate Composition and Hectarage Statement

No	Description	Estate Mulyoharjo (Ha)	Pelawe (Ha)	Raksabudi (Ha)	Total (Ha)
I	**Planted Area**				
a	Mature Plants (MP)				
	YP 2013	15.81	77.85	40.44	**134.10**
	YP 2014	133.24	84.82	101.79	**319.85**
	YP 2015	213.36	13.00	92.00	**318.36**
	YP 2016	137.56	82.21	209.95	**429.72**
	YP 2017	12.59	-	11.43	**24.02**
	YP 2018	-	-	5.83	**5.83**
	YP 2019	5.73	0.32	6.82	**12.87**
	Sub Total a	**518.29**	**258.20**	**468.26**	**1,244.75**
b	Immature Plants (IMP)				
	YP 2020	20.63	-	31.13	**51.76**
	YP 2021	-	-	4.32	**4.32**
	Sub Total b	**20.63**	**-**	**35.45**	**56.08**
	Sub Total I	**538.92**	**258.20**	**503.71**	**1,300.83**
II	**Other Plantable Area**				
a	Nursery	-	-	3.85	3.85
b	Reserve Area	-	-	-	8,034.35
c	Land Clearing	-	-	-	-
	Total (II)	**-**	**-**	**3.85**	**8,038.20**
III	**Non-Plantable Area**				
a	Roads	-	-	-	94.15
b	Buildings	-	-	-	1.88
c	River	-	-	-	-
	Sub Total III	**-**	**-**	**-**	**96.03**
	Total (I+II+III)	**538.92**	**2,582.20**	**507.56**	**9,435.06**

Source: PT DAM, 2023.

The composition of the age profile of the plant based on area statement is as follow:

No	Composition	Age (Year)	Area (Ha)	Percentage
1	Immature Plants	0-3	56.08	4.31%
2	Young Mature Plants	4-6	42.72	3.28%
3	Mature Plants	7-18	1,202.03	92.40%
	Total		**1,300.83**	**100.00%**

Source: PT DAM, 2023.

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Historical Yield

No.	Year	Harvesting Area (Ha)	Production (Tonne)	Yield (Tonne/Ha)
1	2017	454	954	2.10
2	2018	770	2,636	3.42
3	2019	1,202	5,831	4.85
4	2020	1,226	6,554	5.35
5	2021	1,232	11,082	9.00
6	2022	1,245	15,720	12.63

Source: PT DAM, 2023.

Adopted Yield

Based on the planted area given by PT DAM. The PT DAM generally recorded an average FFB yield of about 7.05 tonne per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm on the PT DAM is estimated to have a remaining economic life of about 16 - 25 years. The twenty five (25) year yield projection for the PT DAM are based on consideration amongst others, the historical production, plant population, plant upkeep, climate and the independent valuer's professional judgment on the plant's condition.

Historical Cost

Cost of Production	Remarks	2020	2021	2022
Cost of Upkeep & Maintenance	Rp000	7,145,414	9,585,549	19,088,997
Harvesting	Rp000	5,423,188	10,155,208	13,774,639
General Charges	Rp000	7,788,008	8,616,364	8,002,932
Total	**Rp000**	**20,356,610**	**28,357,121**	**40,866,568**

Source: PT DAM, 2023.

A.2 MARKET VALUE

Valuation Approach & Methodology

In arriving at our opinion of the Market Value of the Subject Property, we have adopted the Market Approach by Direct Comparison Method, Income Approach by Discounted Cash Flow (DCF) Method and Modified Land Residual Technique as well as Cost Approach by Depreciated Replacement Cost (DRC) Method.

Oil Palm Plantation

Valuation Assumptions	
Oil Palm Plantation Cultivation Standards	Oil palm plantations are assumed **to be cultivated sustainably by competent management according to normal cultivation standards.**
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for the next 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition. Based on the planted area given by PT DAM, PT DAM generally recorded an average FFB yield of about 7.05 tonnes per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm on the PT DAM is estimated to have a remaining economic life of about 16- 25 years.

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Valuation Assumptions	
FFB Price Assumptions	FFB price is projected based on market price analysis with the assumption of Rp2,337,785/tonne in the first year, Rp2,215,498/tonne in the second year, Rp2,222,504/tonne in the third year, Rp2,229,492/tonne in the fourth year, Rp2,236,463/tonne in the fifth year onwards is projected to be constant.
Costs Assumptions	(see cost table and notes below)

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	34,068,816	Rp/Ha
	- IMP – 1	11,702,181	Rp/Ha
	- IMP – 2	12,326,717	Rp/Ha
	- IMP – 3	13,466,240	Rp/Ha
	- MP – 1	10,120,847	Rp/Ha
	- MP - 2 to 3	9,867,825	Rp/Ha
	- MP - 4 to 10	9,380,601	Rp/Ha
	- MP -11 to 22	7,857,113	Rp/Ha
(b)	Harvesting & Transportation Cost	212,416	Rp/Tonne
(c)	General Charges	2,000,000	Rp/Ha
(d)	Management Fees	5	%
(e)	Replacement Allowance	474,771	Rp/Ha
(f)	Capital Expenditure Cost	682,179	Rp/Ha

a. Oil Palm Plants Upkeep Costs

The calculation of the cost uses the standards and norms that apply in the plantation and considers the generally accepted standards in the market with some adjustments. The historical upkeep cost of PT DAM in 2020 to 2022, around Rp5,828,000 – Rp15,333,000 per hectare. We have adopted Rp7,857,113-Rp13,466,240 per hectare according to the various planting age.

b. Harvesting and Transportation Costs

These costs consider the historical costs of the actual harvest and transportation costs to the POM. The historical harvesting cost of PT DAM in 2020 to 2022, around Rp827,000 – Rp916,000 per tonne. We have adopted Rp212,416 per tonne for the harvesting and transportation cost.

c. General Charges

General charges are adjusted to the standard of plantation area and actual historical costs. The historical general charges cost of PT DAM in 2020 to 2022, around Rp6,352,000 – Rp6,994,000 per hectare. We have adopted Rp2,000,000 per hectare for the general charges.

d. Management Fees

Management fees costs are under the cost structure for nucleus plantations and other costs that can't be included in the components of the costs above.

e. Replacement Allowance

Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture, and computers.

f. Capital Expenditure Cost

Capital Expenditure (capex) Cost is used for predicting the legal cost to get the HGU (Right to Cultivate). The unit price for the capex is estimated with HGU land price per hectares minus the current land price, so the remaining is for capex cost to obtain HGU.

The rates adopted in our DCF for oil palm plants upkeep cost, harvesting and transportation cost and general charges are benchmarked against market derived data of similar plantations.

Replacement Allowance	Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture and computers.

Valuation Assumptions	
Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Residual Value of Land and Non-Plantation Assets	The residual value of the land and other facilities is calculated as income at the end of the DCF period with the assumption that the land rights can be extended for further tenure of 35 years.
Discount Rate	**11.36%** The discount rate is determined using the Band of Investment method, namely WACC (Weighted Average Cost of Capital), using the following formula: **Discount Rate = (ke x We) + (kd x Wd)** whereas: ke Cost of equity kd Cost of debt We Percentage of equity financing Wd Percentage of debt financing Cost of equity is calculated using the Capital Asset Pricing Model (CAPM), using the following formula: **Ke = Rf + (β x RPm)-RBDS + a** whereas: ke Expected rate of return R_f Risk free rate β Beta RP_m Equity risk premium RBDS Rating Based Default Spread a Other risks The assumption used in calculating the discount rate is as follows:

Description	Assumption	Source	Remarks
Cost of Equity			
R_f	7.11%	IBPA	Yield of Long-Term Indonesia Government Bond (30 years) in Rupiah Currency
B	1.00	-	Assuming the plantation in normal condition.
Alpha	2.00%		Other risks.
RP_m	9.23%	Damodaran	Indonesia Market Risk Premium.
RBDS*	2.33%	Damodaran	Rating Based Default Spread.
k_e*	**16.01%**		
Cost of Debt			
k_d	8.86%	Bank of Indonesia	Average interest rate for commercial bank loans.
Equity Portion	35.00%	Market	The average equity and debt portion in property investment in Indonesia.
Debt Portion	65.00%		
Discount Rate	**11.36%**		

	*) Adjusted ke = Rf + (β x RPm)-RBDS+ α RBDS or Rating Based Default Spread is an additional risk that arises due to differences in the rating of a country's debt to the country with the highest debt rating, which is AAA. In this case, the Indonesia RBDS intended for the calculation of the discount rate is an additional risk arising from the lower Indonesia's debt rating. Risk-free interest and risk premium bear the country risk. To avoid double counting in country's risk, we have deducted the RBDS from cost of equity.

Biological Assets

Biological Assets consists of oil palm plants. To obtain the assets value of the biological assets, the value of the oil palm plantation is deducted by the indicative Market Value of non-plantation assets (such as Effective Land, buildings, site improvements, machinery and equipment, heavy equipment, vehicles, and fixtures and furniture and computers), the computation of which is set out below:

Description	Indicative Market Value (Rp)	Indicative Market Value (RM)
Oil palm plantation	**169,966,000,000**	**50,989,800**
Less: Non-Plantation Assets*:		
- Effective Land	34,609,000,000	10,382,700
- Buildings	1,974,000,000	592,200
- Site Improvement	3,272,000,000	981,600
- Machinery and Equipment	325,000,000	97,500
- Heavy equipment	2,264,000,000	679,200
- Vehicles	1,935,000,000	580,500
- Fixture and Furniture	154,000,000	46,200
- Computers	107,000,000	32,100
Total Non-Plantation Assets*	**(44,640,000,000)**	**(13,392,000)**
Total Biological Assets	**125,326,000,000**	**37,597,800**

*Note : To derived the oil palm plant value, the oil palm plantation value will be deducted against the non-plantation assets. The non-plantation assets will be apportioned accordingly if necessary, whereby the non-plantation assets value is calculated by using the Depreciated Replacement Cost Method, Direct Comparison Method, and Modified Land Residual Technique. This is to facilitate and obtain the residual value of the plantation in the form of plant value (i.e biological asset value).

Oil Palm Seeds Value

The valuation of oil palm seeds is derived using the Depreciated Replacement Cost Method. The Depreciated Replacement Cost Method is used because PT DAM conducts their own nursery activities.

Most of the progeny planted within PT DAM comes from the crossing of D X P from seed producer Palm Oil Research Center (PPKS) such as Marihat of Palm Oil Research Center (PPKS). The seeds stock are available in the nursery and generally in good condition. The seeds stock are as follows:

No	Age (Months)	Type	Total
1	51	Marihat	697
2	52	Marihat	270
	Total		**967**

Source: PT DAM, 2023.

The replacement costs obtained with the composition consist of the cost of purchasing the seeds and other costs required according to the age of the seeds. The Market Value is obtained by deducting replacement costs by adjusting the condition of the seeds at the valuation date.

The indicative Market Value of oil palm nursery seeds of approximately 967 seeds as of 17 March 2023 having considered the assumptions above and the attached limiting conditions is:

Rp46,000,000
(FORTY SIX MILLION RUPIAHS)

Equivalent to

RM13,800
(THIRTEEN THOUSAND EIGHT HUNDRED RINGGIT)

Land and Excess Land Value

The land value is obtained using the Modified Land Residual Technique (MLRT) based on the premise that vacant land will be developed into plantations.

In arriving at the market value, we have made a professional judgment for the coefficient as the parcels of land in the plantation estates are in various stages of HGU Certificate application (such as location permit), land compensation, cadastral measurement, and Panitia B stages), all of which are held under various legal documents. The HGU is the highest rights for land documents, and hence, we have adopted the coefficient of 1.0, while the other land statuses are lower than the HGU, and hence, we have adopted a lower coefficient. We wish to inform that this is a normal industry practice in Indonesia since there is no comparison data available in the market.

No	Land Status	Coefficient
1	HGU	1
2	Cadastral	0.95 - 0.98
3	Location Permit / PKKPR + Land Compensation	0.75 - 0.97
4	Location Permit / PKPPR	0.25 - 0.40

Justification of coefficients based on land status are as follows:

1. HGU (Right of Cultivation), the adjustment coefficient is 1, which is the highest land ownership status of a plantation.
2. Cadastral, the adjustment coefficient is 0.95-0.98, where at this stage, cadastral mapping is conducted to determine the boundaries of the plantation location, so the area may differ from its Location Permit. The coefficient range differs due to land characteristics, compensation for land acquisition costs, and adjustments from valuer.
3. Location Permit / PKKPR + Land Compensation, the adjustment coefficient is 0.75-0.97, where the land's legal document is still in the form of a location permit, but land acquisition compensation and plantation activities have been generally carried out. The coefficient range differs due to differences in land acquisition costs depending on the region or location of the plantation. Other factors include land characteristics and adjustments from valuer.
4. Location Permit / PKKPR, the adjustment coefficient is 0.25-0.40, where the land document has not yet undergone land acquisition activities and general plantation activities. The land conditions are still not extensively occupied. The coefficient difference is also due to land conditions, status of the

Location Permits (registered as *Kesesuaian Kegiatan Pemanfaatan Ruang* (KKPR)) and adjustments from valuer.

The Excess Land (unplanted area) in PT DAM consist of location permit that has not been compensated measuring approximately 3,314.69 hectares and the compensated area measuring approximately 2,199.66 hectares. The coefficient applied for compensated Excess Land is 0.93 whilst the coefficient applied for land that has not been compensated is 0.30. For the Effective Land (planted area), the coefficient is about 0.93 because the land has already been compensated and coefficient is 1.00 for HGU land.

To determine the value of land can be done as follows:

Valuation Assumptions Effective Land and Excess Land	
Plants Effective Area	Determination of the plantable area that can be planted from the total concession with assumption that 10%-15% is deducted for infrastructure.
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.
FFB Price Assumptions	Same as FFB price in the oil palm plantation valuation.
Costs Assumptions	The costs that are used as assumptions are based on the calculation of the standards and norms that apply in the plantation and take into account the generally accepted standards.

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	34,068,816	Rp/Ha
	- IMP – 1	11,702,181	Rp/Ha
	- IMP – 2	12,326,717	Rp/Ha
	- IMP – 3	13,466,240	Rp/Ha
	- MP – 1	10,120,847	Rp/Ha
	- MP - 2 to 3	9,867,825	Rp/Ha
	- MP - 4 to 10	9,380,601	Rp/Ha
	- MP -11 to 22	7,857,113	Rp/Ha
(b)	Harvesting & Transportation Cost	212,416	Rp/Tonne
(c)	General Charges	2,000,000	Rp/Ha
(d)	Non-plants Investment Cost	14,822,844	Rp/Ha
(e)	Management Fees	5	%
(f)	Replacement Allowance	417,538	Rp/Ha
(g)	Capital Expenditure Cost	7,866,751	Rp/Ha

a. Oil Palm Plants Upkeep Costs
We have adopted Rp7,857,113-Rp13,466,240 per hectare according to the various planting age.

b. Harvesting and Transportation Costs
We have adopted Rp212,416 per tonne for the harvesting and transportation cost.

c. General Charges
We have adopted Rp2,000,000 per hectare for the general charges.

d. Non-plants Invesment Costs
Adopted the cost stated in the table above.

Valuation Assumptions Effective Land and Excess Land	
	e. **Management Fees** Adopted the cost stated in the table above. f. **Replacement Allowance** Adopted the cost stated in the table above. g. **Capital Expenditure Cost** Adopted the cost stated in the table above.
Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Discount Rate	**11.36%,** Discount Rate is same as the plantation valuation.

Nursery Land Preparation

Nursery land preparation is the area that has been cleared for future nursery needs. For this nursery land preparation we use the depreciated cost method where the basis of Replacement Cost New is using the depreciated cost technique with cost structure and component based on the detail of nursery land preparation job and compared to the general land preparation job with comparable data/contract in each estate. Adjustment was made to reflect the actual condition based on site inspection and valuer's professional justification as the basis to get the Market Value.

Non-Plantation Assets Value

Buildings and Site Improvement

The description of the oil palm plantation buildings by location are as follows:

No	Buildings	Total
A	**Estate Mulyoharjo**	
1	Fertilizer Store (Mulyoharjo)	2
2	Long House (Mulyoharjo)	1
3	Genset Room (Mulyoharjo)	1
4	Workshop and Garage Permanent (Mulyoharjo)	1
5	Water Tower (Mulyoharjo)	1
6	Store (Mulyoharjo)	1
7	B3 Storage (Mulyoharjo)	1
B	**Estate Raksabudi**	
1	Fertilizer Store (Pangkalan Tarum)	1
2	Toilet & Bathroom (Pangkalan Tarum)	1
3	Staff House G5 (Raksabudi)	2
4	Water Tower (Raksabudi)	1
5	Toilet Long House (Raksabudi)	6
6	Genset Room (Raksabudi)	1
7	Temporary Warehouse (Raksabudi)	1
8	Permanent Warehouse (Raksabudi)	1
	Total	**22**

Source: PT DAM, 2023.

The site improvements are built to support the oil palm plantation, consists of road with solidified soil material covered with stone or laterite and bridge with wood construction with details as follows:

No	Site Improvement	Total	Unit
1	Main Road	10,139	m'
2	Collection Road	38,862	m'
3	Access Road	87,522	m'
4	Drainage 2x2	5,501	m'
5	Drainage 1x1	33,959	m'
6	Drainage 4x4	1,378	m'
7	Bridges	7	unit
8	Log Bridge	73	unit
9	Culvert	136	unit

Source: PT DAM, 2023.

The value of buildings and site improvement is obtained by first calculating the Replacement Cost New of buildings and site improvement based on the prices of current components with similar levels of use, then deducting the estimated depreciation caused by physical deprecition, functional obsolescence, and economic obsolescence.

We use the Unit in Place Method, which is a method that is carried out to estimate the Replacement Cost New of a structure by adding up all work costs per unit installed including the cost of plumbing, electrical, and others.

Description	Parameters
Direct Cost	Material Price and Labour Cost
Indirect Cost	
a. Value Added Tax	11%
b. Contractor Profit	10%
c. Building Permit Cost	1.50%

Machinery and Equipment, Heavy Equipment, Fixture and Furniture and Computers

Machinery and equipment, vehicles, heavy equipment, fixture and furniture and computers are used to support the operation and production activities of the plantation. The description of the assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	Generator Set	1
2	Water Pump	1
3	Diesel Alternator	1
4	Diesel Pump	4
5	Fire Extinguisher	3
6	Water Pump 3"	1
7	St 102 Fast Fillers (Pump Hisap)	1
8	Dinamo Las	1
9	Portable Cut-Off "Maktec" Mt240	1
10	Rain Gauge Neta	2
11	Grass Cutting Machine	3
12	Electric Radiator	1

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No	Property	Unit
13	Power	1
14	Water Filter	1
15	Engine Diesel	1
16	Chainsaw	3
17	Pompa Pemadam Onga 2"	2
18	Compressor Swan Shp+Diesel Yanmar Tf 85 Mly Radiator	1
19	Pompa Pemadam Onga (Aust) Single Impeller	1
20	Mist Blower	2
21	Oil Tank	1
22	Diesel Tank	1
	Total A	**34**
B	**Heavy Equipment**	
1	Tractor	5
2	Backhoe Loader	1
3	Bucket	1
4	Tipping Trailer	3
5	Non-Tipping Trailer	6
6	Water Tank Trailer	3
	Total B	**19**
C	**Fixture and Furniture**	Lot
D	**Computers**	Lot

Source: PT DAM, 2023.

The value of machinery and equipment, heavy equipment, fixture and furniture and computers, is carried out by calculating the Replacement Cost New including installation, shipping, transportation, value-added, and handling taxes of these assets less depreciation due to physical depreciation, functional obsolescence, and economic obsolescence.

For computation of Replacement Cost New for machinery and equipment, it is obtained by applying the Trending Method using data sources obtained from contracts for procurement/purchase of similar machinery and equipment by considering shipping and insurance costs, transportation, Value Added Tax (VAT) from these machinery and equipment.

The value under the Replacement Cost New of machinery and equipment, heavy equipment, fixture and furniture and computers were obtained by applying an index or trend factor to historical costs (Trending Method). Index or trend factor obtained from **https://www.bls.gov/ppi/databases.**

The Economic Life and the amount of depreciation used in this valuation are as follows:

Description	Economic Life (Year)	Physical Depreciation (%)	Functional Obsolescence (%)	Economic Obsolescence (%)	Total Depreciation* (%)
Machinery & Equipment	8-12	3-90	n/a	n/a	3-90
Fixture & Furniture	8-12	10-88	n/a	n/a	10-88
Computers	3-7	20-88	n/a	n/a	20-88
Heavy Equipment	8-12	5-88	n/a	n/a	5-88

Source: Marshal Valuation Service

Note: *)Total depreciation = physical depreciation + ((1-physical depreciation)*(Functional Obsolescence +Economic Obsolescence))

Vehicles

The description of the vehicles are as follows:

No	Vehicles	Unit
1	Pick Up	6
2	Jeep	1
3	Motorcycle	16
	Total	**23**

Source: PT DAM, 2023.

The valuation of vehicles is carried out using the Direct Comparison Method.

Conclusion of the Non-Plantation Assets value

The details of the indicative market value of the Non-Plantation Assets are as follow:

No	Description	Unit (Ha)	Indicative Market Value (Rp)	(RM)
1	Land			
	- Effective Land (planted area)	1,300.83	34,609,000,000	10,382,700
	- Excess Land (unplanted area)	8,134.23	147,835,000,000	44,350,500
2	Nursery Land Preparation	3.85	26,000,000	7,800
3	Buildings		1,974,000,000	592,200
4	Site Improvement		3,272,000,000	981,600
5	Machinery & Equipment		325,000,000	97,500
6	Heavy Equipment		2,264,000,000	679,200
7	Vehicles		1,935,000,000	580,500
8	Fixture and Furniture		154,000,000	46,200
9	Computers		107,000,000	32,100
	Total		**192,501,000,000**	**57,750,300**

The indicative Market Value of the Non-Plantation Assets as of 17 March 2023 having considered the assumptions and limiting conditions is:

Rp192,501,000,000
(ONE HUNDRED NINETY TWO BILLION FIVE HUNDRED ONE MILLION RUPIAHS)

Equivalent to

RM57,750,300
(FIFTY SEVEN MILLION SEVEN HUNDRED FIFTY THOUSAND THREE HUNDRED RINGGIT)

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Valuation Conclusion

Having considered all relevant information and the prevailing market condition, we are of the opinion that the Market Value (based on valuation of plantation and non-plantation assets) of the Subject Property on 17 March 2023, is:

No	Description	Market Value (Rp)	Market Value (RM)
A	**Plantation Assets:**		
A1	**Biological Assets**		
	1) Oil Palm Plantation	169,966,000,000	50,989,800
	Less: Non-Plantation Assets*	(44,640,000,000)	(13,392,000)
	Total Biological Assets	**125,326,000,000**	**37,597,800**
A2	2) Oil Palm Seeds	46,000,000	13,800
	Total Plantation Assets (A1+A2)	**125,372,000,000**	**37,611,600**
B	**Non-Plantation Assets**	192,501,000,000	57,750,300
	Market Value of The Subject Property (A+B)**	**317,873,000,000**	**95,361,900**

* The non-plantation assets are derived from the Market Value indications of non-plantation assets that directly contribute to plantation activities such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers, which are separately calculated using the Modified Land Residual Technique, Direct Comparison Method, and Depreciated Replacement Cost method.

**In view of the lack of market data, we are hence unable to undertake any cross check/supporting method on the computation of the Market Value of the Subject Property.

Rp317,873,000,000
(THREE HUNDRED SEVENTEEN BILLION EIGHT HUNDRED SEVENTY THREE MILLION RUPIAHS)

Equivalent to

RM95,361,900
(NINETY FIVE MILLION THREE HUNDRED SIXTY ONE THOUSAND NINE HUNDRED RINGGIT)

For all intents and purposes, this valuation certificate summary should be read in conjunction with our Valuation Report on the Subject Property.

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B. PT GUNUNG SAWIT SELATAN LESTARI (GSSL)

B.1 IDENTIFICATION OF SUBJECT PROPERTY

Title Particulars and Permits	Rights to Cultivate (HGU) No. 00093 date issued 27th April 2022 and expired on 21st March 2057, HGU No. 00090 and 00091 date issued 25th April 2022 and expired on 21st March 2057, and HGU No. 00092 date issued 27th April 2022 and expired on 21th March 2057, Location Permits No. 676/KPTS/BPM-PTP/2013 date issued 30th October 2013 and expired on 30th October 2014 and 503/428/KEP/BPMPT/2015 date issued 14th September 2015 and expired on 14th September 2016, Company Notarial Deed Issued by Notary Alang, SH dated 12th May 2010, *Izin Usaha Perdagangan* No. 07.08/123/BPM-PTP/VI/2016 dated 21st June 2016 and *Tanda Daftar Perusahaan.* No. 060510121114 issued dated 21st July 2017.

The location permit typically grants the holder with a period of 3 years with a 1-year extension to undertake the plantation activities and fulfil the criteria and conditions imposed on the location permits, which includes the holder acquiring at least 50% of the land within the designated location permit land areas. The location permit was subsequently substituted with the PKKPR in 2021 following the implementation of Article 2 of Minister of Agrarian Affair and Spatial Planning/Head of the National Land Agency ("MoAA") Regulation No. 13/2021 ("PKKPR Regulation"). It is pertinent to note that there is no restriction in terms of time period or deadline stipulated for holders of expired location permit to apply for the PKKPR under the PKKPR Regulation. The PKKPR Regulation serves to provide an avenue for the holders of any expired location permits to resume its land certification processing path/route towards obtaining the HGU Certificate by applying to the relevant local land authority for the PKKPR permit, which will be valid for 3 years, and is extendable with a 2 year extension period provided that the said holder has acquired at least 30% of the approved land area in one overlay according to the assessment of the land office. No further extension will be granted to the holder of PKKPR after the expiry of the 2 year extended period.

Further, PT GSSL had also obtained the Confirmation Letter No.050/88/II/DPMPTSP/2023 from Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu, stating that the local land authority is committed and will prioritize PT GSSL's application for PKKPR. It is pertinent to note that the Confirmation Letter was issued to PT GSSL despite expiry of the location permits held by PT GSSL as set out above.

Further, the local land authority had also confirmed that PKKPR for same area within the expired location permit will not be granted to any third parties. This statement in the confirmation letter further provides a form of security and assurance to PT GSSL, that as long as the company takes the necessary steps in applying for the PKKPR, the interest and rights over the expired location permit stays intact to PT GSSL. The Confirmation Letter states that the land authority is also committed to prioritize the issuance of HGU certificate subject to having the PKKPR and HGU application by PT GSSL. Also to note that as there is no mentioned time limit or stipulated deadline to for holders of expired location permit to apply for PKKPR, PT GSSL is deem to continue to have valid interest in the land title processing route to obtain the HGU certificate during this interim.

In view of the above, it should be noted that although the location permits have expired, there is still economic value in relation to such permits and the holders of such permits have rights to retain and affirms its rights towards obtaining the HGU Certificate as expired location permit holders are able to renew the permits to PKKPR (despite the expired location permits).

We also wish to highlight that although the above-mentioned location permits have expired, the company will continue to have certain rights to enter and acquire the lands which have yet to be acquired under the expired location permits For information purposes, to-date, all expired location permits (which has been submitted by OHB group) have been required and accepted by the local authorities for the application of land title certificates, in which the relevant authority has issued the relevant HGU/HGB certificates (despite the expiry of the location permits). The local land authorities have, to-date, been encouraging OHB group to apply for PKKPR (despite the expired location permits). This is evidence by the issuance of PKKPR dated 13 March 2023 No.050/88/II/DPMPTSP/2023 to OHB Group's subsidiary, PT GSSL despite having an expired location permit dated 30 October 2013.

We were further made to understand that the company has provided an undertaking letter declaring their intentions to continue applying for PKKPR for their expired location permits, whereby the company will gradually undertake the land acquisition activities and submit PKKPR application within the next 2 years from the date of the completion of the Proposed Acquisition.

We also note that the company did not receive any sanctions, fines or warning letters from the regional government and authorities in relation to the expired location permit(s). The company has also confirmed that the Subject Property has not been repossessed nor is the company aware that the relevant authorities have granted any rights to acquire the Subject Property to any third parties following the expiry of the location permit(s). Further, based on industry practice and the company's previous experience and dealings with the relevant authorities, the company is able to subsequently apply for HGU/HGB based on the expired location permit(s) on the premise that the conditions of the expired location permit(s) for the HGU/HGB application have been met.

In respect of HGU certificates, the HGU may be extended for a maximum period of 25 years and a final extension of another 35 years ("HGU Extension"). Following the expiry of the HGU Extension, the HGU land shall be returned to the state as a State-controlled Land or right-to-manage (hak pengelolaan) land, depending on its initial underlying land. MoAA will only grant HGU Extension on the premise that, amongst others, the holder meets the prevailing requirements under Article 8 of Government Regulation No. 18/2021.

We have not made any detailed identification on each and every parcel of the land as stated above. However, based on the location map provided by PT GSSL, we understand that the Subject Property consists of contiguous parcel lands.

It is pertinent to note that we do not carry out extensive measurements of the Subject Property. However, based on observations of physical boundaries in the field and comparing with land certificate copies, we assume that the land area used in this valuation is the same with the area stated in the copies of land certificates of the Subject Property.

We do not investigate the past or existing use of the Subject Property or adjacent other property, to later determine whether or not there is environmental contamination or the potential for environmental contamination. For this reason, we assume there are no problems related to environmental contamination or the potential for environmental contamination in this valuation.

However, should it be established subsequently that contamination or pollution exists at the Subject Property or on any neighboring land, or that the premises have been or are being put to a contaminative use, the values reported might not be applicable and is required to be revalued immediately.

Although we have made legal searches of the land title certificate, we advise that an independent legal advisor should be referred to for this matter. For the purpose of this valuation, we assume that the Subject Property is accompanied by a legally valid land title and is free and clear from all liens and encumbrances, easements, restriction, or limitation.

Type of Property	Oil Palm Plantation.
Registered Proprietor	PT Gunung Sawit Selatan Lestari.
Title Land Area	Total area of approximately 20,300 hectares consisting of 2,032.77 hectares HGU and 18,267.23 hectares Location Permits.
Date of Valuation	17 March 2023.
Location	PT GSSL's oil palm plantation is located in Rantau Serik, Lubuk Besar, Muara Kati, Batu Bandung, Kebur, Sugi Waras, Batu Raja Lama and Taba Villages, Jaya Loka, Tiang Pumpung Kepungut, Bulang Tengah Suku Ulu, Tebing Tinggi and Saling Districts, Musi Rawas and Empat Lawang Regency, South Sumatera Province, Indonesia.
Site Description	The ownership for the Subject Property is based on the Location Permit and Right to Cultivate (HGU) of the Subject Property consisting of 2 (two) Location Permits and 4 (four) HGU in the name of PT Gunung Sawit Selatan Lestari. Additionally, the ownership rights of other non-plantation assets are also held by PT GSSL. PT GSSL oil palm plantation has ±2,936.88 hectares planted area and consist of 2 (two) estates. The plantation land currently being cultivated is formerly a secondary forest which was converted into oil palm plantation area in 2011.
Terrain	Generally, PT GSSL oil palm plantation has dominant slope class is flat-wavy of 0-8%. The topography is approximately 2-30 meters above sea level (masl).

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Regional Planning

In accordance with the legal document of the Location Permits No. 676/KPTS/BPM-PTP/2013, 503/428/KEP/BPMPT/2015 and HGU No. 00090, 00091, 00092 and 00093 the area designated is for cultivation of oil palm plantations.

Estate Composition and Hectarage Statement

No	Description	Rantau Serik (Ha)	Muara Kati (Ha)	Total (Ha)
I	**Planted Area**			
a	Mature Plants (MP)			
	YP 2012	-	119.43	119.43
	YP 2013	39.49	500.15	539.64
	YP 2014	224.57	23.58	248.15
	YP 2015	158.63	524.49	683.12
	YP 2016	262.02	173.40	435.42
	YP 2017	189.82	146.72	336.54
	YP 2018	79.94	59.18	139.12
	YP 2019	126.06	58.90	184.96
	Sub Total a	**1,080.53**	**1,605.85**	**2,686.38**
b	Immature Plants (IMP)			
	YP 2020	68.90	83.83	152.74
	YP 2021	10.83	39.47	50.30
	YP 2022	33.75	13.72	47.48
	Sub Total b	**113.48**	**137.03**	**250.50**
	Sub Total I	**1,194.01**	**1,742.87**	**2,936.88**
II	**Other Plantable Area**			
a	Nursery	-	-	16.49
b	Reserve	-	-	17,157.17
	Sub Total II	-	-	**17,173.66**
III	**Non-Plantable Area**			
a	Roads	-	-	168.43
b	Buffer	-	-	3.30
c	Dam	-	-	17.73
	Sub Total III	-	-	**189.46**
	Total (I+II+III)	-	-	**20,300.00**

Source: PT GSSL, 2023.

The composition of the age profile of the plant based on area statement is as follow:

No	Composition	Age (Year)	Area (Ha)	Percentage
1	Immature Plants	0-3	250.50	9%
2	Young Mature Plants	4-6	660.61	22%
3	Mature Plants	7-18	2,025.77	69%
	Total		**2,936.88**	**100%**

Source: PT GSSL, 2023.

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Historical Yield

No.	Year	Harvesting Area (Ha)	Production (Tonne)	Yield (Tonne/Ha)
1	2018	740	5,752	7.77
2	2019	1,473	14,070	9.55
3	2020	1,770	22,009	12.43
4	2021	2,362	27,663	11.71
5	2022	2,686	33,977	12.65

Source: PT GSSL, 2023.

Adopted Yield

Based on the planted area given by PT GSSL, PT GSSL plantation generally recorded an average FFB yield of about 13.01 tonnes per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT GSSL is estimated to have a remaining economic life of about 15 - 25 years. The twenty five (25) year yield projection for PT GSSL takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate and the independent valuer's judgment on the plant's condition.

Historical Cost

Cost of Production	Remarks	2020	2021	2022
Cost of Upkeep & Maintenance	Rp000	6,441,550	20,713,433	46,200,347
Harvesting & Transportation Cost	Rp000	7,197,506	10,117,002	15,177,925
General Charges	Rp000	8,630,328	9,808,650	10,492,284
Total	Rp000	**22,269,384**	**40,639,085**	**71,870,556**

Source: PT GSSL, 2023.

B.2 MARKET VALUE

Valuation Approach & Methodology

In arriving at our opinion of the Market Value of the Subject Property, we have adopted the Market Approach by Direct Comparison Method, Income Approach by Discounted Cash Flow (DCF) Method and Modified Land Residual Technique as well as Cost Approach by Depreciated Replacement Cost (DRC) Method.

<u>Oil Palm Plantation</u>

Valuation Assumptions	
Oil Palm Plantation Cultivation Standards	Oil palm plantations are assumed to **be cultivated sustainably by competent management by according to normal cultivation standards.**
Oil Palm Plants Economic Life Cycles	The oil palm plant''s economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4thth year after planting for the next 22 years of projection.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Valuation Assumptions	
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate and the independent valuer's judgment on the plant's condition. Based on the planted area given by PT GSSL, PT GSSL plantation generally recorded an average FFB yield of about 13.01 tonnes per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT GSSL is estimated to have a remaining economic life of about 15- 25 years.
FFB Price Assumptions	FFB price is projected based on market price analysis with the assumption of Rp2,337,785/tonne in the first year, Rp2,215,498/tonne in the second year, Rp2,222,504/tonne in the third year, Rp2,229,492/tonne in the fourth year, Rp2,236,463/tonne in the fifth year onwards is projected to be constant.
Costs Assumptions	(see table and notes below)

Costs Assumptions:

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	34,058,234	Rp/Ha
	- IMP – 1	12,175,374	Rp/Ha
	- IMP – 2	12,625,779	Rp/Ha
	- IMP – 3	13,837,115	Rp/Ha
	- MP – 1	10,688,209	Rp/Ha
	- MP – 2 to 3	10,421,004	Rp/Ha
	- MP – 4 to 10	9,906,467	Rp/Ha
	- MP -11 to 22	8,297,573	Rp/Ha
(b)	Harvesting & Transportation Cost	276,705	Rp/Tonne
(c)	General Charges	2,000,000	Rp/Ha
(d)	Management Fees	5	%
(e)	Replacement Allowance	575,000	Rp/Ha
(f)	Capital Expenditure Cost	1,886,408	Rp/Ha

a. Oil Palm Plants Upkeep Costs
The calculation of the cost uses the standards and norms that apply in the plantation and also considers the generally accepted standards in the market with some adjustments. The historical upkeep cost of PT GSSL in 2020 to 2022, around Rp3,639,000 – Rp15,730,000 per hectare according to the various planting age. We have adopted Rp8,297.573-Rp13,837,115 per hectare according to the various planting age.

b. Harvesting and Transportation Costs
These costs consider the historical costs of the actual harvest and transportation costs to the POM. The historical harvesting cost of PT GSSL in 2020 to 2022, around Rp327,000 – Rp447,000 per tonne for the harvesting and transportation cost. We have adopted 276,705 per tonne for the harvesting and transportation cost.

c. General Charges
General charges costs are adjusted to the standard of plantation area and actual historical costs. The historical general charges cost of PT GSSL in 2020 to 2022, around Rp3,572,000 – Rp5,251,000 per hectare for the general charges. We have adopted Rp2,000,000 per hectare for the general charges.

d. Management Fees
Management fees costs are under the cost structure for nucleus plantations and other costs that can't be included in the components of the costs above.

Valuation Assumptions	
Costs Assumptions	**e. Replacement Allowance** Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture and computers. **f. Capital Expenditure Cost** Capital Expenditure (capex) Cost is used for predicting the legal cost to get the HGU (Right to Cultivate). The unit price for the capex is estimated with HGU land price per hectares minus the current land price, so the remaining is for capex cost to obtain HGU. The rates adopted in our DCF for oil palm plants upkeep cost, harvesting and transportation cost and general charges are benchmarked against market derived data of similar plantations.
Replacement Allowance	Replacement Allowance is the cost which is used for maintenance of the non- plantation components assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture and computers.
Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Residual Value of Land and Non-Plantations Assets	The residual value of the land and other facilities is calculated as income at the end of the DCF period with the assumption that the land rights can be extended for further tenure of 35 yearsThe residual value of the land and other facilities is calculated as income at the end of the DCF period with the assumption that the land rights can be extended.
Discount Rate	**11.36%** The discount rate is determined using the Band of Investment method, namely WACC (Weighted Average Cost of Capital), using the following formula: **Discount Rate = (ke x We) + (kd x Wd)** whereas: ke Cost of equity kd Cost of debt We Percentage of equity financing Wd Percentage of debt financing Cost of equity is calculated using the Capital Asset Pricing Model (CAPM), using the following formula: **Ke = Rf + (β x RPm)-RBDS + α** whereas: ke Expected rate of return R_f Risk free rate β Beta RP_m Equity risk premium RBDS Rating Based Default Spread α Other risks

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The assumption used in calculating the discount rate is as follows:

Description	Assumption	Source	Remarks
Cost of Equity			
R_f	7.11%	IBPA	Yield of Long Term Indonesia Government Bond (30 years) in Rupiah Currency
B	1.00	-	Assuming the plantation in normal condition.
Alpha	2.00%		Other risks.
RP_m	9.23%	Damodaran	Indonesia Market Risk Premium.
RBDS*	2.33%	Damodaran	Rating Based Default Spread.
k_e*	**16.01%**		
Cost of Debt			
k_d	8.86%	Bank of Indonesia	Average interest rate for commercial bank loans.
Equity Portion	35.00%	Market	The average equity and debt portion in property investment in Indonesia.
Debt Portion	65.00%		
Discount Rate	**11.36%**		

***) Adjusted ke = Rf + (β x RPm)-RBDS+ α**

RBDS or Rating Based Default Spread is an additional risk that arises due to differences in the rating of a country's debt to the country with the highest debt rating, which is AAA. In this case, the Indonesia RBDS intended for the calculation of the discount rate is an additional risk arising from the lower Indonesia's debt rating. Risk-free interest and risk premium bear the country risk. To avoid double counting in country's risk, we have deducted the RBDS from cost of equity.

Biological Assets

Biological Assets consist of oil palm plants. To obtain the assets value of the biological assets, the value of the oil palm plantation is deducted by the indicative Market Value of non-plantation assets (such as Effective Land, buildings, site improvements, machinery and equipment, heavy equipment, vehicles, and fixtures and furniture and computers), the computation of which is set out below:

Description	Indicative Market Value (Rp)	Indicative Market Value (RM)
Oil palm plantation	**376,985,000,000**	**113,095,500**
Less: Non-Plantation Assets*:		
- Effective Land	79,084,000,000	23,725,200
- Buildings	13,295,000,000	3,988,500
- Site Improvement	5,366,000,000	1,609,800
- Machinery and Equipment	1,502,000,000	450,600
- Heavy equipment	2,752,000,000	825,600
- Vehicles	3,389,000,000	1,016,700
- Fixture and Furniture	1,017,000,000	305,100
- Computers	204,000,000	61,200
Total Non-Plantation Assets*	**(106,609,000,000)**	**(31,982,700)**
Total Biological Assets	**270,376,000,000**	**81,112,800**

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*Note : To derived the oil palm plant value, the oil palm plantation value will be deducted against the non-plantation assets. The non-plantation assets will be apportioned accordingly if necessary, whereby the non-plantation assets value is calculated by using the Depreciated Replacement Cost Method, Direct Comparison Method, and Modified Land Residual Technique. This is to facilitate and obtain the residual value of the plantation in the form of plant value (i.e biological asset value).

Oil Palm Seeds Value

The valuation of oil palm seeds is derived using the Depreciated Replacement Cost Method. The Depreciated Replacement Cost Method is used because PT GSSL conducts their own nursery activities.

Most of the progeny planted within PT GSSL are Topaz. The seeds stock available in the Subject Property come from the crossing of D X P from seed produce such as Topaz from PT Asian Agri. The seeds stock are available in the nursery and generally in good condition. The seeds stock are as follow:

No.	Age (Months)	Type	Total
1	21	Topaz	14,112
	Total		14,112

The replacement costs obtained with the composition consist of the cost of purchasing the seeds and other costs required according to the age of the seeds. The Market Value is obtained by deducting replacement costs by adjusting the condition of the seeds at the valuation date. The indicative Market Value of oil palm nursery seeds of approximately 14,112 seeds as of 17 March 2023 having considered the assumptions above and the attached limiting conditions is:

Rp784,000,000
(SEVEN HUNDRED EIGHTY FOUR MILLION RUPIAHS)

Equivalent to

RM235,200
(TWO HUNDRED THIRTY FIVE THOUSAND TWO HUNDRED RINGGIT)

Land and Excess Land Value

The land value is obtained using the Modified Land Residual Technique (MLRT) based on the premise that vacant land will be developed into plantations.

In arriving at the market value, we have made a professional judgment for the coefficient as the parcels of land in the plantation estates are in various stages of HGU Certificate application (such as location permit / PKKPR, land compensation, cadastral measurement, and Panitia B stages), all of which are held under various legal documents. The HGU is the highest rights for land documents, and hence, we have adopted the coefficient of 1.0, while the other land statuses are lower than the HGU, and hence, we have adopted a lower coefficient. We wish to inform that this is a normal industry practice in Indonesia since there is no comparison data available in the market.

No	Land Status	Coefficient
1	HGU	1
2	Cadastral	0.95 - 0.98
3	Location Permit / PKKPR + Land Compensation	0.75 - 0.97
4	Location Permit / PKPPR	0.25 - 0.40

Justification of coefficients based on land status are as follows:

1. HGU (Right of Cultivation), the adjustment coefficient is 1, which is the highest land ownership status of a plantation.
2. Cadastral, the adjustment coefficient is 0.95-0.98, where at this stage, cadastral mapping is conducted to determine the boundaries of the plantation location, so the area may differ from its Location Permit. The coefficient range differs due to land characteristics, compensation for land acquisition costs, and adjustments from valuer.
3. Location Permit / PKKPR + Land Compensation, the adjustment coefficient is 0.75-0.97, where the land's legal document is still in the form of a location permit, but land acquisition compensation and plantation activities have been generally carried out. The coefficient range differs due to differences in land acquisition costs depending on the region or location of the plantation. Other factors include land characteristics and adjustments from valuer.
4. Location Permit / PKKPR, the adjustment coefficient is 0.25-0.40, where the land document has not yet undergone land acquisition activities and general plantation activities. The land conditions are still not extensively occupied. The coefficient difference is also due to land conditions, status of the Location Permits (registered as *Kesesuaian Kegiatan Pemanfaatan Ruang* (KKPR)) and adjustments from valuer.

The Excess Land (unplanted area) in PT GSSL consist of location permit that has not been compensated measuring approximately 13,320.36 hectares and the compensated area measuring approximately 4,132.75 hectares. The coefficient applied for compensated Excess Land is 0.93 whilst the coefficient applied for land that has not been compensated is 0.30. For the Effective Land (planted area), the coefficient is about 0.93 because the land has already been compensated and coefficient is 1.00 for HGU land.

To determine the value of land can be done as follows:

Valuation Assumptions Effective Land and Excess Land	
Plants Efective Area	Determination of the plantable area that can be planted from the total concession with assumption thating 10%-15% is deducted for infrastructure.
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate and the independent valuer's judgment on the plant's condition.
FFB Price Assumptions	Same as FFB price in the oil palm plantation valuation.

<table>
<tr><th colspan="2">Valuation Assumptions Effective Land and Excess Land</th></tr>
<tr><td>Costs Assumptions</td><td>
The costs that are used as assumptions are based on the calculation of the standards and norms that apply in the plantation and also take into account the generally accepted standards.
<table>
<tr><th>No</th><th>Description</th><th>Volume</th><th>Unit</th></tr>
<tr><td>(a)</td><td>Oil palms plants Upkeep Costs (Rp/Ha)</td><td></td><td></td></tr>
<tr><td></td><td>- IMP – 0</td><td>34,058,234</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- IMP – 1</td><td>12,175,374</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- IMP – 2</td><td>12,625,779</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- IMP – 3</td><td>13,837,115</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- MP – 1</td><td>10,688,209</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- MP - 2 to 3</td><td>10,421,004</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- MP - 4 to 10</td><td>9,906,467</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- MP -11 to 22</td><td>8,297,573</td><td>Rp/Ha</td></tr>
<tr><td>(b)</td><td>Harvesting & Transportation Cost</td><td>276,705</td><td>Rp/Tonne</td></tr>
<tr><td>(c)</td><td>General Charges</td><td>2,000,000</td><td>Rp/Ha</td></tr>
<tr><td>(d)</td><td>Non-plants Investment Cost</td><td>9,528,000</td><td>Rp/Ha</td></tr>
<tr><td>(e)</td><td>Management Fees</td><td>5</td><td>%</td></tr>
<tr><td>(f)</td><td>Replacement Allowance</td><td>143,670</td><td>Rp/Ha</td></tr>
<tr><td>(g)</td><td>Capital Expenditure Cost</td><td>14,879,860</td><td>Rp/Ha</td></tr>
</table>
a. Oil Palm Plants Upkeep Costs
We have adopted Rp8,297.573-Rp13,837,115 per hectare according to the various planting age.
b. Harvesting and Transportation Costs
We have adopted 276,705 per tonne for the harvesting and transportation cost.
c. General Charges
We have adopted Rp2,000,000 per hectare for the general charges.
d. Non-plants Invesment Costs
Adopted the cost stated in the table above.
e. Management Fees
Adopted the cost stated in the table above.
f. Replacement Allowance
Adopted the cost stated in the table above.
g. Capital Expenditure Cost
Adopted the cost stated in the table above.
</td></tr>
<tr><td>Cost Increment</td><td>The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).</td></tr>
<tr><td>Discount Rate</td><td>11.36%, Discount Rate is same as the plantation valuation</td></tr>
</table>

Land Preparation

Land preparation is the area that has been cleared for future nursery needs. For this land preparation we use the depreciated cost method where the basis of Replacement Cost New is using the depreciated cost technique with cost structure and component based on the detail of land clearing job and compared to the general land clearing job with comparable data/contract in each estate. Adjustment was made to reflect the actual condition based on site inspection and valuer's professional justification as the basis to get the Market Value.

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Non-Plantation Assets Value

Buildings and Site Improvement

The description of the estate buildings are as follows:

No	Buildings	Total
1	Warehouse	1
2	Warehouse	1
3	Roof top warehouse fertilizer	1
4	Fertilizer Store	1
5	Water Torent	1
6	Home Generators	1
7	Pump House	1
8	Long House	1
9	Pos Security + Portal 8 m	1
10	Water Torent	1
11	Fire Tower	1
12	Machine House	1
13	Water Torent	1
14	Fire Tower	1
15	Pos Security + Portal 8 m	1
16	Musalla	1
17	Wudhu Area	1
18	Pos Security + Portal 8 m	1
19	Barrack Permanent (A) G6	1
20	Barrack Permanent (B) G6	1
21	Barrack Permanent (C) G6	1
22	Mess Permanent (G6)	1
23	Temporary Worker's Barrack	1
24	Mess G6 Permanent	2
25	Zinc Shed for Diesel Tank-Rantau Serik	1
26	Water Pump Shed-Rantau Serik	1
27	Genset House-Rantau Serik (Div 1)	1
28	Waste House-Rantau Serik	1
29	Genset House-Rantau Serik	1
30	Genset House	1
31	Office	1
32	Mess Permanent (G2)	6
33	Tower Air	1
34	Tandon Air	1
35	Pos Jembatan Timbang	1
36	Mess Permanent (G6)	1
37	Mess G2	2
38	Mess Permanent (G6)	1
	Total	**45**

Sources: PT GSSL, 2023.

The site improvements are built to support the oil palm plantation, consists of road with solidified soil material covered with stone or laterite and bridge with wood construction with details as follows:

No	Site Improvement	Total	Unit
1	Main Road	28,574	m'

No	Site Improvement	Total	Unit
2	Collection Road	108,923	m'
3	Main Access Road	19,883	m'
4	Nursery Road	3,493	m'
5	Control Road	3,794	m'
6	Access Road	101,238	m'
7	Drainage 4x2	382	m'
8	Drainage 2x2	53,728	m'
9	Drainage 1x1	94,064	m'
10	Drainage 4x3	6,463	m'
11	Drainage 5x3	136	m'
12	Drainage 3x3	94	m'
13	Bridges	23	Unit
14	Log Bridge	348	Unit
15	Culvert	76	Unit
16	Borehole	1	Unit

Source: PT GSSL, 2023

The value of buildings and site improvement is obtained by first calculating the Replacement Cost New of buildings and site improvement based on the prices of current components with similar levels of use, then deducting the estimated depreciation caused by physical depreciation, functional obsolescence, and economic obsolescence.

We use the Unit in Place Method, which is a method that is carried out to estimate the Replacement Cost New of a structure by adding up all work costs per unit installed including the cost of plumbing, electrical, and others.

Description	Parameters
Direct Cost	Material Price and Labour Cost
Indirect Cost	
a. Value Added Tax	11%
b. Contractor Profit	10%
c. Building Permit Cost	1.50%

Machinery and Equipment, Heavy Equipment, Fixture and Furniture and Computers

Machinery and equipment, heavy equipment, fixture and furniture and computers are used to support the operation and production activities of the plantation. The description of the oil palm plantation assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	Generator Set	8
2	Water Pump	10
3	Air Compressor	2
4	Chainsaw	6
5	Water Tank	10
6	Grass Cutter Machine	7
7	Suction & Discharge	1

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No	Property	Unit
8	Diesel Engine	1
9	Welding Machine	1
10	Welding Equipment	1
11	Ragum	2
12	Gerinda Tangan	2
13	Fuel Tank	2
14	Sprayer Machine	3
15	Fire Fighting Sprayer	2
16	Rotolasher	1
17	Weighbridge	1
18	Battery Charger	1
19	Grease Manual	1
20	Trafo Las	1
21	Jet Cleaner	1
22	Alat Tambal Ban Elektrik	1
23	Perlengkapan Cuci Tangan	2
24	Mesin Molen	1
25	Chain Block	1
26	Gerinda/ Grinding Machine	1
27	Plate Scissor	1
28	Mesin Bor/ Drilling Machine	1
29	Pompa Punggung pemadam Api	1
	Total A	**71**
B	**Heavy Equipment**	
1	Backhoe Loader	3
2	Tractor	13
3	Apuh	4
4	Tipping Trailer	9
5	Non Tipping Trailer	6
	Total B	**35**
C	**Fixture and Furniture**	**Lot**
D	**Computers**	**Lot**

Source: PT GSSL, 2023.

The value of machinery and equipment, heavy equipment, fixture and furniture and computers, is carried out by calculating the Replacement Cost New including installation, shipping, transportation, value-added, and handling taxes of these assets less depreciation due to physical depreciation, functional and external obsolescence.

For computation of Replacement Cost New for machinery and equipment, it is obtained by applying the Trending Method using data sources obtained from contracts for procurement/purchase of similar machinery and equipment by considering shipping and insurance costs, transportation, Value Added Tax (VAT) from these machinery and equipment.

The value under the Replacement Cost New of machinery and equipment, heavy equipment, fixture and furniture and computers were obtained by applying an index or trend factor to historical costs (Trending Method). Index or trend factor obtained from **https://www.bls.gov/ppi/databases/**.

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The Economic Life and the amount of depreciation used in this valuation are as follows:

Description	Economic Life (Year)	Physical Depreciation (%)	Functional Obsolescence (%)	Economic Obsolescence (%)	Total Depreciation* (%)
Machinery & Equipment (Estate)	8-12	3-90	n/a	n/a	3-90
Fixture & Furniture	8-12	10-88	n/a	n/a	10-88
Computers	3-7	20-88	n/a	n/a	20-88
Heavy Equipment	8-12	5-88	n/a	n/a	5-88

Source: Marshal Valuation Service

Note: *)Total depreciation = physical depreciation + ((1-physical depreciation)*(Functional Obsolescence +Economic Obsolescence))

Vehicles

The description of the vehicles are as follows:

No	Vehicles	Unit
1	Pickup	11
2	Motorcycle	31
3	Motor Tricycle	1
4	Jeep	1
5	Minibus	2
	Total	**46**

Source: PT GSSL, 2023.

The valuation of vehicles is carried out using the Direct Comparison Method.

Conclusion of the Non-Plantation Assets value

The details of the indicative market value of the Non-Plantation Assets are as follow:

No	Description	Unit (Ha)	Indicative Market Value (Rp)	(RM)
1	Land			
	- Effective Land (planted Area)	2,936.88	79,084,000,000	23,725,200
	- Excess Land (unplanted Area)	17,363.12	214,780,000,000	64,434,000
2	Nursery Land Preparation	16.49	105,000,000	31,500
3	Buildings		13,295,000,000	3,988,500
4	Site Improvement		5,366,000,000	1,609,800
5	Machinery & Equipment		1,502,000,000	450,600
6	Heavy Equipment		2,752,000,000	825,600
7	Vehicles		3,389,000,000	1,016,700
8	Fixture and Furniture		1,017,000,000	305,100
9	Computers		204,000,000	61,200
	Total		**321,494,000,000**	**96,448,200**

The indicative Market Value of the Non-Plantation Assets as of 17 March 2023 having considered the assumptions and limiting conditions is:

Rp321,494,000,000

(THREE HUNDRED TWENTY ONE BILLION FOUR HUNDRED NINETY FOUR MILLION RUPIAHS)

Equivalent to

RM96,448,200
(NINETY SIX MILLION FOUR HUNDRED FORTY EIGHT THOUSAND TWO HUNDRED RINGGIT)

Valuation Conclusion

Having considered all relevant information and the prevailing market condition, we are of the opinion that the Market Value (based on valuation of plantation and non-plantation assets) of the Subject Property on 17 March 2023, is:

No	Description	Indicative Market Value (Rp)	(RM)
A	**Plantation Assets:**		
A1	**Biological Assets**		
	1) Oil Palm Plantation	376,985,000,000	113,095,500
	Less: Non-Plantation Assets*	(106,609,000,000)	(31,982,700)
	Total Biological Assets	**270,376,000,000**	**81,112,800**
A2	2) Oil Palm Seeds	784,000,000	235,200
	Total Plantation Assets (A1+A2)	**271,160,000,000**	**81,348,000**
B	**Non-Plantation Assets**	**321,494,000,000**	**96,448,200**
	Market Value of the Subject Property (A+B)**	**592,654,000,000**	**177,796,200**

* The non-plantation assets are derived from the Market Value indications of non-plantation assets that directly contribute to plantation activities such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers, which are separately calculated using the Modified Land Residual Technique, Direct Comparison Method, and Depreciated Replacement Cost method.

**In view of the lack of market data, we are hence unable to undertake any cross check/supporting method on the computation of the Market Value of the Subject Property.

Rp592,654,000,000
(FIVE HUNDRED NINETY TWO BILLION SIX HUNDRED FIFTY FOUR MILLION RUPIAHS)

Equivalent to

RM177,796,200
(ONE HUNDRED SEVENTY SEVEN MILLION SEVEN HUNDRED NINETY SIX THOUSAND TWO HUNDRED RINGGIT)

For all intents and purposes, this valuation certificate summary should be read in conjunction with our Valuation Report on the Subject Property.

C. PT SURYA AGRO PERSADA (SAP)

C.1 IDENTIFICATION OF SUBJECT PROPERTY

Title Particulars and Permits	Right to Cultivate (HGU) No. 00001 date issued 7th March 2014 and expires on 4th February 2049, Right to Cultivate (HGU) No. 00016 date issued 14th June 2010 and expires on 17th May 2045, Right to Cultivate (HGU) No. 00017 date issued 14th December 2010 and expires on 25th November 2045, Right to Cultivate (HGU) No. 00022 date issued 2nd May 2013 and expires on 2nd May 2048 and Location Permit No. 507/KPTS/BPM-PTP/2013 date issued 3rd July 2013 and expired on 3 July 2014. The location permit / PKKPR typically grants the holder with a period of 3 years with a 1-year extension ("Location Permit / PKKPR Tenure") to undertake the plantation activities and fulfill the criteria and conditions imposed on the location permits / PKKPR, which includes the holder acquiring at least 50% of the land within the designated location permit / PKKPR land areas ("Land Acquisitions"). The location permit route was subsequently substituted with the PKKPR route in 2021 following the implementation of Article 2 of Minister of Agrarian Affair and Spatial Planning/Head of the National Land Agency ("MoAA") Regulation No. 13/2021 ("PKKPR Regulation"). It is pertinent to note that there is no restriction in terms of time period or deadline stipulated for holders of expired permit to apply for the PKKPR under the PKKPR Regulation. The PKKPR Regulation serves to provide an avenue for the holders of any expired location permits to resume its land certification processing path/route towards obtaining the HGU Certificate by applying to the relevant local land authority for the PKKPR permit, which will be valid for 3 years, and is extendable with a 2 year extension period provided that the said holder has acquired at least 30% of the approved land area in one overlay according to the assessment of the land office. No further extension will be granted to the holder after the expiry of the 2 year extended period. In view of the above, it should be noted that although the location permits have expired, there is still economic value in relation to such permits and the holders of such permits have rights to retain and affirms its rights towards obtaining the HGU Certificate as expired location permit holders are able to renew the permits to PKKPR (despite the expired location permits).

We also wish to highlight that although the above-mentioned location permits have expired, the company will continue to have certain rights to enter and acquire the lands which have yet to be acquired under the expired location permits For information purposes, to-date, all expired location permits (which has been submitted by OHB group) have been required and the local authorities for the application of land title certificates, in which the relevant authority has issued the relevant HGU/HGB certificates (despite the expiry of the location permits). The local land authorities have, to-date, been encouraging OHB group to apply for PKKPR (despite the expired location permits). This is evidence by the issuance of PKKPR dated 25 March 2023 to OHB Group's subsidiary, PT Sumatera Sawit Lestari (despite having an expired location permit dated 3 July 2014 with concession period of 3 July 2013 to 3 July 2014.

We were further made to understand that the company has provided an undertaking letter declaring their intentions to continue applying for PKKPR for their expired location permits, whereby the company will gradually undertake the land acquisition activities and submit PKKPR application within the next 2 years from the date of the completion of the Proposed Acquisition.

We also note that the company did not receive any sanctions, fines or warning letters from the regional government and authorities in relation to the expired location permit(s). The company has also confirmed that the Subject Property has not been repossessed nor is the company aware that the relevant authorities have granted any rights to acquire the Subject Property to any third parties following the expiry of the location permit(s). Further, based on industry practice and the company's previous experience and dealings with the relevant authorities, the company is able to subsequently apply for HGU/HGB based on the expired location permit(s) on the premise that the conditions of the expired location permit(s) for the HGU/HGB application have been met.

In respect of HGU certificates, the HGU may be extended for a maximum period of 25 years and a final extension of another 35 years ("HGU Extension"). Following the expiry of the HGU Extension, the HGU land shall be returned to the state as a State-controlled Land or right-to-manage (hak pengelolaan) land, depending on its initial underlying land. MoAA will only grant HGU Extension on the premise that, amongst others, the holder meets the prevailing requirements under Article 8 of Government Regulation No. 18/2021.

We have not made any detailed identification on each and every parcel of the land as stated above. However, based on the location map provided by PT SSL, we understand that the Subject Property consists of contiguous parcel lands.

It is pertinent to note that we do not carry out extensive measurements of the Subject Property. However, based on observations of physical boundaries in the field and comparing with land certificate copies, we assume that the land area used in this valuation is the same with the area stated in the copies of land certificates of the Subject Property.

We do not investigate the past or existing use of the Subject Property or adjacent other property, to later determine whether or not there is environmental contamination or the potential for environmental contamination. For this reason, we assume there are no problems related to environmental contamination or the potential for environmental contamination in this valuation.

However, should it be established subsequently that contamination or pollution exists at the Subject Property or on any neighboring land, or that the premises have been or are being put to a contaminative use, the values reported might not be applicable and is required to be revalued immediately.

Although the above-mentioned location permit(s) have expired, we are of the view that based on land market practices in Indonesia, the company will continue to have certain rights to enter and acquire the lands which have yet to be acquired under the expired location permits and is still able to continue to undertake plantation activities on the Subject Property (subject to the relevant valid business permits).

Type of Property	Oil Palm Plantation.
Registered Proprietor	PT Surya Agro Persada.
Title Land Area	Total area of approximately 11,888.88 hectares consisting of 3,774.71 hectares HGU and 8,114.17 hectares Location Permit.
Date of Valuation	17 March 2023.

Location

PT SAP's oil palm plantation is located in located In Pauh and Ketapat Bening Villages, Rawas Ilir District, North Musi Rawas (Muratara) Regency, South Sumatera Province, Indonesia.

Site Description

The ownership for Subject Property is based on 4 (four) Right to Cultivate (HGU) and Location Permit No. 507/KPTS/BPM-PTP/2013 in the name of PT Surya Agro Persada. Additionally, the ownership rights of other non-plantation assets are also held by PT SAP. PT SAP oil palm plantation has ±2,725.12 hectares consist of nucleus planted area. The plantation land currently being cultivated is formerly a secondary forest which was converted into oil palm plantation area in 2009.

Terrain

Generally, PT SAP oil palm plantation has flat slope class and has an altitude of approximately 50 meters above sea level (masl). Generally, the dominant slope class is flat until undulating with 0-2% slope.

Regional Planning

In accordance with the legal document of the Right to Cultivate (HGU) No. 00001, 00016, 00017, 00022, and Location Permit No. 507/KPTS/BPM-PTP/2013, the area designated is for cultivation of oil palm plantations.

Estate Composition and Hectarage Statement

No	Description	Total (Ha)
I	**Planted Area**	
a	Mature Plants (MP)	
	YP 2010	387.27
	YP 2011	1,354.52
	YP 2012	13.96
	YP 2013	26.96
	YP 2014	23.34
	YP 2015	135.89
	YP 2016	104.54
	YP 2017	80.20
	YP 2018	64.41
	YP 2019	293.19
	Sub Total a	**2,484.28**
b	Immature Plants (IMP)	
	YP 2020	173.41
	YP 2021	67.43
	Sub Total b	**240.84**
	Total I (a+b)	**2,725.12**
II	**Other Plantable Area**	
a	Reserve	8,655.07
	Total II	**8,655.07**

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No	Description	Total (Ha)
III	**Non-Plantable Area**	
a	Roads	157.89
b	Building	15.10
c	Flooding Area	276.13
d	Drainage	59.57
	Sub Total III	**508.69**
	Total (I+II+III)	**11,888.88**

Source: PT SAP, 2023.

The composition of age profile of the plant based on area statement is as follows:

No	Composition	Age (Year)	Area (Ha)	Percentage
1	Immature Plants	0-3	240.84	8.84%
2	Young Mature Plants	4-6	437.80	16.07%
3	Mature Plants	7-18	2,046.48	75.10%
	Total		**2,725.12**	**100.00%**

Source: PT SAP, 2023.

Historical Yield

No.	Year	Harvesting Area (Ha)	Production (Tonne)	Yield (Tonne/Ha)
1	2018	1,808	14,547	8.05
2	2019	1,501	15,431	10.28
3	2020	1,645	13,923	8.46
4	2021	1,735	12,500	7.20
5	2022	2,157	23,490	10.89

Source: PT SAP, 2023.

Adopted Yield

Based on the planted area given by PT SAP. The PT SAP plantation generally recorded an average FFB yield of about 9.06 tonnes per hectare for the years 2019 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm within PT SAP is estimated to have a remaining economic life of about 13- 24 years. The twenty five (25) year yield projection for PT SAP takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate and the independent valuer's judgment on the plant's condition.

Historical Cost

Cost of Production	Remarks	2020	2021	2022
Cost of Upkeep & Maintenance	Rp000	18,415,370	21,036,666	13,732,355
Harvesting & Transportation Cost	Rp000	6,558,781	10,766,955	13,212,303
General Charges	Rp000	15,920,364	11,786,769	11,816,236
Total	Rp000	**40,894,515**	**43,590,390**	**38,760,894**

Source: PT SAP, 2023.

C.2 MARKET VALUE

Valuation Approach & Methodology

In arriving at our opinion of the Market Value of the Subject Property, we have adopted the Market Approach by Direct Comparison Method, Income Approach by Discounted Cash Flow (DCF) Method and Modified Land Residual Technique as well as Cost Approach by Depreciated Replacement Cost (DRC) Method.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Oil Palm Plantation

Valuation Assumptions	
Oil Palm Plantation Cultivation Standards	Oil palm plantations are assumed **to be cultivated sustainably by competent management according to normal cultivation standards.**
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for the next 22 years of **projection.**
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate and the independent valuer's judgment on the plant's condition. Based on the planted area given by PT SAP. The PT SAP plantation generally recorded an average FFB yield of about 9.06 tonnes per hectare for the years 2019 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm within PT SAP is estimated to have a remaining economic life of about 13- 24 years.
FFB Price Assumptions	FFB price is projected based on market price analysis with the assumption of Rp2,337,785/tonne in the first year, Rp2,215,498/tonne in the second year, Rp2,222,504/tonne in the third year, Rp2,229,492/tonne in the fourth year, Rp2,236,463/tonne in the fifth year onwards is projected to be constant.
Costs Assumptions	(see table below)

No	Description	Volume	Unit
(a)	**Oil palms plants Upkeep Costs (Rp/Ha)**		
	- IMP – 0	40,159,206	Rp/Ha
	- IMP – 1	14,114,426	Rp/Ha
	- IMP – 2	14,340,111	Rp/Ha
	- IMP – 3	15,346,153	Rp/Ha
	- MP – 1	11,353,711	Rp/Ha
	- MP - 2 to 3	11,069,868	Rp/Ha
	- MP - 4 to 10	10,523,294	Rp/Ha
	- MP -11 to 22	8,814,222	Rp/Ha
(b)	**Harvesting & Transportation Cost**	418,325	Rp/Tonne
(c)	**General Charges**	2,000,000	Rp/Ha
(d)	**Management Fees**	5	%
(e)	**Replacement Allowance**	355,162	Rp/Ha
(f)	**Capital Expenditure Cost**	2,254,166	Rp/Ha

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

KJPP RHR

Valuation Assumptions	
	a. Oil Palm Plants Upkeep Costs The calculation of the cost uses the standards and norms that apply in the plantation and also considers the generally accepted standards in the market with some adjustments. The historical upkeep cost of PT SAP in 2020 to 2022, around Rp6,366,000 – Rp12,125,000 per hectare. We have adopted Rp8,814,222- Rp15,346,153 per hectare according to the various planting age. **b. Harvesting and Transportation Costs** These costs consider the historical costs of the actual harvest and transportation costs to the POM. The historical harvesting cost of PT SAP in 2020 to 2022, around Rp471,000 – Rp861,000 per tonne. We have adopted Rp418,325 per tonne for the harvesting and transportation cost. **c. General Charges** General charges costs are adjusted to the standard of plantation area and actual historical costs. The historical general charges cost of PT SAP in 2020 to 2022, around Rp5,478,000 – Rp9,678,000 per hectare. We have adopted Rp2,000,000 per hectare for the general charges. **d. Management Fees** Management fees costs are under the cost structure for nucleus plantations and other costs that can't be included in the components of the costs above. **e. Replacement Allowance** Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture, and computers. **f. Capital Expenditure Cost** Capital Expenditure (capex) Cost is used for predicting the legal cost to get the HGU (Right to Cultivate). The unit price for the capex is estimated with HGU land price per hectares minus the current land price, so the remaining is for capex cost to obtain HGU. The rates adopted in our DCF for oil palm plants upkeep cost, harvesting and transportation cost and general charges are benchmarked against market derived data of similar plantations.
Replacement Allowance	Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture, and computers.
Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Taking into account the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, for the third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Residual Value of Land and Non-Plantations Assets	The residual value of the land and other facilities is calculated as income at the end of the DCF period with the assumption that the land rights can be extended for further tenure of 35 years.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Discount Rate

11.36%

The discount rate is determined using the Band of Investment method, namely WACC (Weighted Average Cost of Capital), using the following formula:

Discount Rate = (ke x We) + (kd x Wd)

whereas:

ke	Cost of equity
kd	Cost of debt
We	Percentage of equity financing
Wd	Percentage of debt financing

Cost of equity is calculated using the Capital Asset Pricing Model (CAPM), using the following formula:

Ke = Rf + (β x RPm)-RBDS + α

whereas:

ke	Expected rate of return
R_f	Risk free rate
β	Beta
RP_m	Equity risk premium
RBDS	Rating Based Default Spread
α	Other risks

The assumption used in calculating the discount rate is as follows:

Description	Assumption	Source	Remarks
Cost of Equity			
R_f	7.11%	IBPA	Yield of Long Term Indonesia Government Bond (30 years) in Rupiah Currency
β	1.00	-	Assuming the plantation in normal condition.
Alpha	2.00%		Other risks.
RP_m	9.23%	Damodaran	Indonesia Market Risk Premium.
RBDS*	2.33%	Damodaran	Rating Based Default Spread.
k_e*	**16.01%**		
Cost of Debt			
k_d	8.86%	Bank of Indonesia	Average interest rate for commercial bank loans.
Equity Portion	35.00%	Market	The average equity and debt portion in property investment in Indonesia.
Debt Portion	65.00%		
Discount Rate	**11.36%**		

*) **Adjusted ke = Rf + (β x RPm)-RBDS+ α**

RBDS or Rating Based Default Spread is an additional risk that arises due to differences in the rating of a country's debt to the country with the highest debt rating, which is AAA. In this case, the Indonesia RBDS intended for the calculation of the discount rate is an additional risk arising from the lower Indonesia's debt rating. Risk-free interest and risk premium bear the country risk. To avoid double counting in country's risk, we have deducted the RBDS from cost of equity.

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Biological Assets

Biological Assets consist of oil palm plants. To obtain the assets value of the biological assets, the value of the oil palm plantation is deducted by the indicative Market Value of non-plantation assets (such as Effective Land, buildings, site improvements, machinery and equipment, heavy equipment, vehicles, and fixtures and furniture and computers), the computation of which is set out below:

Description	Indicative Market Value	
	(Rp)	(RM)
Oil palm plantation	**348,105,000,000**	**104,431,500**
Less: Non-Plantation Assets*:		
- Effective Land	75,697,000,000	22,709,100
- Buildings	4,501,000,000	1,350,300
- Site Improvement	4,251,000,000	1,275,300
- Machinery and Equipment	3,243,000,000	972,900
- Heavy equipment	1,131,000,000	339,300
- Vehicles	2,144,000,000	643,200
- Fixture and Furniture	1,326,000,000	397,800
- Computers	88,000,000	26,400
Total Non-plantation assets*	**(92,381,000,000)**	**(27,714,300)**
Total Biological Assets	**255,724,000,000**	**76,717,200**

*Note : To derived the oil palm plant value, the oil palm plantation value will be deducted against the non plantation assets. The non-plantation assets will be apportioned accordingly if necessary, whereby the non-plantation assets value is calculated by using the Depreciated Replacement Cost Method, Direct Comparison Method, and Modified Land Residual Technique. This is to facilitate and obtain the residual value of the plantation in the form of plant value (i.e biological asset value).

Land and Excess Land Value

The land value is obtained using the Modified Land Residual Technique based on the premise that vacant land will be developed into plantations.

In arriving at the market value, we have made a professional judgment for the coefficient as the parcels of land in the plantation estates are in various stages of HGU Certificate application (such as location permit / PKKPR, land compensation, cadastral measurement, and Panitia B stages), all of which are held under various legal documents. The HGU is the highest rights for land documents, and hence, we have adopted the coefficient of 1.0, while the other land statuses are lower than the HGU, and hence, we have adopted a lower coefficient. We wish to inform that this is a normal industry practice in Indonesia since there is no comparison data available in the market.

No	Land Status	Coefficient
1	HGU	1
2	Cadastral	0.95 - 0.98
3	Location Permit / PKKPR + Land Compensation	0.75 - 0.97
4	Location Permit / PKPPR	0.25 - 0.40

Justification of coefficients based on land status are as follows:

1. HGU (Right of Cultivation), the adjustment coefficient is 1, which is the highest land ownership status of a plantation.

2. Cadastral, the adjustment coefficient is 0.95-0.98, where at this stage, cadastral mapping is conducted to determine the boundaries of the plantation location, so the area may differ from its Location Permit. The coefficient range differs due to land characteristics, compensation for land acquisition costs, and adjustments from valuer.
3. Location Permit / PKKPR + Land Compensation, the adjustment coefficient is 0.75-0.97, where the land's legal document is still in the form of a location permit, but land acquisition compensation and plantation activities have been generally carried out. The coefficient range differs due to differences in land acquisition costs depending on the region or location of the plantation. Other factors include land characteristics and adjustments from valuer.
4. Location Permit / PKKPR, the adjustment coefficient is 0.25-0.40, where the land document has not yet undergone land acquisition activities and general plantation activities. The land conditions are still not extensively occupied. The coefficient difference is also due to land conditions, status of the Location Permits (registered as *Kesesuaian Kegiatan Pemanfaatan Ruang* (KKPR) and adjustments from valuer.

The Excess Land in PT SAP consists of HGU and Location Permits, with a coefficient range of 1.0 for HGU and 0.38-0.97 for Location Permits. The differences in the Location Permits coefficient are due to some areas being compensated while others are not yet compensated.

To determine the value of land can be done as follows:

Valuation Assumptions Effective Land and Excess Land	
Plants Effective Area	Determination of the plantable area that can be planted from the total concession with assumption that 10%-15% is deducted for infrastructure.
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate and the independent valuer's judgment on the plant's condition.
FFB Price Assumptions	Same as FFB price in the oil palm plantation valuation.
Costs Assumptions	The costs that are used as assumptions are based on the calculation of the standards and norms that apply in the plantation and also take into account the generally accepted standards.

No	Description	Volume	Unit
(a)	**Oil palms plants Upkeep Costs (Rp/Ha)**		
	- IMP – 0	40,159,206	Rp/Ha
	- IMP – 1	14,114,426	Rp/Ha
	- IMP – 2	14,340,111	Rp/Ha
	- IMP – 3	15,346,153	Rp/Ha
	- MP – 1	11,353,711	Rp/Ha
	- MP - 2 to 3	11,069,868	Rp/Ha
	- MP - 4 to 10	10,523,294	Rp/Ha
	- MP -11 to 22	8,814,222	Rp/Ha
(b)	**Harvesting & Transportation Cost**	418,325	Rp/Tonne
(c)	**General Charges**	2,000,000	Rp/Ha
(d)	**Non-plants Investment Cost**	11,154,000	Rp/Ha
(e)	**Management Fees**	5	%
(f)	**Replacement Allowance**	355,000	Rp/Ha
(g)	**Capital Expenditure Cost**	3,720,742	Rp/Ha

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Valuation Assumptions Effective Land and Excess Land	
	a. Oil Palm Plants Upkeep Costs We have adopted Rp8,814,222-Rp15,346,153 per hectare according to the various planting age. **b. Harvesting and Transportation Costs** We have adopted Rp418,325 per tonne for the harvesting and transportation cost. **c. General Charges** We have adopted Rp2,000,000 per hectare for the general chargers. **d. Non-plants Invesment Costs** Adopted the cost stated in the table above. **e. Management Fees** Adopted the cost stated in the table above. **f. Replacement Allowance** Adopted the cost stated in the table above. **g. Capital Expenditure Cost** Adopted the cost stated in the table above.
Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Taking into account the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, the third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Discount Rate	**11.36%,** Discount Rate is same as the plantation valuation

Non-Plantation Assets Value

Buildings and Site Improvement

The description of the oil palm plantation buildings are as follows:

No	Buildings	Unit
1	Estate Office (Division I)	1
2	Weighbridge Room (Division I)	1
3	Barrack G10 (Division I)	1
4	Barrack G10 (Division I)	1
5	Employee House G10 (Division I)	2
6	Mess Staff G10 (Development division III)	1
7	Barrack G10 (Development division IV)	2
8	Barrack G10 (Plasma Division)	1
9	Barrack G10 (Plasma Division)	1
10	Waste Storage (Division I)	1
11	Mosque (Development division III)	1
12	Wudhu Area	1
13	Genset Room (Development division I)	1
14	Genset Room (Division I)	1
15	Genset Room (Division I)	1
16	Main Store	1
17	Security Post	1
18	Barack G10 (Development division I)	1
19	Barack G10	1
20	Barack G10	1

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No	Buildings	Unit
21	Longhouse	1
22	Employese House (Permanent, G6 Type)	2
23	Employese House (Permanent, G2 Type)	2
24	Office - Extension Divison	1
25	Security Post - Extension Div	1
26	Genset House - Extension Div	1
27	Genset House G10 - Extension Div-G16/B2	1
	Total	31

Source: PT SAP, 2023.

The site improvements are built to support the oil palm plantation, consists of road with solidified soil material covered with stone or laterite and bridge with wood construction with details as follows:

No	Site Improvement	Total	Unit
1	Main Road	37,327	m'
2	Collection Road	167,303	m'
3	Access Road	72,736	m'
4	Main Drain 4x4	98,914	m'
5	Collection Drain 2x2	38,327	m'
6	Field Drain 1x1	71,136	m'
7	Box Culvert	6	unit
8	Log Bridge	149	unit

Source: PT SAP, 2023.

The value of buildings and site improvement is obtained by first calculating the Replacement Cost New of building and site improvement based on the prices of current components with similar levels of use, then deducting the estimated depreciation caused by physical depreciation, functional obsolescence, and economic obsolescence.

We use the Unit in Place Method, which is a method that is carried out to estimate the Replacement Cost New of a structure by adding up all work costs per unit installed including the cost of plumbing, electrical, and others.

Description	Parameters
Direct Cost	Material Price and Labour Cost
Indirect Cost	
a. Value Added Tax	11%
b. Contractor Profit	10%
c. Building Permit Cost	1.50%

<u>**Machinery and Equipment, Heavy Equipment, Fixture and Furniture and Computers**</u>

Machinery and equipment, heavy equipment, fixture and furniture and computers are used to support the operation and production activities of the plantation. The description of the oil palm plantation assets are as follows:

No	Description	Unit
A	**Machinery and Equipment**	
1	Generator	1
2	Generator Set	8
3	Mesin Tsurumi 3"	2
4	Mesin Chainsaw	6
5	Mesin Welding Set	1
6	Compresor	1
7	Mist Blower	8
8	Fire Pump	1
9	Fire Fiting Sprayer	1
10	Drone SE	1
11	Datalogger Type Cera Driver	1
12	Weighbridge Foundation	1
13	Power Sprayer Machine Sancin(20 Meter+2 Sticks)	1
14	Fogging Machine	1
15	Water Tank Tower & Foundation	1
16	Diesel Tank and Foundation	5
17	Water Installation	1
18	Installation Overhead Wiring &Street Lights	2
19	Radio Tower for Office's Wifi Connection	1
20	Triangle Pole for Anti Lightning	2
	Total A	**46**
B	**Heavy Equipment**	
1	Backhoe Loader	1
2	Tractor	4
3	Non Tipping Trailer Kap 3-4 Tons	4
4	Tipping Trailer Kap 3-4 Tons	8
	Total B	**17**
C	**Fixture and Furniture**	Lot
D	**Computers**	Lot

Source: PT SAP, 2023.

The value of machinery and equipment, heavy equipment, fixture and furniture and computers, is carried out by calculating the Replacement Cost New including installation, shipping, transportation, value-added, and handling taxes of these assets less depreciation due to physical depreciation, functional obsolescence, and economic obsolescence.

For computation of Replacement Cost New for machinery and equipment, it is obtained by applying the Trending Method using data sources obtained from contracts for procurement/purchase of similar machinery and equipment by considering shipping and insurance costs, transportation, Value Added Tax (VAT) from these machinery and equipment.

The value under the Replacement Cost New of machinery and equipment, heavy equipment, fixture and furniture and computers were obtained by applying an index or trend factor to historical costs (Trending Method). Index or trend factor obtained from **https://www.bls.gov/ppi/databases/**.

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The Economic Life and the amount of depreciation used in this valuation are as follows:

Description	Economic Life (Year)	Physical Depreciation (%)	Functional Obsolescence (%)	Economic Obsolescence (%)	Total Depreciation* (%)
Machinery & Equipment (Estate)	8-12	3-90	n/a	n/a	3-90
Fixture & Furniture	8-12	10-88	n/a	n/a	10-88
Computers	3-7	20-88	n/a	n/a	20-88
Heavy Equipment	8-12	5-88	n/a	n/a	5-88

Source: Marshal Valuation Service

Note: *)Total depreciation = physical depreciation + ((1-physical depreciation)*(Functional Obsolescence +Economic Obsolescence))

Vehicles

The description of the vehicles are as follows:

No	Vehicles	Unit
1	Pick Up	6
2	Minibus	1
3	Jeep	1
4	Motorcycle	14
	Total	**22**

Source: PT SAP, 2023.

The valuation of vehicles is carried out using the Direct Comparison Method.

Conclusion of the Non-Plantation Assets value

The details of the indicative market value of the Non-Plantation Assets are as follow:

No	Description	Unit (Ha)	Indicative Market Value (Rp)	(RM)
1	Land			
	- Effective Land (Planted Area)	2,725.12	75,697,000,000	22,709,100
	- Excess Land (Unplanted Area)	9,163.76	128,653,000,000	38,595,900
2	Buildings		4,501,000,000	1,350,300
3	Site Improvement		4,251,000,000	1,275,300
4	Machinery & Equipment		3,243,000,000	972,900
5	Heavy Equipment		1,131,000,000	339,300
6	Vehicles		2,144,000,000	643,200
7	Fixture and Furniture		1,326,000,000	397,800
8	Computers		88,000,000	26,400
	Total		**221,034,000,000**	**66,310,200**

The indicative Market Value of the Non-Plantation Assets as of 17 March 2023 having considered the assumptions and limiting conditions is:

Rp221,034,000,000

(TWO HUNDRED TWENTY ONE BILLION THIRTY FOUR MILLION RUPIAHS)

Equivalent to

RM66,310,200
(SIXTY SIX MILLION THREE HUNDRED TEN THOUSAND TWO HUNDRED RINGGIT)

Valuation Conclusion

Having considered all relevant information and the prevailing market conditions, we are of the opinion that the Market Value (based on valuation of plantation and non-plantation assets) of the Subject Property on 17 March 2023, is:

No	Description	Indicative Market Value (Rp)	Indicative Market Value (RM)
A	**Plantation Assets:**		
	Biological Assets		
	Oil Palm Plantation	348,105,000,000	104,431,500
	Less: Non-Plantation Assets*	(92,381,000,000)	(27,714,300)
	Total Biological Assets	**255,724,000,000**	**76,717,200**
B	**Non-Plantation Assets**	**221,034,000,000**	**66,310,200**
	Market Value of the Subject Property (A+B)**	**476,758,000,000**	**143,027,400**

* The non-plantation assets are derived from the Market Value indications of non-plantation assets that directly contribute to plantation activities such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers, which are separately calculated using the Modified Land Residual Technique, Direct Comparison Method and Depreciated Replacement Cost method.

**In view of the lack of market data, we are hence unable to undertake any cross check/supporting method on the computation of the Market Value of the Subject Property.

Rp476,758,000,000
(FOUR HUNDRED SEVENTY SIX BILLION SEVEN HUNDRED FIFTY EIGHT MILLION RUPIAHS)

Equivalent to

RM143,027,400
(ONE HUNDRED FORTY THREE MILLION TWENTY SEVEN THOUSAND FOUR HUNDRED RINGGIT)

For all intents and purposes, this valuation certificate summary should be read in conjunction with our Valuation Report on the Subject Property.

D. PT SUMATERA SAWIT LESTARI (SSL)

D.1 IDENTIFICATION OF SUBJECT PROPERTY

Title Particulars and Permits

PKKPR date issued 25th March 2023 and expires on 25th March 2026.

The location permit / PKKPR typically grants the holder with a period of 3 years with a 1-year extension ("Location Permit / PKKPR Tenure") to undertake the plantation activities and fulfill the criteria and conditions imposed on the location permits / PKKPR, which includes the holder acquiring at least 50% of the land within the designated location permit / PKKPR land areas ("Land Acquisitions"). The location permit route was subsequently substituted with the PKKPR route in 2021 following the implementation of Article 2 of Minister of Agrarian Affair and Spatial Planning/Head of the National Land Agency ("MoAA") Regulation No. 13/2021 ("PKKPR Regulation").

In respect of HGU certificates, the HGU may be extended for a maximum period of 25 years and a final extension of another 35 years ("HGU Extension"). Following the expiry of the HGU Extension, the HGU land shall be returned to the state as a State-controlled Land or right-to-manage (hak pengelolaan) land, depending on its initial underlying land. MoAA will only grant HGU Extension on the premise that, amongst others, the holder meets the prevailing requirements under Article 8 of Government Regulation No. 18/2021.

We have not made any detailed identification on each and every parcel of the land as stated above. However, based on the location map provided by PT SSL, we understand that the Subject Property consists of contiguous parcel lands.

It is pertinent to note that we do not carry out extensive measurements of the Subject Property. However, based on observations of physical boundaries in the field and comparing with land certificate copies, we assume that the land area used in this valuation is the same with the area stated in the copies of land certificates of the Subject Property.

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We do not investigate the past or existing use of the Subject Property or adjacent other property, to later determine whether or not there is environmental contamination or the potential for environmental contamination. For this reason, we assume there are no problems related to environmental contamination or the potential for environmental contamination in this valuation.

However, should it be established subsequently that contamination or pollution exists at the Subject Property or on any neighboring land, or that the premises have been or are being put to a contaminative use, the values reported might not be applicable and is required to be revalued immediately.

Although we have made legal searches for the land title certificate, we advise that an independent legal advisor should be referred to for this matter. For the purpose of this valuation, we assume that the Subject Property is accompanied by a legally valid land title and is free and clear from all liens and encumbrances, easements, restriction or limitation.

Type of Property	Oil Palm Plantation.
Registered Proprietor	PT Sumatera Sawit Lestari.
Title Land Area	Concession area of approximately 7,000.79 hectares PKKPR.
Date of Valuation	17 March 2023.
Location	PT SSL's oil palm plantation is located in Pauh, Pauh I and Batu Kucing Villages, Rawas Ilir District, North Musi Rawas Regency, South Sumatera Province, Indonesia.
Site Description	The ownership of the Subject Property is based on Location Permit No. 05/01/KPTS/DPM-PTSP/2017 issued on 1 August 2017, covering an area of approximately 5,753 hectares, in the name of PT Sumatera Sawit Lestari. PT SSL subsequently obtained Persetujuan Kesesuaian Kegiatan Pemanfaatan Ruang untuk Kegiatan Berusaha (PKKPR) number 25032310211613003 dated 25 March 2023, covering an area of approximately 7,000.79 hectares. Additionally, the ownership rights of other non-plantation assets are also held by PT SSL. PT SSL oil palm plantation has ±2,104.90 hectares planted area and consist of 2 (two) divisions.

The plantation land currently being cultivated is formerly a secondary forest which was converted into oil palm plantation area in 2014.

Terrain

Generally, PT SSL oil palm plantation has a variety of topography and slope class. The topography is approximately 150-230 meters above sea level (masl). Generally, the dominant slope class is slightly sloping - mountain with 4-12% and >38% slope respectively.

Regional Planning

In accordance with the legal document of the PKKPR, the area designated based on Persetujuan Kesesuaian Kegiatan Pemanfaatan Ruang untuk Kegiatan Berusaha (PKKPR) number 2503231021161 3003 dated 25 March 2023 is for cultivation of oil palm plantation.

Estate Composition and Hectarage Statement

No	Description	Nucleus Division(Ha)	Plasma Division(Ha)	Total (Ha)
I	**Planted Area**			
a	Mature Plants (MP)			
	YP 2015	38.65	-	38.65
	YP 2016	511.85	-	511.85
	YP 2017	353.76	123.20	476.96
	YP 2018	224.10	113.28	337.38
	YP 2019	383.77	48.97	432.74
	Sub Total a	**1,512.13**	**285.45**	**1,797.58**
b	Immature Plants (IMP)			
	YP 2020	66.30	30.62	96.92
	YP 2021	109.14	15.11	124.25
	YP 2022	64.90	-	64.90
	YP 2023	21.25	-	21.25
	Sub Total b	**261.59**	**45.73**	**307.32**
	Total I	**1,773.72**	**331.18**	**2,104.90**
II	**Other Plantable Area**			
a	Nursery	12.20	-	12.20
b	Reserve	4,813.21	-	4,813.21
	Sub Total II	**4,825.41**	**-**	**4,825.41**
III	**Non-Plantable Area**			
a	Roads	61.59	-	61.59
b	Buildings	8.89	-	8.89
	Sub Total III	**70.48**	**-**	**70.48**
	Total (I+II+III)	**6,669.61**	**331.18**	**7,000.79**

Source: PT SSL, 2023.

The composition of age profile of the plant based on area statement is as follows:

No	Composition	Age (Year)	Area (Ha)	Percentage
1	Immature Plants	0-3	307.32	14.60%
2	Young Mature Plants	4-6	1,247.08	59.25%
3	Mature Plants	7-18	550.50	26.15%
	Total		**2,104.90**	**100.00%**

Source: PT SSL, 2023.

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Historical Yield

No.	Year	Harvesting Area (Ha)	Production (Tonne)	Yield (Tonne/Ha)
1	2019	39	380	9.84
2	2020	551	3,406	6.19
3	2021	1,027	5,739	5.59
4	2022	1,365	12,405	6.41

Source: PT SSL, 2023.

Adopted Yield

Based on the planted area given by PT SSL, PT SSL plantation generally recorded an average FFB yield of about 7.01 tonnes per hectare for the years 2019 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT SSL is estimated to have a remaining economic life of about 18-25 years. The twenty five (25) year yield projection for PT SSL takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.

Historical Cost

Cost of Production	Remarks	2020	2021	2022
Cost of Upkeep & Maintenance	Rp000	3,085,590	9,763,094	16,381,168
Harvesting & Transportation Cost	Rp000	2,109,991	2,115,182	3,689,769
General Charges	Rp000	4,009,357	4,590,361	5,231,172
Total	Rp000	**9,204,938**	**16,468,637**	**25,302,109**

Source: PT SSL, 2023.

D.2 MARKET VALUE

Valuation Approach & Methodology

In arriving at our opinion of the Market Value of the Subject Property, we have adopted the Market Approach by Direct Comparison Method, Income Approach by Discounted Cash Flow (DCF) Method and Modified Land Residual Technique as well as Cost Approach by Depreciated Replacement Cost (DRC) Method.

Oil Palm Plantation

Valuation Assumptions	
Oil Palm Plantation Cultivation Standards	Oil palm plantations are assumed **to be cultivated sustainably by competent management according to normal cultivation standards.**
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years **after** planting and mature plants in the 4th year after planting for the next 22 years of projection.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Valuation Assumptions	
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition. Based on the planted area given by PT SSL, PT SSL plantation generally recorded an average FFB yield of about 7.01 tonnes per hectare for the years 2019 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT SSL is estimated to have a remaining economic life of about 18-25 years.
FFB Price Assumptions	FFB price is projected based on market price analysis with the assumption of Rp2,337,785/tonne in the first year, Rp2,215,498/tonne in the second year, Rp2,222,504/tonne in the third year, Rp2,229,492/tonne in the fourth year, Rp2,236,463/tonne in the fifth year onwards is projected to be constant.
Costs Assumptions	(see table below)

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	34,302,615	Rp/Ha
	- IMP – 1	11,705,250	Rp/Ha
	- IMP – 2	12,358,119	Rp/Ha
	- IMP – 3	13,399,910	Rp/Ha
	- MP – 1	10,083,472	Rp/Ha
	- MP - 2 to 3	9,831,385	Rp/Ha
	- MP - 4 to 10	9,345,961	Rp/Ha
	- MP -11 to 22	7,828,098	Rp/Ha
(b)	Harvesting & Transportation Cost	279,000	Rp/Tonne
(c)	General Charges	2,000,000	Rp/Ha
(d)	Management Fees	5	%
(e)	Replacement Allowance	249,000	Rp/Ha
(f)	Capital Expenditure Cost	2,032,500	Rp/Ha

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Valuation Assumptions	
	a. Oil Palm Plants Upkeep Costs The calculation of the cost uses the standards and norms that apply in the plantation and considers the generally accepted standards in the market with some adjustments. The historical upkeep cost of PT SSL in 2020 to 2022, around Rp3,004,000 – Rp12,001,000 per hectare. We have adopted Rp7,828,098-Rp13,399,910 per hectare according to the various planting age. **b. Harvesting and Transportation Costs** These costs consider the historical costs of the actual harvest and transportation costs to the POM. The historical harvesting cost of PT SSL in 2020 to 2022, around Rp297,000 – Rp1,100,000 per tonne. We have adopted Rp279,000 per tonne for the harvesting and transportation cost. **c. General Charges** General charges costs are adjusted to the standard of plantation area and actual historical costs. The historical general charges cost of PT SSL in 2020 to 2022, around Rp3,832,000 – Rp4,470,000 per hectare. We have adopted Rp2,000,000 per hectare for the harvesting and transportation cost. **d. Management Fees** Management fees costs are under the cost structure for nucleus plantations and other costs that can't be included in the components of the costs above. **e. Replacement Allowance** Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture, and computers. **f. Capital Expenditure Cost** Capital Expenditure (capex) Cost is used for predicting the legal cost to get the HGU (Right to Cultivate). The unit price for the capex is estimated with HGU land price per hectares minus the current land price, so the remaining is for capex cost to obtain HGU. The rates adopted in our DCF for oil palm plants upkeep cost, harvesting and transportation cost and general charges are benchmarked against market derived data of similar plantations.
Replacement Allowance	Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture, and computers.
Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Residual Value of Land and Non-Plantation Assets	The residual value of the land and other facilities is calculated as income at the end of the DCF period with the assumption that the land rights can be extended for further tenure of 35 years.

Discount Rate	**11.36%**

The discount rate is determined using the Band of Investment method, namely WACC (Weighted Average Cost of Capital), using the following formula:

$$\textbf{Discount Rate} = (ke \times We) + (kd \times Wd)$$

whereas:

ke	Cost of equity
kd	Cost of debt
We	Percentage of equity financing
Wd	Percentage of debt financing

Cost of equity is calculated using the Capital Asset Pricing Model (CAPM), using the following formula:

$$Ke = Rf + (\beta \times RPm) - RBDS + \alpha$$

whereas:

ke	Expected rate of return
R_f	Risk free rate
β	Beta
RP_m	Equity risk premium
RBDS	Rating Based Default Spread
α	Other risks

The assumption used in calculating the discount rate is as follows:

Description	Assumption	Source	Remarks
Cost of Equity			
R_f	7.11%	IBPA	Yield of Long Term Indonesia Government Bond (30 years) in Rupiah Currency
B	1.00	-	Assuming the plantation in normal condition.
Alpha	2.00%		Other risks.
RP_m	9.23%	Damodaran	Indonesia Market Risk Premium.
RBDS*	2.33%	Damodaran	Rating Based Default Spread.
k_e*	**16.01%**		
Cost of Debt			
k_d	8.86%	Bank of Indonesia	Average interest rate for commercial bank loans.
Equity Portion	35.00%	Market	The average equity and debt portion in property investment in Indonesia.
Debt Portion	65.00%		
Discount Rate	**11.36%**		

*) **Adjusted ke = Rf + (β x RPm)-RBDS+ α**

RBDS or Rating Based Default Spread is an additional risk that arises due to differences in the rating of a country's debt to the country with the highest debt rating, which is AAA. In this case, the Indonesia RBDS intended for the calculation of the discount rate is an additional risk arising from the lower Indonesia's debt rating. Risk-free interest and risk premium bear the country risk. To avoid double counting in country's risk, we have deducted the RBDS from cost of equity.

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Biological Assets

Biological Assets consists of oil palm plants. To obtain the assets value of the biological assets, the value of the oil palm plantation is deducted by the indicative Market Value of non-plantation assets (such as Effective Land, buildings, site improvements, machinery and equipment, heavy equipment, vehicles, and fixtures and furniture and computers), the computation of which is set out below:

Description	Indicative Market Value (Rp)	(RM)
Oil palm plantation	**233,430,000,000**	**70,029,000**
Less: Non-Plantation Assets*:		
- Effective Land	52,742,000,000	15,822,600
- Buildings	7,422,000,000	2,226,600
- Site Improvement	6,798,000,000	2,039,400
- Machinery and Equipment	410,000,000	123,000
- Heavy equipment	3,964,000,000	1,189,200
- Vehicles	383,000,000	114,900
- Fixture and Furniture	599,000,000	179,700
- Computers	185,000,000	55,500
Total Non-plantation Assets*	**(72,503,000,000)**	**(21,750,900)**
Total Biological Assets	**160,927,000,000**	**48,278,100**

*Note : To derived the oil palm plant value, the oil palm plantation value will be deducted against the non-plantation assets. The non-plantation assets will be apportioned accordingly if necessary, whereby the non-plantation assets value is calculated by using the Depreciated Replacement Cost Method, Direct Comparison Method and Modified Land Residual Technique Method. This is to facilitate and obtain the residual value of the plantation in the form of plant value (i.e biological asset value).

Oil Palm Seeds Value

The valuation of oil palm seeds is derived using the Depreciated Replacement Cost Method. The Depreciated Replacement Cost Method is used because PT SSL conducts their own nursery activities.

Most of the progeny planted within PT SSL are Topaz and Marihat. The seeds stock available in the Subject Property come from the crossing of D X P from seed produce such as Topaz from PT Asian Agri. The seeds stock are as follows:

No	Age (Months)	Type	Total
1	2	Topaz	20,979
2	10	Topaz	17,554
	Total		**38,533**

Source: PT SSL, 2023.

The replacement costs obtained with the composition consist of the cost of purchasing the seeds and other costs required according to the age of the seeds. The Market Value is obtained by deducting replacement costs by adjusting the condition of the seeds at the valuation date. The Market Value of oil palm nursery seeds of approximately 38,533 seeds as of 17 March 2023 having considered the assumptions above and the attached limiting conditions is:

Rp1,365,000,000
(ONE BILLION THREE HUNDRED SIXTY FIVE MILLION RUPIAHS)

Equivalent to

RM409,500
(FOUR HUNDRED NINE THOUSAND FIVE HUNDRED RINGGIT)

Land and Excess Land Value

The land value is obtained using the Modified Land Residual Technique based on the premise that vacant land will be developed into plantations.

In arriving at the market value, we have made a professional judgment for the coefficient as the parcels of land in the plantation estates are in various stages of HGU Certificate application (such as location permit / PKKPR, land compensation, cadastral measurement, and Panitia B stages), all of which are held under various legal documents. The HGU is the highest rights for land documents, and hence, we have adopted the coefficient of 1.0, while the other land statuses are lower than the HGU, and hence, we have adopted a lower coefficient. We wish to inform that this is a normal industry practice in Indonesia since there is no comparison data available in the market.

No	Land Status	Coefficient
1	HGU	1
2	Cadastral	0.95 - 0.98
3	Location Permit / PKKPR + Land Compensation	0.75 - 0.97
4	Location Permit / PKPPR	0.25 - 0.40

Justification of coefficients based on land status are as follows:

1. HGU (Right of Cultivation), the adjustment coefficient is 1, which is the highest land ownership status of a plantation.
2. Cadastral, the adjustment coefficient is 0.95-0.98, where at this stage, cadastral mapping is conducted to determine the boundaries of the plantation location, so the area may differ from its Location Permit. The coefficient range differs due to land characteristics, compensation for land acquisition costs, and adjustments from valuer.
3. Location Permit / PKKPR + Land Compensation, the adjustment coefficient is 0.75-0.97, where the land's legal document is still in the form of a location permit, but land acquisition compensation and plantation activities have been generally carried out. The coefficient range differs due to differences in land acquisition costs depending on the region or location of the plantation. Other factors include land characteristics and adjustments from valuer.
4. Location Permit / PKKPR, the adjustment coefficient is 0.25-0.40, where the land document has not yet undergone land acquisition activities and general plantation activities. The land conditions are still not extensively occupied. The coefficient difference is also due to land conditions, status of the Location Permits (registered as *Kesesuaian Kegiatan Pemanfaatan Ruang* (KKPR)) and adjustments from valuer.

The Excess Land in PT SSL oil palm plantation consists of PKKPR but have not yet been fully compensated. Therefore, the coefficient is approximately 0.40. For the Effective Land (planted area), the coefficient is about 0.93 because the land has already been compensated.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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To determine the value of land can be done as follows:

Plants Effective Area	Determination of the plantable area that can be planted from the total concession with assumption that 10%-15% is deducted for infrastructure.
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.
FFB Price Assumptions	Same as FFB price in the oil palm plantation valuation.
Costs Assumptions	The costs that are used as assumptions are based on the calculation of the standards and norms that apply in the plantation and take into account the generally accepted standards.

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	34,302,615	Rp/Ha
	- IMP – 1	11,705,250	Rp/Ha
	- IMP – 2	12,358,119	Rp/Ha
	- IMP – 3	13,399,910	Rp/Ha
	- MP – 1	10,083,472	Rp/Ha
	- MP - 2 to 3	9,831,385	Rp/Ha
	- MP - 4 to 10	9,345,961	Rp/Ha
	- MP -11 to 22	7,828,098	Rp/Ha
(b)	Harvesting & Transportation Cost	279,000	Rp/Tonne
(c)	General Charges	2,000,000	Rp/Ha
(d)	Non-plants Investment Cost	11,920,281	Rp/Ha
(e)	Management Fees	5	%
(f)	Replacement Allowance	249,000	Rp/Ha
(g)	Capital Expenditure Cost	12,918,000	Rp/Ha

a. Oil Palm Plants Upkeep Costs
We have adopted Rp7,828,098-Rp13,399,910 per hectare according to the various planting age.

b. Harvesting and Transportation Costs
We have adopted Rp279,000 per tonne for the harvesting and transportation cost.

c. General Charges
We have adopted Rp2,000,000 per hectare for the general charges.

d. Non-plants Invesment Costs
Adopted the cost stated in the table above.

e. Management Fees
Adopted the cost stated in the table above.

f. Replacement Allowance
Adopted the cost stated in the table above.

g. Capital Expenditure Cost
Adopted the cost stated in the table above.

Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Discount Rate	**11.36%,** Discount Rate is same as the plantation valuation

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Non-Plantation Assets Value

Buildings and Site Improvement

The description of the oil palm plantation buildings are as follows:

No	Buildings	Unit
1	Store	2
2	Genset House	2
3	Security Post	2
4	Water Tower Cap. 2 x 1200L	1
5	Fire Tower Height 12M	1
6	Waste House	1
7	Worker Barrack	1
8	Workers Barrack G4	1
9	Workers Qtr 6 Doors	2
10	G6 Employee	4
11	Post Security (4x4) + Toilet	2
12	Concrete Water Tower 10T + Boreholes	1
13	Park Area	1
14	Fire Tower 15 m	1
15	General Store	1
	Total	**23**

Source: PT SSL, 2023.

The site improvements are built to support the oil palm plantation, consists of road with solidified soil material covered with stone or laterite and bridge with wood construction with details as follows:

No	Site Improvement	Total	Unit
1	Main Road	23,912	m'
2	Collection Road	101,473	m'
3	Access Road	63,790	m'
4	Boundaries Road	45,830	m'
5	Selendang Road	41,300	m'
6	Drainage 4x4	5,852	m'
7	Drainage 3x3	656	m'
8	Drainage 2x2	23,238	m'
9	Drainage 1x1	160,166	m'
10	Drainage 4x3	307	m'
11	Bridge 3x4	18	unit
12	Bridge 4x5	23	unit
13	Bridge 4x6	1	unit
14	Bridge 4x7	1	unit
15	Boreholes	1	unit
16	Box Culverts	100	unit
17	Pipa Spiral (High Density Polyethylene) HDPE	16	unit
18	Wood Bridge	45	unit

Source: PT SSL, 2023.

The value of buildings and site improvement is obtained by first calculating the Replacement Cost New of buildings and site improvement based on the prices of current components with similar levels of use, then deducting the estimated depreciation caused by physical depreciation, functional obsolescence, and economic obsolescence.

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We use the Unit in Place Method, which is a method that is carried out to estimate the Replacement Cost New of a structure by adding up all work costs per unit installed including the cost of plumbing, electrical, and others.

Description	Parameters
Direct Cost	Material Price and Labour Cost
Indirect Cost	
a. Value Added Tax	11%
b. Contractor Profit	10%
c. Building Permit Cost	1.50%

<u>**Machinery and Equipment, Heavy Equipment, Fixture and Furniture and Computers**</u>

Machinery and equipment, heavy equipment, fixture and furniture and computers are used to support the operation and production activities of the plantation. The description of the oil palm plantation assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	Water Pump	6
2	Diesel Generator	2
3	Fire Extinguishers	1
4	Generator	1
5	Hydraulic Jack	1
6	Digit Fill-Rite (Digital Meter)	1
7	Mesin Jet Pump	1
8	Grass Trimmer	1
9	Rainfall Gauge	2
	Total A	**16**
B	**Heavy Equipment**	
1	Tractor	7
2	Tipping Trailer	8
3	Bucket	1
4	Mounted Grader	1
5	Watertank Trailer	3
6	Roda Walves	1
	Total B	**21**
C	**Fixture and Furniture**	Lot
D	**Computers**	Lot

Source: PT SSL, 2023.

The value of machinery and equipment, heavy equipment, fixture and furniture and computers, is carried out by calculating the Replacement Cost New including installation, shipping, transportation, value-added, and handling taxes of these assets less depreciation due to physical depreciation, functional obsolescence, and economic obsolescence.

For computation of Replacement Cost New for machinery and equipment, it is obtained by applying the Trending Method using data sources obtained from contracts for procurement/purchase of similar machinery and equipment by considering shipping and insurance costs, transportation, Value Added Tax (VAT) from these machinery and equipment.

The value under the Replacement Cost New of machinery and equipment, heavy equipment, fixture and furniture and computers were obtained by applying an index or trend factor to historical costs (Trending Method). Index or trend factor obtained from **https://www.bls.gov/ppi/databases.**

The Economic Life and the amount of depreciation used in this valuation are as follows:

Description	Economic Life (Year)	Physical Depreciation (%)	Functional Obsolescence (%)	Economic Obsolescence (%)	Total Depreciation* (%)
Machinery & Equipment (Estate)	8-12	3-90	n/a	n/a	3-90
Fixture & Furniture	8-12	10-88	n/a	n/a	10-88
Computers	3-7	20-88	n/a	n/a	20-88
Heavy Equipment	8-12	5-88	n/a	n/a	5-88

Source: Marshal Valuation Service

Note: *)Total depreciation = physical depreciation + ((1-physical depreciation)*(Functional Obsolescence +Economic Obsolescence))

Vehicles

The description of the vehicles are as follows:

No	Vehicles	Unit
1	Pick Up	1
2	Motorcycle	6
	Total	**7**

Source: PT SSL, 2023.

The valuation of vehicles is carried out using the Direct Comparison Method.

Conclusion of the Non-Plantation Assets value

The details of the indicative market value of the Non-Plantation Assets are as follow:

No	Description	Unit (Ha)	Indicative Market Value (Rp)	(RM)
1	Land			
	- Effective Land (planted area)	2,104.90	52,742,000,000	15,822,600
	- Excess Land (unplanted area)	4,895.82	63,426,000,000	19,027,800
2	Nursery Land Preparation	12.20	113,000,000	33,900
3	Buildings		7,422,000,000	2,226,600
4	Site Improvement		6,798,000,000	2,039,400
5	Machinery & Equipment		410,000,000	123,000
6	Heavy Equipment		3,964,000,000	1,189,200
7	Vehicles		383,000,000	114,900
8	Fixture and Furniture		599,000,000	179,700
9	Computers		185,000,000	55,500
	Total		**136,042,000,000**	**40,812,600**

The indicative Market Value of the Non-Plantation Assets as of 17 March 2023 having considered the assumptions and limiting conditions is:

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Rp136,042,000,000
(ONE HUNDRED THIRTY SIX BILLION FORTY TWO MILLION RUPIAHS)

Equivalent to

RM40,812,600
(FORTY MILLION EIGHT HUNDRED TWELVE THOUSAND SIX HUNDRED RINGGIT)

Valuation Conclusion

Having considered all relevant information and the prevailing market conditions, we are of the opinion that the Market Value (based on valuation of plantation and non-plantation assets) of the Subject Property on 17 March 2023, is:

No	Description	Market Value (Rp)	Market Value (RM)
A	**Plantation Assets:**		
A1	**Biological Assets**		
	1) Oil Palm Plantation	233,430,000,000	70,029,000
	Less: Non-Plantation Assets*	(72,503,000,000)	(21,750,900)
	Total Biological Assets	**160,927,000,000**	**48,278,100**
A2	2) Oil Palm Seeds	1,365,000,000	409,500
	Total Plantation Assets (A1+A2)	**162,292,000,000**	**48,687,600**
B	**Non-Plantation Assets**	136,042,000,000	40,812,600
	Market Value of The Subject Property (A+B)**	**298,334,000,000**	**89,500,200**

* The non-plantation assets are derived from the Market Value indications of non-plantation assets that directly contribute to plantation activities such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers, which are separately calculated using the Modified Land Residual Technique, Direct Comparison Method and Depreciated Replacement Cost method.

**In view of the lack of market data, we are hence unable to undertake any cross check/supporting method on the computation of the Market Value of the Subject Property.

Rp298,334,000,000
(TWO HUNDRED NINETY EIGHT BILLION THREE HUNDRED THIRTY FOUR MILLION RUPIAHS)

Equivalent to

RM89,500,200
(EIGHTY NINE MILLION FIVE HUNDRED THOUSAND TWO HUNDRED RINGGIT)

For all intents and purposes, this valuation certificate summary should be read in conjunction with our Valuation Report on the Subject Property.

E. PT GUNUNGSAWIT BINALESTARI (GSBL)

E.1 IDENTIFICATION OF SUBJECT PROPERTY

Title Particulars and Permits

HGU No. 07 date issued 5th September 2001 and expires on 30th August 2031, Company Notarial Deed No. 131 issued by Notary Mala Mukti, S.H, LL.M dated 15th August 2008 in Jakarta, Tax Number No. 01.627.935.8-058.000 dated 30th November 1994, Fixed Business License No. 234/T/Pertanian/Industri/2005 dated 21st March 2005, License of Domicile No. 98/27.1BU/31.74.07.1006/-071.562/e/2017 dated 27th March 2017, Business Registration Number No. 9120002121983 dated 18th January 2019, Industrial Business License No. Project 201912-2323-2301-1564-222 dated 7th November 2019 and Building Permit No.648/179/III/2001 dated 15th November 2001.

In respect of HGU certificate, the HGU may be extended for a maximum period of 25 years and a final extension of another 35 years ("HGU Extension"). Following the expiry of the HGU Extension, the HGU land shall be returned to the state as a State-controlled Land or right-to-manage (hak pengelolaan) land, depending on its initial underlying land. MoAA will only grant HGU Extension on the premise that, amongst others, the holder meets the prevailing requirements under Article 8 of Government Regulation No. 18/2021.

We have not made any detailed identification on each and every parcel of the land as stated above. However, based on the location map provided by PT GSBL, we understand that the Subject Property consists of contiguous parcel lands.

It is pertinent to note that we do not carry out extensive measurements of the Subject Property. However, based on observations of physical boundaries in the field and comparing them with land certificate copies, we assume that the land area used in this valuation is the same with the area stated in the copies of land certificates of the Subject Property.

We do not investigate the past or existing use of the Subject Property or adjacent other property, to later determine whether there is environmental contamination or the potential for environmental contamination. For this reason, we assume there are no problems related to environmental contamination or the potential for environmental contamination in this valuation.

However, should it be established subsequently that contamination or pollution exists at the Subject Property or on any neighboring land, or that the premises have been or are being put to a contaminative use, the values reported might not be applicable and is required to be revalued immediately.

Although we have made legal searches for the land title certificate, we advise that an independent legal advisor should be referred to for this matter. For the purpose of this valuation, we assume that the Subject Property is accompanied by a legally valid land title and is free and clear from all liens and encumbrances, easements, restriction, or limitation.

Type of Property	Oil Palm Plantation and Palm Oil Mill (POM).
Registered Proprietor	PT Gunungsawit Binalestari.
Title Land Area	Total area of approximately 9,098.90 hectares Right to Cultivate (HGU).
Date of Valuation	17 March 2023.
Location	PT GSBL's oil palm plantation is located in Belo Laut, Air Belo, Air Limau and Mayang Villages, Mentok and Simpang Teritip Districts, Bangka Barat Regency, Bangka Belitung Islands Province, Indonesia; whilst PT GSBL's POM is located in Belo Laut, Air Belo, Air Limau, and Mayang Villages, Mentok and Simpang Teritip Districts, Bangka Barat Regency, Bangka Belitung Islands Province, Indonesia
Site Description	The ownership of the Subject Property is based on 1 (one) Right to Cultivate (HGU) No. 07 registered under the name of PT Gunungsawit Binalestari. Additionally, the ownership rights of other non-plantation assets are also held by PT GSBL. PT GSBL's oil palm plantation has approximately 8,514.07 hectares planted area. The plantation land currently being cultivated was formerly a secondary forest which was converted into oil palm plantation area in 1994.
Terrain	Generally, PT GSBL oil palm plantation has a variety of topography and slope class. The topography is approximately 0-50 meters above sea level (masl). Generally, the dominant slope class is undulating-rolling and hilly with 9-30% slope respectively.

Regional Planning

In accordance with the Right to Cultivate (HGU) No. 7, the area is designated for cultivation of oil palm plantations.

Estate Composition and Hectarage Statement

No	Description	Total (Ha)
I	**Planted Area**	
a)	Mature Plants	
	YP 1995	166.33
	YP 1996	1,567.68
	YP 1997	845.21
	YP 1998	1,737.50
	YP 1999	702.37
	YP 2000	258.83
	YP 2001	41.65
	YP 2002	79.08
	YP 2003	42.88
	YP 2004	38.46
	YP 2005	22.80
	YP 2006	0.95
	YP 2007	0.80
	YP 2008	3.92
	YP 2016	13.23
	YP 2018	821.13
	YP 2019	837.49
	Sub Total a	**7,180.31**
b)	Immature Plant (IMP)	
	YP 2020	425.34
	YP 2021	417.99
	YP 2022	490.43
	Sub Total b	**1,333.76**
	Total I	**8,514.07**
II	**Other Plantable Area**	
a)	Nursery	18.95
b)	Reserves Area	22.31
	Total II	**41.26**
III	**Non Plantable Area**	
	Roads & Drainage	264.44
	Emplasment/Building	36.45
	Enclave	170.64
	POM	26.03
	Rocky Area	40.78
	Graves	5.23
	Total III	**543.57**
	Total (I+II+III)	**9,098.90**

Source: PT GSBL, 2023.

The composition of age profile of the plant based on area statement is as follows:

No	Composition	Age (Year)	Area (Ha)	Percentage
1	Immature Plants	0-3	1,333.76	15.67%
2	Young Mature Plants	4-6	1,658.62	19.48%
3	Mature Plants	7-18	41.70	0.49%
4	Old Mature Plants	>18	5,479.99	64.36%
	Total		**8,514.07**	**100.00%**

Source: PT GSBL, 2023.

Historical Yield

No.	Year	Harvesting Area (Ha)	Production (Tonne)	Yield (Tonne/Ha)
1	2018	7,974	192,982	24.20
2	2019	7,297	149,698	20.52
3	2020	6,730	154,209	22.91
4	2021	6,275	156,079	24.87
5	2022	7,203	143,463	19.92

Source: PT GSBL, 2023.

Adopted Yield

Based on the planted area given by PT GSBL, PT GSBL generally recorded an average FFB yield of about 22.50 tonnes per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT GSBL is estimated to have a remaining economic life of about 11-21 years. The twenty five (25) year yield projection for PT GSBL takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.

Historical Cost

Cost of Production	Remarks	2020	2021	2022
Cost of Upkeep & Maintenance	Rp000	41,030,672	35,342,773	35,032,916
Harvesting & Transportation Cost	Rp000	25,819,345	25,901,144	30,574,096
General Charges	Rp000	15,220,555	16,300,082	16,335,542
Total	Rp000	**82,070,572**	**77,543,999**	**81,942,554**

Source: PT GSBL, 2023.

Palm Oil Mill Production

PT GSBL POM has an installed capacity of 90 tonnes of FFB/hour. The POM was built in 2001 and commenced operations in 2003.

FFB as the main raw material in the mill primarily comes from own crops (internal) with the small balance from nearby plasma plantations (external) and FFB suppliers (external).

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PT GSBL POM produces CPO and Kernel from FFB processing. The following is CPO and Kernel production data from 2018 to 2022:

No.	Description	Unit	2018	2019	2020	2021	2022
1.	FFB processed	Tonne	332,247	184,097	171,728	192,911	187,072
2.	CPO production	Tonne	63,027	35,365	33,143	37,039	35,829
3.	Kernel production	Tonne	17,975	10,494	9,445	11,035	10,013
4.	OER (Oil Extraction Rate)	%	18.97	19.21	19.30	19.20	19.15
5.	KER (Kernel Extraction Rate)	%	5.41	5.70	5.50	5.72	5.35
6.	Free Fatty Acid of CPO	%	4.73	4.14	4.22	4.72	4.72

Source: PT GSBL, 2023.

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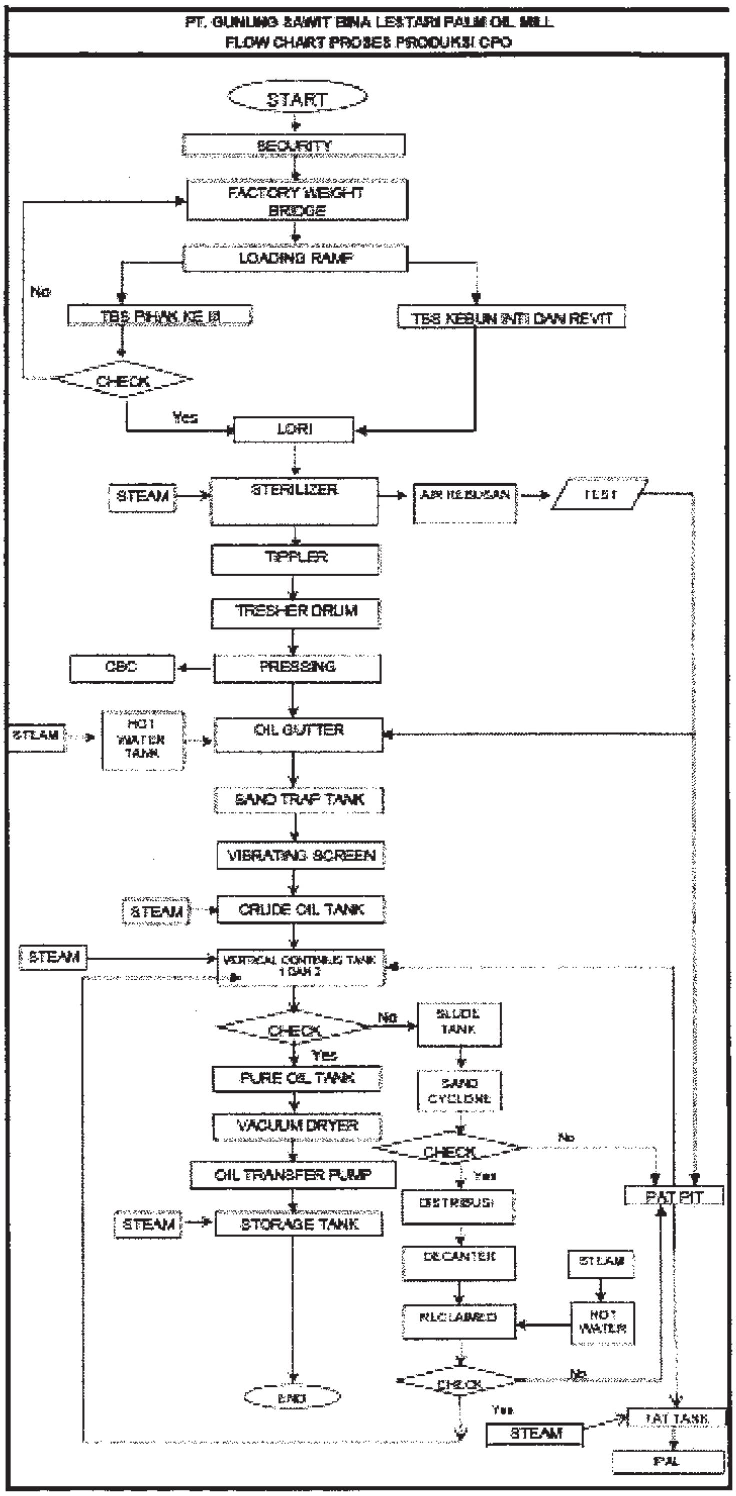
Flow Chart Following illustrates the flow chart of PT GSBL POM:



Source: PT GSBL, 2023.

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The ownership of the plant, machinery and equipment assets in the form of a list of assets in the Fix Asset Register. We have carried out inspections and verifications at each processing station (for example, sterilizer station) and sampling of components at these stations (for example sampling at sterilizer station: sterilizer, rail track, conveyor, transfer carriage and others), then assumes the schedule and maintenance actions. If it is known that the process flow from start to finish has no problems, then it is assumed that the machinery and equipment are in good condition and operating regularly.

E.2 MARKET VALUE

Valuation Approach & Methodology

In arriving at our opinion of the Market Value of the Subject Property, we have adopted the Market Approach by Direct Comparison Method, Income Approach by Discounted Cash Flow (DCF) Method and Modified Land Residual Technique as well as Cost Approach by Depreciated Replacement Cost (DRC) Method.

Oil Palm Plantation

Valuation Assumptions	
Oil Palm Plantation Cultivation Standards	Oil palm plantations are assumed **to be cultivated sustainably by competent management according to normal cultivation standards.**
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for the next 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition. Based on the planted area given by PT GSBL, PT GSBL generally recorded an average FFB yield of about 22.50 tonnes per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT GSBL is estimated to have a remaining economic life of about 11-21 years.
FFB Price Assumptions	FFB price is projected based on market price analysis with the assumption of Rp2,251,189/tonne in the first year, Rp2,133,223/tonne in the second year, Rp2,139,897/tonne in the third year, Rp2,146,553/tonne in the fourth year, Rp2,153,188/tonne in the fifth year onwards is projected to be constant.

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Valuation Assumptions

Costs Assumptions

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	26,018,775	Rp/Ha
	- IMP – 1	13,673,743	Rp/Ha
	- IMP – 2	12,798,390	Rp/Ha
	- IMP – 3	11,563,779	Rp/Ha
	- MP – 1	9,210,308	Rp/Ha
	- MP - 2 to 3	8,980,051	Rp/Ha
	- MP - 4 to 10	8,536,661	Rp/Ha
	- MP -11 to 22	7,150,235	Rp/Ha
(b)	Harvesting & Transportation Cost	345,224	Rp/Tonne
(c)	General Charges	3,750,000	Rp/Ha
(d)	Management Fees	5	%
(e)	Replacement Allowance	436,201	Rp/Ha
(f)	Capital Expenditure Cost	1,685,511	Rp/Ha

a. Oil Palm Plants Upkeep Costs

The calculation of the cost uses the standards and norms that apply in the plantation and considers the generally accepted standards in the market with some adjustments. The historical upkeep cost of PT GSBL in 2020 to 2022, around Rp4,864,000 – Rp6,097,000 per hectare. We have adopted Rp7,150,235- Rp13,673,743 per hectare according to the various planting age.

b. Harvesting and Transportation Costs

These costs consider the historical costs of the actual harvest and transportation costs to the POM. The historical harvesting cost of PT GSBL in 2020 to 2022, around Rp162,000 – Rp213,000 per tonne. We have adopted Rp345,224 per tonne for the harvesting and transportation cost.

c. General Charges

General charges are adjusted to the standard of plantation area and actual historical costs. The historical general charges of PT GSBL in 2020 to 2022, around Rp2,262,000 – Rp2,598,000 per hectare. We have adopted Rp3,750,000 per hectare for the general charges.

d. Management Fees

Management fees costs are under the cost structure for nucleus plantations and other costs that can't be included in the components of the costs above.

e. Replacement Allowance

Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as building, site improvement, machinery, heavy equipment, vehicles, fixture and furniture, and computers.

f. Capital Expenditure Cost

Capital Expenditure (capex) Cost is used for extension of Right to Cultivate (HGU).

The rates adopted in our DCF for oil palm plants upkeep cost, harvesting and transportation cost and general charges are benchmarked against market derived data of similar plantations.

Replacement Allowance	Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture, and computers.
Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).

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Valuation Assumptions	
Residual Value of Land and Non-Plantation Assets	The residual value of the land and other facilities is calculated as income at the end of the DCF period with the assumption that the land rights can be extended for further tenure of 35 years.
Discount Rate	**11.36%**

Discount Rate: 11.36%

The discount rate is determined using the Band of Investment method, namely WACC (Weighted Average Cost of Capital), using the following formula:

$$\textbf{Discount Rate} = (ke \times We) + (kd \times Wd)$$

whereas:

ke	Cost of equity
kd	Cost of debt
We	Percentage of equity financing
Wd	Percentage of debt financing

Cost of equity is calculated using the Capital Asset Pricing Model (CAPM), using the following formula:

$$Ke = Rf + (\beta \times RPm) - RBDS + \alpha$$

whereas:

ke	Expected rate of return
R_f	Risk free rate
β	Beta
RP_m	Equity risk premium
RBDS	Rating Based Default Spread
α	Other risks

Description	Assumption	Source	Remarks
Cost of Equity			
R_f	7.11%	IBPA	Yield of Long Term Indonesia Government Bond (30 years) in Rupiah Currency
B	1.00	-	Assuming the plantation in normal condition.
Alpha	2.00%		Other risks.
RP_m	9.23%	Damodaran	Indonesia Market Risk Premium.
RBDS*	2.33%	Damodaran	Rating Based Default Spread.
k_e*	**16.01%**		
Cost of Debt			
k_d	8.86%	Bank of Indonesia	Average interest rate for commercial bank loans.
Equity Portion	35.00%	Market	The average equity and debt portion in property investment in Indonesia.
Debt Portion	65.00%		
Discount Rate	**11.36%**		

*) Adjusted $ke = Rf + (\beta \times RPm) - RBDS + \alpha$

RBDS or Rating Based Default Spread is an additional risk that arises due to differences in the rating of a country's debt to the country with the highest debt rating, which is AAA. In this case, the Indonesia RBDS intended for the calculation of the discount rate is an additional risk arising from the lower Indonesia's debt rating. Risk-free interest and risk premium bear the country risk. To avoid double counting in country's risk, we have deducted the RBDS from cost of equity.

Biological Assets

Biological Assets consists of oil palm plants. To obtain the assets value of the biological assets, the value of the oil palm plantation is deducted by the indicative Market Value of non-plantation assets (such as Effective Land, buildings, site improvements, machinery and equipment, heavy equipment, vehicles, and fixtures and furniture and computers), the computation of which is set out below:

Description	Indicative Market Value	
	(Rp)	(RM)
Oil palm plantation	**871,015,000,000**	**261,304,500**
Less: Non-Plantation Assets*:		
- Effective Land	262,445,000,000	78,733,500
- Buildings	48,043,000,000	14,412,900
- Site Improvement	32,983,000,000	9,894,900
- Machinery and Equipment	1,840,000,000	552,000
- Heavy equipment	5,810,000,000	1,743,000
- Vehicles	2,476,000,000	742,800
- Fixture and Furniture	1,057,000,000	317,100
- Computers	158,000,000	47,400
Total Non-Plantation Assets*	**(354,812,000,000)**	**(106,443,600)**
Total Biological Assets	**516,203,000,000**	**154,860,900**

*Note : To derived the oil palm plant value, the oil palm plantation value will be deducted against the non-plantation assets. The non-plantation assets will be apportioned accordingly if necessary, whereby the non-plantation asset value is calculated by using the Depreciated Replacement Cost Method, Direct Comparison Method and Modified Land Residual Technique. This is to facilitate and obtain the residual value of the plantation in the form of plant value (i.e biological asset value).

Oil Palm Seeds Value

The valuation of oil palm seeds using the Depreciated Replacement Cost Method is due to the plantation management conducting their nursery activities.

Most of the progeny planted within PT GSBL are Marihat, Socfindo, Dami Mas and Topaz. Whilst most of the seeds within the nursery originates from the crossing of D X P from seed produce such as Topaz from PT Asian Agri and PPKS from Riset Perkebunan Nusantara (RPN). The seeds stock are as follows:

No	Age (Months)	Type	Total
1	1	Topaz	40,772
2	4	Marihat	65,348
3	9	Marihat	17,810
4	12	Marihat	42,174
5	23	Marihat	888
6	24	Topaz	2,516
	Total		**169,508**

Source: PT GSBL, 2023

The replacement costs obtained with the composition consist of the cost of purchasing the seeds and other costs required according to the age of the seeds. The Market Value is obtained by deducting replacement costs by adjusting the condition of the seeds at the valuation date. The Market Value of oil palm nursery seeds of approximately 169,508 seeds as of 17 March 2023 having considered the assumptions above and the attached limiting conditions is:

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Rp5,509,000,000
(FIVE BILLION FIVE HUNDRED NINE MILLION RUPIAHS)

Equivalent to

RM1,652,700
(ONE MILLION SIX HUNDRED FIFTY TWO THOUSAND SEVEN HUNDRED RINGGIT)

Land and Excess Land Value

The land value is obtained using the Modified Land Residual Technique based on the premise that vacant land will be developed into plantations.

In arriving at the market value, we have made a professional judgment for the coefficient as the parcels of land in the plantation estates are in various stages of HGU Certificate application (such as location permit / PKKPR, land compensation, cadastral measurement, and Panitia B stages), all of which are held under various legal documents. The HGU is the highest rights for land documents, and hence, we have adopted the coefficient of 1.0, while the other land statuses are lower than the HGU, and hence, we have adopted a lower coefficient. We wish to inform that this is a normal industry practice in Indonesia since there is no comparison data available in the market.

No	Land Status	Coefficient
1	HGU	1
2	Cadastral	0.95 - 0.98
3	Location Permit / PKKPR + Land Compensation	0.75 - 0.97
4	Location Permit / PKPPR	0.25 - 0.40

In arriving at the Market Value, we have made a professional judgment for the coefficient relating to the HGU Certificate (being the coefficient of 1.0) - the highest land ownership status of a plantation.

The Excess Land (unplanted area) in PT GSBL consists of Right to Cultivate (HGU) so the coefficient is 1.00.

To determine the value of the land can be done as follows:

Valuation Assumptions Effective Land and Excess Land	
Plants Effective Area	Determination of the plantable area that can be planted from the total concession with assumption that 10%-15% is deducted for infrastructure.
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.
FFB Price Assumptions	Same as FFB price in the oil palm plantation valuation.

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Valuation Assumptions Effective Land and Excess Land	
Costs Assumptions	The costs that are used as assumptions are based on the calculation of the standards and norms that apply in the plantation and take into account the generally accepted standards.

No	Description	Volume	Unit
(a)	**Oil palms plants Upkeep Costs (Rp/Ha)**		
	- IMP – 0	26,018,775	Rp/Ha
	- IMP – 1	13,673,743	Rp/Ha
	- IMP – 2	12,798,390	Rp/Ha
	- IMP – 3	11,563,779	Rp/Ha
	- MP – 1	9,210,308	Rp/Ha
	- MP - 2 to 3	8,980,051	Rp/Ha
	- MP - 4 to 10	8,536,661	Rp/Ha
	- MP -11 to 22	7,150,235	Rp/Ha
(b)	**Harvesting & Transportation Cost**	345,224	Rp/Tonne
(c)	**General Charges**	3,750,000	Rp/Ha
(d)	**Non-plants Investment Cost**	21,460,385	Rp/Ha
(e)	**Management Fees**	5	%
(f)	**Replacement Allowance**	458,911	Rp/Ha
(g)	**Capital Expenditure Cost**	1,685,511	Rp/Ha

a. **Oil Palm Plants Upkeep Costs**
We have adopted Rp7,150,235- Rp13,673,743 per hectare according to the various planting age.

b. **Harvesting and Transportation Costs**
We have adopted Rp345,224 per tonne for the harvesting and transportation cost.

c. **General Charges**
We have adopted Rp3,750,000 per hectare for the general charges.

d. **Non-plants Invesment Costs**
Adopted the cost stated in the table above.

e. **Management Fees**
Adopted the cost stated in the table above.

f. **Replacement Allowance**
Adopted the cost stated in the table above.

g. **Capital Expenditure Cost**
Adopted the cost stated in the table above.

Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Discount Rate	**11.36%,** Discount Rate is same as the plantation valuation

Nursery Land Preparation and Land Clearing

Nursery Land preparation is the area that has been cleared for future nursery needs. Land clearing is a process of removing trees, shrubs, and other vegetation from a piece of land. For this nursery land preparation and land clearing we use the depreciated cost method where the basis of Replacement Cost New is using the depreciated cost technique with cost structure and component based on the detail of nursery land preparation and land clearing job and compared to the general nursery land preparation and land clearing job with comparable data/contract in each estate. Adjustment was made to reflect the actual condition based on site inspection and valuer's professional justification as the basis to get the Market Value.

Non-Plantation Assets Value
Buildings and Site Improvement

The description of the oil palm plantation buildings are as follows:

No	Buildings	Unit
	Division 1	
1	Divisional Office	1
2	Warehouse	1
3	Store	1
4	Genset House	1
5	Engine House	1
6	Workshop/Garage	1
7	Security Post	3
8	Weigh Bridge Office	1
9	Sports Hall	1
10	Dispensary	1
11	Mosque	1
12	Shop House	1
13	Water Pump Shed	1
14	Manager Bungalow	1
15	Assistant Bungalow	3
16	Staff Quarter	10
17	Satpam Quarter	1
18	Workers Quarter	20
19	Workers Barrack	2
20	Permanent Harvesters' Barrack	11
	Division 2	
21	Main Office	1
22	Store	1
23	Store - Godown	3
24	Workshop/Garage	1
25	Generator Shed	1
26	Genset House	1
27	Security Post	2
28	Mosque	1
29	Poliklinik	1
30	Shop House	1
31	Mill Solid Packing Shed	1
32	TA Bungalow	1
33	FC Bungalow	1
34	Jr.TA Bungalow	1
35	Estate Manager Bungalow	1
36	Manager Bungalow	2
37	Assistant Bungalow	8
38	Senior Staff Quarter	7
39	Junior Staff Quarters	4
40	Staff Quarter	9
41	Long House	1
42	Workers Quarter	10
43	Workers Barrack	1
44	Permanent Harvesters' Barrack	15
	Division 3	
45	Divisional Office	1
46	Store - Godown	3
47	Temporary Store c/w Watch Tower	1
48	Genset House	3
49	Garage	2

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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No	Buildings	Unit
50	Security Post	1
51	Mosque	1
52	Poliklinik	1
53	Manager Bungalow	2
54	Assistant Bungalow	6
55	Staff Quarter	8
56	Workers Quarter	6
57	Workers Barrack	1
58	Permanent Harvesters' Barrack	15
	Division 4	
59	Permanent Harvesters' Barrack	15
	Division 5	
60	Security Post	1
61	Permanent Harvesters' Barrack	4
	Division 6	
62	Store	1
63	Security Post	1
64	Assistant Bungalow	1
64	Staff Quarter	1
65	Workers Quarter	1
66	Permanent Harvesters' Barrack	5
	Division 7	
67	Store	1
68	Security Post	1
69	Assistant Bungalow	1
70	Staff Quarter	1
71	Workers Quarter	1
72	Permanent Harvesters' Barrack	5
	Total	**229**

Source: PT GSBL, 2023

The description of the POM buildings are as follows:

No	Buildings	Unit
1	Office	1
2	Sterilizer Station	1
3	Power House & Boiler Station	1
4	Thresher, Presser & Kernel Station	1
5	Clarification Station	1
6	Security Post	1
7	WTP House	1
8	Solid Waste Store	1
9	Liquid Waste Store	1
10	FFB Grading Post	1
11	Weightbridge House	1
12	Used Tire Store	1
13	Kernel Store	1
14	Workshop	2
15	Ash Store	1
16	Canteen Hall	1
17	Canteen	1
18	*Musholla*	1

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No	Buildings	Unit
19	Motorcycle Parking	1
20	Car Parking	1
21	Heavy Equipment Parking	1
22	Assistant Bungalow	2
23	FC Bungalow	1
24	Jr.TA Bungalow	1
25	Senior Staff Quarter	12
26	TA Bungalow	1
27	Workers Quarter	18
	Total	**57**

Source: PT GSBL, 2023.

The site improvements are built to support the <u>oil palm plantation</u>, consists of road with solidified soil material covered with stone or laterite and bridge with wood construction with details as follows:

No	Site Improvement	Total	Unit
1	Main Road	92,610	m'
2	Collection Road	285,480	m'
3	Culvert	492	Unit
4	Bridge	107	Unit

Source: PT GSBL, 2023.

The site improvement is built for supporting the <u>POM</u>, consists of road with concrete material, fences and ponds with details as follows:

No	Site Improvement	Area	Unit
1	Concrete Road	10,885	sqm
2	Asphalt Road	3,285	sqm
3	WTP Pool	120	sqm
4	Surrounding Fence	1,272	m'
5	Reservoir	18,000	sqm
6	Reservoir	21,600	sqm
7	Waste Pond 1A & 1B	1,600	sqm
8	Waste Pond 2A	3,600	sqm
9	Waste Pond 2B	5,400	sqm
10	Waste Pond 3A	5,400	sqm
11	Waste Pond 3B	7,200	sqm
12	Waste Pond 4A & 4B	3,600	sqm
13	Waste Pond 5A & 5B	3,600	sqm

Source: PT GSBL, 2023.

The value of buildings and site improvement is obtained by first calculating the Replacement Cost New of building and site improvement based on the prices of current components with similar levels of use, then deducting the estimated depreciation caused by physical depreciation, functional obsolescence, and economic obsolescence.

We use the Unit in Place Method, which is a method that is carried out to estimate the Replacement Cost New of a structure by adding up all work costs per unit installed including the cost of plumbing, electrical, and others.

Description	Parameters
Direct Cost	Material Price and Labour Cost
Indirect Cost	
a. Value Added Tax	11%
b. Contractor Profit	10%
c. Building Permit Cost	1.50%

Machinery and Equipment, Heavy Equipment, Fixture and Furniture and Computers

Machinery and equipment, vehicles, heavy equipment, fixture and furniture and computers are used to support the operation and production activities of the plantation.

The description of the oil palm plantation assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	Air Compressor	2
2	Aluminium Ladder	1
3	Battery Charger	1
4	Chainsaw	3
5	Diesel Tank	6
6	Disc Plough	2
7	Electric Dryer	2
8	Electrical Equipment	8
9	Fencing	2
10	Fencing & Gates	5
11	Fertilizer	5
12	Fire Extinguisher	2
13	Flow Meter	4
14	Fogging Machine	1
15	Fuel Tank	5
16	Generator Set	34
17	Grease Pump	1
18	Harrow Plough	1
19	High Pressure Cleaner	1
20	Hydraulic Pipe Bender	1
21	Hydraulic Pipe Cutter	1
22	Lawn Mower	1
23	Lightning Arrester	3
24	Machinery Equipment	9
25	Metal Racks	3
26	Motor Sirine	3
27	Mounted Bucket	2
28	Mounted Sprayer	6
29	Oil Dispenser	1
30	Post Hole Digger	2
31	Rotoslasher	3
32	Spreader	1

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No	Property	Unit
33	Trailer	3
34	Tube Well	6
35	Vehicle Washing Plattform	2
36	Washing Pump	2
37	Washing Ramp	1
38	Water Pipe Connection	2
39	Water Pump	10
40	Water Sprayer	1
41	Water Tank	5
42	Water Tank Tower	29
43	Weighing Scales	8
44	Weightbridge	1
45	Welder	1
46	Welding Equipment	2
47	Welding Set	1
48	Wrench	1
B	**Heavy Equipment**	
1	Tractor	16
2	Motor Grader	1
3	Backhoe Loader	2
5	Water Tank Trailer	9
6	Tipping Trailer	19
C	**Vehicles**	
1	Jeep	3
2	Ambulance	1
3	Minibus	3
4	Pick Up	11
D	**Fixture & Furniture**	**Lot**
E	**Computers**	**Lot**

Source: PT GSBL, 2023.

The description of the POM assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	Fruit Reception & Storage	Lot
2	Sterilizer Station	Lot
3	Threshing Station	Lot
4	Pressing Station	Lot
5	Clarification Station	Lot
6	Oil Storage Station	Lot
7	Depericarper Station	Lot
8	Kernel Recovery Station	Lot
9	Boiler Station	Lot
10	Power Station	Lot
11	Effluent Treatment Plant	Lot
12	Raw Water Intake And Boiler Water Treatment Plant	Lot
13	Fire Fighting Equipment	Lot
14	Laboratory & Workshop Equipment	Lot
B	**Heavy Equipment**	
1	Backhoe Loader	1
2	Wheel Loader	3
3	Tractor	1
C	**Fixture and Furniture**	**Lot**
D	**Computers**	**Lot**

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The values of machinery and equipment, heavy equipment, fixture and furniture and computers are carried out by calculating the cost of new replacement for the assets including the costs of installation, shipping, transportation, value added and handling taxes of these assets less depreciation due to physical depreciation, functional obsolescence and economic obsolescence .

The computation of Replacement Cost New for the assets is obtained by applying the **Trending Method** using data sources obtained from contracts for the procurement/purchase of similar machinery and equipment by considering shipping and insurance costs, transportation, Value Added Tax (VAT) and Interest During Construction/IDC (specifically for POM) from these assets. The value under the Replacement Cost New of machinery and equipment, heavy equipment, fixture and furniture and computers were obtained by applying an index or trend factor to historical costs (Trending Method). Index or trend factor obtained from https://www.bls.gov/ppi/databases/.

The Economic Life and the amount of depreciation used in this valuation are as follows:

Description	Economic Life (Year)	Physical Depreciation (%)	Functional Obsolescence (%)	Economic Obsolescence (%)	Total Depreciation* (%)
Machinery & Equipment (Estate)	8-12	3-90	n/a	n/a	3-90
Machinery & Equipment (POM)	18-22	6-11	n/a	20-40	20-40
Heavy Equipment	8-12	5-88	n/a	n/a	5-88
Fixture & Furniture	8-12	10-88	n/a	n/a	10-88
Computers	3-7	20-88	n/a	n/a	20-88

Source: Marshal Valuation Service.

*) Total depreciation = physical depreciation + ((1-physical depreciation) (Functional Obsolescence+Economic Obsolescence)).

Vehicles

The description of the vehicles of oil palm plantation and POM are as follows:

No	Vehicles	Unit
A	**Estate**	
1	Jeep	3
2	Ambulance	1
3	Minibus	3
4	Pick Up	11
	Total A	**18**
B	**POM**	
1	Jeep	2
2	Minibus	2
3	Pick Up	3
	Total B	**7**

Source: PT GSBL, 2023.

The valuation of vehicles is carried out using the Direct Comparison Method.

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Conclusion of the Non-Plantation Assets value

The details of the indicative market value of the Non-Plantation Assets are as follow:

No	Description	Unit (Ha)	Indicative Market Value (Rp)	Indicative Market Value (RM)
A	**Oil Palm Plantation**			
1	Land			
	- Effective Land (planted area)	8,514,07	262,445,000,000	78,733,500
	- Excess Land (unplanted area)	584.83	18,027,000,000	5,408,100
2	Nursery Land Preparation	18.95	166,000,000	49,800
3	Land Clearing	22.31	212,000,000	63,600
4	Buildings		48,043,000,000	14,412,900
5	Site Improvement		32,983,000,000	9,894,900
6	Machinery & Equipment		1,840,000,000	552,000
7	Heavy Equipment		5,810,000,000	1,743,000
8	Vehicles		2,476,000,000	742,800
9	Fixture and Furniture		1,057,000,000	317,100
10	Computers		158,000,000	47,400
	Sub Total A		**373,217,000,000**	**111,965,100**
B	**Palm Oil Mill**			
1	Buildings		20,019,000,000	6,005,700
2	Site Improvement		2,913,000,000	873,900
3	Machinery & Equipment		71,551,000,000	21,465,300
4	Heavy Equipment		1,800,000,000	540,000
5	Vehicles		1,051,000,000	315,300
6	Fixture and Furniture		405,000,000	121,500
7	Computers		76,000,000	22,800
	Sub Total B		**97,815,000,000**	**29,344,500**
	Total (A+B)		**471,032,000,000**	**141,309,600**

The indicative Market Value of the Non-Plantation Assets as of 17 March 2023 having considered the assumptions and limiting conditions is:

Rp471,032,000,000
(FOUR HUNDRED SEVENTY ONE BILLION THIRTY TWO MILLION RUPIAHS)

Equivalent to

RM141,309,600
(ONE HUNDRED FORTY ONE MILLION THREE HUNDRED NINE THOUSAND SIX HUNDRED RINGGIT)

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Valuation Conclusion

Having considered all relevant information and the prevailing market conditions, we are of the opinion that the Market Value (based on valuation of plantation and non-plantation assets) of the Subject Property on 17 March 2023, is:

No	Description	Market Value (Rp)	Market Value (RM)
A	**Plantation Assets:**		
A1	**Biological Assets**		
	1. Oil Palm Plantation	871,015,000,000	261,304,500
	Less: Non-Plantation Assets*	(354,812,000,000)	(106,443,600)
	Total Biological Assets	**516,203,000,000**	**154,860,900**
A2	2. Oil Palm Seeds	5,509,000,000	1,652,700
	Total Plantation Assets (A1+A2)	**521,712,000,000**	**156,513,600**
B	**Non-Plantation Assets**		
B1	1. Non-Plantation Assets	373,217,000,000	111,965,100
B2	2. Palm Oil Mill	97,815,000,000	29,344,500
	Total Non-Plantation Assets (B1+B2)	**471,032,000,000**	**141,309,600**
	Market Value of the Subject Property (A+B)**	**992,744,000,000**	**297,823,200**

* The non-plantation assets are derived from the Market Value indications of non-plantation assets that directly contribute to plantation activities such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers, which are separately calculated using the Modified Land Residual Technique, Direct Comparison Method and Depreciated Replacement Cost method.

**In view of the lack of market data, we are hence unable to undertake any cross check/supporting method on the computation of the Market Value of the Subject Property.

Rp992,744,000,000
(NINE HUNDRED NINETY TWO BILLION SEVEN HUNDRED FORTY FOUR MILLION RUPIAHS)

Equivalent to

RM297,823,200
(TWO HUNDRED NINETY SEVEN MILLION EIGHT HUNDRED TWENTY THREE THOUSAND TWO HUNDRED RINGGIT)

For all intents and purposes, this valuation certificate summary should be read in conjunction with our Valuation Report on the Subject Property.

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F. PT PRATAMA PALM ABADI (PPA)

F.1 IDENTIFICATION OF SUBJECT PROPERTY

Title Particulars and Permits	Oil Palm Plantation Kesesuaian Kegiatan Pemanfaatan Ruang ("KKPR") No. 08122110211605003 date issued 8th December 2021 and expired on 8th December 2024, Location Permit No. 482/KPTS-TAPEM/2016 date issued 30th June 2016 and expired on 30th June 2019, Location Permit No. 125/KPTS/BPM-PTP/2014 date issued 5th February 2014 and expired on 5th February 2015, Company Notarial Deed No. 37 issued by Notary Alang, SH dated 29 April 2010 in West Jakarta, Izin Usaha Perkebunan No. 9120309202117, date issued 6th December 2019 No. 9120309202117, date issued 6th December 2019, Nomor Induk Berusaha No. 9120309202117, date issued 21st February 2019 and Permission of Interference No. 56.02/294/DPM-PTSP/VII/2017 by the name PT PPA issued dated 21st July 2017 by Head of Regional Office of Ministry of Industry and Trading Musi Rawas Regency. POM HGB No. 00001, 00002, 00003, 00004 date issued 22nd October 2020 and expires on 22nd October 2050, Enviromental Permit to Build POM No. 02/KPTS/DPM-PTSP/2017 dated 3rd July 2017 in Muara Beliti, Principle License for Development POM No. 050/439/II/BPM-PTP/2016 dated 15th December 2016 and Building Permit No. 55.02/121/DPM-PTSP/VI/2018 dated 7th June 2018. The location permit typically grants the holder with a period of 3 years with a 1-year extension to undertake the plantation activities and fulfil the criteria and conditions imposed on the location permits, which includes the holder acquiring at least 50% of the land within the designated location permit land areas. The location permit was subsequently substituted with the PKKPR in 2021 following the implementation of Article 2 of Minister of Agrarian Affair and Spatial Planning/Head of the National Land Agency ("MoAA") Regulation No. 13/2021 ("PKKPR Regulation"). Further, we note that PT PPA is issued with (PKKPR) number 08122110211605003 dated 8 December 2021, covering an area of approximately 5,700 hectares.

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While the remaining expired Location Permit vide a Confirmation Letter No.570/78/DPMPTSP/2023, 050/72/II/DPMPTSP/2023 and B-551.21/366/DPMPTSP/2023 from Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu that was issued to PT PPA has confirmed that PKKPR for the same area within the expired location permit will not be granted to any third parties despite expiry of the relevant location permits held by PT PPA. This statement in the Confirmation Letter further provides a form of security and assurance to PT PPA that as long as the company takes the necessary steps in applying for the PKKPR, the interest and rights over the expired location permit stays intact to PT PPA. Also to note that as there is no mentioned time limit or stipulated deadline for holders of expired location permit to apply for PKKPR, PT PPA is deemed to continue to have valid interest in the land title processing route to obtain the HGU certificate during this interim. Notwithstanding thereof, OHB group had via an undertaking letter declared their intentions to commence applying for the PKKPR to substitute their expired location permits within the next 2 years from the date of the completion of the Proposed Acquisition, whereby the company will gradually undertake the land acquisition activities and submit PKKPR application. Premised thereof and the company having obtained the Confirmation Letter, we are of the view that the risks of the companies of OHB Group not being able to obtain the PKKPR for the uncertificated land is fairly remote and minimal provided that the application documents are in order and fulfill the relevant prevailing requirements.

In view of the above, although the location permits have expired, we are of the view that there is still economic value in relation to such permits and the holders of such permits have rights to retain and affirms its rights towards obtaining the HGU Certificate as expired location permit holders are able to renew the permits to PKKPR.

We also wish to highlight that the company will continue to have certain rights to enter and acquire the lands which have yet to be acquired despite the expiry of the location permits. For information purposes, to-date, all expired location permits (which has been submitted by OHB group) have been required and accepted by the local land authorities for the application of land title certificates, in which the relevant authority has issued the relevant HGU/HGB certificates (despite the expiry of the location permits). The local land authorities have, to-date, been encouraging OHB group to apply for PKKPR (despite the expired location permits). This is evidence by the issuance of PKKPR dated 25 March 2023 to OHB Group's subsidiary, PT Sumatera Sawit Lestari (despite having an expired location permit dated 1 August 2017 with concession period of 1 August 2017 to 1 August 2018.

We also note that the company did not receive any sanctions, fines or warning letters from the regional government and authorities in relation to the expired location permits. The company has also confirmed that the Subject Property has not been repossessed nor is the company aware that the relevant authorities have granted any rights to acquire the Subject Property to any third parties following the expiry of the location permits.

Further, based on industry practice and the company's previous experience and dealings with the relevant authorities, the company is able to subsequently apply for HGU/HGB (with the expired location permits being attached as part of the HGU application and accepted by the authority as valid documentation) on the premise that the conditions of the expired location permits for the HGU/HGB application have been met. The Confirmation Letter also states that the local land authority is also committed to prioritize the issuance of HGU certificate subject to the company being a holder of the PKKPR and having submit the HGU application.

In respect of HGU certificates, the HGU may be extended for a maximum period of 25 years and a final extension of another 35 years ("HGU Extension"). Following the expiry of the HGU Extension, the HGU land shall be returned to the state as a State-controlled Land or right-to-manage (hak pengelolaan) land, depending on its initial underlying land. MoAA will only grant HGU Extension on the premise that, amongst others, the holder meets the prevailing requirements under Article 8 of Government Regulation No. 18/2021.

We have not made any detailed identification on each and every parcel of the land as stated above. However, based on the location map provided by PT PPA, we understand that the Subject Property consists of contiguous parcel lands.

It is pertinent to note that we do not carry out extensive measurements of the Subject Property. However, based on observations of physical boundaries in the field and comparing with land certificate copies, we assume that the land area used in this valuation is the same with the area stated in the copies of land certificates of the Subject Property.

We do not investigate the past or existing use of the Subject Property or adjacent other property, to later determine whether or not there is environmental contamination or the potential for environmental contamination.

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For this reason, we assume there are no problems related to environmental contamination or the potential for environmental contamination in this valuation.

However, should it be established subsequently that contamination or pollution exists at the Subject Property or on any neighboring land, or that the premises have been or are being put to a contaminative use, the values reported might not be applicable and is required to be revalued immediately.

Although we have made legal searches of the land title certificate, we advise that an independent legal advisor should be referred to for this matter. For the purpose of this valuation, we assume that the Subject Property is accompanied by a legally valid land title and is free and clear from all liens and encumbrances, easements, restriction, or limitation.

Type of Property	Oil Palm Plantation and Palm Oil Mill (POM).
Registered Proprietor	PT Pratama Palm Abadi.
Title Land Area	Total area of approximately 22,465.00 hectares consisting of 5,520.95 hectares Cadastral, 16,765.00 hectares Location Permits, 5,700.00 hectares PKKPR and 6.68 hectares HGB. Cadastral is part of the Location Permit, where it is the measurement stage after obtaining the Location Permit and is one of the requirements for HGU Certification.
Date of Valuation	17 March 2023.
Location	PT PPA's oil palm plantation is located in Prabumulih I, Bingin Jungut, Mambang, Biaro Baru, Air Balui, Panai and Ngunang Villages, Muara Lakitan, Muara Kelingi, Karang Dapo, and Sanga Desa Districts, Musi Rawas, Musi Rawas Utara, and Musi Banyuasin Regencies, South Sumatera Province, Indonesia; whilst PT PPA's POM is located in Prabumulih I Village, Muara Lakitan District, Musi Rawas Regency, South Sumatera Province, Indonesia.
Site Description	The ownership of the Subject Property is based on 4 (four) Rights to Build (HGB), 3 (three) Location Permits / PKKPR and cadastral measurements in the form of a Land Plan Map, registered under the name of PT Pratama Palm Abadi and the ownership rights of other non-plantation assets are also held by PT PPA.

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PT PPA's oil palm plantation has approximately 3,961.71 hectares of planted area, consists of 3 (three) estates.

Terrain

Genearlly, PT PPA oil palm pantation has a variety of topography and slope class and have altitude of approximately 0-50 meters above sea level (masl). Generally, the dominant slope class is flat and undulating-rolling with 0-2% slope.

Regional Planning

In accordance with the legal document of the location permit / PKKPR, the area designated based on Persetujuan Kesesuaian Kegiatan Pemanfaatan Ruang untuk Kegiatan Berusaha (PKKPR) number 0812211021 1605003 dated 8 December 2021, location permits No. 125/KPTS/BPM-PTP/2014, No. 482/KPTS-TAPEM/2016 is for cultivation of oil palm plantation.

Estate Composition and Hectarage Statement

No	Description	Prabumulih (Ha)	Biaro – Karang Dapo (Ha)	Bingin Jungut - Mambang (Ha)	Total (Ha)
I	**Planted Area**				
a)	Mature Plants				
	YP 2012	353.92	90.29	-	444.21
	YP 2013	714.55	363.10	3.07	1,080.72
	YP 2014	165.25	217.62	36.01	418.88
	YP 2015	419.66	107.82	29.73	557.21
	YP 2016	181.25	50.50	45.23	276.98
	YP 2017	211.35	9.68	8.36	229.39
	YP 2018	317.65	51.37	42.25	411.27
	YP 2019	270.57	31.72	18.95	321.24
	Sub Total a	**2,634.20**	**922.10**	**183.60**	**3,739.90**
b)	Immature Plants				
	YP 2020	18.61	2.34	56.59	77.54
	YP 2021	74.62	3.51	27.13	105.26
	YP 2022	14.49	-	24.52	39.01
	Sub Total b	**107.72**	**5.85**	**108.24**	**221.81**
	Total I (a+b)				**3,961.71**
II	**Other Plantable Area**				
a	Nursery	-	-	-	10.25
b	Land Clearing	-	-	-	1,246.96
c	Reserves Area	-	-	-	16,675.37
	Total II				**17,932.58**
III	**Non-Plantable Area**				
a	Roads	-	-	-	30.95
b	Buildings	-	-	-	1.34
c	Enclave	-	-	-	508.64
d	POM	-	-	-	29.78
	Sub Total III				**570.71**
	Total (I+II+III)				**22,465.00**

Source: PT PPA, 2023.

The composition of age profile of the plant based on area statement is as follows:

No	Composition	Age (Year)	Ha	Percentage
1	Immature Plants	0-3	221.81	5.60%
2	Young Mature Plants	4-6	961.90	24.28%
3	Mature Plants	7-18	2,778.00	70.12%
	Total		**3,961.71**	**100.00%**

Source: PT PPA, 2023.

Historical Yield

No	Year	Harvesting Area (Ha)	Production (Tonne)	Yield (Tonne/Ha)
1	2017	1,586	7,772	4.90
2	2018	1,958	14,192	7.25
3	2019	1,642	14,919	9.09
4	2020	3,056	22,009	7.20
5	2021	3,481	24,420	7.02
6	2022	3,726	38,618	10.36

Source: PT PPA, 2023.

Adopted Yield

Based on the planted area given by PT PPA. The PT PPA generally recorded an average FFB yield of about 7.68 tonnes per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT PPA is estimated to have a remaining economic life of about 15-25 years. The twenty five (25) year yield projection for PT PPA takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.

Historical Cost

Cost of Production	Remarks	2020	2021	2022
Cost of Upkeep & Maintenance	Rp000	21,032,215	27,521,953	47,788,413
Harvesting & Transportation Cost	Rp000	18,196,440	18,361,234	13,330,267
General Charges	Rp000	61,952,625	11,915,273	14,005,887
Total	Rp000	**101,181,280**	**57,798,460**	**75,124,567**

Source: PT PPA, 2023.

Palm Oil Mill Production

PT PPA POM has a processing capacity 60 tonnes FFB/hour and extendable to 80 tonnes FFB/hour, built in 2019 and commenced operations in July 2020. The PT PPA POM solely operates to support the PT PPA plantation (i.e only process the FFB produced internally and does not receive and process external FFB from third parties (external)).

Following illustrates the historical production of PT PPA POM:

No	Description	Unit	2020	2021	2022
1	FFB processing	Tonne	26,693	45,978	116,018
2	CPO Production	Tonne	5,606	10,612	25,273
3	Kernel Production	Tonne	990	2,116	5,343
4	Oil Extraction Rate	%	21.00	23.08	21.78
5	Kernel Extraction Rate	%	3.71	4.60	4.61
6	Free Fatty Acid	%	4.58	4.63	4.33

Source: PT PPA, 2023.

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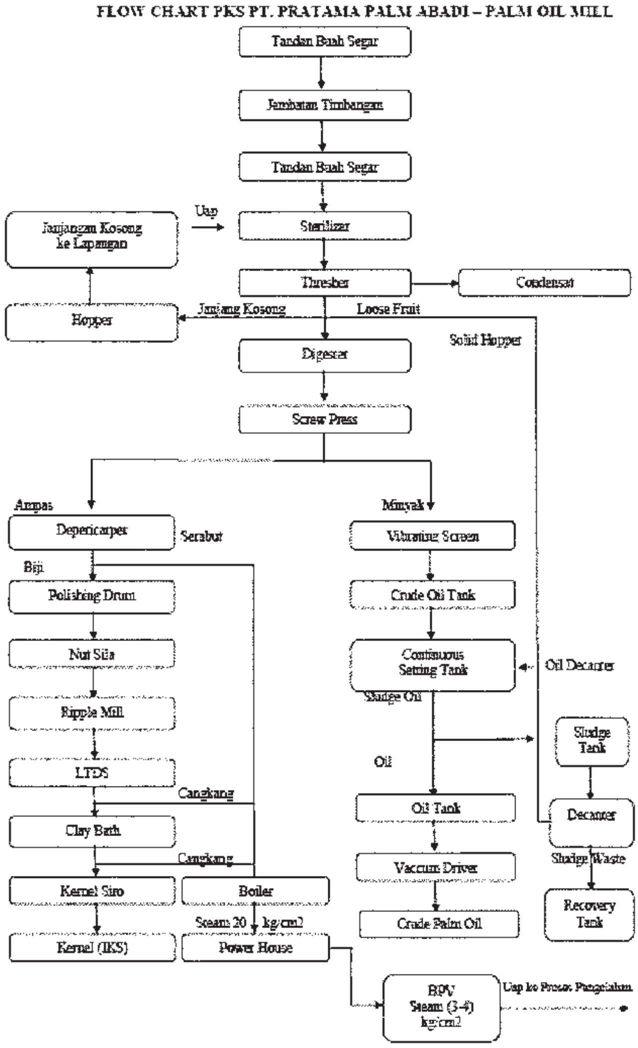
Flow Chart

Following illustrates the flow chart of PT PPA POM:



Source: PT PPA, 2023.

The ownership of the plant, machinery and equipment assets is in the form of a list of assets in the Fixed Asset Register. We have carried out inspections and verifications at each processing station (for example, sterilizer station) and sampling of components at these stations (for example sampling at sterilizer station: sterilizer, rail track, conveyor, transfer carriage and others), then assumes the schedule and maintenance actions. If it is known that the process flow from start to finish has no problems, then it is assumed that the machine and equipment are in good condition and operating regularly.

F.2 MARKET VALUE

Valuation Approach & Methodology

In arriving at our opinion of the Market Value of the Subject Property, we have adopted the Market Approach by Direct Comparison Method, Income Approach by Discounted Cash Flow (DCF) Method and Modified Land Residual Technique as well as Cost Approach by Depreciated Replacement Cost (DRC) Method.

Oil Palm Plantation

Valuation Assumptions	
Oil Palm Plantation Cultivation Standards	Oil palm plantations are assumed **to be cultivated sustainably by competent management according to normal cultivation standards.**
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for the next 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition. Based on the planted area given by PT PPA. The PT PPA generally recorded an average FFB yield of about 7.68 tonnes per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT PPA is estimated to have a remaining economic life of about 15-25 years.
FFB Price Assumptions	FFB price is projected based on market price analysis with the assumption of Rp2,337,785/tonne in the first year, Rp2,215,498/tonne in the second year, Rp2,222,504/tonne in the third year, Rp2,229,492/tonne in the fourth year, Rp2,236,463/tonne in the fifth year onwards is projected to be constant.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Valuation Assumptions

Costs Assumptions

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	35,784,580	Rp/Ha
	- IMP – 1	11,260,134	Rp/Ha
	- IMP – 2	12,447,886	Rp/Ha
	- IMP – 3	12,945,259	Rp/Ha
	- MP – 1	10,232,698	Rp/Ha
	- MP - 2 to 3	9,976,880	Rp/Ha
	- MP - 4 to 10	9,484,272	Rp/Ha
	- MP -11 to 22	7,943,946	Rp/Ha
(b)	Harvesting & Transportation Cost	217,747	Rp/Tonne
(c)	General Charges	2,000,000	Rp/Ha
(d)	Management Fees	5	%
(e)	Replacement Allowance	416,530	Rp/Ha
(f)	Capital Expenditure Cost	627,769	Rp/Ha

a. Oil Palm Plants Upkeep Costs
The calculation of the cost uses the standards and norms that apply in the plantation and considers the generally accepted standards in the market with some adjustments. The historical upkeep cost of PT PPA in 2020 to 2022, around Rp6,882,000 – Rp12,778,000 per hectare. We have adopted Rp7,943,946-Rp12,945,259 per hectare according to the various planting age.

b. Harvesting and Transportation Costs
These costs consider the historical costs of the actual harvest and transportation costs to the POM. The historical harvesting cost of PT PPA in 2020 to 2022, around Rp345,000 – Rp827,000 per tonne. We have adopted Rp217,747 per tonne for the harvesting and transportation cost.

c. General Charges
General charges are adjusted to the standard of plantation area and actual historical costs. The historical general charges cost of PT PPA in 2020 to 2022, around Rp3,423,000 – Rp20,272,000 per hectare. We have adopted Rp2,000,000 per hectare for the general charges.

d. Management Fees
Management fees are under the cost structure for nucleus plantations and other costs that can't be included in the components of the costs above.

e. Replacement Allowance
Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture, and computers.

f. Capital Expenditure Cost
Capital Expenditure (capex) Cost is used for predicting the legal cost to get the HGU (Right to Cultivate). The unit price for the capex is estimated with HGU land price per hectares minus the current land price, so the remaining is for capex cost to obtain HGU.

The rates adopted in our DCF for oil palm plants upkeep cost, harvesting and transportation cost and general charges are benchmarked against market derived data of similar plantations.

Replacement Allowance

Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture, and computers.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Valuation Assumptions	
Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Residual Value of Land and Non-Plantation Assets	The residual value of the land and other facilities is calculated as income at the end of the DCF period with the assumption that the land rights can be extended for further tenure of 35 years.
Discount Rate	**11.36%** The discount rate is determined using the Band of Investment method, namely WACC (Weighted Average Cost of Capital), using the following formula: **Discount Rate = (ke x We) + (kd x Wd)** whereas: ke Cost of equity kd Cost of debt We Percentage of equity financing Wd Percentage of debt financing Cost of equity is calculated using the Capital Asset Pricing Model (CAPM), using the following formula: **Ke = Rf + (β x RPm)-RBDS + α** whereas: ke Expected rate of return R_f Risk free rate β Beta RP_m Equity risk premium RBDS Rating Based Default Spread α Other risks

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Valuation Assumptions	
	The assumption used in calculating the discount rate is as follows:

Description	Assumption	Source	Remarks
Cost of Equity			
R_f	7.11%	IBPA	Yield of Long Term Indonesia Government Bond (30 years) in Rupiah Currency
B	1.00	-	Assuming the plantation in normal condition.
Alpha	2.00%		Other risks.
RP_m	9.23%	Damodaran	Indonesia Market Risk Premium.
RBDS*	2.33%	Damodaran	Rating Based Default Spread.
k_{e*}	**16.01%**		
Cost of Debt			
k_d	8.86%	Bank of Indonesia	Average interest rate for commercial bank loans.
Equity Portion	35.00%	Market	The average equity and debt portion in property investment in Indonesia.
Debt Portion	65.00%		
Discount Rate	**11.36%**		

*) Adjusted ke = Rf + (β x RPm)-RBDS+ α

RBDS or Rating Based Default Spread is an additional risk that arises due to differences in the rating of a country's debt to the country with the highest debt rating, which is AAA. In this case, the Indonesia RBDS intended for the calculation of the discount rate is an additional risk arising from the lower Indonesia's debt rating. Risk-free interest and risk premium bear the country risk. To avoid double counting in country's risk, we have deducted the RBDS from cost of equity.

Biological Assets

Biological Assets consists of oil palm plants. To obtain the assets value of the biological assets, the value of the oil palm plantation is deducted by the indicative Market Value of non-plantation assets (such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, and fixtures and furniture and computer), the computation of which is set out below:

Description	Indicative Market Value (Rp)	Indicative Market Value (RM)
Oil palm plantation	**526,009,000,000**	**157,802,700**
Less: Non-Plantation Assets*:		
- Effective Land	104,676,000,000	31,402,800
- Buildings	22,302,000,000	6,690,600
- Site Improvement	6,595,000,000	1,978,500
- Machinery and Equipment	1,799,000,000	539,700
- Heavy equipment	4,651,000,000	1,395,300
- Vehicles	2,784,000,000	835,200
- Fixture and Furniture	541,000,000	162,300
- Computers	122,000,000	36,600
Total Non-Plantation Assets*	**(143,470,000,000)**	**(43,041,000)**
Total Biological Assets	**382,539,000,000**	**114,761,700**

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*Note : To derived the oil palm plant value, the oil palm plantation value will be deducted against the non-plantation assets. The non-plantation assets will be apportioned accordingly if necessary, whereby the non-plantation assets value is calculated by using the Depreciated Replacement Cost Method, Direct Comparison Method, and Modified Land Residual Technique. This is to facilitate and obtain the residual value of the plantation in the form of plant value (i.e biological asset value).

Oil Palm Seeds Value

The valuation of oil palm seeds is derived using the Depreciated Replacement Cost Method. The Depreciated Replacement Cost Method is used because PT PPA conducts their own nursery activities.

Most of the progeny planted within PT PPA are Topaz and Marihat, whilst most of the seeds within the nursery originates from the crossing of D X P. The seeds stock are as follows:

No	Age (Months)	Type	Total
1	3	Topaz	41,356
2	24	Topaz	21,202
	Total		**62,558**

Source: PT PPA, 2023.

The replacement costs obtained with the composition consist of the cost of purchasing the seeds and other costs required according to the age of the seeds. The Market Value is obtained by deducting replacement costs by adjusting the condition of the seeds at the valuation date. The indicative Market Value of oil palm nursery seeds of approximately 62,558 seeds as of 17 March 2023 having considered the assumptions above and the attached limiting conditions is:

Rp2,136,000,000
(TWO BILLION ONE HUNDRED THIRTY SIX MILLION RUPIAHS)

Equivalent to

RM640,800
(SIX HUNDRED FORTY THOUSAND EIGHT HUNDRED RINGGIT)

Land and Excess Land Value

The land value is obtained using the Modified Land Residual Technique based on the premise that vacant land will be developed into plantations.

In arriving at the market value, we have made a professional judgment for the coefficient as the parcels of land in the plantation estates are in various stages of HGU Certificate application (such as location permit / PKKPR, land compensation, cadastral measurement, and Panitia B stages), all of which are held under various legal documents. The HGU is the highest rights for land documents, and hence, we have adopted the coefficient of 1.0, while the other land statuses are lower than the HGU, and hence, we have adopted a lower coefficient. We wish to inform that this is a normal industry practice in Indonesia since there is no comparison data available in the market.

No	Land Status	Coefficient
1	HGU	1
2	Cadastral	0.95 - 0.98
3	Location Permit / PKKPR + Land Compensation	0.75 - 0.97
4	Location Permit / PKPPR	0.25 - 0.40

Justification of coefficients based on land status are as follows:

1. HGU (Right of Cultivation), the adjustment coefficient is 1, which is the highest land ownership status of a plantation.
2. Cadastral, the adjustment coefficient is 0.95-0.98, where at this stage, cadastral mapping is conducted to determine the boundaries of the plantation location, so the area may differ from its Location Permit. The coefficient range differs due to land characteristics, compensation for land acquisition costs, and adjustments from valuer.
3. Location Permit / PKKPR + Land Compensation, the adjustment coefficient is 0.75-0.97, where the land's legal document is still in the form of a location permit, but land acquisition compensation and plantation activities have been generally carried out. The coefficient range differs due to differences in land acquisition costs depending on the region or location of the plantation. Other factors include land characteristics and adjustments from valuer.
4. Location Permit / PKKPR, the adjustment coefficient is 0.25-0.40, where the land document has not yet undergone land acquisition activities and general plantation activities. The land conditions are still not extensively occupied. The coefficient difference is also due to land conditions, status of the Location Permits (registered as *Kesesuaian Kegiatan Pemanfaatan Ruang* (KKPR) and adjustments from valuer.

The Excess Land (unplanted area) in PT PPA consist of location permit / PKKPR that has not been compensated measuring approximately 13,606.09 hectares and the compensated area measuring approximately 4,897.20 hectares. The coefficient applied for compensated Excess Land is 0.93 whilst the coefficient applied for land that has not been compensated is 0.25. For the Effective Land (planted area), the coefficient is about 0.98 because the land has already been compensated and coefficient is 1.00 for HGU land.

To determine the value of land can be done as follows:

Valuation Assumptions Effective Land and Excess Land	
Plants Effective Area	Determination of the plantable area that can be planted from the total concession with assumption that 10%-15% is deducted for infrastructure.
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is 25 years and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.
FFB Price Assumptions	Same as FFB price in the oil palm plantation valuation.

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<table>
<tr><th colspan="2">Valuation Assumptions Effective Land and Excess Land</th></tr>
<tr><td>Costs Assumptions</td><td>The costs that are used as assumptions are based on the calculation of the standards and norms that apply in the plantation and take into account the generally accepted standards.

<table>
<tr><th>No</th><th>Description</th><th>Volume</th><th>Unit</th></tr>
<tr><td>(a)</td><td>Oil palms plants Upkeep Costs (Rp/Ha)</td><td></td><td></td></tr>
<tr><td></td><td>- IMP – 0</td><td>35,784,580</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- IMP – 1</td><td>11,260,134</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- IMP – 2</td><td>12,447,886</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- IMP – 3</td><td>12,945,259</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- MP – 1</td><td>10,232,698</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- MP - 2 to 3</td><td>9,976,880</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- MP - 4 to 10</td><td>9,484,272</td><td>Rp/Ha</td></tr>
<tr><td></td><td>- MP -11 to 22</td><td>7,943,946</td><td>Rp/Ha</td></tr>
<tr><td>(b)</td><td>Harvesting & Transportation Cost</td><td>217,747</td><td>Rp/Tonne</td></tr>
<tr><td>(c)</td><td>General Charges</td><td>2,000,000</td><td>Rp/Ha</td></tr>
<tr><td>(d)</td><td>Non-plants Investment Cost</td><td>16,641,046</td><td>Rp/Ha</td></tr>
<tr><td>(e)</td><td>Management Fees</td><td>5</td><td>%</td></tr>
<tr><td>(f)</td><td>Replacement Allowance</td><td>454,533</td><td>Rp/Ha</td></tr>
<tr><td>(g)</td><td>Capital Expenditure Cost</td><td>12,731,330</td><td>Rp/Ha</td></tr>
</table>

a. Oil Palm Plants Upkeep Costs
We have adopted Rp7,943,946-Rp12,945,259 per hectare according to the various planting age.

b. Harvesting and Transportation Costs
We have adopted 217,747 per tonne for the harvesting and transportation cost.

c. General Charges
We have adopted Rp2,000,000 per hectare for the general charges.

d. Non-plants Invesment Costs
Adopted the cost stated in the table above.

e. Management Fees
Adopted the cost stated in the table above.

f. Replacement Allowance
Adopted the cost stated in the table above.

g. Capital Expenditure Cost
Adopted the cost stated in the table above.</td></tr>
<tr><td>Cost Increment</td><td>The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).</td></tr>
<tr><td>Discount Rate</td><td>**11.36%,** Discount Rate is same as the plantation valuation.</td></tr>
</table>

Nursery Land Preparation and Land Clearing

Nursery Land preparation is the area that has been cleared for future nursery needs. Land clearing is a process of removing trees, shrubs, and other vegetation from a piece of land. For this nursery land preparation and land clearing we use the depreciated cost method where the basis of Replacement Cost New is using the depreciated cost technique with cost structure and component based on the detail of nursery land preparation and land clearing job and compared to the general nursery land preparation and land clearing job with comparable data/contract in each estate. Adjustment was made to reflect the actual condition based on site inspection and valuer's professional justification as the basis to get the Market Value.

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Non-Plantation Assets Value
Buildings and Site Improvement

The description of the oil palm plantation buildings are as follows:

No	Buildings	Unit
1	Temporary Store Cum Office & Garage	1
2	Weighbridge House	1
3	Weighbridge Foundation	1
4	Fertilizer Store (Prabumulih)	1
5	10 Doors Workers' Barrack (Prabumulih)	1
6	10 Doors Workers' Barrack (Biaro)	1
7	10 Doors Workers' Barrack (Prabumulih)	1
8	4 Doors Workers' Barrack (Prabumulih)	1
9	10 Doors Workers' Barrack (Biaro)	1
10	Workers Qtr Type 6 (Prabumulih)	1
11	Fertilizer Store (Biaro)	1
12	Temporary Workers Qtr G12 (Biaro)	1
13	Workers Qtr Type 6 (Biaro)	1
14	B3 Storage (Prabumulih)	1
15	New Office (Prabumulih)	1
16	Staff Workers G-2 (Prabumulih)	4
17	Staff Workers G-2 (Prabumulih)	4
18	Genset Room (Prabumulih)	1
19	B3 Storage (Biaro)	1
20	Security Post (Biaro)	1
21	Bungalow J'TA (Prabumulih)	1
22	Security Post (2 Biaro, 3 Prabumulih)	5
23	Workers Qtr Type G6 (2 Prabumulih, 1 Ulu Kulit, 1 Mambang)	4
24	Water Torent (Mambang)	1
25	Genset House (Prabumulih & Mambang)	2
26	Waste House (Biaro & Prabumulih)	2
27	Genset House (Sukarame)	1
28	Water Torent (Ulu Kulit)	1
29	Water Torent (Pelita Jaya)	1
30	House of Type G6 (Pelita Jaya, Biaro, Prabumulih)	3
31	Genset House (Pelita Jaya)	1
32	Genset House (Biaro)	1
33	Weighbridge Foundation (Biaro)	1
34	Water Tower 50.000 liter (Prabumulih)	1
35	TA Bungalow (Prabumulih)	1
36	Bungalow (Prabumulih)	5
37	Water Tower (1 Biaro, 2 prabumulih)	3
38	Fertilizer Store (Prabumulih)	1
39	Mini Fertilizer Store (Prabumulih)	1
40	Toxic Waste Store at Mambang	1
41	Water Tank Tower (Biaro)	1
42	Water Tank Tower (Prabumulih)	1
43	Water Tank & Baseat (Prabumulih)	1
44	Parking Shed	1

No	Buildings	Unit
45	Nursery Monitoring House	1
46	Nursery Waterpum House	1
47	Fertilizer Store (Sukarame)	1
48	Surau (Prabumulih)	1
49	Genset House in Biaro	1
50	Workers Qtr Type 6	1
	Total	**73**

Source: PT PPA, 2023

The description of the POM buildings are as follows:

No	Buildings	Unit
1	Kantor Mill	1
2	Main Factory	1
3	Oil Loading Shed	1
4	Oil Despatch House	1
5	Water Treatment Plant	1
6	Chemical Storage	1
7	Workshop	1
8	Canteen	1
9	Security Post	1
10	TA Bungalow	1
11	Jr. TA Bungalow	2
12	G2 Manager	1
13	G2 Assitant Manager	1
14	G2 Staff	5
15	G2 Artisan	8
16	G4 House	8
17	Factory (Machine Foundation)	1
18	Car Park	1
19	Motorcycle Park	1
20	Reservoir Pump Shed	1
21	Raw Pump Intake Shed	1
22	Toilet	8
23	Surau	8
24	FC Bungalow	8
	Total	**64**

Source: PT PPA, 2023.

The site improvement is built to support the oil palm plantation and, consists of road with solidified soil material covered with stone or laterite, bridge with wood construction and concrete tunnel with details as follow:

No	Site Improvement	Total	Unit
1	Main Road (m')	50,251	m'
2	Collection Road (m')	201,438	m'
3	Access Road (m')	55,429	m'
4	Drainage 4x4	123,954	m'
5	Drainage 4x3	13,115	m'
6	Drainage 2x2	125,538	m'

No	Site Improvement	Total	Unit
7	Drainage 2x1	423	m'
8	Drainage 1x1	404,409	m'
9	Log Bridge	491	Unit
10	Box Culvert	85	Unit
11	Round Culvert	11	Unit

Source: PT PPA, 2023.

The site improvement is built to support the POM, consists of road with concrete material, fences and ponds with details as follow:

No	Site Improvement	Total	Unit
1	Pond 1	5,000	m^2
2	Pond 2	5,000	m^2
3	Pond 3	20,000	m^2
4	Pond 4	20,000	m^2
5	Pond 5	20,000	m^2
6	Pond 6	20,000	m^2
7	Pond 7	11,000	m^2
8	Pond 8	11,000	m^2
9	Pond 9	11,000	m^2
10	3m wide road	916	m^2
11	4m wide road	1,056	m^2
12	5m wide road	700	m^2
13	6m wide road	416	m^2
14	8m wide road	267	m^2
15	12m wide road	453	m^2
16	13m wide road	1,325	m^2
17	23.33m wide road	979	m^2
18	Drainase 0.30m	1,433	m'
19	Drainase 0.45m	844	m'
20	Drainase 0.60m	441	m'
21	Water Reservoir	150,000	m^2
22	Fence	1,000	m'

Source: PT PPA, 2023.

The value of buildings and site improvement is obtained by first calculating the Replacement Cost New of buildings and site improvement based on the prices of current components with similar levels of use, then deducting the estimated depreciation caused by physical depreciation, functional obsolescence, and economic obsolescence.

We use the Unit in Place Method, which is a method that is carried out to estimate the Replacement Cost New of a structure by adding up all work costs per unit installed including the cost of plumbing, electrical, and others.

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Description	Parameters
Direct Cost	Material Price and Labor Cost
Indirect Cost	
a. Value Added Tax	11%
b. Interest During Construction (IDC)	6.20%
c. Contractor Profit	10%
d. Building Permit Cost	1.50%
e. Professional Fee	3%

Machinery and Equipment, Heavy Equipment, Fixture and Furniture and Computers

Machinery and equipment, heavy equipment, fixture and furniture and computers are used to support the operation and production activities of the plantation.

The description of the oil palm plantation assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	Generator Set	4
2	Automatic Water Pump	1
3	Diesel Water Pump	5
4	Water Pump	14
5	Diesel Generator	4
6	Air Compressor Supershape	2
7	Fire Extinguishers	5
8	Diesel Pump	6
9	Cahaya Adil Weighting	2
10	Self Cleaning Pump Suctin Screen	3
11	Hydraulic Jack	2
12	Generator Silent	1
13	Weighbridge	2
14	Generator	2
15	Chain Saw STIHL 381/25"	1
16	ST-FT Series 200Ltr Fire Fighting Sprayer	2
17	Fogging Machine	1
18	Mist Duster	1
19	Matari Alternator STC	1
20	Compressor	1
21	Lamp Posts	1
22	Steel Fire Prevention Monitoring Tower	2
23	Shelter for Fuel Tank	1
24	Mist Blower STHIL SR5600	3
	Total A	**67**
B	**Heavy Equipment**	
1	Backhoe Loader	3
2	Tractor	12
3	Diesel Skid Tank	1
4	Mounted Sprayer	1
5	Trapesium Bucket	2
6	Water Tank Trailer	5
7	Boom Sprayer	2
8	Tipping Trailers	7

No	Property	Unit
9	Non Tipping Trailers	1
10	Mining Bucket	2
11	Trailer	2
	Total B	**38**
C	**Fixture & Furniture**	Lot
D	**Computers**	Lot

Source: PT PPA, 2023.

The description of the POM assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	FFB Reception Station	lot
2	Sterilization Station	lot
3	Thresing Station	lot
4	Empty Bunch Treatment Plant	lot
5	Pressing Station	lot
6	Clarification Station	lot
7	Oil Storage and Dispatch Station	lot
8	Depericarping Station	lot
9	Kernel Recovery Station	lot
10	Steam Generation Station	lot
11	Power Generation Station	lot
12	Raw Water Treatment Plant	lot
13	Effluent Treatment Plant	lot
14	Misscellaneous Equipment	lot
15	Piping, Valves, & Insulation	lot
16	Electrical Works	lot
17	Workshop Equipment	lot
18	Laboratory Equipment	lot
B	**Heavy Equipment**	
1	Backhoe Loader	1
2	Wheel Loader	1
3	Tractor	1
4	Tipping Trailers	2
	Total B	**5**
C	**Fixture and Furniture**	Lot
D	**Computers**	Lot

Source: PT PPA, 2023.

The value of machinery and equipment is carried out by calculating the Replacement Cost New for the machinery and their supporting equipment including the costs of installation, shipping, transportation, value added tax and handling of these machinery less depreciation due to physical depreciation, functional obsolescence and economic obsolescence.

The computation of Replacement Cost New for the assets is obtained by applying the **Trending Method** using data sources obtained from contracts for the procurement/purchase of similar machinery and equipment by considering shipping and insurance costs, transportation, Value Added Tax (VAT) and Interest During Construction/IDC (specifically for POM) from these assets.

The value under the Replacement Cost New of machinery and equipment, heavy equipment, fixture and furniture and computers were obtained by applying an index or trend factor to historical costs (Trending Method). Index or trend factor obtained from https://www.bls.gov/ppi/databases/.

The Economic Life and the amount of depreciation used in this valuation are as follows:

Description	Economic Life (Year)	Physical Depreciation (%)	Functional Obsolescence (%)	Economic Obsolescence (%)	Total Depreciation* (%)
Machinery & Equipment (Estate)	8-12	3-90	n/a	n/a	3-90
Machinery & Equipment (POM)	18-22	6-11	n/a	20-40	20-40
Heavy Equipment	8-12	5-88	n/a	n/a	5-88
Fixture & Furniture	8-12	10-88	n/a	n/a	10-88
Computers	3-7	20-88	n/a	n/a	20-88

Source: Marshal Valuation Service.

*) Total depreciation = physical depreciation + ((1-physical depreciation) (Functional Obsolescence+Economic Obsolescence)).

Vehicles

The description of the vehicles of oil palm plantation and POM are as follows:

No	Vehicles	Unit
A	**Estate**	
1	Pick Up	8
2	Jeep	1
3	Minibus	3
4	Motorcycle	12
	Total A	**24**
B	**POM**	
1	Jeep	2
	Total B	**26**

Source: PT PPA, 2023.

The valuation of vehicles is carried out using the Direct Comparison Method.

Conclusion of the Non-Plantation Assets value

The details of the indicative market value of the Non-Plantation Assets are as follow:

No	Description	Unit (Ha)	Indicative Market Value (Rp)	(RM)
A	**Oil Palm Plantation**			
1	Land			
	- Effective Land (planted area)	3,961.71	104,676,000,000	31,402,800
	- Excess Land (unplanted area)	18,503.29	217,050,000,000	65,115,000
2	Nursery Land Preparation	10.25	82,000,000	24,600
3	Land Clearing	1,246.96	12,398,000,000	3,719,400
4	Buildings		22,302,000,000	6,690,600
5	Site Improvement		6,595,000,000	1,978,500
6	Machinery & Equipment		1,799,000,000	539,700
7	Heavy Equipment		4,651,000,000	1,395,300

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No	Description	Unit (Ha)	Indicative Market Value (Rp)	(RM)
8	Vehicles		2,784,000,000	835,200
9	Fixture and Furniture		541,000,000	162,300
10	Computers		122,000,000	36,600
	Sub Total A		**373,000,000,000**	**111,900,000**
B	**Palm Oil Mill**			
1	HGB Land		4,509,000,000	1,352,700
2	Buildings		37,167,000,000	11,150,100
3	Site Improvement		7,019,000,000	2,105,700
4	Machinery and Equipment		131,932,000,000	39,579,600
5	Heavy Equipment		3,148,000,000	944,400
6	Vehicles		552,000,000	165,600
7	Fixture and Furniture		920,000,000	276,000
	Sub Total B		**185,583,000,000**	**55,674,900**
	Total (A+B)		**558,583,000,000**	**167,574,900**

The indicative Market Value of the Non-Plantation Assets as of 17 March 2023 having considered the assumptions and limiting conditions is:

Rp558,583,000,000
(FIVE HUNDRED FIFTY EIGHT BILLION FIVE HUNDRED EIGHTY THREE MILLION RUPIAHS)

Equivalent to

RM167,574,900
(ONE HUNDRED SIXTY SEVEN MILLION FIVE HUNDRED SEVENTY FOUR THOUSAND NINE HUNDRED RINGGIT)

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Valuation Conclusion

Having considered all relevant information and the prevailing market conditions, we are of the opinion that the Market Value (based on valuation of plantation and non-plantation assets) of the Subject Property on 17 March 2023, is:

No	Subject Property	Indicative Market Value (Rp)	(RM)
A	**Plantation Assets**		
A1	**Biological Assets**		
	1) Oil Palm Plantation	526,009,000,000	157,802,700
	Less: Non-Plantation Assets	143,470,000,000	43,041,000
	Total Biological Assets	**382,539,000,000**	**114,761,700**
A2	2) Oil Palm Seeds	2,136,000,000	640,800
	Total Plantation Assets (A1+A2)	**384,675,000,000**	**115,402,500**
B	**Non-Plantation Assets:**		
B1	1) Non-Plantation Assets*	373,000,000,000	111,900,000
B2	2) Palm Oil Mill	185,583,000,000	55,674,900
	Total Non-plantation Assets (B1+B2)	**558,583,000,000**	**167,574,900**
	Market Value of the Subject Property (A+B)**	**943,258,000,000**	**282,977,400**

* Excluding Palm Oil Mill. The non-plantation assets are derived from the Market Value indications of non-plantation assets that directly contribute to plantation activities such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers, which are separately calculated using the Modified Land Residual Technique, Direct Comparison Method and Depreciated Replacement Cost method.

**In view of the lack of market data, we are hence unable to undertake any cross check/supporting method on the computation of the Market Value of the Subject Property.

Rp943,258,000,000

(NINE HUNDRED FORTY THREE BILLION TWO HUNDRED FIFTY EIGHT MILLION RUPIAHS)

Equivalent to

RM282,977,400

(TWO HUNDRED EIGHTY TWO MILLION NINE HUNDRED TWELVE THOUSAND SIX HUNDRED RINGGIT)

For all intents and purposes, this valuation certificate summary should be read in conjunction with our Valuation Report on the Subject Property.

G. PT BUMI SAWIT SUKSES PRATAMA (BSSP)

G.1 IDENTIFICATION OF SUBJECT PROPERTY

Title Particulars and Permits

<u>Oil Palm Plantation</u>

Right to Cultivate (HGU) No. 6 date issued 7th December 2016 expires on 27th September 2051, Rights to Cultivate (HGU) No(s). 7, 8, 9, 10 and 11 date issued 8th December 2016 expires on 27th September 2051, Rights to Cultivate (HGU) No(s). 12, 13, 14, 15, 16, 17, 18, 19, 20, 21 and 22, date issued 16th March 2017 expires on 30th January 2052, Right to Cultivate (HGU) No. 23 date issued 21st March 2017 expires on 2nd March 2052, Rights to Cultivate (HGU) No(s). 24 and 25 date issued 21st April 2017 expires on 13th March 2052, Right to Cultivate (HGU) No. 12 date issued 25th April 2018 expires on 25th April 2053, Location Permit No. 188.45/164/DPK/2009 date issued 27th October 2009 expired on 26th October 2012, Company Notarial Deed No. 33 issued by Notary Alang, S.H dated 12th July 2005 in Jakarta Barat, License of Domicile No. 97/27.1BU/31.74.07.1006/-071.562/e/2017, dated 27th March 2017, Nomor Induk Berusaha No. 9120301131457, dated 15th January 2019, Building Permit No. 188.4/009/KP2T/2014, date issued 12th June 2014 and PKKPR Confirmation Letter No. 570/57/DPMPTSP/2023 issued 28th March 2023.

<u>Palm Oil Mill</u>

Rights to Build (HGB) No(s). 4, 5, and 8 date issued 19th January 2016 expires on 20th January 2036 and Building Permit No. 188.4/009/KP2T/2014, date issued 12th June 2014.

<u>Workers' Quarters Land</u>

Rights to Build (HGB) No(s). 1, 2, 3, 4, 5, 6, 7, 9, 2, 3, 6, 2 and 3 date issued 19th January 2016 expires on 20th January 2036 and Building Permit No. 188.4/009/KP2T/2014, date issued 12th June 2014.

The location permit typically grants the holder with a period of 3 years with a 1-year extension to undertake the plantation activities and fulfil the criteria and conditions imposed on the location permits, which includes the holder acquiring at least 50% of the land within the designated location permit land areas. The location permit was subsequently substituted with the PKKPR in 2021 following the implementation of Article 2 of Minister of Agrarian Affair and Spatial Planning/Head of the National Land Agency ("MoAA") Regulation No. 13/2021 ("PKKPR Regulation").

While the remaining expired Location Permit vide a Confirmation Letter No.570/57/DPMPTSP/2023 from Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu ("Confirmation Letter") that was issued to PT BSSP has confirmed that PKKPR for the same area within the expired location permit will not be granted to any third parties despite expiry of the relevant location permits held by PT BSSP. This statement in the Confirmation Letter further provides a form of security and assurance to PT BSSP that as long as the company takes the necessary steps in applying for the PKKPR, the interest and rights over the expired location permit stays intact to PT BSSP. Also to note that as there is no mentioned time limit or stipulated deadline for holders of expired location permit to apply for PKKPR, PT BSSP is deemed to continue to have valid interest in the land title processing route to obtain the HGU certificate during this interim. Notwithstanding thereof, OHB group had via an undertaking letter declared their intentions to commence applying for the PKKPR to substitute their expired location permits within the next 2 years from the date of the completion of the Proposed Acquisition, whereby the company will gradually undertake the land acquisition activities and submit PKKPR application. Premised thereof and the company having obtained the Confirmation Letter, we are of the view that the risks of the companies of OHB Group not being able to obtain the PKKPR for the uncertificated land is fairly remote and minimal provided that the application documents are in order and fulfil the relevant prevailing requirements.

In view of the above, although the location permits have expired, we are of the view that there is still economic value in relation to such permits and the holders of such permits have rights to retain and affirms its rights towards obtaining the HGU Certificate as expired location permit holders are able to renew the permits to PKKPR.

We also wish to highlight that the company will continue to have certain rights to enter and acquire the lands which have yet to be acquired despite the expiry of the location permits. For information purposes, to-date, all expired location permits (which has been submitted by OHB group) have been required and accepted by the local land authorities for the application of land title certificates, in which the relevant authority has issued the relevant HGU/HGB certificates (despite the expiry of the location permits). The local land authorities have, to-date, been encouraging OHB group to apply for PKKPR (despite the expired location permits). This is evidence by the issuance of PKKPR dated 25 March 2023 to OHB Group's subsidiary, PT Sumatera Sawit Lestari (despite having an expired location permit dated 1 August 2017 with concession period of 1 August 2017 to 1 August 2018.

We also note that the company did not receive any sanctions, fines or warning letters from the regional government and authorities in relation to the expired location permits. The company has also confirmed that the Subject Property has not been repossessed nor is the company aware that the relevant authorities have granted any rights to acquire the Subject Property to any third parties following the expiry of the location permits. Further, based on industry practice and the company's previous experience and dealings with the relevant authorities, the company is able to subsequently apply for HGU/HGB (with the expired location permits being attached as part of the HGU application and accepted by the authority as valid documentation) on the premise that the conditions of the expired location permits for the HGU/HGB application have been met. The Confirmation Letter also states that the local land authority is also committed to prioritize the issuance of HGU certificate subject to the company being a holder of the PKKPR and having submit the HGU application.

In respect of HGU certificates, the HGU may be extended for a maximum period of 25 years and a final extension of another 35 years ("HGU Extension"). Following the expiry of the HGU Extension, the HGU land shall be returned to the state as a State-controlled Land or right-to-manage (hak pengelolaan) land, depending on its initial underlying land. MoAA will only grant HGU Extension on the premise that, amongst others, the holder meets the prevailing requirements under Article 8 of GR No. 18/2021.

We have not made any detailed identification on each and every parcel of the land as stated above. However, based on the location map by PT BSSP, we understand that the Subject Property consists of contiguous parcel lands.

It is pertinent to note that we do not carry out extensive measurements of the Subject Property. However, based on observations of physical boundaries in the field and comparing them with land certificate copies, we assume that the land area used in this valuation is the same with the area stated in the copies of land certificates of the Subject Property.

We do not investigate the past or existing use of the Subject Property or adjacent other property, to later determine whether there is environmental contamination or the potential for environmental contamination. For this reason, we assume there are no problems related to environmental contamination or the potential for environmental contamination in this valuation.

However, should it be established subsequently that contamination or pollution exists at the Subject Property or on any neighboring land, or that the premises have been or are being put to a contaminative use, the values reported might not be applicable and is required to be revalued immediately.

Although we have made legal searches for the land title certificate, we advise that an independent legal advisor should be referred to for this matter. For the purpose of this valuation, we assume that the Subject Property is accompanied by a legally valid land title and is free and clear from all liens and encumbrances, easements, restriction, or limitation.

Type of Property	Oil Palm Plantation, Palm Oil Mill (POM) and Workers' Quarters Land.
Registered Proprietor	PT Bumi Sawit Sukses Pratama.
Title Land Area	Total area of approximately 4,416.23 hectares consisting of 3,913.28 hectares HGU, 35.87 hectares HGB, 210.71 hectares Cadastral, and 256.37 hectares Location Permits. Cadastral is part of the Location Permit, where it is the measurement stage after obtaining the Location Permit and is one of the requirements for HGU Certification.
Date of Valuation	17 March 2023.
Location	PT BSSP's oil palm plantation is located in Bangka Kota, Pangkal Buluh, Malik, Simpang Rimba and Sungai Selan Villages, Simpang Rimba, Payung and Sungai Selan Districts, Bangka Selatan and Bangka Tengah Regencies, Bangka Belitung Islands Province, Indonesia; PT BSSP's POM is located in Malik and Pangkal Buluh Villages, Payung District, Bangka Selatan Regency, Bangka Belitung Islands Province, Indonesia and PT BSSP's Workers' Quarters Land is located in Pangkal Buluh, Malik and Simpang Rimba Villages, Payung and Simpang Rimba Districts, Bangka Selatan Regency, Bangka Belitung Islands Province, Indonesia.
Site Description	The ownership of the Subject Property is based on 21 (twenty-one) Rights to Cultivate (HGU) certificates, 16 (sixteen) Rights to Build (HGB) certificates, Location Permit No. 188.45/164/DPK/2009 and cadastral measurement registered under the name of PT Bumi Sawit Sukses Pratama. Additionally, the ownership rights of other non-plantation assets are also held by PT BSSP.

PT BSSP oil palm plantation has approximately 4,140.19 hectares planted area, consisting of 8 (eight) divisions. The location of the oil palm plantation is generally located at secondary forest and villages areas with plantation. area boundaries as follows:

Borders	PT BSSP
North	Local farmfield
East	Local farmfield
South	Local farmfield
West	Local farmfield

Terrain

Generally, PT BSSP Oil Palm Plantation has variety topography and slope class. The topography is approximately 0-100 meters above sea level (masl). Generally, the dominant slope class is undulating-rolling until hilly with 4-30% slope.

Regional Planning

<u>Oil Palm Plantation</u>

Based on the Rights to Cultivate (HGU) No. 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25 and 12 issued in 7th December 2016, 8th December 2016, 16th March 2017, 21st March 2017, 21st April 2017 and 25th April 2018, as well as the Location Permit No. 188.45/164/DPK/2009, the area is designated for the cultivation of oil palm plantations.

<u>Palm Oil Mill (POM)</u>

Regional planning of POM has not been regulated in detail, so we don't know detailed information regarding Site Coverage (KDB), Floor Ratio (KLB), and height limitation of the POM.

We understand that POM is currently in a location designated as a Palm Oil Mill, for the purposes of this valuation we assume that the property referred to is not against existing regulations because the property has been equipped with a Building Permit (IMB).

<u>Workers' Quarters Land</u>

Regional planning of Workers' Quarters has not been regulated in detail, so we don't know detailed information regarding Site Coverage (KDB), Floor Ratio (KLB), and height limitation of Workers' Quarters Land.

We understand that Workers' Quarters is currently in a location designated as a Workers' Quarters, for the purposes of this valuation we assume that the property referred to is not against existing regulations because the property has been equipped with a Building Permit (IMB).

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Estate Composition and Hectarage Statement

No	Description	Division (Ha) Bangka Kota	Malik	Pangkal Buluh	Simpang Rimba	Malik 2 PAL	Malik 3B	Keming-king	Sungai Selatan	Total (Ha)
I	**Planted Area**									
a	Mature Plants									
	YP 2008	76.17	-	-	19.68	-	276.37	16.00	76.91	465.13
	YP 2009	410.96	262.10	218.00	83.37	-	-	-	-	974.43
	YP 2010	150.97	178.52	303.59	34.29	-	12.12	-	-	679.49
	YP 2011	7.70	44.45	379.36	-	-	17.02	-	47.36	495.89
	YP 2012	180.44	43.90	115.20	-	150.88	-	-	-	490.42
	YP 2013	1.40	4.75	37.22	-	363.41	18.91	-	-	425.69
	YP 2014	12.82	3.99	37.41	0.30	5.50	-	-	-	60.02
	YP 2015	248.41	3.13	4.40	-	70.36	10.53	-	-	336.83
	YP 2016	-	2.52	13.55	-	2.57	1.02	30.16	-	49.82
	YP 2017	-	-	-	-	-	74.02	62.41	-	136.43
	YP 2018	-	-	-	-	-	-	26.04	-	26.04
	Total I	**1,088.87**	**543.36**	**1,108.73**	**137.64**	**592.72**	**409.99**	**134.61**	**124.27**	**4,140.19**
II	**Non-Plantable Area**									
a	Roads & Drainage									221.15
b	Buildings									17.26
c	Quarries									0.82
d	River									0.94
	Total II									**240.17**
	Total (I+II)									**4,380.36**

Source: PT BSSP, 2023.

The composition of age profile of the plant based on area statement is as follows:

No	Composition	Age (Year)	Ha	Percentage
1	Young Mature Plants	4-6	212.29	5.13%
2	Mature Plants	7-18	3,927.90	94.87%
	Total		**4,140.19**	**100.00%**

Source: PT BSSP, 2023.

Historical Yield

No.	Year	Harvesting Area (Ha)	Production (Tonne)	Yield (Tonne/Ha)
1	2018	3,217	79,810	24.81
2	2029	3,479	82,421	23.69
3	2020	3,572	82,006	22.96
4	2021	3,699	86,071	23.27
5	2022	4,140	82,642	19.96

Source: PT BSSP, 2023.

Adopted Yield

Based on the planted area given by PT BSSP, PT BSSP generally recorded an average FFB yield of about 22.94 tonne per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT BSSP is estimated to have a remaining economic life of about 11-21 years. The twenty five (25) year yield projection for PT BSSP takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.

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Historical Cost

Cost of Production	Remarks	2020	2021	2022
Cost of Upkeep & Maintenance	Rp000	32,371,981	34,495,320	56,315,214
Harvesting & Transportation Cost	Rp000	17,174,545	16,268,060	21,998,207
General Charges	Rp000	8,743,838	8,534,554	8,472,038
Total	Rp000	**58,290,364**	**59,297,934**	**86,785,459**

Source: PT BSSP, 2023.

Palm Oil Mill Production

PT BSSP's POM has a processing capacity of 80 tonnes FFB/hour, built in 2015 and commenced operations in 2017. FFB as the main raw material in the mill primarily comes from the FFB supply from nearby plasma plantations (external) and FFB suppliers (external) with the small balance from own crops (internal).

Following illustrates the historical production of PT BSSP POM:

No.	Description	Unit	2018	2019	2020	2021	2022
1.	FFB processed	Tonne	419,783	378,805	323,043	340,398	317,837
2.	CPO production	Tonne	86,272	76,920	65,695	69,496	62,748
3.	Kernel production	Tonne	18,799	17,827	15,651	16,209	14,045
4.	OER (Oil Extraction Rate)	%	20.55	20.31	20.34	20.42	19.74
5.	KER (Kernel Extraction Rate)	%	4.48	4.71	4.84	4.76	4.42
6.	Free Fatty Acid of CPO	%	3.66	3.46	3.27	3.26	3.39

Source: PT BSSP, 2023.

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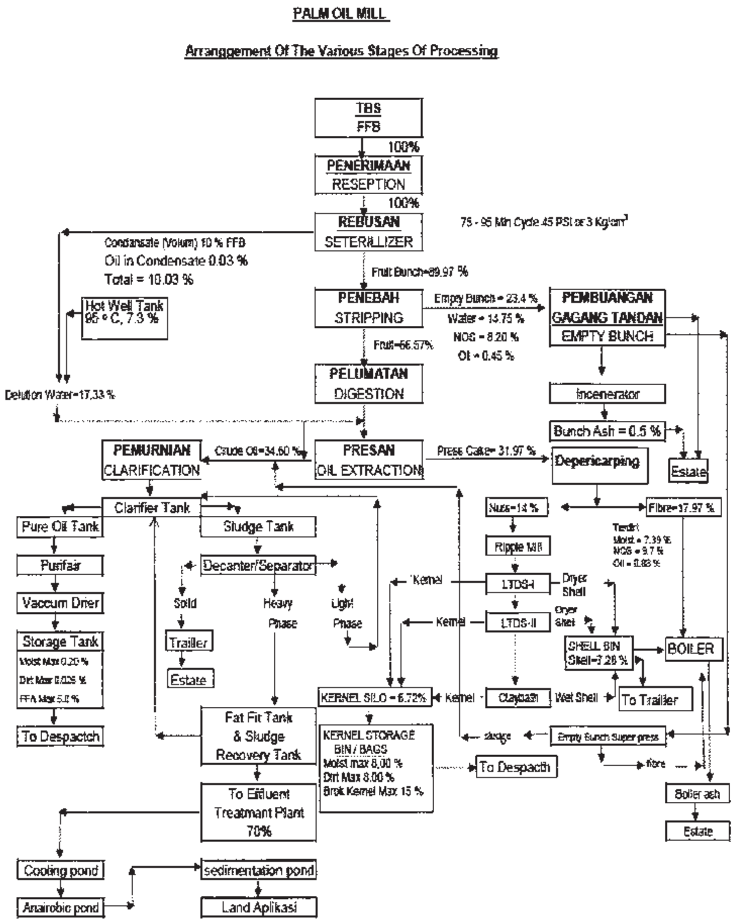
Flow Chart

Following illustrates the flow chart of PT BSSP POM:



Source: PT BSSP, 2023.

The ownership of the plant, machinery and equipment assets is in the form of a list of assets in the Fixed Asset Register. We have carried out inspections and verifications at each processing station (for example, sterilizer station) and sampling of components at these stations (for example sampling at sterilizer station: sterilizer, rail track, conveyor, transfer carriage and others), then assumes the schedule and maintenance actions. If it is known that the process flow from start to finish has no problems, then it is assumed that the machine and equipment are in good condition and operating regularly.

G.2 MARKET VALUE

Valuation Approach & Methodology

In arriving at our opinion of the Market Value of the Subject Property, we have adopted the Market Approach by Direct Comparison Method, Income Approach by Discounted Cash Flow (DCF) Method and Modified Land Residual Technique as well as Cost Approach by Depreciated Replacement Cost (DRC) Method.

<u>Oil Palm Plantation</u>

Valuation Assumptions	
Oil Palm Plantation Cultivation Standards	Oil palm plantations are assumed **to be cultivated sustainably by competent management according to normal cultivation standards**.
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for the next 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonne/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition. Based on the planted area given by PT BSSP, PT BSSP generally recorded an average FFB yield of about 22.94 tonne per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT BSSP is estimated to have a remaining economic life of about 11-21 years.
FFB Price Assumptions	FFB price is projected based on market price analysis with the assumption of Rp2,251,189/tonne in the first year, Rp2,133,223/tonne in the second year, Rp2,139,897/tonne in the third year, Rp2,146,553/tonne in the fourth year, Rp2,153,188/tonne in the fifth year onwards is projected to be constant.

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Valuation Assumptions

Costs Assumptions

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	26,165,781	Rp/Ha
	- IMP – 1	13,775,199	Rp/Ha
	- IMP – 2	12,805,387	Rp/Ha
	- IMP – 3	11,584,770	Rp/Ha
	- MP – 1	12,393,924	Rp/Ha
	- MP – 2 to 3	12,084,076	Rp/Ha
	- MP – 4 to 10	11,487,425	Rp/Ha
	- MP -11 to 22	9,621,770	Rp/Ha
(b)	Harvesting & Transportation Cost	232,804	Rp/Tonne
(c)	General Charges	3,750,000	Rp/Ha
(d)	Management Fees	5	%
(e)	Replacement Allowance	413,447	Rp/Ha
(f)	Capital Expenditure Cost	1,518,080	Rp/Ha

a. Oil Palm Plants Upkeep Costs
The calculation of the cost uses the standards and norms that apply in the plantation and also considers the generally accepted standards in the market with some adjustments. The historical upkeep cost of PT BSSP in 2020 to 2022, around Rp8,342,000 – Rp13,603,000 per hectare according to the various planting age. We have adopted Rp9,621,770-Rp13,775,199 per hectare according to the various planting age.

b. Harvesting and Transportation Costs
These costs consider the historical costs of the actual harvest and transportation costs to the POM. The historical harvesting cost of PT BSSP in 2020 to 2022, around Rp175,000 – Rp238,000 per tonne for the harvesting and transportation cost. We have adopted 232,804 per tonne for the harvesting and transportation cost.

c. General Charges
General charges are adjusted to the standard of plantation area and actual historical costs. The historical general charges of PT BSSP in 2020 to 2022, around Rp2,046,000 – Rp2,364,000 per hectare for the general charges. We have adopted Rp3,750,000 per hectare for the general charges.

d. Management Fees
Management fees costs are under the cost structure for nucleus plantations and other costs that can't be included in the components of the costs above.

e. Replacement Allowance
Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture and computers.

f. Capital Expenditure Cost
Capital Expenditure Cost is used for predicting the document legal cost to get the HGU (Right to Cultivate). The unit price for the capex is estimated with HGU land price per hectares minus the current land price, so the remaining is for capex cost to obtain HGU.

The rates adopted in our DCF for oil palm plants upkeep cost, harvesting and transportation cost and general charges are benchmarked against market derived data of similar plantations.

Replacement Allowance	Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture and computers.

Valuation Assumptions	
Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Residual Value of Land and Non-Plantation Assets	The residual value of the land and other facilities is calculated as income at the end of the DCF period with the assumption that the land rights can be extended for further tenure of 35 years.
Discount Rate	**11.36%** The discount rate is determined using the Band of Investment method, namely WACC (Weighted Average Cost of Capital), using the following formula: **Discount Rate = (ke x We) + (kd x Wd)** whereas: ke Cost of equity kd Cost of debt We Percentage of equity financing Wd Percentage of debt financing Cost of equity is calculated using the Capital Asset Pricing Model (CAPM), using the following formula: **Ke = Rf + (β x RPm)-RBDS + α** whereas: ke Expected rate of return R_f Risk free rate β Beta RP_m Equity risk premium RBDS Rating Based Default Spread α Other risks

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The assumption used in calculating the discount rate is as follows:

Description	Assumption	Source	Remarks
Cost of Equity			
R_f	7.11%	IBPA	Yield of Long Term Indonesia Government Bond (30 years) in Rupiah Currency
B	1.00	-	Assuming the plantation in normal condition.
Alpha	2.00%		Other risks.
RP_m	9.23%	Damodaran	Indonesia Market Risk Premium.
RBDS*	2.33%	Damodaran	Rating Based Default Spread.
k_{e^*}	**16.01%**		
Cost of Debt			
k_d	8.86%	Bank of Indonesia	Average interest rate for commercial bank loans.
Equity Portion	35.00%	Market	The average equity and debt portion in property investment in Indonesia.
Debt Portion	65.00%		
Discount Rate	**11.36%**		

***) Adjusted ke = Rf + (β x RPm)-RBDS+ α**

RBDS or Rating Based Default Spread is an additional risk that arises due to differences in the rating of a country's debt to the country with the highest debt rating, which is AAA. In this case, the Indonesia RBDS intended for the calculation of the discount rate is an additional risk arising from the lower Indonesia's debt rating. Risk-free interest and risk premium bear the country risk. To avoid double counting in country's risk, we have deducted the RBDS from cost of equity.

Biological Assets

Biological Assets consists of oil palm plants. To obtain the assets value of the biological assets, the value of the oil palm plantation is deducted by the indicative market value of non-plantation assets (such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixtures and furniture and computers), the computation of which is set out below:

Description	Indicative Market Value (Rp)	(RM)
Oil palm plantation	**714,337,000,000**	**214,301,100**
Less: Non-Plantation Assets*:		
- Effective Land	125,256,000,000	37,576,800
- Buildings	38,354,000,000	11,506,200
- Site Improvement	9,773,000,000	2,931,900
- Machinery and Equipment	861,000,000	258,300
- Heavy equipment	4,281,000,000	1,284,300
- Vehicles	3,451,000,000	1,035,300
- Fixture and Furniture	607,000,000	182,100
- Computers	88,000,000	26,400
Total Non-plantation assets*	**(182,671,000,000)**	**(54,801,300)**
Total Biological Assets	**531,666,000,000**	**159,499,800**

*Note : To derived the oil palm plant value, the oil palm plantation value will be deducted against the non-plantation assets. The non-plantation assets will be apportioned accordingly if necessary, whereby the non-plantation assets value is calculated by using the Depreciated Replacement Cost Method, Direct Comparison Method, and Modified Land Residual Technique. This is to facilitate and obtain the residual value of the plantation in the form of plant value (i.e biological asset value).

Excess Land Value

The land value is obtained using the Modified Land Residual Technique based on the premise that vacant land will be developed into plantations.

In arriving at the Market Value, we have made a professional judgment for the coefficient as the parcels of land in the plantation estates are in various stages of HGU Certificate application (such as location permit, land compensation and cadastral measurement), all of which are held under various legal documents. The HGU is the highest rights for land documents, and hence, we have adopted the coefficient of 1.0, while the other land statuses are lower than the HGU, and hence, we have adopted a lower coefficient. We wish to inform that this is a normal industry practice in Indonesia since there is no comparison data available in the market.

No	Land Status	Coefficient
1	HGU	1
2	Cadastral	0.95 - 0.98
3	Location Permit / PKKPR + Land Compensation	0.75 - 0.97
4	Location Permit / PKPPR	0.25 - 0.40

Justification of coefficients based on land status are as follows:

1. HGU (Right of Cultivation), the adjustment coefficient is 1, which is the highest land ownership status of a plantation.
2. Cadastral, the adjustment coefficient is 0.95-0.98, where at this stage, cadastral mapping is conducted to determine the boundaries of the plantation location, so the area may differ from its Location Permit. The coefficient range differs due to land characteristics, compensation for land acquisition costs, and adjustments from valuer.
3. Location Permit + Land Compensation, the adjustment coefficient is 0.75-0.97, where the land's legal document is still in the form of a location permit, but land acquisition compensation and plantation activities have been generally carried out. The coefficient range differs due to differences in land acquisition costs depending on the region or location of the plantation. Other factors include land characteristics and adjustments from valuer.
4. Location Permit, the adjustment coefficient is 0.25-0.40, where the land document has not yet undergone land acquisition activities and general plantation activities. The land conditions are still not extensively occupied. The coefficient difference is also due to land conditions, status of the Location Permits (registered as *Kesesuaian Kegiatan Pemanfaatan Ruang* (KKPR) and adjustments from valuer.

The Excess Land (unplanted area) in PT BSSP consists of Rights to Cultivate (HGU), Cadastral and Location Permit so the coefficient HGU is 1.00, Cadastral 0.95 and Location Permit is about 0.75.

To determine the value of land can be done as follows:

Valuation Assumptions Effective Land and Excess Land	
Plants Effective Area	Determination of the plantable area that can be planted from the total concession with assumption that 10%-15% is deducted for infrastructure.
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for 22 years of projection.

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Valuation Assumptions Effective Land and Excess Land	
DCF FFB Production Assumptions	Assumption of FFB production based on S3 land class standard (Marginally Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S3 land class is 5-25 tonnes/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.
FFB Price Assumptions	Same as FFB price in the oil palm plantation valuation.
Costs Assumptions	The costs that are used as assumptions are based on the calculation of the standards and norms that apply in the plantation and take into account the generally accepted standards.

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	26,165,781	Rp/Ha
	- IMP – 1	13,775,199	Rp/Ha
	- IMP – 2	12,805,387	Rp/Ha
	- IMP – 3	11,584,770	Rp/Ha
	- MP – 1	12,393,924	Rp/Ha
	- MP – 2 to 3	12,084,076	Rp/Ha
	- MP – 4 to 10	11,487,425	Rp/Ha
	- MP -11 to 22	9,621,770	Rp/Ha
(b)	Harvesting & Transportation Cost	232,804	Rp/Tonne
(c)	General Charges	3,750,000	Rp/Ha
(d)	Management Fees	5	%
(e)	Replacement Allowance	389,751	Rp/Ha
(f)	Capital Expenditure Cost	7,365,314	Rp/Ha

a. Oil Palm Plants Upkeep Costs
We have adopted Rp9,621,770-Rp13,775,199 per hectare according to the various planting age.

b. Harvesting and Transportation Costs
We have adopted 232,804 per tonne for the harvesting and transportation cost.

c. General Charges
We have adopted Rp3,750,000 per hectare for the general charges.

d. Non-plants Invesment Costs
Adopted the cost stated in the table above.

e. Management Fees
Adopted the cost stated in the table above.

f. Replacement Allowance
Adopted the cost stated in the table above.

g. Capital Expenditure Cost
Adopted the cost stated in the table above.

The rates adopted in our DCF for oil palm plants upkeep cost, harvesting and transportation cost and general charges are benchmarked against market derived data of similar plantations.

Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Discount Rate	**11.36%,** Discount Rate is same as the plantation valuation

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HGB Land

Direct Comparison Technique for land valuation involves a direct comparison of valued property with similar plot of land where actual data for the last market transaction available. Although transaction data is very important, the analysis of supply and offered price for similar parcel of lands as property competitor could provide a better understanding on the market.

Non-Plantation Assets Value

Buildings and Site Improvement

The description of the oil palm plantation buildings are as follows:

No	Buildings	Unit
1	Main Office Building. Malik Division	1
2	Office Building TIAL Division-Sg Selan	1
3	Buildings PT TIAL and PT PAL	1
4	Long House	1
5	Longhouse-Pangkalbuluh Office	1
6	Block Longhouse (1 office&5 workers' 131trs.).TIAL-Malik2	1
7	General Store/fertilizer Building.TIAL Division-Sg Selan	1
8	Fertilizer store in Desa Sp.Rimba	1
9	Store No. 2	1
10	Store No.3-2010	1
11	Store No:2	1
12	Store (Fertilizers, Chemicals, Lubricants, General & Waste)	1
13	Main Store. Malik Div	1
14	Workshop-2010	1
15	Workshop. Malik Div	1
16	Garage & Workshop in Desa Sp.Rimba	1
17	Garage (Tractors & Lorries). TTIAL Division-Malik 2	1
18	Genset House	1
19	Genset House 2	1
20	Genset Room c/w Diesel Tank. Tial division.Malik 2	1
21	Generator Set Cum Transformer Building c/w 500L Diesel Tank. Malik Div	1
22	Rumah Genset 3x3m. Kemingking Baru	1
23	Vehicle & Motorcycle ParkingGarage	1
24	Vehicle Parking Garage-2010	1
25	Tractor Garage-2011	1
26	Tractor Garage-2011	1
27	Parking Bay (tractor/trailers/lorries). Malik Division	1
28	Vehicle Parking Shed. Malik Div	1
29	Workshop Toilet	1
30	Security Guard Post at Main Office	1
31	Security Post-2010	1
32	Security Guard Post, Motorcycle Parking Shed, Perimeter Chainlink Fence	1
33	Security Guardhouse. Malik Div	1
34	Diesoline Tank – 12,000 Ltrsat Main Office-Pangkal Buluh	1
35	Water Tank Tower c/w Tube Well including Sub Store	1
36	Water Tank Tower Kapasitas 2,000 ltr including Vehicle Parking	1
37	Water Tank Tower c/w Tube Well-Compleks Barrack	1
38	Water Tank Tower c/w 30K ltr water tank. Divisi Barrack PB	1
39	Water tank 10K ltrs c/w concrete tower. TIAL division-Malik2	1
40	Water tank 5k Ltr c/w elevated tower.TIAL division-Sg Selan	1
41	Water tank 30 Ltr c/w concrete tower.Malik division	1
42	Elevated Water Tank c/w Submersible Pump. Nursery-PB div	1
43	Waste Disposal	1

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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No	Buildings	Unit
44	Waste Disposal	1
45	Mosque-2011	1
46	Poliklinik	1
47	Musholla. Malik Div	1
48	Block Shophouse for Estate Co-operative	1
49	Creche Building. Malik Div Workers Quarters	1
50	Creche Building. Malik Div Workers Quarters	1
51	Tube Well. Divisi Barrack	1
52	Senior TA Bungalow	1
53	Manager's Bungalow. No. M1	1
54	Block Kopel Manager Hse 1. No.M2 & M3	1
55	Block Kopel Manager Hse 2. No.M4 & M5	1
56	Manager Bungalow. Malik Div	1
57	Unit Executive House A 2011. No.E3 & E4	1
58	Unit Executive House B 2011. No.E5 & E6	1
59	Block Executive Staff House-2010. No E1 & E2	1
60	Block Subordinate Staff-2010.No.H1 &H2	1
61	Executive Staff House. Malik Div	1
62	Staff Qtrs Nos.1 to 4	2
63	Block Staff House-2011. No.H7 & H8	1
64	Block Staff House – 2011. No.H3 to H6	2
65	Blocks2 units Staff House. Malik Div	3
66	Block Workers' Barrack B-6 Doors	1
67	Block Workers' Barrack B-6 Doors	3
68	Block Workers' Qtrs-Type B-6 units. Pangkal Buluh	1
69	Block Workers' Qtrs-Type B-6 units. Pangkal Buluh	1
70	Workers' Qtrs G.3-Type B	1
71	Workers' Quarters (6unitsx2rooms). TIAL division-Sg Selan	1
72	Blocks Workers' Qtrs.Malik division	6
73	Blocks Workers' Quarters. Malik Div	4
74	Blocks Artisan Quarters (Semi-D). Malik Div	4
75	Block 6-RoomsTemporary Workers' Quarters. Kemingking Baru	1
76	Block 4-Rooms Permanent Workers' Quarters. PB Div. OP Nursery	4
77	Blocks x 4 Rooms Permanent Workers' Quarters. Simpang Rimba div	2
78	Workers' Barrack No.2 in DesaSp.imba	1
79	Block Permanent Barrack TypeA-2010. No. B1 to B6	1
80	Block Pos Security	1
	Total	**101**

Source: PT BSSP, 2023.

The description of the POM buildings are as follows:

No	Buildings	Unit
1	Main Office	1
2	Sterilizer Station	1
3	Power House Station, Boiler & Clarification	1
4	Thresser, Phresser & Kernel Station	1
5	Empty Bunch & Depericarping Station	1
6	Security Post	1
7	WTP House	1
8	Lubricant and Oil Store	1
9	Waste Store	1
10	FFB Grading Post	1
11	Toilet	1
12	Incenerator	2
13	Kernel Store	1

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No	Buildings	Unit
14	Workshop & Store	1
15	Carwash	1
16	Oil CPO Despatch	1
17	Oil CPO Despatch Pump House	1
18	Canteen	1
19	Mosque (housing complex)	1
20	Motorcycle Parking	1
21	Car Parking	1
22	Heavy Equipment Parking	1
23	Manager Bungalow	1
24	Assistant Bungalow	2
25	FC Bungalow	1
26	TA Bungalow	1
27	Semi D Staff Quarter	5
28	Semi D Artisan Quarter	10
29	Semi D Workers' Quarter	16
30	Machinery Foundation	1
31	CPO Tank Foundation	6
32	PLN Substation	1
	Total	**67**

Source: PT BSSP, 2023.

The site improvements are built to support the oil palm plantation, consists of road with solidified soil material covered with stone or laterite and bridge with wood construction with details as follows:

No	Site Improvement	Total	Unit
1	Main Road	45,350	m'
2	Collection Road	138,450	m'
3	Transport Road	30,200	m'
4	Concrete Motorcycle pathway. Malik Div	600	sqm
5	Road to connect Tial Div to Palmindo Div over wetlands(410mx20m)	8,200	m'
6	Permanent Bridge Blok D/E 32	1	unit
7	Permanent Bridge.Blok C/D 32	1	unit
8	Jembatan Baja Divisi Malik/	1	unit
9	Jembatan Baja Divisi Malik/	1	unit
10	Jembatan Baja Divisi Malik/ J	1	unit
11	Plat Deker Divisi Malik/ Plat Deker size 8Mx5M. Malik 3 Div	1	unit
12	Vehicle Washing Bay	1	unit
13	Vehicle Washing Bay	1	unit
14	Fence-Boundry Building Complex	844	m'
15	Tangki Solar/ Elevated Diesel Tank w container c/w chainlink fence Malik Div	30	m'
16	Gorong-gorong/ Round Culvert	194	unit

Source: PT BSSP, 2023.

The site improvement is built for supporting the POM, consists of road with concrete material, fences and ponds with details as follow:

No	Site Improvement	Total	Unit
1	Surrounding Road (Concrete)	12,035	m^2
2	Apron Loading Ramp	2,601	m^2
3	Surrounding Fence	1,107	m
4	Retaining Wall	1,728	m^2
5	Water Pond 1	29,384	m^2
6	Water Pond 2	27,964	m^2
7	Cooling Pond 1 & 2	1,600	m^2
8	Anaerobic Pond 1 - 5	15,600	m^2
9	Aerobic Pond 1 & 2	3,200	m^2

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No	Site Improvement	Total	Unit
10	Sedimental Pond	4,000	m^2

Source: PT BSSP, 2023.

The value of buildings and site improvement is obtained by first calculating the Replacement Cost New of buildings and site improvement based on the prices of current components with similar levels of use, then deducting the estimated depreciation caused by physical depreciation, functional obsolescence, and economic obsolescence.

We use the Unit in Place Method, which is a method that is carried out to estimate the Replacement Cost New of a structure by adding up all work costs per unit installed including the cost of plumbing, electrical, and others.

Description	Parameters
Direct Cost	Material Price and Labour Cost
Indirect Cost	
a. Value Added Tax	11%
b. Interest During Construction (IDC)	6.20%
c. Contractor Profit	10%
d. Building Permit Cost	1.50%
e. Professional Fee	3%

Machinery and Equipment, Heavy Equipment, Fixture and Furniture and Computers

Machinery and equipment, heavy equipment, fixture and furniture and computers are used to support the operation and production activities of the plantation.

The description of the oil palm plantation assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	GPS	1
2	Generator Set	5
3	Diesel Tank	4
4	Tower & Diesel Tank	2
5	Box Panel Generator Set	1
6	Workshop Tools	9
7	Air Compressor	3
8	Welding Machine	1
9	Floor Jack	1
10	Iron Table	1
11	Workshop Rack	1
12	Fire Extinguisher	15
13	Water Pump	8
14	Alumunium Ladder	1
15	Chain Box	1
16	Hand Bor Machine	1
17	Sigmat	1
18	Jack Stand	1
19	Trafo Las	3
20	Panel Box	1

No	Property	Unit
21	Gerinda Machine	2
22	Howard Bucket	1
23	Sumur Bor	1
24	Diesel Engine	1
25	Chain Block	1
26	Battery Charger	1
27	Dongkrak Buaya	1
28	Spreader	2
29	Rotarry Slasher	1
30	Mounted Grader	1
31	Road Roller	1
32	Water Tank	1
33	Electrical Equipment	40
	Total A	**115**
B	**Heavy Equipment**	
1	Backhoe Loader	1
2	Tractor	18
3	Water Tank Trailer	4
4	Trailer	26
5	Water Tank	11
	Total B	**60**
C	**Fixture and Furniture**	Lot
D	**Computers**	Lot

Source: PT BSSP, 2023.

The description of the POM assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	Fruit Reception Station	lot
2	Sterilizer Station	lot
3	Threshing Station	lot
4	EFB Pressing Station	lot
5	Pressing Station	lot
6	Clarification Station	lot
7	Oil Storage Station	lot
8	Depericarper Station	lot
9	Kernel Recovery Station	lot
10	Boiler Station	lot
11	Engine Room Station	lot
12	Water Treatment Plant	lot
13	Oil Recovery System & Effluent Plant	lot
14	Fire Fighting Equipment & Piping	lot
B	**Heavy Equipment**	
1	Wheel Loader	2
2	Backhoe Loader	1
3	Tractor	1
	Total B	**4**
C	**Fixture and Furniture**	**Lot**
D	**Computers**	**Lot**

Source: PT BSSP, 2023.

The value of machinery and equipment, heavy equipment, fixture and furniture and computers, is carried out by calculating the Replacement Cost New including installation, shipping, transportation, value-added, and handling taxes of these assets less depreciation due to physical obsolescence depreciation, functional obsolescence and external economic obsolescence.

For the computation of Replacement Cost New for machinery and equipment, it is obtained by applying the Trending Method using data sources obtained from contracts for procurement/purchase of similar machinery and equipment by considering shipping and insurance costs, transportation, Value Added Tax (VAT) from these machinery and equipment.

The value under the Replacement Cost New of machinery and equipment, heavy equipment, fixture and furniture and computers were obtained by applying an index or trend factor to historical costs (Trending Method). Index or trend factor obtained from **https://www.bls.gov/ppi/databases/.**

The Economic Life and the amount of depreciation used in this valuation are as follows:

Description	Economic Life (Year)	Physical Depreciation (%)	Functional Obsolescence (%)	Economic Obsolescence (%)	Total Depreciation* (%)
Machinery & Equipment (Estate)	8-12	3-90	n/a	n/a	3-90
Machinery & Equipment (POM)	18-22	6-75	n/a	20-40	20-40
Fixture & Furniture	8-12	10-88	n/a	n/a	10-88
Computers	3-7	20-88	n/a	n/a	20-88
Heavy Equipment	8-12	5-88	n/a	n/a	5-88

Source: Marshal Valuation Service.

*) Total depreciation = physical depreciation + ((1-physical depreciation) (Functional Obsolescence+Economic Obsolescence)).

Vehicles

The description of the vehicles of oil palm plantation and POM are as follows:

No	Vehicles	Unit
A	**Estate**	
1	Dump Truck	6
2	Pick Up	6
3	Jeep	2
4	Minibus	4
5	Motorcycle	1
	Total A	**19**
B	**POM**	
1	Dump Truck	1
2	Pick Up	2
3	Jeep	1
4	Microbus	1
5	Minibus	2
6	School Bus	1
	Total B	**8**

Source: PT BSSP, 2023.

The valuation of vehicles is carried out using the Direct Comparison Method.

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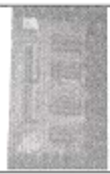
Workers' Quarters Land

Market Approach with Comparable Listing Method.

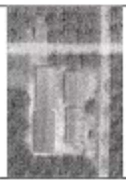
We have used Market Approach with Comparable Listing Method by using the following procedures:

- We have assumed the market price of land based on price information on supply and demand transactions for similar properties around the location.
- Obtained the estimated market price of land, which is added by the following expenses with the assumption for the necessary adjustment as follows:
  - Splitting land certificate fee for total land area;
  - Land clearing and levelling cost for land are a built.

Malik Area

	Subject Property		
Location	Malik Village, Payung District, Bangka Selatan Regency		
Photograph			
Land Area (sqm)	4,420	6,710	24,690
Site Coverage 50% for total land area (Effective Land Area)	2,210	3,355	12,345
Estimated Land Area Built For Effective Land Area Built (%)	±30%	±30%	±30%
Land Area Built (sqm)	±663	±1,007	±3,704
The estimated land price (Rp/sqm)	**1,500**	**1,500**	**1,500**
Splitting certificate fee (Rp/sqm)	**3,952.43**	**2,865.27**	**1,337.18**
Land Clearing Cost (Rp/sqm) – Effective Land Area	**5,053.15**	**5,053.15**	**5,053.15**
Market Value	Based on analysis, the parameters such as market price, splitting cost of land certificate, land clearing and levelling cost, are the main parameters influencing the indicative value of the Workers' Quarters Land. The value opinion of the Workers' Quarters Land is **Rp150,000,000 (RM45,000)** or **Rp4,188/sqm (RM1.25/sqm)**.		

Simpang Rimba Area

	Subject Property	
Location	Simpang Rimba Village, Simpang Rimba District, Bangka Selatan Regency	
Photograph		
Land Area (sqm)	2,120	15,600
Site Coverage 50% for total land area (Effective Land Area)	1,060	7,800
Estimated Land Area Built For Effective Land Area Built (%)	±30%	±20%
Land Area Built (sqm)	±318	±1,560

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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	Subject Property	
The estimated land price (Rp/sqm)	1,500	1,500
Splitting certificate fee (Rp/sqm)	7,408.41	1,669.47
Land Clearing Cost (Rp/sqm) – Effective Land Area	5,053.15	5,053.15
Market Value	Based on analysis, the parameters such as market price, splitting cost of land certificate, land clearing and levelling cost are the main parameters influencing the indicative value of the Workers' Quarters Land. The value opinion of the Workers' Quarters Land is **Rp77,000,000 (RM23,100)** or **Rp4,345/sqm (RM1.30/sqm)**.	

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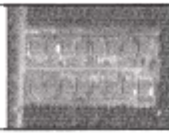
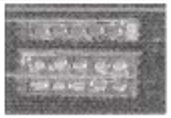
VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

Pangkal Buluh Area

	Subject Property							
Location	Pangkal Buluh Village, Payung District, Bangka Selatan Regency							
Photograph								
Land Area (sqm)	11,560	17,050	13,059	506	3,470	2,000	5,580	30,060
Site Coverage 50% for total land area (Effective Land Area)	5,780	8,525	6,529.5	253	1,735	1,000	2,790	15,030
Estimated Land Area Built For Effective Land Area Built (%)	±20%	±20%	±20%	±40%	±20%	±20%	±20%	±20%
Land Area Built (sqm)	±1,156	±1,705	±1,305.9	±101.2	±347	±200	±558	±3,006
The estimated land price (Rp/sqm)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Splitting certificate fee (Rp/sqm)	1,984.90	1,592.71	1,845.09	28,592.99	4,824.54	7,806.91	3,290.20	1,235.30
Land Clearing Cost (Rp/sqm) – Effective Land Area	5,053.15	5,053.15	5,053.15	5,053.15	5,053.15	5,053.15	5,053.15	5,053.15
Market Value	Based on analysis, the parameters such as market price, splitting cost of land certificate, and land clearing cost are the main parameters influencing the indicative value of the Workers' Quarters Land. The value opinion of the Workers' Quarters Land is **Rp344,000,000 (RM103,200)** or **Rp4,130-/sqm (RM1.24/sqm)**.							

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No	Description	Area		Indicative Market Value	
		(sqm)	(hectares)	(Rp)	(RM)
	Workers' Quarters Land				
1	Pangkal Buluh Area	83,285	8.33	344,000,000	103,200
2	Malik Area	35,820	3.58	150,000,000	45,000
3	Simpang Rimba Area	17,720	1.77	77,000,000	23,100
	Total	**136,825**	**13.68**	**571,000,000**	**171,300**

Conclusion of the Non-Plantation Assets value

The details of the indicative market value of the Non-Plantation Assets are as follow:

No	Description	Unit (Ha)	Indicative Market Value	
			(Rp)	(RM)
A	**Oil Palm Plantation**			
1	Land			
	- Effective Land (planted area)	4,140.19	125,256,000,000	37,576,800
	- Excess Land (unplanted area)	240.17	5,469,000,000	1,640,700
2	Buildings		38,354,000,000	11,506,200
3	Site Improvement		9,773,000,000	2,931,900
4	Machinery and Equipment		861,000,000	258,300
5	Heavy Equipment		4,281,000,000	1,284,300
6	Vehicles		3,451,000,000	1,035,300
7	Fixture and Furniture		607,000,000	182,100
8	Computers		88,000,000	26,400
	Sub Total A		**188,140,000,000**	**56,442,000**
B	**Palm Oil Mill**			
1	Land (sqm)	221,920	1,184,000,000	355,200
2	Buildings		32,963,000,000	9,888,900
3	Site Improvement		11,606,000,000	3,481,800
4	Machinery and Equipment		84,028,000,000	25,208,400
5	Heavy Equipment		2,747,000,000	824,100
6	Vehicles		1,808,000,000	542,400
7	Fixture and Furniture		432,000,000	129,600
8	Computers		145,000,000	43,500
	Sub Total B		**134,913,000,000**	**40,473,900**
C	**Workers' Quarters Land**		571,000,000	171,300
	Total (A+B+C)		**323,624,000,000**	**97,087,200**

The indicative Market Value of the Non-Plantation Assets as of 17 March 2023 having considered the assumptions and limiting conditions is:

Rp323,624,000,000
(THREE HUNDRED TWENTY THREE BILLION SIX HUNDRED TWENTY FOUR MILLION RUPIAH)

Equivalent to

RM97,087,200
(NINETY SEVEN MILLION EIGHTY SEVEN THOUSAND TWO HUNDRED RINGGIT)

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Valuation Conclusion

Having considered all relevant information and the prevailing market conditions, we are of the opinion that the Market Value (based on valuation of plantation and non-plantation assets) of the Subject Property on 17 March 2023, is:

No	Description	Indicative Market Value (Rp)	Indicative Market Value (RM)
A	**Plantation Assets:**		
	Biological Assets		
	Oil Palm Plantation	714,337,000,000	214,301,100
	Less: Non-Plantation Assets*	(182,671,000,000)	(54,801,300)
	Total Plantation Assets (A)	**531,666,000,000**	**159,499,800**
B	**Non-Plantation Assets:**		
B1	Non-Plantation Assets*	188,140,000,000	56,442,000
B2	Palm Oil Mill (POM)	134,913,000,000	40,473,900
B3	Workers' Quarters Land	571,000,000	171,300
	Total Non-Plantation Assets (B1+B2+B3)	**323,624,000,000**	**97,087,200**
	Market Value of the Subject Property (A+B)**	**855,290,000,000**	**256,587,000**

* Excluding Palm Oil Mill. The non-plantation assets are derived from the Market Value indications of non-plantation assets that directly contribute to plantation activities such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers, which are separately calculated using the Modified Land Residual Technique, Direct Comparison Method and Depreciated Replacement Cost method.

**In view of the lack of market data, we are hence unable to undertake any cross check/supporting method on the computation of the Market Value of the Subject Property.

Rp855,290,000,000
(EIGHT HUNDRED FIFTY FIVE BILLION TWO HUNDRED NINETY MILLION RUPIAHS)

Equivalent to

RM256,587,000
(TWO HUNDRED FIFTY SIX MILLION FIVE HUNDRED EIGHTY SEVEN THOUSAND RINGGIT)

For all intents and purposes, this valuation certificate summary should be read in conjunction with our Valuation Report on the Subject Property.

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H. PT GUNUNG MARAS LESTARI (GML)

H.1 IDENTIFICATION OF SUBJECT PROPERTY

Title Particulars and Permits

Oil Palm Plantation

Rights to Cultivate (HGU) No(s). 02/Bangka and 03/Bangka date issued 6th November 1998 and expires on 6th November 2028; Rights to Cultivate (HGU) No(s). 39 to 51 (inclusive) date issued 30th March 2016 and expires on 30th March 2051, and Rights to Cultivate (HGU) No(s). 57 to 62 (inclusive) date issued 9th May 2016 and expires on 9th May 2051, Company Notarial Deed date issued 15th February 1994, Tax Number No. 01.627.855.8-058.000, *Izin Usaha Industri* No. 201912-2323-2631-3471-063, date issued 14th September 2000, *Izin Usaha Perkebunan* No. 201912-2323-2631-3209-511, date issued 26th August 2014 and *Nomor Induk Berusaha* No. 9120104172318, date issued 21st January 2019.

POM

Rights to Cultivate (HGU) No. 03/Bangka date issued 6th November 1998 and expires on 6th November 2028, *Izin Usaha Industri* No. 201912-2323-2631-3471-063, date issued 14th September 2000 and *Izin Mendirikan Bangunan* SK. 648/01/III/1997 dated 10th January 1998.

Tank Farm

Rights to Build (HGB) No(s). 78, 79, and 80 date issued 19th July 2017 and expires on 18th July 2047; Right to Build (HGB) No. 00116 date issued 27th January 2021 and expires on 21st January 2041; Rights to Build (HGB) No(s). 00142 and 00140 date issued 14th February 2023 and expires on 19th January 2043 and Business Licensed No. Project 202009-0408-5009-9328-937 dated on 24th January 2019

In respect of HGU certificates, the HGU may be extended for a maximum period of 25 years and a final extension of another 35 years ("HGU Extension"). Following the expiry of the HGU Extension, the HGU land shall be returned to the state as a State-controlled Land or right-to-manage (hak pengelolaan) land, depending on its initial underlying land. MoAA will only grant HGU Extension on the premise that, amongst others, the holder meets the prevailing requirements under Article 8 of GR No. 18/2021.

We have not made any detailed identification on each and every parcel of the land as stated above. However, based on the location map provided by the PT GML, we understand that the Subject Property consists of contiguous parcels of lands.

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It is pertinent to note that we do not carry out extensive measurements of the Subject Property. However, based on observations of physical boundaries in the field and comparing with land certificate copies, we assume that the land area used in this valuation is the same with the area stated in the copies of land certificates of the Subject Property.

We do not investigate the past or existing use of the Subject Property or adjacent other property, to later determine whether or not there is environmental contamination or potential environmental contamination. For this reason, we assume there are no issues related to environmental contamination or potential environmental contamination in this valuation.

However, should it be established subsequently that contamination or pollution exists at the Subject Property or on any neighboring land, or that the premises have been or are being put to a contaminative use, the values reported might not be applicable and is required to be revalued immediately.

Although we have made legal searches of the land title certificate, we advise that an independent legal advisor should be referred to for this matter. For the purpose of this valuation, we assume that the Subject Property is accompanied by a legally valid land title and is free and clear from all liens and encumbrances, easements, restriction, or limitation.

Type of Property	Oil Palm Plantation, Palm Oil Mill (POM) and Tank Farm.
Registered Proprietor	PT Gunung Maras Lestari.
Title Land Area	Consisting of 12,800.27 hectares Rights to Cultivate (HGU) and 3.88 hectares Rights to Build (HGB).
Date of Valuation	17 March 2023.
Location	PT GML's oil palm plantation is located in Dalil, Mabat, Mangka, Air Duren, Sempan, Puding Besar and Bakam Villages, Sungai Liat District, Bangka Regency, Bangka Belitung Islands Province, Indonesia; PT GML's POM is located in Mangka Villages, Bakam District, Bangka Regency, Bangka Belitung Islands Province, Indonesia and PT GML's Tank Farm is located in Kerisi Street, Lontong Pancur Sub District, Pangkal Balam District, Pangkal Pinang City, Bangka Belitung Islands Province, Indonesia.

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Site Description

The ownership of the Subject Property is based on 21 (twenty-one) Rights to Cultivate (HGU) and 6 (six) Rights to Build (HGB) of Tank Farm registered under the name of PT Gunung Maras Lestari. Additionally, the ownership rights of non-plantation assets are also held by PT GML.

PT GML oil palm plantation has 11,774.97 hectares planted area and consist of 5 (five) divisions. The location of the oil palm plantation is generally located at secondary forest and villages areas with plantation area boundaries as follows:

Borders	PT GML
North	Local farmfield
East	PT Tata Hamparan Eka Persada's (THEP) plantation and Sempan Village
South	Mangka and Bakam Villages
West	Dali Village and local farmfield

Terrain

Generally, PT GML Oil Palm Plantation has a variety of topography and slope class. The topography is approximately 0-50 meters above sea level (masl). Generally, the dominant slope class is flat and undulating-rolling with 0-2% slope.

Regional Planning

Oil Palm Plantation

In accordance with the Rights to Cultivate (HGU) No. 02, 03, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 57, 58, 59, 60, 61 and 62 issued in 6 November 1998 and 30 March 2016, the area is designated for the cultivation oil palm plantations.

Palm Oil Mill (POM)

Regional planning of POM has not been regulated in detail, so we don't know detailed information regarding Site Coverage (KDB), Floor Ratio (KLB), and height limitation of the POM.

We understand that the POM is currently in a location designated as a Palm Oil Mill, for the purposes of this valuation, we assume that the property referred to is not against existing regulations because the property has been equipped with a Building Permit (IMB) as listed above.

Tank Farm

Regional planning of the Tank Farm has not been regulated in detail, so we don't know detailed information regarding Site Coverage (KDB), Floor Ratio (KLB), and height limitation of the Tank Farm.

For the purposes of this valuation, we assume that the property referred to is not against existing regulations.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Estate Composition and Hectarage Statement

No	Description	Area (Ha)
I	**Planted Area**	
a)	Mature Plants (MP)	
	YP 1995	102.66
	YP 1996	1,656.81
	YP 1997	2,015.30
	YP 1998	2,058.98
	YP 1999	1,929.26
	YP 2000	198.73
	YP 2001	76.84
	YP 2002	147.32
	YP 2003	346.68
	YP 2004	405.37
	YP 2005	520.49
	YP 2006	225.44
	YP 2007	110.53
	YP 2008	2.73
	YP 2009	24.37
	YP 2010	19.06
	YP 2011	11.42
	YP 2012	0.29
	YP 2013	42.15
	YP 2014	9.38
	YP 2015	83.67
	YP 2016	141.25
	YP 2017	24.78
	YP 2018	19.83
	YP 2019	15.47
	Sub Total a	**10,188.81**
b)	Immature Plants (IMP)	
	YP 2020	505.37
	YP 2021	494.21
	YP 2022	586.58
	Sub Total b	**1,586.16**
	Sub Total I	**11,774.97**
II	**Other Plantable Area**	
	Nursery	38.86
	Sub Total II	**38.86**
III	**Non Plantable Area**	
	1. Roads	425.45
	2. Palm Oil Mill (POM)	30.51
	3. Enclaves	530.48
	Sub Total III	**986.44**
	Total (I+II+III)	**12,800.27**

Source: PT GML, 2023.

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The composition of age profile of the plant based on area statement is as follows:

No	Composition	Age (Year)	(Ha)
1	Immature Plants	0-3	1,586.16
2	Young Mature Plants	4-6	60.08
3	Mature Plants	7-18	1,190.78
4	Old Mature Plants	>18	8,937.95
	Total		**11,774.97**

Source: PT GML, 2023.

Historical Yield

No.	Year	Harvesting Area (Ha)	Production (Tonne)	Yield (Tonne/Ha)
1	2018	12,106	325,461	26.88
2	2019	12,194	277,033	22.72
3	2020	11,728	247,964	21.14
4	2021	10,775	272,500	25.29
5	2022	10,775	240,154	22.29

Source: PT GML, 2023.

Adopted Yield

Based on the planted area given by PT GML, PT GML generally recorded an average FFB yield of about 23.66 tonnes per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT GML is estimated to have a remaining economic life of about 11-21 years. The twenty five (25) year yield projection for PT GML takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.

Historical Cost

Cost of Production	Remarks	2020	2021	2022
Cost of Upkeep & Maintenance	Rp000	75,475,589	82,176,987	145,533,771
Harvesting & Transportation Cost	Rp000	50,345,223	54,871,174	55,515,987
General Charges	Rp000	18,069,701	19,965,372	19,698,782
Total	Rp000	**143,890,513**	**157,013,533**	**220,748,540**

Source: PT GML, 2023.

Palm Oil Mill Production

PT GML POM has an installed capacity of 90 tonne of FFB/hour and is equipped with a Kernel Crushing Plant (KCP) with an installed capacity of 10 tonne Kernel/hour. The POM was built in 1997 and commenced operations in 1999.

FFB as the main raw material in the mill primarily comes from own crops (internal) with the small balance from nearby plasma plantations (external) and FFB suppliers (external).

Following illustrates the historical production of PT GML POM:

No.	Description	Unit	2018	2019	2020	2021	2022
1.	FFB processed	Tonne	469,946	329,212	284,743	318,470	307,728
2.	CPO production	Tonne	86,934	63,183	55,054	63,845	61,595
3.	Kernel production	Tonne	23,910	17,350	14,228	16,792	16,828

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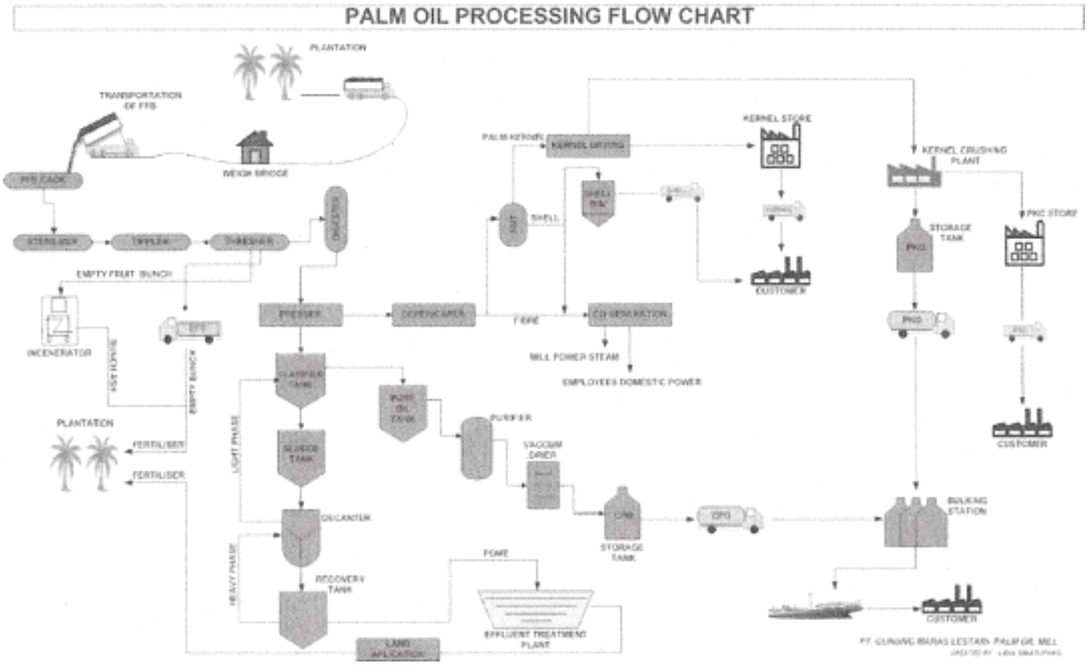
No.	Description	Unit	2018	2019	2020	2021	2022
4.	OER (Oil Extraction Rate)	%	18.50	19.19	19.33	20.05	20.02
5.	KER (Kernel Extraction Rate)	%	5.09	5.27	5.00	5.27	5.47
6.	Free Fatty Acid of CPO	%	4.43	4.73	4.14	4.22	4.72

Source: PT GML, 2023.

Flow Chart Following illustrates the flow chart of PT GML POM:



Source: PT GML, 2023.

The ownership of the plant, machinery and equipment assets is in the form of a list of assets int the Fixed Asset Register. We have carried out inspections and verifications at each processing station (for example, sterilizer station) and sampling of components at these stations (for example sampling at sterilizer station: sterilizer, rail track, conveyor, transfer carriage and others), then assumes the schedule and maintenance actions. If it is known that the process flow from start to finish has no problems, then it is assumed that the machine and equipment are in good condition and operating regulary.

Tank Farm

PT GML Tank Farm was built in 2001 with a total land area of 38,876 sqm and this was used as a storage tank for CPO and PKO before being sold to buyers. There are six storage tanks with a total capacity of 18,000 tonnes.

This Tank Farm receives CPO supplies from PT GML, PT GSBL, and PT BSSP. CPKO supply only comes from PT GML. Machinery consists of CPO and CPKO storage tank, supporting production machine (utility) and other equipment, and ownership of such equipment assets is in the form of a list of assets int the Fixed Asset Register. Based on information from management and field inspections, the company carries out periodic maintenance of machinery and equipment.

H.2 MARKET VALUE

Valuation Approach & Methodology

In arriving at our opinion of the Market Value of the Subject Property, we have adopted the Market Approach by Direct Comparison Method, Income Approach by Discounted Cash Flow (DCF) Method and Modified Land Residual Technique as well as Cost Approach by Depreciated Replacement Cost (DRC) Method.

Oil Palm Plantation

Valuation Assumptions	
Oil Palm Plantation Cultivation Standards	Oil palm plantations are assumed **to be cultivated sustainably by competent management according to normal cultivation standards**.
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S2 land class standard (Moderately Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S2 land class is 5-27 tonne/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition. Based on the planted area given by PT GML, PT GML generally recorded an average FFB yield of about 23.66 tonnes per hectare for the years 2018 to 2022. With a typical economic cropping life span of 25 years for oil palm, the oil palm planted within PT GML is estimated to have a remaining economic life of about 11-21 years.
FFB Price Assumptions	FFB price is projected based on market price analysis with the assumption of Rp2,251,189/tonne in the first year, Rp2,133,223/tonne in the second year, Rp2,139,897/tonne in the third year, Rp2,146,553/tonne in the fourth year, Rp2,153,188/tonne in the fifth year onwards is projected to be constant.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Valuation Assumptions

Costs Assumptions

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	25,874,499	Rp/Ha
	- IMP – 1	13,840,551	Rp/Ha
	- IMP – 2	12,918,041	Rp/Ha
	- IMP – 3	11,593,285	Rp/Ha
	- MP – 1	11,632,532	Rp/Ha
	- MP – 2 to 3	11,341,719	Rp/Ha
	- MP – 4 to 10	10,781,722	Rp/Ha
	- MP -11 to 22	9,030,679	Rp/Ha
(b)	Harvesting & Transportation Cost	186,244	Rp/Tonne
(c)	General Charges	3,500,000	Rp/Ha
(d)	Management Fees	5	%
(e)	Replacement Allowance	446,048	Rp/Ha
(f)	Capital Expenditure Cost	1,640,810	Rp/Ha

a. Oil Palm Plants Upkeep Costs
The calculation of the cost uses the standards and norms that apply in the plantation and also considers the generally accepted standards in the market with some adjustments. The historical upkeep cost of PT GML in 2020 to 2022, around Rp6,436,000 – Rp13,507,000 per hectare according to the various planting age. We have adopted Rp9,030,679-Rp13,840,551 per hectare according to the various planting age

b. Harvesting and Transportation Costs
These costs consider the historical costs of the actual harvest and transportation costs to the POM. The historical harvesting cost of PT GML in 2020 to 2022, around Rp201,000 – Rp231,000 per tonne for the harvesting and transportation cost. We have adopted 186,244 per tonne for the harvesting and transportation cost.

c. General Charges
General charges are adjusted to the standard of plantation area and actual historical costs. The historical general charges cost of PT GML in 2020 to 2022, around Rp1,541,000 – Rp1,853,000 per hectare for the general charges. We have adopted Rp3,500,000 per hectare for the general charges.

d. Management Fees
Management fees costs are under the cost structure for nucleus plantations and other costs that can't be included in the components of the costs above.

e. Replacement Allowance
Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as building, site improvement, machinery, heavy equipment, vehicles, fixture and furniture and computers.

f. Capital Expenditure Cost
Capital Expenditure (capex) Cost is used for extension of Right to Cultivate (HGU).

The rates adopted in our DCF for oil palm plants upkeep cost, harvesting and transportation cost and general charges are benchmarked against market derived data of similar plantations.

Replacement Allowance	Replacement Allowance is the cost which is used for maintenance of the non-plantation assets such as buildings, site improvement, machinery, heavy equipment, vehicles, fixture and furniture and computers.
Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

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Valuation Assumptions	
Residual Value of Land and Non-Plantation Assets	The residual value of the land and other facilities is calculated as income at the end of the DCF period with the assumption that the land rights can be extended for further tenure of 35 years.
Discount Rate	**11.36%** The discount rate is determined using the Band of Investment method, namely WACC (Weighted Average Cost of Capital), using the following formula: **Discount Rate = (ke x We) + (kd x Wd)** whereas: ke Cost of equity kd Cost of debt We Percentage of equity financing Wd Percentage of debt financing Cost of equity is calculated using the Capital Asset Pricing Model (CAPM), using the following formula: **$Ke = Rf + (\beta \times RPm)$-RBDS + α** whereas: ke Expected rate of return R_f Risk free rate β Beta RP_m Equity risk premium RBDS Rating Based Default Spread α Other risks

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Valuation Assumptions

The assumption used in calculating the discount rate is as follows:

Description	Assumption	Source	Remarks
Cost of Equity			
R_f	7.11%	IBPA	Yield of Long Term Indonesia Government Bond (30 years) in Rupiah Currency
B	1.00	-	Assuming the plantation in normal condition.
Alpha	2.00%		Other risks.
RP_m	9.23%	Damodaran	Indonesia Market Risk Premium.
RBDS*	2.33%	Damodaran	Rating Based Default Spread.
k_{e^*}	**16.01%**		
Cost of Debt			
k_d	8.86%	Bank of Indonesia	Average interest rate for commercial bank loans.
Equity Portion	35.00%	Market	The average equity and debt portion in property investment in Indonesia.
Debt Portion	65.00%		
Discount Rate	**11.36%**		

*) **Adjusted ke = Rf + (β x RPm)-RBDS+ α**

RBDS or Rating Based Default Spread is an additional risk that arises due to differences in the rating of a country's debt to the country with the highest debt rating, which is AAA. In this case, the Indonesia RBDS intended for the calculation of the discount rate is an additional risk arising from the lower Indonesia's debt rating. Risk-free interest and risk premium bear the country risk. To avoid double counting in country's risk, we have deducted the RBDS from cost of equity.

Biological Assets

Biological Assets consists of oil palm plants. To obtain the assets value of the biological assets, the value of the oil palm plantation is deducted by the indicative market value of non-plantation assets (such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, and fixtures and furniture and computer), the computation of which is set out below:

Description	Indicative Market Value (Rp)	Indicative Market Value (RM)
Oil palm plantation	**1,368,897,000,000**	**410,669,100**
Less: Non-Plantation Assets*:		
- Effective Land	432,644,000,000	129,793,200
- Buildings	57,010,000,000	17,103,000
- Site Improvement	50,284,000,000	15,085,200
- Machinery and Equipment	6,097,000,000	1,829,100
- Heavy equipment	5,955,000,000	1,786,500
- Vehicles	3,353,000,000	1,005,900
- Fixture and Furniture	1,076,000,000	322,800
- Computers	174,000,000	52,200
Total Non-Plantation Assets*	**(556,593,000,000)**	**(166,977,900)**
Total Biological Assets	**812,304,000,000**	**243,691,200**

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*Note : To derived the oil palm plant value, the oil palm plantation value will be deducted against the non-plantation assets. The non-plantation assets will be apportioned accordingly if necessary, whereby the non-plantation assets value is calculated by using the Depreciated Replacement Cost Method, Direct Comparison Method and Modified Land Residual Technique. This is to facilitate and obtain the residual value of the plantation in the form of plant value (i.e biological asset value).

Oil Palm Seeds Value

The valuation of oil palm seeds using the Depreciated Replacement Cost Method. The Depreciated Replacement Cost Method is used because PT GML conducts their own nursery activities.

Most of the progeny planted within PT GML are Marihat, Socfindo and Damimas. Whilst most of the seeds within the nursery originate from the crossing of D X P from seed produce such as Topaz from PT Asian Agri and PPKS from Riset Perkebunan Nusantara (RPN). The seeds stock are as follows:

No	Age (Months)	Type	Total
1	15	PPKS	6,916
2	16	Topaz	48,428
3	17	PPKS	14,866
4	18	Topaz	41,969
	Total		**112,179**

Source: PT GML, 2023.

The replacement costs obtained with the composition consist of the cost of purchasing the seeds and other costs required according to the age of the seeds. The Market Value is obtained by deducting replacement costs by adjusting the condition of the seeds at the valuation date. The indicative Market Value of oil palm nursery seeds of approximately 112,179 seeds as of 17 March 2023 having considered the assumptions above and the attached limiting conditions is:

Rp4,570,000,000
(FOUR BILLION FIVE HUNDRED SEVENTY MILLION RUPIAHS)

Equivalent to

RM1,371,000
(ONE MILLION THREE HUNDRED SEVENTY ONE THOUSAND RINGGIT)

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Excess Land Value

The land value is obtained using the Modified Land Residual Technique based on the premise that vacant land will be developed into plantations.

In arriving at the market value, we have made a professional judgment for the coefficient as the parcels of land in the plantation estates are in various stages of HGU Certificate application (such as location permit / PKKPR, land compensation, cadastral measurement, and Panitia B stages), all of which are held under various legal documents. The HGU is the highest rights for land documents, and hence, we have adopted the coefficient of 1.0, while the other land statuses are lower than the HGU, and hence, we have adopted a lower coefficient. We wish to inform that this is a normal industry practice in Indonesia since there is no comparison data available in the market.

No	Land Status	Coefficient
1	HGU	1
2	Cadastral	0.95 - 0.98
3	Location Permit / PKKPR + Land Compensation	0.75 - 0.97
4	Location Permit / PKPPR	0.25 - 0.40

In arriving at the Market Value, we have made a professional judgment for the coefficient relating to the HGU Certificate (being the coefficient of 1.0) - the highest land ownership status of a plantation.

The Excess Land (unplanted area) in PT GML consists of Right to Cultivate (HGU) so the coefficient is 1.00.

To determine the value of land can be done as follows:

Valuation Assumptions Effective Land and Excess Land	
Plants Effective Area	Determination of the plantable area that can be planted from the total concession with assumtion that 10%-15% is deducted for infrastructure.
Oil Palm Plants Economic Life Cycles	The oil palm plant's economic life is **25 years** and is divided into 2 phases: immature plants 3 years after planting and mature plants in the 4th year after planting for 22 years of projection.
DCF FFB Production Assumptions	Assumption of FFB production based on S2 land class standard (Moderately Suitable) which is adjusted to the capability of the land in the plantation site. The yield profile for S2 land class is 5-27 tonne/Ha. The basis of the yield profile adopted takes into consideration, amongst others, the historical production, plant population, plant upkeep, climate, and the independent valuer's judgment on the plant's condition.
FFB Price Assumptions	Same as FFB price in the oil palm plantation valuation.
Costs Assumptions	The costs that are used as assumptions are based on the calculation of the standards and norms that apply in the plantation and take into account the generally accepted standards.

No	Description	Volume	Unit
(a)	Oil palms plants Upkeep Costs (Rp/Ha)		
	- IMP – 0	25,874,499	Rp/Ha
	- IMP – 1	13,840,551	Rp/Ha
	- IMP – 2	12,918,041	Rp/Ha
	- IMP – 3	11,593,285	Rp/Ha
	- MP – 1	11,632,532	Rp/Ha
	- MP - 2 to 3	11,341,719	Rp/Ha
	- MP - 4 to 10	10,781,722	Rp/Ha
	- MP -11 to 22	9,030,679	Rp/Ha
(b)	Harvesting & Transportation Cost	186,244	Rp/Tonne
(c)	General Charges	3,500,000	Rp/Ha

Valuation Assumptions Effective Land and Excess Land

(d)	Non-plants Investment Cost	22,360,460	Rp/Ha
(e)	Management Fees	5	%
(f)	Replacement Allowance	447,281	Rp/Ha
(g)	Capital Expenditure Cost	1,640,810	Rp/Ha

a. Oil Palm Plants Upkeep Costs
We have adopted Rp9,030,679-Rp13,840,551 per hectare according to the various planting age.

b. Harvesting and Transportation Costs
We have adopted 186,244 per tonne for the harvesting and transportation cost.

c. General Charges
We have adopted Rp3,500,000 per hectare for the general charges.

d. Non-plants Invesment Costs
Adopted the cost stated in the table above.

e. Management Fees
Adopted the cost stated in the table above.

f. Replacement Allowance
Adopted the cost stated in the table above.

g. Capital Expenditure Cost
Adopted the cost stated in the table above.

The rates adopted in our DCF for oil palm plants upkeep cost, harvesting and transportation cost and general charges are benchmarked against market derived data of similar plantations.

Cost Increment	The assumption of rising costs uses inflation data sources from the International Monetary Fund (IMF). Considering the annual inflation rate, costs are assumed not to increase for the first year because it is assumed that costs are already using 2023 prices, then increased by 3.04% for the second year, third year, fourth year, fifth year and onwards is projected constant (stabilised rate).
Discount Rate	**11.36%,** Discount Rate is same as the plantation valuation.

Nursery Land Preparation

Nursery land preparation is the area that has been cleared for future nursery needs. For this nursery land preparation we use the depreciated cost method where the basis of Replacement Cost New is using the depreciated cost technique with cost structure and component based on the detail of nursery land preparation job and compared to the general nursery land preparation job with comparable data/contract in each estate. Adjustment was made to reflect the actual condition based on site inspection and valuer's professional justification as the basis to get the Market Value.

HGB Land

Direct Comparison Technique for land valuation involves a direct comparison of valued property with similar plot of land where actual data for the last market transaction available. Although transaction data is very important, the analysis of supply and offered price for similar parcel of lands as property competitor could provide a better understanding on the market.

Non-Plantation Assets Value
Buildings and Site Improvement

The description of the oil palm plantation buildings are as follows:

No.	Buildings	Unit
	Division 1	
1	Office	1
2	Estate Store	2
3	Genset Houses	3
4	Guard Houses	3
5	Sundry Shop	1
6	Workshop/Garage	1
7	Backhoe & Grader Garage	1
8	Mosque	1
9	Mushollah	1
10	Canteen	1
11	Sport Hall	1
12	Dispensary/Creche	1
13	Manager's Bungalow	1
14	Assistants' Bungalow	3
15	Staff Quarters	8
16	Permanent Harvesters Barracks	12
17	Worker Quarter	36
	Division 2	
18	Office	1
19	Estate Store	1
20	Workshop/Garage	1
21	Genset House block	3
22	Security Post Block F.11	1
23	Meeting Hall	1
24	Mosque	1
25	Mushollah (5mx5m) Block D.7	1
26	Canteen	2
27	Manager's Bungalow	1
28	Assistants' Bungalow	3
29	Staff Quarters	6
30	Semi-D Staff Quarter	4
31	Workers' Quarters	12
32	Permanent Harvs. Barracks	17
	Division 3	
33	Long House	1
34	Estate Store	3
35	Workshop/Office	1
36	Workshop	1
37	Store Office	1
38	Guard House	1
39	Tract. Garage/Post Satpam	1
40	Genset House	4
41	Clinic	1
42	Canteen	1

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No	Buildings	Unit
43	Mosque (5mx5m) Block F.43	1
44	Shop (5mx5m) Block F.43	1
45	Sr. TA (Estate) Bungalow	1
46	TA (Estate) Bungalow	1
47	FC (Estate) Bungalow	1
48	Assistant Bungalow	6
49	Staff Quarter	11
50	Divisional Managers' Bungalow	2
51	Assistant Managers' Bungalow	2
52	Staff Quarters Type G1	4
53	Staff Quarters Semi D. (4 blocks)	8
54	Semi-D Artisan Quarters	18
55	Semi-D Staff Quarters	8
56	Permanent Harvesters Barracks	18
57	Archive Store	1
	Division 4	
57	Genset House	2
58	Guard House	1
59	Shop/toko (5x5m) Block G.56	1
60	Mosque	2
61	Canteen Block K.55	1
62	Permanent Harvesters Barracks	15
	Division 5	
63	Office	1
64	Estate Store	1
65	Workshop/Garage	1
66	Genset House	4
67	Guard House	2
68	Shop (5mx5m) Block B.63	1
69	Mosque	2
70	Mosque	1
71	Divisional Manager's Bungalow	1
72	Asst. Managers' Bungalow	3
73	Staff Quarters Type G1	6
74	Permanent Harvesters Barracks	16
	Total	**291**

Source: PT GML, 2023.

The description of the POM buildings are as follows:

No	Building	Unit
1	Sterilizer Station	1
2	Main Processing	1
3	Sterilizer Control Room	1
4	Kernel Recovery Station	1
5	Clarification Station	1
6	Kernel Store	2
7	Power House/Engine Room	1
8	Boiler W.T.P. & Boiler House	1
9	Carpark	1
10	Guard House	1
11	Office	1

No	Building	Unit
12	House Bridge	1
13	Workshop & Warehouse	1
14	Oil Loading Shed	1
15	Despatch Pump House	1
16	Raw Water Pump House	1
17	W.T.P. House	1
18	Mosque	1
19	Toilet	1
20	B3 Store	1
21	Canteen	1
22	Kernel Store	1
23	Spare Part Warehouse	1
24	Heavy Equipment Workshop	1
25	Incenerator	4
26	Chemical Store	1
27	Batu Api Boiler Warehouse	1
28	Warehouse New Vehicles	1
29	KCP Mill	1
30	Outdoor KCP Mill	1
31	Scrap iron Warehouse	1
32	Workers Quater type G2	35
33	Workers Quater type G1	9
34	Staff House type G1	16
35	Assistant House G1	2
36	Manager House	3
	Total	**100**

Source: PT GML, 2023.

The description of the Tank Farm buildings are as follows:

No	Property	Unit
1	Office	1
2	Security Post	1
3	Car Parking	1
4	Assistant House G1 type	1
5	CPO Loading Sheed	1
6	CPKO Loading Sheed	1
7	Genset Store	1
8	B3 Store	1
9	Iron Tower	1
	Total	**9**

Source: PT GML, 2023

The site improvements are built to support the oil palm plantation, consists of road with solidified soil material covered with stone or laterite and bridge with wood construction with details as follows:

No	Site Improvement	Area Total	Unit
1	Main Road	114,822	m'
2	Collection Road	387,716	m'
3	Boundary Road	44,032	m'
4	Box Culvert	638	Unit
5	Concrete Bridge	82	Unit
6	Culvert	831	Unit

Source: PT GML, 2023.

KJPP RHR

The site improvement is built for supporting the POM, consists of road with concrete material, fences and ponds with details as follow:

No	Property	Area Total	Unit
1	Surrounding Road (Concrete)	6,271	m²
2	Apron Loading Ramp	2,597	m²
3	Surrounding Fence	1,130	m'
4	Cooling Pond	800	m²
5	Anaerobic Pond	4,400	m²
6	Aerobic Pond	3,120	m²
7	Sedimen Pond	3,120	m²

Source: PT, GML 2023.

The site improvement is built to support the Tank Farm, consists of road with concrete material, fences and ponds with details as follow:

No	Property	Total	Unit
1	Surrounding Road (Concrete)	3,743	m²
2	Surrounding Fence	1,393	m'
3	Surrounding Road (Concrete)	550	m²
4	Jetty	24	m²

Source: PT GML, 2023.

The value of buildings and site improvement is obtained by first calculating the Replacement Cost New of buildings and site improvement based on the prices of current components with similar levels of use, then deducting the estimated depreciation caused by physical depreciation, functional obsolescence and economic obsolescence.

We use the Unit in Place Method, which is a method that is carried out to estimate the Replacement Cost New of a structure by adding up all work costs per unit installed including the cost of plumbing, electrical and others.

Description	Parameters
Direct Cost	Material Price and Labour Cost
Indirect Cost	
a. Value Added Tax	11%
b. Interest During Construction (IDC)	6.20%
c. Contractor Profit	10%
d. Building Permit Cost	1.50%
e. Professional Fee	3%

Machinery and Equipment, Heavy Equipment, Fixture and Furniture and Computers

Machinery and equipment, heavy equipment, office fixture and furniture and computers are used to support the operation and production activities of the plantation.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

KJPP RHR

The description of the oil palm plantation assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	Weighning Scale	1
2	Generator Set	24
3	Fire Extinguisher	163
4	Chainsaw	15
5	Motor Siren	1
6	Motor Siren Platform	1
7	Fuel Tank	1
8	Diesel Tank	11
9	Water Tank	7
10	Lightning Arrester	16
11	Tube Well	28
12	Welding	1
13	Electrical Equipment	3
14	Electrical Poles	41
15	Water Pippings	2
16	Weighing Scale	2
17	Chain Block	2
18	Rotoslasher	8
19	Siren	2
20	Air Compressor	5
21	Auto Level	1
22	Hand Level	1
23	Water Tanks	3
24	Oxygen Regulator	1
25	Water Pump	11
26	Hydraulic Jack	1
27	Welding Trafo	2
28	Bunch Ash Spreader	1
29	Trafo	1
30	Fertilizer Spreader	11
31	Flowmeter	3
32	Compact Roller	2
33	Dryer	2
34	Swing Fog	1
35	High Pressure Cleaner	1
36	Rotary Slashers	2
37	Solar Lightning System	6
38	Gear Trolley	2
39	Washing Ramp	1
40	Grass Cutter	8
41	Hydraulic Pipe Bender	1
42	Mounted Sprayer	5
43	GPS	2
44	Fogging Machine	2
45	Jacto Sprayer	1
46	Twin Tine Subsoiler	1
47	Nursery Irrigation	1
48	Cutting Machine	1
B	**Heavy Equipment**	
1	Motor Grader	1
2	Backhoe Loader	2

No	Property	Unit
3	Tractor	30
4	Trailer	22
5	Water Tank Trailer	10
6	Road Compact Roller	2
C	**Fixture & Furniture**	**Lot**
D	**Computers**	**Lot**

Source: PT GML, 2023.

The description of the POM assets are as follows:

No	Property	Unit
A	**Machinery and Equipment**	
1	Fruit Reception & Storage	Lot
2	Sterilizer Station	Lot
3	Threshing Station	Lot
4	Pressing Station	Lot
5	Clarification Station	Lot
6	Oil Storage Station	Lot
7	Depericarper Station	Lot
8	Kernel Recovery Station	Lot
9	Boiler Station	Lot
10	Power Station	Lot
11	Effluent Treatment Plant	Lot
12	Raw Water Intake and Boiler Water Treatment Plant	Lot
13	Fire Fighting Equipment	Lot
14	Laboratory & Workshop Equipment	Lot
15	KCP Plant	Lot
B	**Heavy Equipment**	
1	Backhoe Loader	1
2	Wheel Loader	3
3	Tractor	1
C	**Fixture and Furniture**	**Lot**
D	**Computers**	**Lot**

Source: PT GML, 2023.

The description of the Tank Farm assets are as follows:

No	Property	Unit
A	Machinery and Equipment	Lot
B	Fixture and Furniture	Lot
C	Computers	Lot

Source: PT GML, 2023.

The value of machinery and equipment, heavy equipment, fixture and furniture and computers, is carried out by calculating the Replacement Cost New including installation, shipping, transportation, value-added, and handling taxes of these assets less depreciation due to physical depreciation, functional and external obsolescence.

For the computation of Replacement Cost New for machinery and equipment, it is obtained by applying the Trending Method using data sources obtained from contracts for procurement/purchase of similar machinery and equipment by considering shipping and insurance costs, transportation, Value Added Tax (VAT) from these machinery and equipment.

KJPP RHR

The value under the Replacement Cost New of machinery and equipment, heavy equipment, fixture and furniture and computers were obtained by applying an index or trend factor to historical costs (Trending Method). Index or trend factor obtained from https://www.bls.gov/ppi/databases/

The Economic Life and the amount of depreciation used in this valuation are as follows:

Description	Economic Life (Year)	Physical Depreciation (%)	Functional Obsolescence (%)	Economic Obsolescence (%)	Total Depreciation* (%)
Machinery & Equipment (Estate)	8-12	3-90	n/a	n/a	3-90
Machinery & Equipment (POM)	8-12	3-90	n/a	n/a	3-90
Machinery & Equipment (Tank Farm)	10-20	10-90	n/a	n/a	10-90
Fixture & Furniture	8-12	10-88	n/a	n/a	10-88
Computers	3-7	20-88	n/a	n/a	20-88
Heavy Equipment	8-12	5-88	n/a	n/a	5-88

Source: Marshal Valuation Service.

*) Total depreciation = physical depreciation + ((1-physical depreciation) (Functional Obsolescence+Economic Obsolescence)).

Vehicles

The description of the vehicles of oil palm plantation and POM are as follows:

No	Vehicles	Unit
A	**Estate**	
1	Jeep	2
2	Minibus	3
3	Pick Up	11
	Total A	**16**
B	**POM**	
1	Dump Truck	1
2	Jeep	1
3	Minibus	3
4	Pick Up	3
	Total B	**8**

Source: PT GML, 2023.

The valuation of vehicles is carried out using the Direct Comparison Method.

Tank Farm

Cost Approach

In the Cost Approach, we used Depreciated Replacement Cost (DRC) method that used to determine the indication of value by calculating Replacement Cost New of the assets minus by physical depreciation and all of obsolescence form.

The Depreciated Replacement Cost method is the relevant cost which market participants will pay, based on the replacement cost of the asset with equal utilities rather than creating the same assets.

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

KJPP RHR

The Replacement Cost New are then adjusted for physical damage and all relevant forms of obsolescence. After these adjustments, these costs are referred to as Depreciated Replacement Costs. This method is a supporting method used in the valuation of the non-plantation assets that are and forms part of the plantation estate such as buildings, site improvement, machinery and equipment, fixture and furniture and computers. The value of the property is obtained by calculating the Replacement Cost New based on current component prices with equivalent utility, then subtracting the estimated total depreciation caused by physical depreciation, deterioration in function and externality to obtain the value of the assets.

Cost approach used the following procedures:

1. Calculating the Replacement Cost New of the buildings and side improvements, machineries and equipments.
2. The Replacement Cost New is deducted by physical depreciation, functional and external obsolescence.
   a. Physical depreciation due to building age, and the maintenance conditions.
   b. Functional obsolescence due to technology advances which are more efficient in production/yield.
   c. Economic obsolescence due to external factors (e.g; market supply/demand) that affects the value of assets.
3. Totalling the value of land and buildings to obtain the indicative Market Value of the property.

Tank Farm Value	Land value + building and site improvement value + machinery and equipment value + heavy equipment value + vehicles value + fixture and furniture value + computers value

Land

Market Approach with Direct Comparison Method.

	Subject Property	Comparable 1	Comparable 2
Location	Kerisi street, Pangkal Balam District, Pangkal Pinang	Jalan Lintas Timur, Merawang District, Bangka Regency	Air Anyir street, Merawang District, Bangka Regency
Photograph			
Land Area (m^2)	38,876	53,000	20,000
Legality	HGB	Girik	Girik
Property Type	Vacant land	Vacant land	Vacant land
Width Road	7 m	8 m	7 m
Positioning	Riverside	Roadside	Riverside
Land Condition	Development Land	Undevelopment Land	Undevelopment Land
Comparable Type		Offering (2022)	Offering (2022)
Offering/ Transaction Price (Rp/sqm)		123,500	95,000

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

KJPP RHR

	Subject Property	Comparable 1	Comparable 2
Market Value	Based on adjustment analysis, the parameters such as legality, location, land area, width road, potitioning, and land conditioning are the main parameters influencing the indicative value of the Tank Farm. Based on the asking price comparable, the value opinion of the Tank Farm is **Rp5,512,000,000 / (RM1,653,600)** or **Rp141,779/sqm / (RM42.53/sqm).**		

The detail of the indicative Market Value of Tank Farm belong to PT GML as follow:

No	Description	Unit (Sqm)	Indicative Market Value (Rp)	(RM)
	Tank Farm			
1	Land	38,876	5,512,000,000	1,653,600
2	Buildings		1,304,000,000	391,200
3	Site Improvement		2,214,000,000	664,200
4	Machinery and Equipment		13,530,000,000	4,059,000
5	Fixture and Furniture		66,000,000	19,800
6	Computers		20,000,000	6,000
	Total		**22,646,000,000**	**6,793,800**

Conclusion of the Non-Plantation Assets value

The details of the indicative market value of the Non-Plantation Assets are as follow:

No	Description	Unit	Indicative Market Value (Rp)	(RM)
A	**Oil Palm Plantation**			
1	Land (Ha)			
	- Effective Land (planted area)	11,774.97	432,644,000,000	129,793,200
	- Excess Land (unplanted area)	1,025.30	37,672,000,000	11,301,600
2	Nursery Land Preparation (Ha)	38.86	306,000,000	91,800
3	Buildings		57,010,000,000	17,103,000
4	Site Improvement		50,284,000,000	15,085,200
5	Machinery & Equipment		6,097,000,000	1,829,100
6	Heavy Equipment		5,955,000,000	1,786,500
7	Vehicles		3,353,000,000	1,005,900
8	Fixture and Furniture		1,076,000,000	322,800
9	Computers		174,000,000	52,200
	Sub Total A		**594,571,000,000**	**178,371,300**
B	**Palm Oil Mill**			
1	Buildings		25,833,000,000	7,749,900
2	Site Improvement		3,297,000,000	989,100
3	Machinery & Equipment		79,501,000,000	23,850,300
4	Heavy Equipment		2,208,000,000	662,400
5	Vehicles		1,535,000,000	460,500
6	Fixture and Furniture		580,000,000	174,000
7	Computers		117,000,000	35,100
	Sub Total B		**113,071,000,000**	**33,921,300**
C	**Tank Farm**			
1	Land (Sqm)	38,876	5,512,000,000	1,653,600
2	Buildings		1,304,000,000	391,200
3	Site Improvement		2,214,000,000	664,200
4	Machinery and Equipment		13,530,000,000	4,059,000
5	Fixture and Furniture		66,000,000	19,800
6	Computers		20,000,000	6,000
	Sub-Total C		**22,646,000,000**	**6,793,800**
	Total (A+B+C)		**730,288,000,000**	**219,086,400**

VALUATION CERTIFICATE FOR THE INDONESIAN SUBJECT PROPERTIES (Cont'd)

KJPP RHR

The indicative Market Value of the Non-Plantation Assets as of 17 March 2023 having considered the assumptions and limiting conditions is:

Rp730,288,000,000
(SEVEN HUNDRED THIRTY BILLION TWO HUNDRED EIGHTY EIGHT MILLION RUPIAHS)

Equivalent to

RM219,086,400
(TWO HUNDRED NINETEEN MILLION EIGHTY SIX THOUSAND FOUR HUNDRED RINGGIT)

Valuation Conclusion

Having considered all relevant information and the prevailing market conditions, we are of the opinion that the Market Value (based on valuation of plantation and non-plantation assets) of the Subject Property on 17 March 2023, is:

No	Subject Property	Indicative Market Value (Rp)	Indicative Market Value (RM)
A	**Plantation Assets**		
A1	**Biological Assets**		
	1) Oil Palm Plantation	1,368,897,000,000	410,669,100
	Less: Non-Plantation Assets	(556,593,000,000)	(166,977,900)
	Total Biological Assets	**812,304,000,000**	**243,691,200**
A2	2) Oil Palm Seeds	4,570,000,000	1,371,000
	Total Plantation Assets (A1+A2)	**816,874,000,000**	**245,062,200**
B	**Non-Plantation Assets:**		
B1	1) Non-Plantation Assets*	594,571,000,000	178,371,300
B2	2) Palm Oil Mill (POM)	113,071,000,000	33,921,300
B3	3) Tank Farm	22,646,000,000	6,793,800
	Total Non-Plantation Assets (B1+B2+B3)	**730,288,000,000**	**219,086,400**
	Market Value of the Subject Property (A+B)**	**1,547,162,000,000**	**464,148,600**

* Excluding Palm Oil Mill and Tank Farm. The non-plantation assets are derived from the Market Value indications of non-plantation assets that directly contribute to plantation activities such as Effective Land, buildings, site improvement, machinery and equipment, heavy equipment, vehicles, fixture and furniture and computers, which are separately calculated using the Modified Land Residual Technique, Direct Comparison Method and Depreciated Replacement Cost method.

**In view of the lack of market data, we are hence unable to undertake any cross check/supporting method on the computation of the Market Value of the Subject Property.

Rp1,547,162,000,000

(ONE TRILLION FIVE HUNDRED FORTY SEVEN BILLION ONE HUNDRED SIXTY TWO MILLION RUPIAHS)

Equivalent to

RM464,148,600
(FOUR HUNDRED SIXTY FOUR MILLION ONE HUNDRED FORTY EIGHT THOUSAND SIX HUNDRED RINGGIT)

For all intents and purposes, this valuation certificate summary should be read in conjunction with our Valuation Report on the Subject Property.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES

Introduction

Adrian Wong
Oriental Holdings Berhad
1st Floor, 25B Lebuh Farquhar
10200 Penang

Email: wong.adrian.ohb@gmail.com

Dear Adrian,

RE: VALUATION CERTIFICATE
315-319 BURWOOD HIGHWAY, BURWOOD EAST, VIC
319-323 SWANSTON STREET, MELBOURNE, VIC

This Valuation Certificate has been prepared for Oriental Holdings Berhad for submission to the Bursa Malaysia Securities Berhad in relation to a Circular to Shareholders to seek approval for a related party transaction in respect of 315-319 Burwood Highway, Burwood East, VIC and 319-323 Swanston Street, Melbourne, VIC ('the subject properties'). This Valuation Certificate is for the inclusion in the circular to shareholders of Oriental Holdings Berhad. Any reader of the Valuation Certificate contained within the circular does so for information purposes only and on a no liability basis. Shareholders are not entitled to rely on this Valuation Certificate. Should the reader have any concerns in this regard, we recommend they seek their own independent valuation advice.

In accordance with the instructions from Oriental Holdings Berhad to value the following subject properties ("Subject Properties"), we have undertaken an inspection of:

- 315-319 Burwood Highway, Burwood East on 31 March 2023 and the date of valuation is 31 March 2023
- 319-323 Swanston Street, Melbourne on 28 March 2023 and the date of valuation is 28 March 2023

This valuation has been prepared in accordance with the definition of Market Value adopted by the International Valuation Standards Council (IVSC) and endorsed by the Australian Property Institute (API) as set out below:

'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 and where the parties had each acted knowledgeably, prudently and without compulsion.'

In considering this definition, the International Valuation Standards which have been adopted by the API, defines a willing seller as follows:

'A willing seller is neither an over eager nor a forced seller, prepared to sell at any price, nor one prepared to hold out for a price not considered reasonable in the current market. The willing seller is motivated to sell the property at market terms for the best price attainable in the (open) market after proper marketing, whatever that price may be.'

This Valuation Certificate and associated Valuation Report have been prepared in accordance with the relevant provisions of the Asset Valuation Guidelines SC-GL/AV-2009 (R1-2017) issued by the Securities Commission Malaysia together with the relevant provisions of the Australian Property Institute's Australia and New Zealand Valuation and Property Standards.

This Valuation Certificate is prepared in accordance with the assumptions and disclaimers enclosed within our formal Valuation Report. For all intents and purposes, this Valuation Certificate should be read in conjunction with our formal Valuation Report. This Valuation Certificate has been solely prepared for inclusion in the circular to the shareholders of Oriental Holdings Berhad in connection with the stated purpose only and is subject to the terms and conditions of our retainer.

We confirm that the subject property was inspected by both valuers.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Summary – 315-319 Burwood Highway, Burwood East

Valuation

Date of Inspection	31 March 2023
Date of Valuation	31 March 2023
Market Value	**AUD $33,800,000 exclusive of GST** **(THIRTY THREE MILLION EIGHT HUNDRED THOUSAND AUSTRALIAN DOLLARS)** Or the equivalent Market Value sums are equivalent to (based on an exchange rate of AUD1.00:RM2.9624, being the exchange rate published by Bank Negara Malaysia on 31 March 2023, being the date of valuation): **MYR 100,129,120 exclusive of GST** **(ONE HUNDRED MILLION ONE HUNDRED TWENTY NINE THOUSAND ONE HUNDRED AND TWENTY MALAYSIAN RINGGIT)** Source: https://www.bnm.gov.my/currency-converter

Prepared By

Valuer	James Ruben AAPI MRICS Associate Member – Australian Property Institute No. 69097 Royal Institute of Chartered Surveyors Member No. 6851815 Certified Practising Valuer National Director – Specialised Assets *Primary Signatory*	Hannah Vale AAPI Associate Member – Australian Property Institute No. 104607 Certified Practising Valuer Senior Valuer – Specialised Assets *Primary Signatory*

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Summary – 319-323 Swanston Street, Melbourne

Valuation

Date of Inspection	28 March 2023
Date of Valuation	28 March 2023
Market Value	**$27,200,000 exclusive of GST** **(TWENTY SEVEN MILLION TWO HUNDRED THOUSAND DOLLARS)** Or the equivalent Market Value sums are equivalent to (based on an exchange rate of AUD1.00:RM2.9423, being the exchange rate published by Bank Negara Malaysia on 28 March 2023, being the date of valuation): **MYR 80,030,560 exclusive of GST** **(EIGHTY MILLION AND THIRTY THOUSAND FIVE HUNDRED AND SIXTY MALAYSIAN RINGGIT).** Source: https://www.bnm.gov.my/currency-converter

Prepared By

Valuer	Shaun O'Sullivan B.Bus (Prop) AAPI Certified Practising Valuer Australian Property Institute – Associate Member - 62780 Director *Primary Valuer*

Contents

1. 315-319 Burwood Highway, Burwood East

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Property Specific Assumptions

Verifiable Assumptions

- **REGULAR INSPECTIONS SHOULD BE UNDERTAKEN TO ENSURE ADEQUATE MAINTENANCE IS CARRIED OUT TO PREVENT ANY DETERIORATION OF THE BUILDING AND/OR PLANT AND EQUIPMENT.**
- **THE CAPACITY OF A HOTEL TENANT TO PAY RENT IS DEPENDENT ON THE PERFORMANCE OF THE ACCOMMODATION BUSINESS. BUSINESSES OF THIS NATURE ARE EXTREMELY SENSITIVE TO MANAGEMENT AND ECONOMIC TRENDS. OUR VALUATION IS CONDITIONED ON THE PROPERTY BEING OPERATED UNDER THE PRINCIPAL OF AVERAGE COMPETENT MANAGEMENT, WHEREBY INDUSTRY STANDARD OPERATIONS ARE IMPLEMENTED AS A MINIMUM.**
- **WE UNDERSTAND FROM DISCUSSIONS WITH THE MANAGING AGENT THAT PART OF THE RENT THAT WAS PAYABLE IN 2020 AND 2021 FOR TWO TENANCIES (HOTEL AND ONE RETAIL SHOP) WAS DEFERRED PURSUANT TO A SIDE AGREEMENT IN RELATION TO COVID19 RENTAL RELIEF. THIS DEFERRED RENT IS NOW BEING REPAID BY THE TENANTS. WE HAVE NOT INCLUDED THE DEFERRED RENTAL PAYMENTS IN OUR VALUATION ASSESSMENT AND ASSUME THAT NO FURTHER RENT RELIEF WILL OCCUR.**
- **THE MARKET VALUE OF THE SUBJECT PROPERTY DOES NOT FORM PART OF THE BASIS OF DETERMINING THE PURCHASE CONSIDERATION OF THE CONTEMPLATED PROPOSED ACQUISITIONS AND THE VALUATION CERTIFICATES FOR THE PROPERTIES WILL SOLELY BE ENCLOSED FOR SHAREHOLDERS' INFORMATION PURPOSES ONLY.**
- **DURING OUR INSPECTION OF THE PROPERTY, WE NOTED BUILDING CLADDING PRODUCTS THAT MAY INCORPORATE ALUMINIUM COMPOSITE PANELS (ACP), EXPANDED POLYSTYRENE (EPS) OR SIMILAR PRODUCTS. WE ARE UNABLE TO IDENTIFY WHETHER THESE COMPONENTS ARE COMPLIANT WITH CURRENT AUSTRALIAN BUILDING REGULATIONS. THE PRESENCE OF ACP, EPS OR SIMILAR PRODUCTS MAY CREATE A SAFETY RISK AND THEREFORE WE RECOMMEND THAT ANY PARTY RELYING UPON THIS VALUATION MAKE THEIR OWN ENQUIRIES AND SATISFY THEMSELVES IN RESPECT OF THE COMPLIANCE OF THE CLADDING SYSTEM WITH APPROVALS AND RELEVANT LAW, LEGISLATION, LEGAL CODES AND OR STANDARDS. WE HAVE NOT INCLUDED ANY CAPITAL ALLOWANCES TO ADDRESS THE PRESENCE OF ANY SUCH PRODUCTS, AND IN THE EVENT THAT THE PRESENCE OF ACP, EPS OR SIMILAR PRODUCTS IS CONFIRMED, WE RESERVE THE RIGHT TO REVIEW AND AMEND THIS VALUATION.**

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Risk Assessment

Market

Investment

- A higher inflationary environment is expected to persist over the short to medium term. The Reserve Bank of Australia started a period of monetary policy tightening in May 2022. In addition to the recent rate increases, further rises are anticipated over the short- to medium-term.
- The key driver for the subject hotel is business/corporate travel and those travelling to visit friends and family.
- The property would likely require a selling period of in the order of six months assuming a professional marketing campaign.
- The most probable purchaser would be a managed investment fund, private investor, or a real estate investment trust.

Occupancy

- The hotel is branded as the Quest Burwood East, which is considered to be an appropriate brand and product positioning for the asset. Quest is a well-established brand in Australia with, more than 30 years of ongoing operations. The current Quest portfolio includes 170 hotels throughout Australia, New Zealand, the UK and Fiji where all are a mixture of franchised, managed and leased operations.
- We note this Lease is subject to a Step-in Deed between the Tenant, Landlord and Franchisor, wherein upon default of the Tenant, the Franchisor ultimately resumes as the tenant.
- The retail tenancies are operated as a gymnasium and physiotherapist clinic, both of which are considered to be appropriate and complimentary to the mixed use development and its location.

Asset

- The subject property comprises 55 serviced apartments including several dual key apartments, providing a total of 91 keys. The property also includes two ground floor retail tenancies of substantial size (591 and 944 square metres).
- The property provides for a multi-deck car park for 157 cars.
- The current use is considered to be consistent with the highest and best use of the property.

Cash Flow Profile

- The hotel is currently subject to a 10 year lease which expires in May 2029 with four further terms of five years each.
- The gym is subject to a 5 year lease which expires September 2024 and includes several option periods.
- The smaller retail tenancy (591 square metres) is subject to a 10 year lease which expires in November 2032 and includes several options periods.
- The passing rents for the leased areas are considered to be at market levels.
- The outgoings are considered to be at market levels and each tenant is responsible for a proportionate share of building outgoings.
- There is an outstanding rent-free period (incentive) equating to a present value of $163,234.
- The leases are semi-gross leases. The hotel does not pay any rates and taxes and the retail tenants do not pay any land tax.

Asset Management

- Given the size and complexity of the asset, professional asset management is recommended.

Information Relied Upon

Information Sources

The information provided by the managing agent and that has been relied upon for the purpose of this valuation is noted as follows:

- Building Plans, Project No. M1425, prepared by K2LD Architects, 2018;
- Tenancy Schedule as at 24 March 2023;
- FY23 Council Rates Notices;
- Water Rates Notices;
- Insurance Invoices;
- Copies of Lease Documents; and

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Executive Summary

Instructions

Prepared for	Adrian Wong Tet Look. Oriental Holdings Berhad
Reliant Party	Oriental Holdings Berhad
Purpose	For submission to Bursa Malaysia Securities Berhad in relation to a Circular to Shareholders to seek approval for a related party transaction.
Interest Valued	Fee simple (freehold) subject to the existing leases

Property Details

Address	315-319 Burwood Highway, Burwood East, VIC
Registered Proprietor	OAM (Aust) Pty Ltd
Title References	Volume 11067 Folio 639
Site Area	6,013 square metres
Location	The property is located in Burwood East, Situated approximately 21 kms, by road, east of the Melbourne CBD.
Planning	'MUZ – Mixed Use' zone pursuant to the Whitehorse Planning Scheme.
Description	The subject property is a mixed use building comprising a hotel and two ground floor retail tenancies together with multi-deck car parking for 157 cars. The hotel is modern, purpose-built and is currently branded and operated as the Quest Burwood East, providing a total of 55 apartments or 91 keys, configured within studio, one, two and three bedrooms. The Quest Apartment Hotels brand is rated as an upscale accommodation product offering by the STR Global Ratings system. The two ground floor retail tenancies are currently operating as T1 Fitness and Kieser Burwood East.
Occupancy	The larger retail tenancy (944m^2) is leased to T1 Fitness with a lease expiring September 2024 and the smaller retail tenancy (591m^2) is leased to Kieser Burwood East on a new 10 year term expiring November 2032. The hotel is leased to Quest Burwood East Tenancy Pty Ltd and operated as a Quest Apartment Hotel, subject to a franchise agreement with Quest Serviced Apartments Pty Ltd. This lease is for a 10 year term expiring 19 May 2029 with four further terms of five years each (a total of 20 years).
Guest Rooms	91 keys, configured as 55 single and dual key serviced apartments.
Car Spaces	157 multi-deck car bays.
WALE	5.74 years – by Area 5.93 years – by Income
Vacancy	Nil.
Highest and Best Use	At the date of valuation, the current use of the property as a hotel with ground floor retail is considered to be consistent with the highest and best use.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Valuation

Valuation Approaches	Capitalisation of Net Income (Primary Approach), Discounted Cash Flow Analysis (Primary Approach) and Direct Comparison (Secondary Approach).
Date of Inspection	31 March 2023
Date of Valuation	31 March 2023
Market Value	**AUD $33,800,000 exclusive of GST.** **(THIRTY THREE MILLION EIGHT HUNDRED THOUSAND AUSTRALIAN DOLLARS).** Or the equivalent Market Value sums are equivalent to (based on an exchange rate of AUD1.00:RM2.9624, being the exchange rate published by Bank Negara Malaysia on 31 March 2023, being the date of valuation): **MYR 100,129,120 exclusive of GST** **(ONE HUNDRED MILLION ONE HUNDRED TWENTY NINE THOUSAND ONE HUNDRED AND TWENTY MALAYSIAN RINGGIT).** Source: https://www.bnm.gov.my/currency-converter

Prepared By

Valuer	James Ruben AAPI MRICS Associate Member – Australian Property Institute No. 69097 Royal Institute of Chartered Surveyors Member No. 6851815 Certified Practising Valuer National Director – Specialised Assets *Primary Signatory*	Hannah Vale AAPI Associate Member – Australian Property Institute No. 104607 Certified Practising Valuer Senior Valuer – Specialised Assets *Primary Signatory*

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Location

Map

Source: UBD Gregory Australian City Streets

Source: UBD Gregory Australian City Streets

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Road System, Access, and Exposure

Situated	• Situated on the corner of Burwood Highway and Mahoneys Road. • Located in the suburb of Burwood East, approximately 46kms, by road, south east of the Melbourne Airport and approximately 21 kilometres by road, south east of the Melbourne CBD.
Road Service	• Burwood Highway is a six lane, dual carriageway arterial road, with parallel tram tracks located in the centre of the road. • Mahoneys Road is a local road. It features two lanes (one in each direction) and is a bitumen sealed thoroughfare with parallel parking on both sides. • Arterial motorways such as the Monash Freeway are within easy access from a vehicular perspective.
Access	• The main pedestrian access is from Burwood Highway. • The main vehicular access is from Mahoneys Road, with a driveway leading directly to the multi-deck car parking on the upper ground level and level 1.
Exposure	• The location affords good levels of exposure.

Surrounding Development

Burwood East is a well-established, mixed-use metropolitan suburb approximately 25 kilometres by road form the Melbourne CBD. The suburb provides for a diverse range of land uses, including residential, retail and office uses. It is well serviced by public transport and major roadways. Notable locations within Burwood East include the Burwood One Shopping Centre, Tally Ho Business Park and the Burwood Oval, cycling track and tennis club.

Public Transport

Train Station	• Approximately 250 metres from the nearest tram stop on Burwood Highway.
Bus Stop	• Approximately 250 metres from the nearest bus stop on Burwood Highway.
Train Station	• Glen Waverley Railway Station is located approximately 4 kilometres south.

Access to the property is easy and direct via both public and private modes of transport.

Services

All usual urban services are connected or available to the property.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Title Details and Land Description

Particulars

Title Reference	Description	Registered Proprietor
Volume 11067 in Folio 639	Land in Plan of Consolidation 370678G	OAM (Aust) Pty Ltd.

A copy of the title search, dated 23 March 2023, is attached as an Annexure to this report.

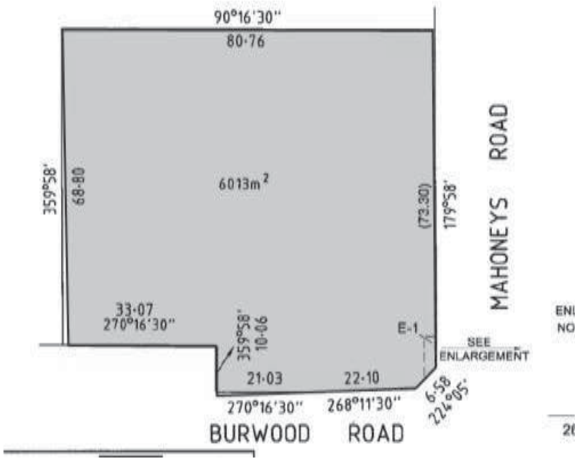
The current title includes a mortgage to United Overseas Bank Limited, which we assume would be extinguished if the property were to be transferred.

The notations on title are not considered to have a negative impact on value.

Refer to Critical Assumptions and Qualifications – Title.

Land Description

The land comprises an irregular shaped corner allotment. We have not undertaken any check measurements and relied on the site areas stated on the Plan of Consolidation.

Frontage/Boundary	Length	Extract of the Plan of Consolidation
Burwood Highway Frontage	76.2 metres	
Mahoneys Road Frontage	73.3 metres	
Northern Boundary	80.76 metres	
Western Boundary	68.8 metres	
Total Site Area	**6,013 square metres**	

Improvements

Overview

The subject property is a mixed use building comprising a hotel and two ground floor retail tenancies together with a multi-deck car park for 157 cars.

The property is arranged across 7 levels, with the composition of each described below.

Level	Overview	Guest Hotel Keys
Lower Ground	Retail A premises (Kieser Burwood East). Hotel administration office, luggage room, entrance lobby and reception. Common male/female amenities, building services room and pump room.	-
Upper Ground	Retail B premises (T1 Fitness) 61 car spaces, 2x waste rooms, storage & service rooms and a substation.	-
Level 1	96 car spaces, hotel conference rooms x 2, pre-function area, linen store room, cleaners and waste store rooms.	-
Level 2	Hotel Guest Rooms, linen room, waste chute, lift lobby lounge, hotel gymnasium, guest laundry, outdoor courtyard with BBQ area.	26
Level 3	Hotel Guest Rooms, linen room, waste chute, lift lobby lounge.	25
Level 4	Hotel Guest Rooms, linen room, waste chute, lift lobby lounge.	25
Level 5	Hotel Guest Rooms, linen room, waste chute. Rooftop services.	15
Total		**91 keys**

Presentation, Condition and Utility

The building was constructed approximately 3 years ago and appears to have been adequately maintained, remaining in a good decorative order throughout. From our observations the building appears in sound structural condition with all services operating satisfactorily. In our opinion the property appears to have been adequately maintained having regard to its age and the purpose to which it is used.

Refer to Critical Assumptions and Qualifications – Presentation, Condition and Utility.

Hotel Component

The hotel component is a modern purpose-built building that is currently branded and operated as the Quest Burwood East, providing a total of 55 apartments or 91 keys, configured within studio, one, two and three bedrooms. The Quest Apartment Hotels brand is rated as an upscale accommodation product offering by the STR Global Ratings system. Hotel facilities include two conference/meeting rooms, a courtyard with BBQ area, guest laundry and a gymnasium.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Photographs – Guest Rooms

Typical Guest Room Layout

Typical Kitchenette

Typical Bathroom Finishes

Typical Guest Room Level Corridor

Lift Lobby Lounge

Typical Balcony Furniture

Typical Two Bedroom Apartment Dining & Kitchen

Typical Bedroom

Typical Apartment Living and Dining Area

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Meeting / Conference Facilities

The property includes a large dynamic meeting and conference room on Level 1 that is configured with a retractable wall that allows the space to be configured as one or two function rooms. There is an additional pre-function area, referred to as the "Business Lounge", located adjacent to the conference room with lounge seating which overlooks the lightwell to the Upper Ground Floor level below.

We provide below inspection photographs related to the meeting room facilities.

Photographs – Meeting / Conference Facilities

Dynamic Meeting Room

Business Lounge

Dynamic Meeting Room

Recreational and Other Improvements

The property additionally provides for the following recreational facilities and other improvements:

- Luggage storeroom;
- Gymnasium; and
- Guest Laundry.

We provide overleaf inspection photographs related to the recreational and other facilities.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Photographs – Recreational and Other Improvements


Reception Lounge


Typical Linen Room On Each Floor


Reception / Lift Lobby


Gymnasium


Courtyard / BBQ Area


Courtyard / BBQ Area


Staff Kitchen


Staff Lockers / Back of House


House Keeping Laundry

Retail Component

"Retail A" tenancy comprises a lettable area of 591m² and is located to the north eastern portion of the building on the lower ground level. This tenancy is tenanted by a physiotherapist clinic trading as the "Keiser Burwood East". The tenancy features a corner position benefiting from two sides of full height windows which allow for substantial natural light. This tenancy shares male/female amenities located in the Lower Ground Level, with the other tenants in the building.

"Retail B" tenancy comprises a lettable are of 944m² and is located on the southern side of the building, on the Upper Ground Level. This tenancy is currently tenanted by a gymnasium operator. The gymnasium is configured with a large central training area and subsequent alterations including the conversion of the Loading Bay into a separate group exercise room and a rear staff kitchen and lunch room. The tenancy has two entrances being the dominant pedestrian entrance on the southern side of the building, fronting Burwood Highway and a secondary access point from within the parent building. The amenities for this tenancy are located on the Lower Ground Level and accessed via Lift.

We provide overleaf inspection photographs related to the retail component of the subject property.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Photographs – Retail Tenancy A


Central Exercise Area


Staff Kitchen


Typical Consultation Room


Administration Office


Typical Consultation Room


Customer Changing Rooms / Bathrooms

Photographs – Retail Tenancy B

Reception


Central Training Area


Entrance Lobby


Staff Kitchen


Staff Area


Central Training Area

Valuation Approaches

In assessing the value of the subject property, we have relied on the income and market approaches.

Discounted Cash Flow (Primary Approach)

The discounted cash flow method is an income approach. It involves formulating a projection of net income over a specified time horizon, typically ten years, and discounting this cash flow including the projected terminal value at the end of the projection period at an appropriate rate. The present value of this discounted cash flow represents the market value of the property.

Capitalisation of Net Income (Primary Approach)

The capitalisation approach involves estimating the potential sustainable gross market income of a property from which annual outgoings are deducted to derive the net market income. This net market income is then capitalised at an appropriate rate derived from analysis of comparable sales evidence.

Adjustments to the capitalised value are then made for items including profit rent/shortfall derived from passing rents which are above or below market, letting up allowances over vacant areas including foregone rental and outgoings over the assumed letting up period together with marketing expenses and leasing commissions, short term capital expenditure, outstanding lease incentives including rent free periods and committed Lessor contributions.

Direct Comparison (Secondary Approach)

The direct comparison method is a market approach and used within our calculations as a check method of valuation. It involves applying a Value Rate to the selected unit of comparison which in this case is the value per key for the hotel and value per square metre of net lettable area for the retail component, with the adopted value rate derived from analysis of comparable sales evidence.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Sales Evidence

In determining the market value of the subject property, we have considered the available sales evidence. Given the specialised nature of the subject property being an accommodation facility with retail component there is generally a paucity of comparable evidence within proximity of the subject property.

We have therefore considered sales evidence within comparable markets across the eastern coast of Australia.

Hotel Sales Evidence

The comparable sales evidence that we have considered in our check-approach to valuation is shown below.

Mercure Hotel, 77 Racecourse Road, Pakenham, VIC

Sale Details

Sale Price	$15,800,000	**Price Per Key**	$246,875
Sale Date	December 2022	**Passing Initial Yield** (Base Rent of $800,000)	5.00%
Number of Keys	64	**Market Equivalent Yield** (Year 2 rent of $900,000 plus recoverable outgoings)	5.92%

Analysis

The sale property comprises a newly built serviced apartment hotel, opened in September 2022, featuring 64 guest rooms, a restaurant & bar, conference and meeting facilities together with 71 car parking spaces. The Mercure Pakenham is located in the suburb of Pakenham, approximately 65 kilometres south east of the Melbourne CBD. The letting pool is predominantly hotel -style guest rooms with no kitchenettes. The hotel is operated subject to a 20 year lease to NMG Pakenham Pty Ltd which has a licence with Accor to brand the premises as the Mercure. This tenant also manages the Mercure Warragul. The Pakenham lease has four further options of 10 years each. The rent is $800,000.00 pa for the first year of the term and $940,000 pa for the second year of the term. Rent is reviewed annually at CPI with market reviews every 5 years. The tenant is responsible for 100% of building outgoings.

The property was sold via an expression of interest campaign led by conjunctional real estate agents Stonebridge and Wilson Property on behalf of vendor Traralgon-based BFN Developments. The property was purchased by a Melbourne-based investor.

Comparison (Justification)

Inferior location to the subject property; upward adjustment to subject property.

Comparable modern building operating as a hotel subject to a lease agreement, albeit with CPI rental growth; similar metrics to subject property.

Sale is newer than the subject and benefits from income tax depreciation; downward adjustment to subject property.

Superior range of facilities to the subject; downward adjustment to subject property.

Overall, we would expect a higher price per key for the subject with a tighter cap rate.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Quest Woolloongabba, 130 Logan Road, Woolloongabba, QLD

Sale Details

Sale Price	$43,800,000	**Price Per Key**	$331,818
Sale Date	August 2022	**Passing Initial Yield**	6.45%
Number of Keys	132	**Market Equivalent Yield**	6.45%

Analysis

Regular shaped property improved with a Quest branded hotel, situated along the western alignment of Logan Road, approximately 4 kilometres south-east of Brisbane City, in Queensland. The property was built in 2014 and is improved with a serviced apartment hotel with 132 keys and four retail tenancies together with 86 car parking spaces, arranged over 2 basement levels and 9 upper levels. The apartments range in size from 1, 2 and 3 bedrooms and comprise dual key options. The hotel also comprises conference facilities, a gymnasium, and a rooftop courtyard & BBQ.

The retail tenancies are leased to a café, restaurant, beauty therapist and take away pizza shop.

The property was sold via an expression of interest campaign led by real estate agents McVay Real Estate on behalf of vendor Pellicano. The property was purchased by Invictus Developments Pte Ltd. We have been provided with a sales analysis from the real estate agents which reflects a notional apportionment of value of $41,316,000 for the hotel and $2,484,000 for the retail component. This reflects as $313,000 per key for the hotel and $8,935/m² of lettable area for the retail component.

Comparison (Justification)

Superior location in relevance to a CBD, albeit in Brisbane, QLD; upward adjustment for subject property.

Comparable modern building with similar demand drivers and occupancy profile being a Quest branded hotel with ground floor retail income; similar metrics to subject property.

Overall, we would expect a similar price per key for the subject with a tighter cap rate.

Campbell5 Hotel, 16 Provan Street, Campbell, ACT

Sale Details

Sale Price	$18,000,000	**Price Per Room**	$285,714
Sale Date* **(Awaiting Settlement)**	May 2022	**Market Equivalent Yield**	6.28%
Number of Rooms	63	**Initial Yield**	5.20%
		IRR	6.78%

Analysis

The sale hotel is contained within the brand new $500 million Campbell5 development comprising serviced apartments and residential, commercial and retail spaces. Campbell5 is located in the inner city suburb of Campbell, approximately 2 kilometres south east of the Canberra CBD.

The hotel provides for 63 serviced apartments ranging in size from 23 to 64 square metres, and being in a variety of studio, one and two bedroom apartment configurations. There are no facilities included in the hotel component. The property was offered for sale with vacant possession however we understand that the purchaser, Pro-invest has engaged Accor to brand the property as the Sebel Canberra Campbell. Our analysis reflects our forecast for the Canberra accommodation market together with our expectations for the sale property's profitability based on a notional HMA model. We have adopted a Year 5 stabilised ADR of $198 and occupancy of 80% being approximately 2% to 6% above the market. The property was sold via an expressions of interest campaign by real estate agents CBRE.

Comparison (Justification)

Superior location albeit in the ACT; upward adjustment to subject property.

The sale is similarly a newly built serviced apartment building however was offered with vacant possession; downward adjustment to subject property.

Overall, the sale property should reflect softer investment metrics compared to the subject.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Rydges Bankstown, 874 Hume Highway, Bass Hill, NSW

Sale Details

Sale Price	$28,000,000	**Price Per Room**	$233,333
Sale Date	October 2021	**Market Equivalent Yield**	6.19%
Number of Rooms	120		

Analysis

The sale property, located approximately 25 kilometres west of the Sydney CBD, opened in 1991 and features 120 guest rooms, conference facilities, outdoor pool, restaurant and bar arranged across 5 upper levels and ground floor, together with on grade car parking for 150 cars. Guest rooms have an average room size of over 30m^2. The property is being offered with vacant possession or alternatively, current manager Rydges Hotels & Resorts are offering to continue operating the property under a hotel management agreement (HMA). A rooftop telecommunications tower lease exists, expiring in 2030 (with options) and currently contributing $38,370 gross, with a fixed annual increase of 3% pa.

The subject property sits on a relatively large site of 8,992m^2 and was sold by Event Hospitality & Entertainment to purchaser Laundy Hotels, an established pub and hotel group based in Sydney.

Historically the hotel operated at a RevPAR market penetration index of between 97.6 (CY18) and 105.5 (CY20). April YTD reflects as a RevPAR index of 90.9. We have analysed the sale as per the terms of the proposed HMA with Rydges Hotels & Resorts. We have assumed a return to pre-pandemic levels of trade from Year 3 with reference to the market average trading data for the Sydney region and our own projections.

The property was sold via an expression of interest campaign brokered by real estate agents Colliers International.

Comparison (Justification)

Comparable location albeit in NSW; downward adjustment to subject property.
The sale is a larger and older property; upward adjustment to subject property.
Sale was offered with vacant possession; downward adjustment to subject property.
Sale is dated: upward adjustment to subject property.
Overall, the sale property should reflect softer investment metrics compared to the subject.

Quest Dubbo, 22 Bultje Street, Dubbo NSW

Sale Details

Sale Price	$16,000,000	**Price Per Key**	$246,153
Sale Date	September 2021	**Market Equivalent Yield**	8.52%
Number of Keys	65		

Analysis

Regular shaped property improved with a Quest branded hotel, situated along the northern alignment of Bultje Street and western alignment of Bank Street, approximately 392 kilometres north-west of the Sydney CBD in the township of Dubbo. QUEST is reported to be exercising their option to renew the lease for a further term of 5 years.

The property is improved with a modern, 4.5 star four (4) level development comprising 65 keyed rooms with a mix of studio, 1, 2 and 3 bedroom apartments, secure car parking, conference facilities, gymnasium and outdoor BBQ terrace. The property was marketed at $17,000,000 although given COVID-19 pressures and uncertainty in the market, a reduced rate of $16,000,000 was accepted.

Comparison (Justification)

Inferior location; upward adjustment to subject property.
Comparable modern building; similar metrics to subject property.
Regional location of sale property; upward adjustment to subject property.
Overall, should reflect softer investment metrics compared to the subject.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Vibe Hotel Melbourne, 1 Queen Street, Melbourne, VIC

Sale Details

Sale Price	$106,600,000	**Price Per Key**	$517,476
Sale Date	July 2020	**Market Equivalent Yield**	5.20%
Number of Keys	206	**Initial Yield**	2.34%
		IRR	5.42%

Analysis

The sale property is located in the south west of Melbourne CBD, approximately 600 metres south west of the GPO, at the intersection of Queen and Flinders Streets. The sale comprised the freehold going concern building, newly built in 2020 and managed by TFE under the 'Vibe' brand. Vibe is a lifestyle brand with a lower service model and an occupancy driven operating strategy. The hotel features 206 guest rooms arranged across 24 levels with a relatively small weighted average room size of 24 sqm. Facilities include food and beverage outlets, swimming pool, gymnasium and conference spaces.

We understand the purchaser, Thai-based Sino-Pacific Trading, begun negotiations at the end of 2019 and subsequently negotiated a small discount upon the onset of COVID19 to arrive at the agreed purchase price of $108M. We have been informed by the agent that there was a slight adjustment at settlement as a result of an acoustics issue which was able to be resolved at relatively low cost, providing for the final purchase price of $106.6M.

We have analysed the sale with reference to the market average trading data for the Melbourne region and our own projections which take into account the known economic conditions as at the date of sale.

Comparison (Justification)

Superior location; downward adjustment to subject property.

Newly constructed building with superior facilities; downward adjustment to subject property.

Overall, should reflect stronger investment metrics compared to the subject.

Quest Macquarie Park, 71 Epping Road, Macquarie Park, NSW

Sale Details

Sale Price	$46,000,000	**Price Per Key**	$414,414
Sale Date	March 2020	**Market Equivalent Yield**	5.50%*
Number of Keys	111		

Analysis

Located approximately 15 kilometres north west of the Sydney CBD, this property is a modern style serviced apartment complex comprising a mix of studios, one, and two bedroom apartments with full kitchens and laundries. The property benefits from a good location within Macquarie Park, with demand being driven by employment and educational facilities in the immediate proximity.

The property was sold off market, subject to a lease which reportedly included annual 4% increases in addition to periodic market reviews.

Purchaser The Ascott Residence Trust (ART) acquired the asset from vendor Tuggeranong Valley Rugby Union and Sports Club Ltd (Vikings Group), in a transaction brokered by selling agents Savills Australia.

**As advised by selling agent.*

Comparison (Justification)

Superior location; downward adjustment to subject property.

Sold subject to a comparable lease; similar metrics to subject property.

Comparable modern building; similar metrics to subject property.

Overall, should reflect comparable yield profile and higher price per key, when compared to the subject.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

701 Swanston Street (ex. Rydges on Swanston), Carlton, VIC

Sale Details

Sale Price	$35,000,000	**Price Per Key**	$327,102
Sale Date	September 2020	**Market Equivalent Yield**	5.31%
Number of Keys	107	**Initial Yield**	2.75%

Analysis

The property was sold with vacant possession after the hotel attracted negative media attention following a State Quarantine hotel incident. Carlton Property Group, who is local developer, purchased it off Adelaide-based hotel investor David Horbelt.

Situated at the northern periphery of the Melbourne CBD in the suburb of Carlton, the property occupies a prominent position between Lincoln Park and the University of Melbourne. The hotel currently comprises 107 guest rooms across 5 levels and includes significant conference and function space and a rooftop swimming pool and bar.

At the time of sale, the buyer announced an extensive refurbishment program to spend circa $50,000 per guest room, being $5,350,000 in refurbishing and repositioning the property under a new management agreement rebranding to Crowne Plaza Melbourne Carlton. We have analysed the sale with reference to the market average trading data for the Melbourne region and our own projections.

Comparison (Justification)

Superior location; downward adjustment to subject property.

Inferior quality and older building; upward adjustment to subject property.

Comparable size, superior facilities; on balance with age of building results in similar investment metrics to subject property.

Overall, should reflect stronger investment metrics compared to the subject.

Novotel Glen Waverley, 285 Springvale Rd, Glen Waverley VIC

Sale Details

Sale Price	$90,300,000	**Price Per Key**	$451,500
Sale Date	August 2019	**Market Equivalent Yield**	5.33%
Number of Keys	200	**Initial Yield**	4.42%

Analysis

The Novotel Glen Waverley represents a strata hotel within a mixed use development known as 'Century City Walk' which comprises the sale hotel and a shopping centre. The hotel together with the adjoining shopping centre was purchased by a Chinese-backed private group Chaolong Developments from iProsperity in a transaction that essentially amalgamated the shopping centre and the hotel. We understand the total price for the transaction was $144,800,000 with the apportionment being $90,300,000 for the hotel and $54,500,000 for the retail component. The hotel features a casual restaurant and lobby bar, swimming pool, gymnasium and sauna and conference and meeting facilities.

The hotel is managed by Accor subject to a recently renewed management agreement commencing in 2018 for a 20 year initial term. We have analysed the sale with reference to the trading conditions at the time of sale, market average trading data for the Melbourne Region and our own projections. We have adopted a capital expenditure allowance at Year 1 to address the dated improvements which has then captured stabilised trade at Year 3 of our forecast cash flow.

Comparison (Justification)

Similar metropolitan location; similar metrics to subject property.

Larger and older building, situated within a mixed use parent development; upward adjustment to subject property.

Superior facilities and larger letting pool; downward adjustment to subject property.

Overall, should reflect similar yield profile to the subject and a higher price per key.

In addition to the above sales, we note the sale of the property at 221 Rosslyn Street, West Melbourne, Victoria, of which details are yet to be confirmed due to confidentiality reasons. From our discussions with the real estate agents, we understand that the hotel sold in the low to mid $40m range. A value of $41m would reflect a rate per key of $414,141. The sale was a newly developed, stratum freehold hotel which formed part of a master planned mixed use development. The hotel comprises 99 keys configured as hotel rooms, and 1 & 2 bedroom apartments, together with facilities including a restaurant, and indoor swimming pool.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

In considering the level of investment demand in the Australian market, we note the following properties which are currently for sale in the market:

- Quest Midland, 3 The Crescent Midland, WA. This property comprises a newly constructed serviced apartment hotel with 55 apartments and facilities including conference and meeting space, gymnasium and on site car parking. The property is subject to a long term lease, operated under the Quest Apartments branding, expiring 2034. The property is currently being marketed for sale by real estate agents Colliers and upon discussions with the responsible agent, we understand expressions of interest closed 19 October 2022 with offers still being considered.
- 18 Rowlands Place, Adelaide, SA. This serviced apartment hotel comprises 93 apartments, and facilities including a Level 17 sky bar and function centre, basement car parking plus a ground floor lobby and administration office. The property is contained within 48 titles and is being transacted in one line. The property is currently under contract with real estate agents Savills.
- Mantra Albury Hotel, 524 Smollett Street, Albury, NSW. The subject hotel comprises 146 guest rooms and facilities including a gymnasium, business lounge and ground level restaurant and bar. This hotel is currently being marketed for sale by real estate agents Savills with an asking price of $29,500,000, equating to $202,055 per key. The campaign is closing 29 April 2023.

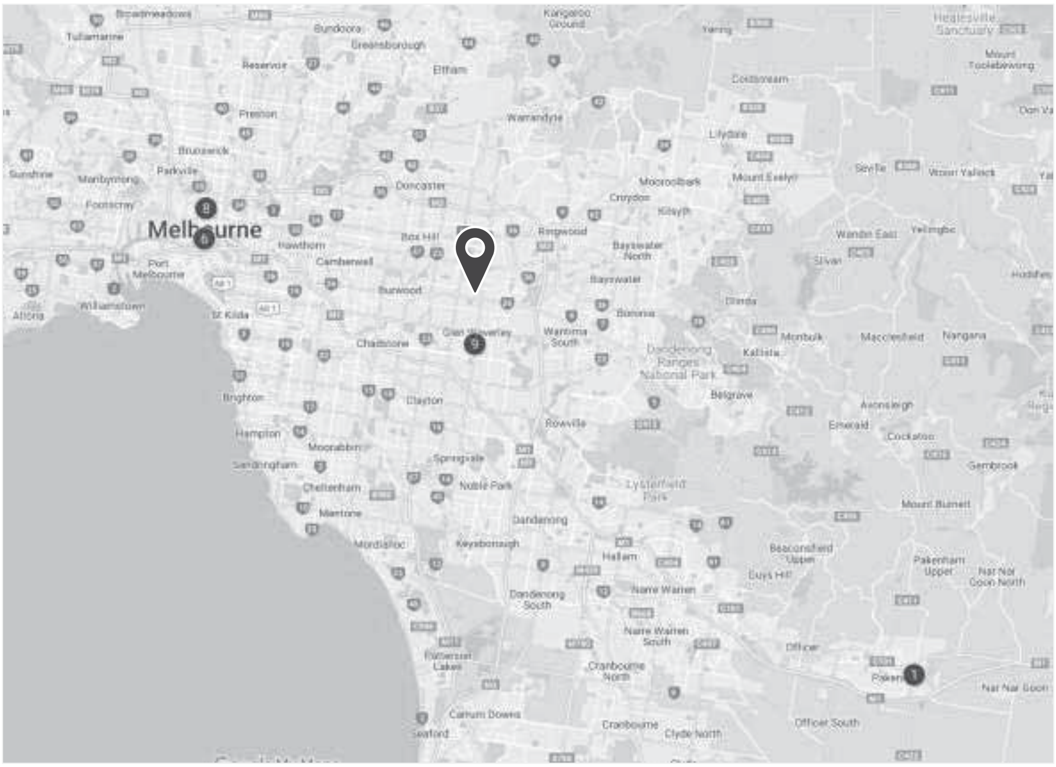
Conclusion

The above sales are summarised in the below table and corresponding maps.

Map – NSW, ACT & QLD

Map – All Sales

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)



Map - VIC

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Each of the sales above have been analysed in comparison to the subject property. Specific adjustments that have been considered are noted in the comparison (justification) section under each sale above. We provide a summary of these sales below.

Address	Map No.	Sale Date	Sale Price	Keys	Analysed Rate ($/key)	Equated Yield	IRR
Mercure Hotel, 77 Racecourse Road, Pakenham, VIC	1	Dec-22	$15,800,000	64	$246,875	5.92%	NA
Quest Woolloongabba, 130 Logan Road, Woolloongabba, QLD	2	Aug-22	$43,800,000	132	$331,818	6.45%	NA
Campbell5 Hotel, 16 Provan Street, Campbell, ACT	3	May-22	$18,000,000	63	$285,714	6.28%	6.78%
Rydges Bankstown, 874 Hume Highway, Bass Hill NSW	4	Oct-21	$28,000,000	120	$233,333	6.19%	NA
Quest Dubbo, 22 Bultje Street, Dubbo NSW	5	Sep-21	$16,000,000	65	$246,153	8.52%	NA
Vibe Hotel Melbourne, 1 Queen Street, Melbourne VIC	6	Jul-20	$106,600,000	206	$517,476	5.20%	5.42%
Quest Macquarie Park, 71 Epping Road, Macquarie Park NSW	7	Mar-20	$46,000,000	111	$414,414	5.50%	NA
Rydges on Swanston, 701 Swanston Street, Carlton VIC	8	Sep-20	$35,000,000	107	$327,102	5.31%	5.56%
Novotel Glen Waverley, 285 Springvale Road, Glen Waverley VIC	9	Aug-19	$90,300,000	200	$451,500	6.18%	6.23%

The sales evidence described provides a range of $233,333 to $517,476 per key and an equated yield range of 5.20% to 8.52%.

Having regard to the above sales evidence and our comments in relation to the particular attributes of the subject property we have adopted a capitalisation rate of 5.50% and a discount rate of 6.25% and we would expect a notional price per key for the subject hotel component to be in the range of $275,000 to $325,000, which is within the range reflected in the sales evidence.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Retail Sales Evidence

The comparable sales evidence that we have considered in our check-approach to valuation is shown below.

Retail Sales Evidence									
Property	Date	Area	Price		Condition	Use	Net Rent		Initial
			$ / annum	$ / m²			$ / annum	$ / m²	Yield
261-263 Blackburn Road Mount Waverley	23-Feb-23	229	$1,350,000	$5,895	Good.	Gym	VP	VP	VP
2 Brentford Square, Forest Hill	14-Feb-23	290	$2,000,000	$6,897	Good.	Retail	$81,000	$311	4.05%
47 Marianne Way, Mount Waverley	9-Dec-22	216	$1,330,000	$6,157	Very Good.	Restaurant	$75,000	$347	5.64%
89 Kingsway, Glen Waverley	8-Dec-22	368	$6,220,000	$16,902	Average.	Retail	$189,625	$515	3.05%
415-417 Springvale Road, Forest Hill	30-Nov-22	372	$2,720,000	$7,312	Average.	Retail	$87,915	$236	3.23%
5 Hanover Road, Vermont South	18-Oct-22	150	$1,275,000	$8,500	Dated.	Retail	VP	VP	VP
8/3-5 Gilda Court, Mulgrave	19-Aug-22	552	$1,980,000	$3,587	Average.	Office	VP	VP	VP
238 Springvale Road, Glen Waverley	3-Aug-22	220	$3,950,000	$17,955	Dated.	Medical	$194,145	$882	4.92%
257 Burwood Highway, Burwood	17-May-22	669	$2,035,000	$3,042	Dated.	Retail	VP	VP	VP
Ground Floor, 73 Railway Road, Blackburn	1-Feb-22	738	$3,255,000	$4,411	Dated.	Restaurant	$114,456	$155	3.52%
Ground Floor, 16 Lakeside Drive Burwood East	31-Jan-22	2,314	$13,000,000	$5,618	Good.	Office	$798,998	$345	6.15%
45-47 Mahoney's Road, Forest Hill	23-Dec-21	369	$2,500,000	$6,775	Dated.	Retail	VP	VP	VP
108 Middleborough Road, Blackburn South	21-Oct-21	140	$1,120,000	$8,000	Dated.	Retail	$41,100	$294	3.67%
82 Kingsway, Glen Waverley	9-Dec-20	320	$6,000,000	$18,750	Average.	Retail / Take Away Food	$163,783	$512	2.73%
55-57 Railway Parade, North Glen Waverley	6-Mar-20	382	$7,350,000	$19,241	Average.	Take Away Food	$253,538	$664	3.45%

The sales evidence provides a range of $3,042 to $19,241 per square metre of lettable area and an initial yield in the range of 2.73% to 6.15%.

In consideration of the retail sales evidence above, the subject retail premises are of a superior quality and standard. The evidence towards the upper end of the rental range is generally located within or adjacent to retail precincts such as shopping centres. The subject retail tenancies generally have a larger area than the comparable sales evidence. The retail component is assessed on a hypothetical strata composition in order to establish the notional apportionment of value.

On balance of these factors, we would expect a notional price per square metre of lettable area for the subject retail premises to be in the range of $3,850 to $4,150, which falls within the range reflected by the sales evidence.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Calculations

Capitalisation Approach

In applying our Capitalisation Approach, we have adopted a capitalisation rate of 5.50% which has been applied to the adopted net market income.

We have then deducted or added the present value of reversions derived from the passing rents which are considered to be either under or over market rent. We have also made deductions for variances to the net income created by letting up or down time, incentives/rent free periods, leasing commissions and capital expenditure.

Our capitalisation approach calculations are shown below:

Market Income				
		Base Rent	**Recoveries**	**Total**
Retail		463,200	4,416	467,616
Hotel		1,834,296	62,225	1,896,522
Gross Market Income		**2,297,496**	**66,642**	**2,364,138**
Less Adopted Outgoings				(436,168)
Net Income				**1,927,970**
Market Capitalisation Rate		5.75%	5.50%	5.25%
Core Capital Value (fully leased)		**33,529,908**	**35,053,995**	**36,723,233**
Core Capital Value ($/m²)		*5,755*	*6,017*	*6,303*
Capital Value Adjustments				
Present Value of Rental Reversions		(70,434)	(70,550)	(70,667)
Capital Value of Special Income		-	-	-
Capital Value of Stabilisation Allowance		-	-	-
Capital Value of Other Adjustments		-	-	-
Outstanding Incentives		(163,073)	(163,234)	(163,395)
Capital Value of Additional Land		-	-	-
Deferred Commencement Tenancies				
Letting Up Allowances		-	-	-
Incentive Allowances		-	-	-
Leasing Costs Allowances		-	-	-
Existing Vacancy Allowances				
Letting Up Allowances		-	-	-
Incentive Allowances		-	-	-
Leasing Costs Allowances		-	-	-
Imminent Expiry Allowances				
Letting Up Allowances	*24 months*	(65,524)	(65,770)	(66,018)
Incentive Allowances	*24 months*	(243,359)	(245,004)	(246,668)
Leasing Costs Allowances	*24 months*	(32,458)	(32,593)	(32,728)
Refurbishment Allowances	*24 months*	(86,800)	(87,109)	(87,420)
Capital Expenditure				
Budgeted Capital Expenditure	*24 months*	-	-	-
Capital Sinking Fund Allowance	*24 months*	(22,602)	(22,653)	(22,704)
Total Capital Value Adjustments		**(684,249)**	**(686,912)**	**(689,599)**
Capitalised Value		**32,845,659**	**34,367,083**	**36,033,634**
Capitalised Value ($/m²)		*5,638*	*5,899*	*6,185*
Rounded Value		32,800,000	34,400,000	36,000,000
Capitalised Rounded Value ($/m²)		*5,630*	*5,905*	*6,179*
Adopted Value		**33,462,000**	**33,800,000**	**34,138,000**
Initial Passing Yield		5.62%	5.56%	5.50%
Initial Passing Yield (Fully Leased)		5.62%	5.56%	5.50%
Equivalent Initial Yield		5.51%	5.46%	5.41%
Equated Market Yield		5.65%	5.59%	5.54%
Capital Value ($/m²)		5,744	5,802	5,860

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Discounted Cash Flow Approach

In the valuation of the subject property, we have undertaken a 10 year cash flow projection on a tenant by tenant monthly basis.

The cash flow projections require a range of assumptions regarding income growth, tenant renewal and letting up (down time) periods, future lease structures and capital expenditure requirements.

Expense and Income Growth Assumptions

Expense Growth	10 Year CAGR	Year 1 1-Apr-23 31-Mar-24	Year 2 1-Apr-24 31-Mar-25	Year 3 1-Apr-25 31-Mar-26	Year 4 1-Apr-26 31-Mar-27	Year 5 1-Apr-27 31-Mar-28	Year 6 1-Apr-28 31-Mar-29	Year 7 1-Apr-29 31-Mar-30	Year 8 1-Apr-30 31-Mar-31	Year 9 1-Apr-31 31-Mar-32	Year 10 1-Apr-32 31-Mar-33
CPI	2.77%	5.41%	2.82%	2.45%	2.39%	2.40%	2.44%	2.46%	2.45%	2.45%	2.45%
Statutory Expenses	3.86%	7.25%	3.93%	3.47%	3.38%	3.39%	3.43%	3.46%	3.45%	3.45%	3.45%
Operating Expenses	2.86%	6.25%	2.93%	2.47%	2.38%	2.39%	2.43%	2.46%	2.45%	2.45%	2.45%
Building Capex	2.77%	5.41%	2.82%	2.45%	2.39%	2.40%	2.44%	2.46%	2.45%	2.45%	2.45%
Adopted Outgoings	3.55%	6.94%	3.62%	3.16%	3.07%	3.08%	3.13%	3.15%	3.15%	3.15%	3.16%
Income Growth	**10 Year CAGR**	**Year 1 1-Apr-23 31-Mar-24**	**Year 2 1-Apr-24 31-Mar-25**	**Year 3 1-Apr-25 31-Mar-26**	**Year 4 1-Apr-26 31-Mar-27**	**Year 5 1-Apr-27 31-Mar-28**	**Year 6 1-Apr-28 31-Mar-29**	**Year 7 1-Apr-29 31-Mar-30**	**Year 8 1-Apr-30 31-Mar-31**	**Year 9 1-Apr-31 31-Mar-32**	**Year 10 1-Apr-32 31-Mar-33**
Hotel Market Rent Growth - Net	2.77%	5.41%	2.82%	2.45%	2.39%	2.40%	2.44%	2.46%	2.45%	2.45%	2.45%
Hotel Market Rent Growth - Gross	2.77%	5.41%	2.82%	2.45%	2.39%	2.40%	2.44%	2.46%	2.45%	2.45%	2.45%
Retail Market Rent Growth - Net	3.78%	6.42%	3.82%	3.46%	3.39%	3.41%	3.45%	3.46%	3.46%	3.46%	3.46%
Retail Market Rent Growth - Gross	3.77%	6.41%	3.82%	3.45%	3.39%	3.40%	3.44%	3.46%	3.45%	3.45%	3.45%

Speculative Lease Profiles

In our cash flow projection, our base rent is based upon current actual leases with stipulated contractual rental movement over the lease terms. In respect of future leases, we have adopted the speculative renewal profiles shown in the table below.

Hotel		Vacancies	Year 1 1-Apr-23 31-Mar-24	Year 2 1-Apr-24 31-Mar-25	Year 3 1-Apr-25 31-Mar-26	Year 4 1-Apr-26 31-Mar-27	Year 5 1-Apr-27 31-Mar-28	Year 6 1-Apr-28 31-Mar-29	Year 7 1-Apr-29 31-Mar-30	Year 8 1-Apr-30 31-Mar-31	Year 9 1-Apr-31 31-Mar-32	Year 10 1-Apr-32 31-Mar-33
Expiry Profile	**m²**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,291**	**-**	**-**	**-**
Renewal Probability	%		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Downtime	months	3.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Applied Downtime	months	3.0	-	-	-	-	-	-	-	-	-	-
Lease term	years	5	5	5	5	5	5	5	5	5	5	5
Commencement Profile	**m²**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,291**	**-**	**-**	**-**
Gross Incentives - New Leases	%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Gross Incentives - Renewals	%		20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Gross Incentives	%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Incentive Probability	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Applied Gross Incentives	%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Applied Incentives	months	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Leasing Costs - New Leases	%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Leasing Costs - Renewals	%		10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Applied Leasing Costs	%	15.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Refurbishment on Expiry - New Leases	$/m²	100.00	100.00	105.41	108.38	111.04	113.69	116.42	119.26	122.19	125.19	128.26
Refurbishment on Expiry - Renewals	$/m²		100.00	105.41	108.38	111.04	113.69	116.42	119.26	122.19	125.19	128.26
Applied Refurbishment Expiry Allowance	$/m²		100.00	105.41	108.38	111.04	113.69	116.42	119.26	122.19	125.19	128.26
Net Market Rent (start of period)	$/m²		427	451	463	475	486	498	510	522	535	548
Gross Market Rent (start of period)	$/m²		442	466	479	491	502	515	527	540	553	567
Occupancy Rate (Weighted by Area)	%		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Retail		**Vacancies**	**Year 1 1-Apr-23 31-Mar-24**	**Year 2 1-Apr-24 31-Mar-25**	**Year 3 1-Apr-25 31-Mar-26**	**Year 4 1-Apr-26 31-Mar-27**	**Year 5 1-Apr-27 31-Mar-28**	**Year 6 1-Apr-28 31-Mar-29**	**Year 7 1-Apr-29 31-Mar-30**	**Year 8 1-Apr-30 31-Mar-31**	**Year 9 1-Apr-31 31-Mar-32**	**Year 10 1-Apr-32 31-Mar-33**
Expiry Profile	**m²**	**-**	**-**	**944**	**-**	**-**	**-**	**-**	**944**	**-**	**-**	**591**
Renewal Probability	%		50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Downtime	months	3.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Applied Downtime	months	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Lease term	years	5	5	5	5	5	5	5	5	5	5	5
Commencement Profile	**m²**	**-**	**-**	**944**	**-**	**-**	**-**	**-**	**-**	**944**	**-**	**591**
Gross Incentives - New Leases	%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Gross Incentives - Renewals	%		20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Gross Incentives	%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Incentive Probability	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Applied Gross Incentives	%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Applied Incentives	months	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Leasing Costs - New Leases	%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Leasing Costs - Renewals	%		10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Applied Leasing Costs	%	15.0%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
Refurbishment on Expiry - New Leases	$/m²	100.00	100.00	105.41	108.38	111.04	113.69	116.42	119.26	122.19	125.19	128.26
Refurbishment on Expiry - Renewals	$/m²		100.00	105.41	108.38	111.04	113.69	116.42	119.26	122.19	125.19	128.26
Applied Refurbishment Expiry Allowance	$/m²		100.00	105.41	108.38	111.04	113.69	116.42	119.26	122.19	125.19	128.26
Net Market Rent (start of period)	$/m²		302	321	333	345	357	369	381	395	408	422
Gross Market Rent (start of period)	$/m²		305	324	337	348	360	372	385	398	412	426
Occupancy Rate (Weighted by Area)	%		100.0%	84.5%	100.0%	100.0%	100.0%	100.0%	84.8%	100.0%	100.0%	90.3%

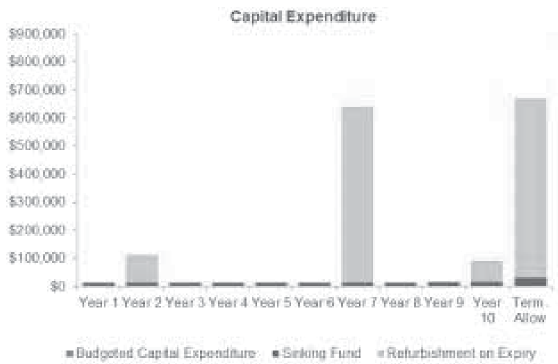
VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

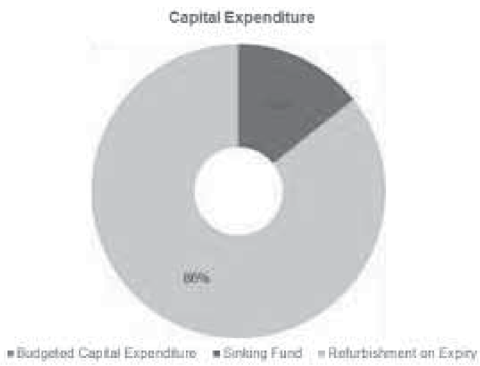
The rental growth projections adopted in our cash flow are based upon existing and projected supply and demand forecasts. The future values quoted for property, rents and costs are projections only formed on the basis of information currently available to us and are not representations of what the value of the property will be as at a future date. This information includes the current expectations as to property values and income that may not prove to be accurate.

:apital Expenditure

We have allowed for budgeted capital expenditure as advised in addition to an ongoing sinking fund and refurbishment allowance at lease expiry. Capital expenditure allowances include an annual allowance of 0.5% of the gross income, as well as refurbishment allowances at expiry of $100/m². The capital expenditure allowances are summarised below.

Capital Expenditure	Year 1 1-Apr-23 31-Mar-24	Year 2 1-Apr-24 31-Mar-25	Year 3 1-Apr-25 31-Mar-26	Year 4 1-Apr-26 31-Mar-27	Year 5 1-Apr-27 31-Mar-28	Year 6 1-Apr-28 31-Mar-29	Year 7 1-Apr-29 31-Mar-30	Year 8 1-Apr-30 31-Mar-31	Year 9 1-Apr-31 31-Mar-32	Year 10 1-Apr-32 31-Mar-33
Budgeted Capital Expenditure	-	-	-	-	-	-	-	-	-	-
Sinking Fund	11,862	11,980	12,876	13,258	13,651	14,056	13,753	14,629	15,063	15,216
Refurbishment on Expiry	-	100,715	-	-	-	-	627,196	-	-	76,880
Total Capital Expenditure	**11,862**	**112,695**	**12,876**	**13,258**	**13,651**	**14,056**	**640,949**	**14,629**	**15,063**	**92,096**
Total 10 year capital expenditure										941,134
Total 10 year capital expenditure ($/m²)										*162*
Total 10 year capital expenditure (% of Adopted Value)										*2.8%*
Terminal Value Capital Expenditure Allowances										**670,812**
Total 10 year Capital Expenditure (Incl. terminal value)										1,611,946
Total 10 year Capital Expenditure (Incl. terminal value) - $/m²										*277*
Total 10 year Capital Expenditure (Incl. terminal value) - % of Adopted Value										*4.8%*





VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Cash Flow

Cash Flow Projection		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		01-Apr-23	01-Apr-24	01-Apr-25	01-Apr-26	01-Apr-27	01-Apr-28	01-Apr-29	01-Apr-30	01-Apr-31	01-Apr-32
		31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31	31-Mar-32	31-Mar-33
Summary of Annual Cash Flows											
Base Passing Rent by Renewal Type											
Retail		420,770	386,123	504,369	519,021	534,099	549,615	475,672	590,097	607,251	566,559
Hotel		1,881,929	1,938,387	1,996,538	2,056,435	2,118,128	2,181,671	2,194,195	2,251,803	2,319,357	2,388,938
Car Parking		-	-	-	-	-	-	-	-	-	-
Base Passing Rent		**2,302,699**	**2,324,509**	**2,500,907**	**2,575,455**	**2,652,226**	**2,731,287**	**2,669,867**	**2,841,900**	**2,926,608**	**2,955,497**
Base Passing Rent											
Secured rent		2,302,699	2,246,951	2,188,346	2,253,516	2,320,629	2,389,742	508,180	219,672	225,713	151,909
Renewal rent		-	77,559	312,562	321,939	331,597	341,545	2,161,687	2,622,228	2,700,895	2,803,588
Base Passing Rent		**2,302,699**	**2,324,509**	**2,500,907**	**2,575,455**	**2,652,226**	**2,731,287**	**2,669,867**	**2,841,900**	**2,926,608**	**2,955,497**
Recoveries		**69,780**	**71,522**	**74,285**	**76,090**	**77,929**	**79,837**	**80,812**	**83,846**	**85,924**	**87,618**
Other Income											
Sundry Income		-	-	-	-	-	-	-	-	-	-
Special Income		-	-	-	-	-	-	-	-	-	-
Stabilisation Allowances		-	-	-	-	-	-	-	-	-	-
Other Adjustments		-	-	-	-	-	-	-	-	-	-
Total Income		**2,372,479**	**2,396,031**	**2,575,192**	**2,651,545**	**2,730,155**	**2,811,124**	**2,750,679**	**2,925,746**	**3,012,532**	**3,043,115**
Outgoings											
Statutory expenses		313,863	328,673	340,452	352,043	363,982	376,444	389,441	402,896	416,806	431,201
Operating expenses		144,996	150,397	154,283	157,994	161,772	165,693	169,756	173,924	178,189	182,561
Ground Rent		-	-	-	-	-	-	-	-	-	-
Non-recoverable expenses		-	-	-	-	-	-	-	-	-	-
Total Outgoings		**458,859**	**479,070**	**494,735**	**510,036**	**525,753**	**542,136**	**559,197**	**576,820**	**594,995**	**613,762**
Net Operating Income		**1,913,620**	**1,916,961**	**2,080,457**	**2,141,509**	**2,204,401**	**2,268,988**	**2,191,483**	**2,348,926**	**2,417,537**	**2,429,353**
Vacancy Factor		-	-	-	-	-	-	-	-	-	-
Net Income		**1,913,620**	**1,916,961**	**2,080,457**	**2,141,509**	**2,204,401**	**2,268,988**	**2,191,483**	**2,348,926**	**2,417,537**	**2,429,353**
Allowances											
Secured Incentives		166,924	-	-	-	-	-	-	-	-	-
Renewal Incentives		-	164,709	31,373	31,373	31,373	31,373	1,354,841	451,633	264,414	397,443
Leasing Costs		-	39,216	-	-	-	-	226,970	46,805	-	32,712
Total Allowances		**166,924**	**203,925**	**31,373**	**31,373**	**31,373**	**31,373**	**1,581,810**	**498,438**	**264,414**	**430,155**
Net Income before Capital Expenditure		**1,746,696**	**1,713,037**	**2,049,084**	**2,110,136**	**2,173,028**	**2,237,615**	**609,672**	**1,850,488**	**2,153,123**	**1,999,198**
Capital Expenditure											
Budgeted Capex		-	-	-	-	-	-	-	-	-	-
Sinking Fund		11,862	11,980	12,876	13,258	13,651	14,056	13,753	14,629	15,063	15,216
Refurbishment on Expiry		-	100,715	-	-	-	-	627,196	-	-	76,880
Capital Expenditure		**11,862**	**112,695**	**12,876**	**13,258**	**13,651**	**14,056**	**640,949**	**14,629**	**15,063**	**92,096**
Net Income after Capital Expenditure		**1,734,833**	**1,600,341**	**2,036,208**	**2,096,878**	**2,159,378**	**2,223,559**	**(31,277)**	**1,835,859**	**2,138,060**	**1,907,102**
Running Yield on NOI	**10 yr avg 5.79%**	**5.62%**	**5.39%**	**5.64%**	**5.67%**	**5.71%**	**6.24%**	**5.96%**	**5.90%**	**5.92%**	**5.79%**
Running Yield	**10 yr avg 4.67%**	**5.10%**	**4.50%**	**5.52%**	**5.55%**	**5.60%**	**6.12%**	**(0.09%)**	**4.61%**	**5.24%**	**4.55%**

Discounted Cash Flow Inputs

There are a number of methodologies available to determine a discount rate including applying a premium to the risk free rate and a calculation of the average weighted cost of capital. In determining an appropriate discount rate to apply to the net cash flow for the subject property, we have had regard to these factors and considered investors current return expectations together with IRR analysis of sales.

The terminal capitalisation rate is based upon the factors including long term yield analysis for the class of asset of the subject property, as well as the age and anticipated condition of the property in 10 years, taking into account capital expenditure allowances in our cash flow projection. The terminal capitalisation rate is applied to the net market income at the terminal date of the cash flow projection (10 years from commencement) to calculate the reversionary value.

In determining the margin between the terminal yield and current yield we have considered factors including the following:

- The uncertainties and risks that are associated with the length of the projection period and the likely market for the property at that time; and
- That the property at the end of the holding period will be older, potentially less competitive and there is greater risk of functional obsolescence.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

From the terminal value, we have deducted allowances over a two year period, for rent reversions, capital expenditure and a tenant improvement allowance, down time and leasing commissions.

Terminal Value	
Gross Market Income	3,169,891
Outgoings	(618,491)
Net Market Income	2,551,400
Terminal Capitalisation Rate	5.75%
Capitalised	44,372,174
Adjustments	(4,038,676)
Terminal Value before Sale Costs	40,333,498
Selling Costs	(403,335)
Net Terminal Value	**39,930,163**

Discounted Cash Flow Outputs

DCF			
Discount Rate		6.00%	
Date of Valuation		31-Mar-23	
Terminal Sale Date		1-Apr-33	
Terminal Capitlisation Rate		5.75%	
Net Terminal Value		39,930,163	
Year	**Net Cash Flow**	**Present Value**	
1	1,734,833	1,688,691	
2	1,600,341	1,472,828	
3	2,036,208	1,764,120	
4	2,096,878	1,713,850	
5	2,159,378	1,665,010	
6	2,223,559	1,617,215	
7	(31,277)	(47,172)	
8	1,835,859	1,184,275	
9	2,138,060	1,305,641	
10	1,907,102	1,101,911	
Total	**17,700,942**	**13,466,368**	**37.65%**
Net Terminal Value	39,930,163	22,296,795	62.35%
Present Value - Total		35,763,162	
Acquisition Costs		(2,261,371)	
Net Present Value		**33,501,791**	

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Direct Comparison Approach

The sales evidence set out in the report indicates an adopted range of $4,050 to $4,350 per square metre of lettable area for the retail component and a range of $275,000 to $325,000 per key for the accommodation component. In selecting appropriate rates for the subject, we have considered the sales evidence and the specific attributes of the subject property.

We set out below, our direct comparison analysis.

Direct Comparison				
		Low	**Mid**	**High**
Hotel Lettable Area	**Keys**		**91**	
Value per Key	$/Key	275,000	300,000	325,000
Notional Hotel Value	**$**	**25,025,000**	**27,300,000**	**27,300,000**
Retail Lettable Area	**m²**		**1,535**	
Value per m² of Lettable Area	$/m²	4,050	4,200	4,350
Notional Retail Value	**$**	**6,216,750**	**6,447,000**	**6,447,000**
Direct Comparison Value		$31,241,750	$33,747,000	$33,747,000
Rounded Value			**$33,700,000**	
Value per Key			**$370,330**	
Value per m² of Lettable Area			**$ 5,784**	

Our direct comparison approach indicates a value of $33,700,000 and is considered to support our assessment using the capitalisation and discounted cash flow approaches.

Rationalisation of Approaches

Our discounted cash flow approach indicates a value of $33,500,000 and our capitalisation approach indicates a value of $34,400,000. Our direct comparison approach indicates a value of $33,700,000.

We have rationalised these approaches and adopted a value of $33,800,000 for the subject property subject.

We note that the adopted value equates to an analysed rate of $371,429 per key (inclusive of retail areas). This rate is consistent with our sales evidence which ranges from $233,333 to $524,272 per key.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Valuation

Subject to the qualifications and assumptions contained within the body of this certificate and our full report, and subject to the existing leases we assess the market value of 315-319 Burwood Highway, Burwood East, VIC, as at 31 March 2023, for submission to the Bursa Malaysia Securities Berhad in relation to a Circular to Shareholders to seek approval for a related party transaction purposes, to be:

AUD $33,800,000 exclusive of GST
(THIRTY THREE MILLION EIGHT HUNDRED THOUSAND AUSTRALIAN DOLLARS)

Or the equivalent Market Value sums are equivalent to (based on an exchange rate of AUD1.00:RM2.9624, being the exchange rate published by Bank Negara Malaysia on 31 March 2023, being the date of valuation):

MYR 100,129,120 exclusive of GST
(ONE HUNDRED MILLION ONE HUNDRED TWENTY NINE THOUSAND ONE HUNDRED AND TWENTY MALAYSIAN RINGGIT)
Source: https://www.bnm.gov.my/currency-converter

M3 Property

James Ruben AAPI MRICS
Associate Member – Australian Property Institute No. 69097
Royal Institute of Chartered Surveyors Member No. 6851815
Certified Practising Valuer
National Director – Specialised Assets
Primary Signatory

Hannah Vale AAPI
Associate Member – Australian Property Institute No. 104607
Certified Practising Valuer
Senior Valuer – Specialised Assets
Primary Signatory

Shaun O'Sullivan
Director
Counter Signatory

The counter signatory has reviewed the report and is satisfied that there is a reasonable basis for the valuation process undertaken and methodology adopted by the primary signatories. The counter signatory also verifies that the report has been reviewed in accordance with our Quality Assurance Policy, is genuine and authorised by M3 Property Australia Pty Ltd.

2. 319-323 Swanston Street, Melbourne

Property Specific Assumptions

Verifiable Assumptions

- **THE TENANT (GENESIS INTERNET CAFÉ) OCCUPYING LEVEL 2 WAS PREVIOUSLY OCCUPYING BOTH THE LEVEL 1 AND LEVEL 2 TENANCIES UNDER A SINGLE LEASE. LEVEL 1 HAS NOW BEEN LEASED TO A SEPARATE TENANT AND WE UNDERSTAND THE PREVIOUS LEASE FOR GENESIS INTERNET CAFÉ HAS BEEN RESCINDED AND THEY ARE OCCUPYING LEVEL 2 ON A HOLD OVER BASIS UNTIL A NEW LEASE CAN BE NEGOTIATED BETWEEN THE TENANT AND THE LANDLORD, WHICH WE UNDERSTAND IS IN PROCESS. WE ASSUME THIS SITUATION IS ACCURATE. IN OUR VALUATION WE HAVE APPLIED OUR STANDARD LEASING ASSUMPTIONS FOR LEVEL 2 FROM THE MONTH AFTER THE VALUATION DATE.**
- **WE HAVE NOT BEEN PROVIDED WITH AN OUTGOINGS BUDGET FOR THE PROPERTY AND WE HAVE THEREFORE ESTIMATED PROPERTY OUTGOINGS BASED ON INFORMATION AVAILABLE TO US. WE ASSUME THESE ESTIMATES ARE INLINE WITH ACTUAL OUTGOINGS. WE RESERVE THE RIGHT TO REVIEW AND AMEND OUR REPORT IF ACTUAL OUTGOINGS ARE MATERIALLY DIFFERENT FROM OUR ESTIMATES.**
- **THE MARKET VALUE OF THE SUBJECT PROPERTY DOES NOT FORM PART OF THE BASIS OF DETERMINING THE PURCHASE CONSIDERATION OF THE CONTEMPLATED PROPOSED ACQUISITION AND THE VALUATION CERTIFICATE FOR THE PROPERTIES WILL SOLELY BE ENCLOSED FOR SHAREHOLDERS' INFORMATION PURPOSES ONLY.**
- **WE HAVE BEEN ADVISED BY THE PROPERTY MANAGER THAT ALL TENANTS ARE CURRENTLY MEETING THEIR RENTAL OBLIGATIONS AND WE ASSUME THIS IS CORRECT.**

Risk Assessment

Market

Investment

- The property should demonstrate reasonable demand if offered to the market in the current environment.
- We envisage a selling period of approximately six months in addition to an appropriate Due Diligence period.
- It is in a tightly held, well regarded retail precinct, which would attract potential purchasers.
- Our assessed market value reflects a passing yield of 3.76%, which would be attractive to potential purchasers.
- Likely buyer profile includes private investors.
- There has been limited sales transactions evidence occur since the RBA began increasing the official cash rate in May 2022. Mixed results have been achieved for assets offered to the market in recent months. The market has been cautious given the unknown nature of the market direction. This makes valuing the property in the current climate more difficult than at other times. Markets are cyclical and future events cannot be predicted.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Market *continued*

Asset

- The property was redeveloped in 2014 and therefore provides reasonable accommodation however it would benefit from cleaning and minor cosmetic works such as touch-up painting.
- The façade comprises a heritage building which that, along with the Swanston Street frontage could limit redevelopment options.
- The property falls under a Heritage Overlay, which may limit its future redevelopment potential and require greater maintenance cost. Further, it falls under Design and Development Overlay – Melbourne Metro Rail Project – Infrastructure Protection Areas (DDO70) which may limit the redevelopment height of buildings due to the new underground Metro Rail Tunnel.
- The property has three street frontages.
- The property has a well exposed, corner location, in close proximity to RMIT, Melbourne Central Shopping Centre (including Central Metro Train Station) and QV Shopping Centre, which results in a large volume of pedestrian movement past the asset.

Tenants

- The subject tenants are predominately local retailers (SLMC, Alleyway Kitchen, Five Plus, MAS Foodie, Genesis Internet Café).
- EzyMart is a convenience store operator founded in 2001 with over 400 locations across New South Wales, Queensland, Victoria and South Australia.

Cash Flow Profile

- The ground floor specialty tenancies contributes circa 78% of the passing gross rent, whilst the upper level retail tenant contributes circa 22% of the passing rent.
- In the current market the passing rents for two of the ground floor tenancies are considered to be above market levels.
- We consider the passing rent to be above market levels. As such, our assessment includes profit rental components, which diminishes over time until the earlier of lease expiries or the tenants vacating their respective premises.
- The property provides a medium WALE by income of 2.88 years.
- The majority of outgoings are not recoverable.
- As noted in our assumptions, the tenant on Level 2 (Genesis Café) is currently in occupation on an over holding basis only. Our standard letting up assumptions have been applied to this tenancy in our valuation.

Asset Management

- The property is a relatively straight forward asset to manage for an experienced property manager.
- Currently managed by Teska Carson (real estate agent), who are well experienced with this type of asset.

Information Relied Upon

The information provided by the managing agent and that has been relied upon for the purpose of this valuation is noted as follows:

- Building Plans prepared by Loop Architecture dated 18 July 2013 and 11 and 29 November 2013, Project No M1116;
- Tenancy Schedule as at 24 March 2023;
- FY23 Council Rates Notices;
- Water Rates Notices;
- Insurance Invoice;
- Copies of Lease Documents; and
- Arrears information.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Executive Summary

Instructions

Prepared for	Adrian Wong Tet Look Oriental Holdings Berhad
Reliant Party	Oriental Holdings Berhad
Purpose	For submission to Bursa Securities Berhad in relation to a Circular to Shareholders to seek approval for a related party transaction.
Interest Valued	Fee simple subject to the existing leases

*The subject property and all of the sales evidence noted in this certificate are freehold properties. References to leases relates to leases to tenants of the properties.

Property Details

Address	319-323 Swanston Street, Melbourne			
Registered Proprietor	Oriental Asia (Aust) Pty Ltd			
Site Area	317 square metres			
Planning	Capital City Zone under the Melbourne Planning Scheme			
Description	The subject property comprises a part two storey period style building originally completed circa 1850 with a three level extension to the rear constructed circa 2014. There are three ground level retail tenancies to Swanston Street, one to Little Lonsdale Street and tenancies on Level 1 and Level 2.			
Location	The property occupies the south-western corner of Swanston and Little Lonsdale Streets and it is situated in a central Melbourne Central Business District (CBD) location forming part of the *Retail Core*. More particularly, it is situated within immediate proximity to Melbourne Central Shopping Centre, together with Melbourne Central Station. The property has frontages to Swanston Street, Little Lonsdale Street and Drewery Lane.			
Gross Lettable Area (GLA)	646 square metres			
Car Spaces	Nil			
Vacancy	Percentage	0.0%	Area	0 square metres
	**The property is fully leased.*			
WALE	Income	2.88 years	Area	3.19 years

Valuation

Valuation Approaches	Capitalisation of Net Income (Primary) and Direct Comparison
Date of Inspection	28 March 2023
Date of Valuation	28 March 2023
Market Value	**$27,200,000 exclusive of GST** **(TWENTY SEVEN MILLION TWO HUNDRED THOUSAND DOLLARS)** Or the equivalent Market Value sums are equivalent to (based on an exchange rate of AUD1.00:RM2.9423, being the exchange rate published by Bank Negara Malaysia on 28 March 2023, being the date of valuation): **MYR 80,030,560 exclusive of GST** **(EIGHTY MILLION AND THIRTY THOUSAND FIVE HUNDRED AND SIXTY MALAYSIAN RINGGIT).** Source: https://www.bnm.gov.my/currency-converter

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Prepared By

Valuer	Shaun O'Sullivan B.Bus (Prop) AAPI Certified Practising Valuer Australian Property Institute – Associate Member - 62780 Director Primary Valuer

Location

Map

Source: online.melway.com.au

Source: Google Earth Pro

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Road System, Access and Exposure

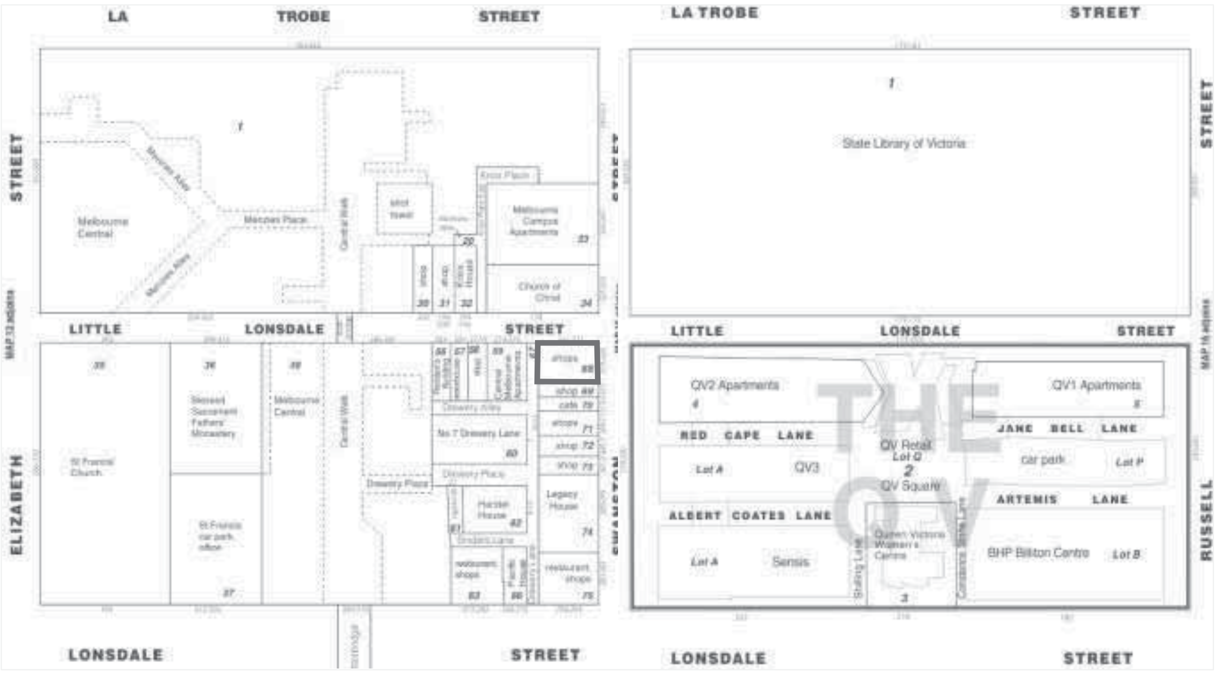
Situated	• Occupies the south-western corner of Swanston and Little Lonsdale Streets. • Situated within the tightly held *Retail Core*.
Access	• Access to the tenancies is provided via Swanston and Little Lonsdale Streets.

Surrounding Development

The subject property forms part of a central Melbourne CBD location forming part of the *Retail Core*. The surrounding locality is generally characterised by period style low to medium rise retail / commercial buildings, interspersed with major developments including the following.

- Melbourne Central Shopping Centre and Melbourne Central Station – located to the north west and west
- State Library – located diagonally opposite
- QV Melbourne – located on the opposite side of Swanston Street
- Emporium Melbourne Shopping Centre – located to the south west over Lonsdale Street
- RMIT University City Campus – located to the north east over La Trobe Street

Further, the subject property is located within proximity to works associated with the Melbourne Metro Rail Project. More specifically, a new station is being constructed to the north-western corner of Swanston and La Trobe Streets known as the State Library Station. Accordingly, there may be some disruptions in the short to medium term with construction scheduled for completion in 2025. Upon completion it is anticipated the immediate area will be enhanced.



Location Plan (Source: Cityscope)

Public Transport

Train Station	• Approximately 100 metres (by walking) from Melbourne Central train station.

Services

All usual urban services are connected or available to be connected to the subject property.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Title Details and Land Description

The subject property is contained within multiple titles. We have searched the titles dated 29 March 2023 and 19 April 2023 (source: online.globalx.com.au). We provide a summary below.

Particulars

Title Reference	Description	Registered Proprietor
11538/255	Lot 1 on Plan of Subdivision 721782U	Oriental Asia (Aust) Pty Ltd
11538/256	Lot 2 on Plan of Subdivision 721782U	Oriental Asia (Aust) Pty Ltd
11538/257	Lot 3 on Plan of Subdivision 721782U	Oriental Asia (Aust) Pty Ltd
11538/258	Lot 4 on Plan of Subdivision 721782U	Oriental Asia (Aust) Pty Ltd
11538/259	Lot 5 on Plan of Subdivision 721782U	Oriental Asia (Aust) Pty Ltd
11538/260	Lot 6 on Plan of Subdivision 721782U	Oriental Asia (Aust) Pty Ltd
11538/261	Lot A on Plan of Subdivision 721782U	Oriental Asia (Aust) Pty Ltd

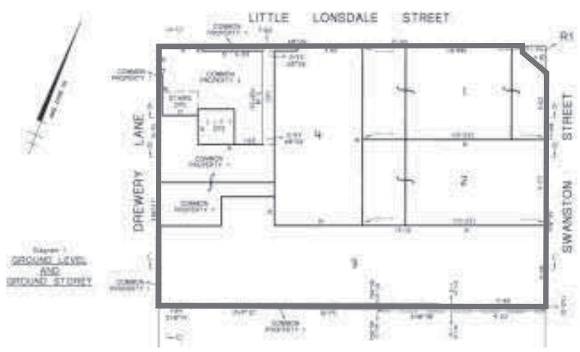
Copies of the Title Searches are attached as an Annexure to this report, however we note the following pertinent notations:

Encumbrances/Notations

Title Reference	Dealing	Comments
11538/255-261	Mortgage AM275900Y	Mortgage registered 23 October 2015 in favour of Oversea-Chinese Banking Corporation Ltd

Refer to Critical Assumptions and Qualifications – Title.

Land Description

Frontage/Boundary	Length	Extract of Plan
Swanston Street Frontage / Eastern Boundary	14.68 metres	
Little Lonsdale Street Frontage / Northern Boundary	21.64 metres	
Drewery Lane Frontage / Western Boundary	14.51 metres	
Southern Boundary	21.61 metres	

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Improvements

Overview

The subject property comprises a part two storey period style building originally completed circa 1850 with a three level extension to the rear constructed circa 2014. There are three ground level retail tenancies to Swanston Street, one to Little Lonsdale Street and tenancies on Level 1 and Level 2.

Accommodation and Layout

The subject property comprises four ground floor retail tenancies, together with a tenancies on Level 1 and Level2. The ground floor tenancies are compact in size, with three positioned along Swanston Street (including one occupying the south western corner of Swanston and Little Lonsdale Streets) and one positioned along Little Lonsdale Street. The upper level tenancies are accessed from Little Lonsdale Street via a single lift service or alternatively via an adjoining stairwell. Level 1 is occupied by a restaurant tenancy and Level 2 is occupied as an internet café with access to a private balcony.

Photographs

Swanston Street Frontage

Little Lonsdale Street (Tenancy 1 (EzyMart), Tenancy 4 (Yi Fang) and Entry to Foyer & Lift)

Drewery Lane Frontage

Tenancy 4 (Yi Fang) to Little Lonsdale Street

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Tenancy 1

Tenancy 1 (EzyMart) & Tenancy 2 (Hot-Star)To Swanston Street

Tenancy 3 To Swanston Street

Stairwell & Lift

Level 2 Tenancy

Level 1 Tenancy

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Level 1 Deck

Rooftop

Foyer & Stairwell

Little Lonsdale Street Frontage

Valuation Approaches

In assessing the value of the subject property we have relied on the capitalisation of net income and direct comparison approaches, with the capitalisation of net income being the primary approach.

Capitalisation of Net Income (Primary Approach)

The capitalisation approach involves estimating the potential sustainable gross market income of a property from which annual outgoings are deducted to derive the net market income. This net market income is then capitalised at an appropriate rate derived from analysis of comparable sales evidence.

Adjustments to the capitalised value are then made for items including profit rent/shortfall derived from passing rents which are above or below market, letting up allowance over vacant areas including foregone rental and outgoings over the assumed letting up period together with marketing expenses and leasing commissions, short term capital expenditure, outstanding lease incentives including rent free periods and committed Lessor contributions.

Direct Comparison (Secondary Approach)

The direct comparison approach involves applying a Value Rate to the selected unit of comparison which in this case is the value per square metre of GLA, with the adopted value rate derived from analysis of comparable sales evidence.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Sales Evidence

In determining the market value of the subject property we have considered the available sales evidence. Appropriate sales evidence would comprise Melbourne CBD retail properties of a similar size and similar capital value to the subject. Ideally these would also be located in comparable CBD retail strips to Swanston Street. There have been few such sales to occur recently as these properties are tightly held. There has been a number of sales recently of assets at below $10,000,000, but few have transacted at circa $20,000,000 to $30,000,000, especially since the RBA began the period of increasing the cash rate in May 2022. Below are a selection of properties we have considered.

163 Swanston Street, Melbourne

Sale Details		
Sale Price	**$18,020,000**	
Sale Price ($/m²)	$11,950/m²	
Sale Date	October 2022	
Classification	CBD Strip Retail	
GLA	1,508m²	
Site Area	187m²	
Net Market Income	$349,650 p.a.	$232/m²
Net Passing Income	N/A	N/A
Lease Expiry	0.00 years	
Analysis		
Passing Yield	N/A	
Passing Yield (Fully Leased)	1.94%	
Equated Market Yield	1.79%	
Vacancy (by Area) - % of Total	1,508m²	100%

Location

Situated on the western side of Swanston Street, a short distance south of its intersection with Bourke Street Mall, forming part of the tightly held Retail Core. It occupies a prominent retail location within the Melbourne CBD.

Description

The property comprises a seven storey period style building originally completed in 1922, which has since been partly refurbished at various stages with ground floor and basement most recently refurbished in 2021. The upper levels are predominately in an unoccupiable condition without significant capital expenditure. The building was fully vacant at the date of sale.

Comments

Sold at public auction conducted by Colliers and Alexander Robertson. In concluding our assessment we have assumed first floor is the only upper level that can be occupied with the provision of adequate incentives.

Comparison and Justification

A comparable value property also located on Swanston Street, but in the section to the south of Bourke Street Mall. The sale property is inferior as it does not have the income security of the subject, but it has more value-add flexibility because of its vacant nature which provides potential to increase the yield, and the subject property does not have this potential. Whilst it is difficult to easily quantify the value of this potential, we believe a materially higher capitalisation rate is appropriate for the subject. This is also a lower value asset which makes it accessible to a wider range of potential purchasers. On balance of all of the evidence, a higher capitalisation rate is considered appropriate for the subject.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

272-282 Lonsdale Street, Melbourne

Sale Details

Sale Price	**$32,500,000**	
Sale Price ($/m²)	$39,780/m²	
Sale Date	October 2022	
Classification	CBD Strip Retail	
GLA	817m²	
Site Area	413m²	
Net Market Income	$739,547 p.a.	$1,488/m²
Net Passing Income	$633,665 p.a.	$1,359/m²
WALE (Income)	3.48 years	

Analysis

Passing Yield	1.94%	
Passing Yield (Fully Leased)	1.94%	
Equated Market Yield	2.25%	
Vacancy (by Area) - % of Total	0m²	0%

Location

Situated on the northern side of Lonsdale Street, a short distance west of its intersection with Swanston Street and adjoins Melbourne Central Shopping Centre. It forms part of the tightly held Retail Core.

Description

The property comprises a two level building constructed in the 1970's with a rooftop advertising sign. There are four similar sized shops to the ground level fronting Lonsdale Street and a first level occupied by a restaurant tenant. The rear of the property has frontage to Sniders Lane. The property is zoned Capital City Zone – Schedule 2 and is affected by a number of Design and Development Overlays including Schedule 2 being in Precinct A1 which has a preferred maximum building height of 40 metres.

Comments

The property sold via an Expressions of Interest campaign undertaken by JLL and Colliers. In analysing the sale it was been necessary to estimate the annual land tax liability which is not recoverable from the tenants. The property was reported to have sold to a locally based private investor with Chinese backing. We understand their were nine bidders.

Comparison and Justification

This is a recent sale of a comparable value property. Whilst the sale property is inferior as it does not have the Swanston Street frontage of the subject, it is superior as it has superior development potential given it is not encumbered by heritage buildings. It is not easy to quantify this further development potential but our experience and research has indicated that a materially higher capitalisation rate is appropriate for the subject property. On balance of all of the evidence, a higher capitalisation rate is considered appropriate for the subject.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

483-485 Elizabeth Street, Melbourne

Sale Details

Sale Price	**$12,025,000**	
Sale Price ($/m²)	$17,008/m²	
Sale Date	1 July 2022	
Classification	CBD Strip Retail	
GLA	707m²	
Site Area	262m²	
Net Market Income	$203,072 p.a.	$287/m²
Net Passing Income	$169,644 p.a.	$279/m²
WALE (by Income)	2.35 years	

Analysis

Passing Yield	1.41%	
Passing Yield (Fully Leased)	1.68%	
Equated Market Yield	1.68%	
Vacancy (by Area) - % of Total	99m²	14.00%

Location

The sale property is situated on the western side of Elizabeth Street, in the section between Franklin Street to the south and Therry Street to the north. It forms part of an improving northern Melbourne CBD precinct, which is benefitting from various new developments in the area including the Metro Tunnel Rail project (due to be complete in 2025).

Description

The property comprises a part four storey building originally completed circa 1937, which has subsequently been refurbished at various stages. It is currently configured with a ground floor retail tenancy together with a rear upper level storage space and three separate upper level apartments. The topmost apartment benefits from access to a rooftop courtyard area. The ground floor retail tenancy appears to be occupied on a leaseback arrangement, with one of the apartments vacant.

Comments

The property sold via a competitive Public Auction with offers received from five active bidders. The buyer profile included offshore bidders but the majority of bids came from two local groups. It sold from a local investor to another local investor, who we understand also owns other properties in the Melbourne CBD.

Comparison and Justification

This sale property is in a slightly inferior retail location, although forming part of an improving precinct. Nonetheless, it falls within a more affordable capital value range and it appears to be a strong sale, potentially influenced by the purchaser having nearby assets. Overall, and on balance of the evidence, a materially higher capitalisation rate to the market yield is considered to be applicable.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

27-31 Hardware Lane, Melbourne

Sale Details

Sale Price	**$7,420,000**	
Sale Price ($/m²)	$17,180/m²	
Sale Date	March 2022	
Vendor	Private Investor	
Purchaser	Private Investor	
Classification	CBD Strip Retail	
GLA	432m²	
Site Area	178m²	
Net Market Income	$176,470 p.a.	$409/m²
Net Passing Income	$238,112 p.a.	$551/m²
WALE (by Income)	3.13 years	

Analysis

Passing Yield	3.21%	
Passing Yield (Fully Leased)	3.21%	
Equated Market Yield	2.45%	
Vacancy (by Area) - % of Total	0m²	0.00%

Location

Situated on the western side of Hardware Lane in the section between Bourke Street to the south and Little Bourke Street to the north. It forms part of the typically popular Hardware Lane precinct.

Description

The sale property comprises an older style three storey building, with refurbishment works completed at various stages. The building is configured with two ground floor tenancies and two upper level premises.

Comments

This property sold via a competitive public auction conducted by JLL and MMJ. The passing rents for ground floor appeared to be high, particularly given current leasing market conditions. Accordingly, our analysis includes rent reversions and profit rental components exist.

Comparison and Justification

The sale property falls within a more affordable capital value range making it accessible to a wider range of purchasers compared to the subject property. Albeit it is situated in an inferior retail. This property sold prior to the RBA beginning the cycle of increasing the Cash Rate and we know from our experience this is resulting in market yields increasing for investment properties such as the subject. On balance of the evidence, a materially higher capitalisation rate to the market yield is considered to be applicable for the subject.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

423 & 425 Elizabeth Street, Melbourne

Sale Details

Sale Price	**$11,000,000**	
Sale Price ($/m²)	$39,007/m²	
Sale Date	August 2021	
Classification	CBD Strip Retail	
GLA	282m²	
Site Area	188m²	
Net Market Income	$256,946 p.a.	$911/m²
Net Passing Income	N/A	N/A
Lease Expiry	N/A	

Analysis

Passing Yield	N/A	
Passing Yield (Fully Leased)	2.36%	
Equated Market Yield	2.25%	
Vacancy (by Area) - % of Total	282m²	100%

Location

The sale property is situated on the western side of Elizabeth Street, in the section between A'Beckett Street to the south and Franklin Street to the north. It forms part of an improving northern Melbourne CBD precinct, which is benefitting from various new developments in the area including the Metro Tunnel Rail project (due to be complete in 2025).

Description

The property comprises a period style building originally completed in 1872, which has since been refurbished at various stages. It comprises two, two storey buildings connected into a single occupancy.

Comments

This sold via an Expression of Interest campaign conducted by CBRE. From discussions with market participants we understand there was a building area discrepancy, with the purchaser having made an offer under the impression the sale property had a bigger area. We have concluded our analysis on the basis of survey plans provided, which were subsequently completed after the sale.

Comparison and Justification

The sale property is situated in an inferior retail location, although forms part of an improving CBD precinct. Nonetheless, it falls within a more affordable capital value range. On balance a materially higher capitalisation rate is considered appropriate for the subject. This property sold prior to the RBA beginning the cycle of increasing the Cash Rate and we know from our experience this is resulting in market yields increasing for investment properties such as the subject. Overall and on the balance of evidence, a higher capitalisation rate to the market yield is considered to be applicable for the subject.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Louis Vuitton, 139 Collins Street, Melbourne

Sale Details

Sale Price	**$68,000,000**	**(100% Interest)**
Sale Price ($/m²)	$40,919/m²	
Sale Date	November 2020	
Vendor	Private Investor	
Purchaser	The Hour Glass	
Classification	CBD Strip Retail	
Lettable Area	1,661.80m²	
Site Area	563m²	
Gross Market Income	$2,487,140 p.a.	$1,497/m²
Gross Passing Income	$1,976,370 p.a.	$1,189/m²
Gross Passing Income (Fully Leased)	$1,976,370 p.a.	$1,189/m²
Adopted Total Outgoings	$408,738 p.a.	$246/m²
Net Market Income (Excl. Vacancy)	$2,078,402 p.a.	$1,251/m²
WALE (by Income)	4.57 Years	
WALE (by GLAR)	3.34 Years	

Analysis			Assumptions		
Passing Yield	2.31%		**Vacancy Allowance**	0.00%	-$0
Passing Yield (Fully Leased)	2.31%		**Adopted Core Cap Rate**		3.00%
Equated Market Yield	3.03%		**Adopted Discount Rate**		3.00%
Internal Rate of Return (10 Year)	2.97%		**Adopted Terminal Yield**		3.25%
Vacancy (by Area) - % of Total	0m²	0.00%	**Immediate Cap Ex**	**(12 months)**	-$58,495
			Cap Ex Sinking Fund Allowance		3.00%
			10 Year Cap Ex (% of Sale Price)		1.30%

Location

The sale property occupies the prominent south eastern corner of Collins and Russell Streets, forming part of the prestigious Paris End of Collins Street. The Paris End of Collins Street is a well regarded location for high end retail boutiques occupied together with Grand Hyatt Melbourne and interspersed with premium grade office developments and period style buildings.

Description

The property comprises a four storey historical building originally completed in 1886, which has subsequently been refurbished at various stages thereafter. The building is configured over basement, ground and three upper levels. Louis Vuitton occupies the ground floor and level 1, with the balance relating to commercial tenancies.

Comments

The property sold via an Expression of Interest campaign conducted by Colliers International. The campaign garnered a good level of interest from adjoining CBD owners and international groups, with initial sale price expectations of around $50m falling well below the eventual purchase price due to lower expectations from the COVID-19 market uncertainty. In concluding our analysis, we have adopted the 2021 mid term market rental review for Louis Vuitton.

Comparison and Justification

The sale property occupies a prominent corner along the 'Paris End' of Collins Street, which is a more prestigious location than the subject. Nonetheless, it falls within a much higher capital value range. Whilst the sale occurred during the COVID pandemic, this property sold prior to the RBA beginning the cycle of increasing the Cash Rate and we know from our experience this is resulting in market yields increasing for investment properties such as the subject. Overall and on the balance of evidence a generally similar capitalisation rate to the market yield is considered to be appropriate for the subject property.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Conclusion

Map No.	Property	Sale Date	Sale Price	GLA (m²)	GLA $/m²	Passing Yield (*)	Equivalent Market Yield (EMY)
1	***Subject Property***	***Mar-23***	***$27,200,000***	***646***	***$42,105***	***3.76%***	***3.25%***
2	163 Swanston Street, Melbourne	Oct-22	$18,020,000	1,508	$11,950	1.94%	1.79%
3	272-282 Lonsdale Street, Melbourne	Oct-22	$32,500,000	817	$39,780	1.94%	2.25%
4	483-485 Elizabeth Street, Melbourne	Jul-22	$12,025,000	707	$17,008	1.68%	1.68%
5	27-31 Hardware Lane, Melbourne	Mar-22	$7,420,000	432	$17,180	3.21%	2.45%
6	423 & 425 Elizabeth Street, Melbourne	Aug-21	$11,000,000	282	$39,007	2.36%	2.25%
7	Louis Vuitton, 139 Collins Street, Melbourne	Nov-20	$68,000,000	1,662	$40,919	2.31%	3.03%

(*) The 'passing yield' above reflects the 'fully leased passing' yield.

As noted earlier, there has not been any recent, directly comparable sales to the subject, being a well leased, well exposure retail property, with a value of circa $25,000,000, and with limited immediate value-add potential. This makes valuing the subject property difficult in the current market conditions. Further complicating the valuation is that there has also been a lack of comparable sales since the RBA began increasing the Cash Rate in May 2022. We know from our research and involvement with other properties that market yields for well leased investment properties have increased during this time. Although the market evidence does also not reflect a clearly defined trend.

A number of the above listed comparable sales either have redevelopment potential, which results in lower yields being achieved, or have lower capital values, making the properties more accessible to a wider range of purchasers and this also tends to result in lower yields.

One of the most comparable sales is that of 139 Collins Street, as it is also a corner retail property, that is well leased, well exposed and has limited redevelopment potential, with these attributes being similar to the subject. Whilst it sold prior to the recent RBA Cash Rate increases, it also sold during COVID when demand was more subdued. On balance of the evidence, the market yield indicated for this sale is considered to be generally reflective of an appropriate market yield for the subject property.

Having regard to the available sales evidence and the particular attributes of the subject property we have adopted a capitalisation rate of **3.25%.**

Our comments in relation to each of the sales in comparison to the subject are outlined under the analysis of each sale. We refer the reader to those comments. Of the six comparable sales (summarised in the above table), four of them have values below $20,000,000 making them more digestible in the market for purchasers than the subject. This often results in lower yields being achieved, all other things being equal. Further, four of the sales occurred prior to the RBA embarking on the monthly pattern of increasing the cash rate. Since the cash rate begun increasing, yields for investment properties have also begun rising. Whilst two properties did sell in late 2022, transacting after the RBA cycle of increasing the cash rate began, these two properties have further development potential that is difficult to quantify, but in our experience such further development potential results in lower investment yields. On balance of these comments and the individual comments of each sale, we consider our adopted market yield to be appropriate. Whilst the adopted EMY for the subject is marginally higher than the band of evidence, it is considered appropriate having regard to the attributes of each sale against the subject.

For our direct comparison approach, we consider the sales of **272-282 Lonsdale Street ($39,780 per square metre) and 139 Collins Street ($40,919 per square metre)** to be most comparable to that of the subject. 272-282 Lonsdale Street is located closest in proximity to the subject and 139 Collins Street is considered appropriate for the reasons outlined above. Having regard to the attributes of the subject against the evidence, we have adopted a rate of **$42,000 per square metre** of GLA.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

A map outlining the location of the sale properties in comparison to the subject is included below.

Calculations

Capitalisation Approach

In applying our Capitalisation Approach we have adopted a capitalisation rate of 3.25% which has been applied to the adopted net market income.

We have then deducted or added the present value of reversions derived from the passing rents which are considered to be either under or over market rent. We have also made deductions for variances to the net income created by letting up or down time, incentives/rent free periods, leasing commissions and capital expenditure.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Our capitalisation approach calculations are shown below:

Market Income				Valuation Date:	28-Mar-23
		Base Rent	Recoveries	% Rent	Total
Specialties		958,414	-	-	958,414
Upper Level Retail		259,223	47,537	-	306,760
Gross Market Income		**1,217,637**	**47,537**	**-**	**1,265,174**
Less Adopted Outgoings					(373,866)
Net Market Income					**891,308**
Net Income					**891,308**
Market Capitalisation Rate			3.50%	3.25%	3.00%
Core Capital Value (Fully Leased)			**25,465,954**	**27,424,874**	**29,710,280**
Core Capital Value ($/m²)			*39,421*	*42,453*	*45,991*
Capital Value Adjustments					
Present Value of Rental Reversions			111,104	111,208	111,313
Outstanding Incentives			(133,446)	(133,501)	(133,557)
Imminent Expiry Allowances					
Letting Up Allowances	*12 months*		(73,658)	(73,658)	(73,658)
Incentive Allowances	*12 months*		(104,741)	(104,741)	(104,741)
Leasing Costs Allowances	*12 months*		(37,132)	(37,132)	(37,132)
Tenancy Coordination Fee Allowances	*12 months*		-	-	-
Total Capital Value Adjustments			**(237,873)**	**(237,824)**	**(237,774)**
Capitalised Value			**25,228,082**	**27,187,050**	**29,472,505**
Capitalised Value ($/m²)			*39,053*	*42,085*	*45,623*
Rounded Value			25,200,000	27,200,000	29,500,000
Capitalised Rounded Value ($/m²)			*39,009*	*42,105*	*45,666*
Adopted Value				**27,200,000**	
Initial Passing Yield				3.76%	
Initial Passing Yield (Fully Leased)				3.76%	
Equivalent Market Yield				3.25%	

Direct Comparison Approach

Analysis of the main sales evidence indicates a building value rate range of circa $11,950 to $40,919 per square metre.

Sales rates per square metre for CBD retail properties often vary greatly as the rates are generally a function of the income per square metre achieved for each property (i.e. the higher the rental income the higher the value rate per square metre). Income rates can vary greatly from one CBD precinct to another, resulting in large fluctuations in value rates. It would be preferable to have sales within the same CBD precinct as the subject, with similar sized retail tenancies, and a similar split between ground level and upper level tenancies, but similar sized freehold properties are rare, and sales of such properties is also quite rare. Therefore, value judgement is required when using the direct comparison approach. In general, the approach has short comings for use for such properties but can be useful as a check method.

For our direct comparison approach, we consider the sales of **272-282 Lonsdale Street ($39,780 per square metre) and 139 Collins Street ($40,919 per square metre)** to be most comparable to that of the subject. **272-282 Lonsdale Street** is closest in proximity to the subject. It has a net market income rate of $1,488 per square metre. The subject has a net market income rate of $1,380 per square metre. The subject is however in a more desirable retail, corner location. On balance a slightly higher rate is considered appropriate. 139 Collins Street has a net market income rate of $1,251 per square metre. Given the subject has a much lower capital value and a much smaller lettable area, but a slightly inferior retail location, a slightly higher rate is considered appropriate for the subject. Having regard to the attributes of the subject against the evidence, we have adopted a rate of **$42,000 per square metre** of GLA.

Direct Comparison Approach - Gross Lettable Area		
Gross Lettable Area	m²	646
Value of Gross Lettable Area	$/m²	42,000
Direct Comparison - Gross Lettable Area	$	27,132,000
Rounded Value		**27,100,000**

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Summary of Valuation Approaches

Valuation Reconciliation	
Market Capitalisation Approach	27,200,000
Market Capitalisation Rate	3.25%
Direct Comparison Approach - Lettable Area	27,100,000
Adopted Market Value	**27,200,000**
Key Metrics	
Initial Passing Yield	3.76%
Initial Passing Yield (Fully Leased)	3.76%
Equivalent Market Yield	3.25%
Value per m²	42,105

Valuation

Subject to the qualifications and assumptions contained within the body of this certificate and our full report and subject to the existing leases, we assess the market value of 319-323 Swanston Street, Melbourne, VIC, as at 28 March 2023, exclusive of GST, for submission to Bursa Malaysia Securities Berhad in relation to a Circular to Shareholders to seek approval for a related party transaction, to be:

$27,200,000
(TWENTY SEVEN MILLION TWO HUNDRED THOUSAND DOLLARS)

Or the equivalent Market Value sums are equivalent to (based on an exchange rate of AUD1.00:RM2.9423, being the exchange rate published by Bank Negara Malaysia on 28 March 2023, being the date of valuation):

MYR 80,030,560 exclusive of GST
(EIGHTY MILLION AND THIRTY THOUSAND FIVE HUNDRED AND SIXTY MALAYSIAN RINGGIT).

Source: https://www.bnm.gov.my/currency-converter

M3 Property

Shaun O'Sullivan B.Bus (Prop) AAPI
Certified Practising Valuer
Australian Property Institute – Associate Member - 62780
Director
Primary Valuer

James Ruben
National Director
Counter Signatory

The counter signatory has reviewed the report and is satisfied that there is a reasonable basis for the valuation process undertaken and methodology adopted by the primary signatory. The counter signatory also verifies that the report has been reviewed in accordance with our Quality Assurance Policy, is genuine and authorised by M3 Property Australia Pty Ltd.

3. Critical Assumptions and Qualifications

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Critical Assumptions and Qualifications

In addition to any other assumptions, conditions and comments contained within this report, our valuation is subject to the following Critical Assumptions and Qualifications. Selecting an underlined clause will take you to the relevant section of the report.

Critical Assumptions/Qualifications

Aluminium Cladding	We are not experts in this matter and for the purpose of our valuation, we have assumed that the building fabric, including the aluminium composite system, does not pose a safety risk or require upgrading to meet Regulations.
Asbestos	Our valuation is provided on the assumption that any asbestos material on site would not pose a health risk to any person. Should a more definitive statement in this regard be required, we recommend advice be sought from a suitably qualified professional.
Date of Inspection	It is assumed for the purpose of this Market Value assessment that the property will remain in the same physical state from the date of inspection to the date of valuation. It is also assumed that the tenants within the property will remain unchanged with the exception of any variances outlined within this report.
Date of Issue	It is assumed that that there will be no material changes to market conditions between the date of issue and the date of valuation. If changes to the market become evident between the issue date and the valuation date we reserve the right to amend our valuation.
Development Approvals	We assume that appropriate permission has been granted by the relevant statutory authority in relation to the existing improvements on site.
Environmental	No obvious environmental problems were apparent on inspection, however no soil tests nor environmental studies or reports have been made available to us. Accordingly, our valuation is made on the assumption that there are no environmental problems in any way affecting the property, including surface or below ground conditions, toxic or hazardous wastes or building material hazards. Any such matters may adversely affect the property or its use and our assessment of value. Should any such matters be known or discovered, no reliance should be placed on our assessment of value unless we have been advised of these matters and we have confirmed that our assessment is not affected. We have assumed for the purpose of this valuation the property is not contaminated in any way or subject to environmentally based externalities that may impact upon value. If this assumption is found to be incorrect, or if the party on whose instruction this valuation is provided wishes our valuation to be based on a different assumption, then this valuation should be referred back to the Valuer for comment and in appropriate cases, amendment. We have also assumed the use of the property complies with all relevant environmental law.
Financial Projections	We advise that no party may rely upon any financial projections or future values contained in our valuation report. Any financial projection or future value calculations in our valuation reports are valuation tools only, and should not be construed in any way as providing an indication of likely future profit and/or cash flow.
Government Interest	The valuation is based on the critical condition that the government holds no requirements of the land.
GST	In relation to any potential GST liability, we advise that we are not taxation or legal experts and we recommend competent and qualified advice be obtained. We are also of the view that any interested party relying on this valuation of the subject property should obtain their own legal advice on the GST position. Should this advice vary from our interpretation of the legislation and Australian Taxation Office rulings current as at the date of this valuation, we reserve the right to review and amend our valuation accordingly. Our assumptions with respect to GST are current at the time of this report. Changes to the GST Act may impact the value of the subject land if and when these occur.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Critical Assumptions/Qualifications

Information	In undertaking our valuation, we have relied upon various financial and other information submitted by the managing agent. Where possible within the scope of our retainer and limited to our expertise as Valuers, we have reviewed this information including by analysis against industry standards. Based upon that review, we have no reason to believe that the information is not fair and reasonable or that material facts have been withheld. However, our enquiries are necessarily limited by the nature of our role and we do not warrant that we have identified or verified all of the matters which a full audit, extensive examination or 'due diligence' investigation might disclose. For the purpose of our valuation assessment, we have assumed that this information is correct. While all reasonable endeavours have been made to clarify the accuracy of the information provided, it is assumed that the information provided by the instructing party and their representatives consists of a full and frank disclosure.
Leases	In the event that the terms and conditions detailed within such formalised documents vary significantly to that stipulated within the summary provided for any tenant, M3 Property reserve the right to make comments and adjustments to our assessment on this basis.
Lettable Areas	We have relied upon the lettable areas indicated on the tenancy schedule and plans provided. Should any subsequent surveys indicate a variation to the areas adopted within, the matter should be referred to us for review of the valuation as deemed appropriate. In the event that a formal Survey determined lettable areas that differ from those adopted above our valuation may be affected and we reserve the right to amend our valuation if this were to be the case.
Market	It should be noted that in the case of advice provided in this report which is of a projected nature, we must emphasise that specific assumptions have been made which appear reasonable based upon current market sentiment and forecasts. It follows that any one of the associated assumptions may change over time and no responsibility can be accepted in this event. Accordingly, the indicated figures should not be viewed as absolute certainty.
Native Title	This valuation assumes that there are no current or pending claims which will affect the subject property.
Pecuniary Interest	Neither the valuer nor M3 Property have any pecuniary interest giving rise to a conflict of interest in valuing the property.
Planning	The planning information set out in this report has been obtained via the website of the Department of Environment, Land, Water and Planning. We have relied upon this information in assessing the value of the property. No responsibility is accepted for the accuracy of that information and if it is wrong in any significant respect, our assessment of value may be different. Proper searches and enquiries should be made before reliance is placed on our valuation.
Presentation, Condition and Utility	This valuation report does not purport to be a site or structural survey of the improvements, nor was any such survey undertaken. Overall, we have assumed that detailed reports with respect to the structure and service installations of the improvements would not reveal any defects or inadequacies requiring significant capital expenditure. Should there be deficiencies associated with the building structure or its services the valuation should be referred back to us for comment.
Proportional Interest	We have valued the 100% interest of the asset for the party referred to above. Proportional ownership of the 100% interest should not be construed as representing the same proportional interest in our assessed value of the asset.

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Critical Assumptions/Qualifications

Revenue and Expenditure	In undertaking our valuation, we have relied upon the tenancy schedule, revenue and expenditure statements provided to us in respect of current net and gross revenues. We have not verified this information by reference to cheque receipts or other audit procedures. M3 Property accepts no responsibility for any material impact on value if a formal audit of the cash flow is materially different to that stated on the tenancy schedule / business statements as provided to us.
Sale Conditions	Our valuation does not assume a forced sale.
Site	For the purpose of this valuation we assume that the site dimensions/areas noted on the relevant Titles are correct. If there is any doubt in respect of these issues, we recommend that a check survey be undertaken by a qualified surveyor and that the survey be sent to us for advice as to whether our assessment of value is affected. The valuation is made on the assumption that there are no encroachments by or upon the property.
Title	The easements/encumbrances that are detailed within this report have been considered in our assessment of value. If there are any additional easements, encumbrances, encroachments, restrictions, leases or covenants which are not noted in this report, they may affect our assessment. The assessment of value contained in this valuation assumes the property is free of mortgages, caveats and any other financial liens. If any such matters are known or discovered, we should be advised and asked as to whether they affect our assessment.
Valuers Qualification	We confirm that the valuation has been prepared by a valuer that: a) Is suitably qualified to carry out such valuations and has had at least five years' appropriate experience; and b) Has no pecuniary interest that could reasonably be regarded as capable of affecting a person's ability to give an unbiased opinion of the value or that could conflict with a proper valuation of the property.

4. Definitions and Disclaimers

VALUATION CERTIFICATE FOR THE AUSTRALIAN SUBJECT PROPERTIES (Cont'd)

Terminology

Approach/Methods	Methodology (IVS Terminology)	As Referenced in this Report
Market Approach	Comparable Transaction Method	Direct Comparison Approach
Income Approach	Discounted Cash Flow (DCF) Method Income Capitalisation Method	Discounted Cash Flow Approach Capitalisation Approach

Definitions and Disclaimers

Definitions

Currency	All financial information within this valuation is presented in Australian dollars (AUD).
Market Value	This valuation has been prepared in accordance with the definition of Market Value adopted by the International Valuation Standards Council (IVSC) and adopted by the Australian Property Institute (API) as set out below: *'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 and where the parties had each acted knowledgeably, prudently and without compulsion.'* In considering this definition, the International Valuation Standards which have been adopted by the API, defines a willing seller as follows: *'A willing seller is neither an over eager nor a forced seller, prepared to sell at any price, nor one prepared to hold out for a price not considered reasonable in the current market. The willing seller is motivated to sell the property at market terms for the best price attainable in the (open) market after proper marketing, whatever that price may be.'* Accordingly, although a willing seller will not necessarily just accept the first offer that is made, he/she is a seller in the current market and therefore is not seeking a market price which may be unattainable in the current market.

Disclaimers

These valuations are for the private and confidential use only of Oriental Asia (Aust) Pty Ltd and for the specific purpose for which they have been requested. No third party is entitled to use or rely upon these reports in any way and neither the Valuer nor M3 Property shall have any liability to any third party who does.

No part of these valuations or any reference to them may be included in any other document or reproduced or published in any way without written approval of the form and context in which it is to appear.

These valuations are current at the date of valuation only. The values assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property or factors that the Valuer could not reasonably have been aware of as at the date of valuation). We do not accept responsibility or liability for any losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three (3) months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on valuation.

Due to possible changes in market conditions and other circumstances these reports can only be regarded as relevant at the date of valuation.

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board, and our Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein false or misleading.

All information relating to SPSB, OBS(M), SPP, the Malaysian Subject Properties, Indonesian Subject Properties and Australian Subject Properties have been obtained from publicly available documents (where available) and other information/documents provided by the Vendors and the directors/management of the respective parties. Therefore, the sole responsibility of the Board is restricted to ensure that such information is accurately reproduced in this Circular.

2. CONSENTS AND DECLARATIONS OF CONFLICT OF INTEREST

2.1 UOBKH

UOBKH, being the Principal Adviser for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

UOBKH has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser to OHB for the Proposals.

2.2 Mercury Securities

Mercury Securities, being the Independent Adviser for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, its IAL, and all references thereto in the form and context in which they appear in this Circular.

Mercury Securities has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Independent Adviser to OHB for the Proposals.

2.3 Knight Frank

Knight Frank, being the Independent Valuer for the Proposals, has given and have not subsequently withdrawn their written consent to the inclusion in this Circular of their name, the valuation certificates and all references thereto in the form and context in which they appear in this Circular.

Knight Frank has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Independent Valuer for the Malaysian Subject Properties to OHB for the Proposals.

2.4 KJPP RHR

KJPP RHR, being the Independent Valuer for the Proposed SPSB Acquisition and Proposed OBS(M) Acquisition, has given and have not subsequently withdrawn their written consent to the inclusion in this Circular of their name, the valuation certificate and all references thereto in the form and context in which they appear in this Circular.

KJPP RHR has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Independent Valuer for the Indonesian Subject Properties to OHB for the Proposed SPSB Acquisition and Proposed OBS(M) Acquisition.

2.5 M3property

M3property, being the Independent Valuer for the Proposed SPSB Acquisition and Proposed OBS(M) Acquisition, has given and have not subsequently withdrawn their written consent to the inclusion in this Circular of their name, the valuation certificate and all references thereto in the form and context in which they appear in this Circular.

M3property has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Independent Valuer for the Australian Subject Properties to OHB for the Proposed SPSB Acquisition and Proposed OBS(M) Acquisition.

2.6 SCA

SCA, being the expert appointed by the Company to opine on the fairness of the Purchase Consideration of SPSB and Purchase Consideration of OBS(M) ("**Fairness Assessment**") has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular and the expert's report in relation to the Fairness Assessment.

SCA has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the expert appointed by OHB for the Fairness Assessment.

2.7 PT Prima Wahana Caraka

PT Prima Wahana Caraka, being the Indonesian tax consultants for the Proposals, has given and has not subsequently withdrawn their written consent to the inclusion in this Circular of their name, the report on the policies relating to foreign investment, taxation and repatriation of profits under the relevant laws of Indonesia and all references thereto in the form and context in which they appear in this Circular.

PT Prima Wahana Caraka has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Indonesia tax consultant to provide the aforementioned report for the Proposals.

2.8 PwC Legal Indonesia (formerly Melli Darsa & Co)

PwC Legal Indonesia (formerly Melli Darsa & Co), being the Indonesian legal counsel for the Proposals, has given and has not subsequently withdrawn their written consent to the inclusion in this Circular of their name, the legal opinion on the policies relating to ownership of title to securities or assets and all references thereto in the form and context in which they appear in this Circular.

PwC Legal Indonesia (formerly Melli Darsa & Co), has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Indonesian legal counsel to provide the aforementioned legal opinion for the Proposals.

2.9 Thomson Geer

Thomson Geer**,** being the Australian legal counsel for the Proposals, has given and has not subsequently withdrawn their written consent to the inclusion in this Circular of their name, the legal opinion on the policies relating to foreign investment, taxation and repatriation of profits, ownership of title to securities or assets, enforceability of agreements, representations and undertakings given by foreign counter-parties under the relevant laws of Australia and all references thereto in the form and context in which they appear in this Circular.

Thomson Geer has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Australian legal counsel to provide the abovementioned legal opinion for the Proposals.

2.10 AEI Legal LLC

AEI Legal LLC**,** being the Singaporean legal counsel for the Company in relation to the Proposals, has given and has not subsequently withdrawn their written consent to the inclusion in this Circular of their name, report on the policies relating to foreign investment, taxation and repatriation of profits from Singapore and legal opinion on the title to shares in OAM Asia (Singapore) Pte Ltd and OBS (Singapore) Pte Ltd, under the relevant laws of Singapore, and all references thereto in the form and context in which they appear in this Circular.

AEI Legal LLC has given its written confirmation that there is no situation of conflict of interest that exists or is reasonably likely to exist in relation to its role as the Singaporean legal counsel to provide the abovementioned report and legal opinion for the Proposals.

2.11 GlobaLex Chambers

GlobaLex Chambers**,** being the Mauritian legal counsel for the Proposals, has given and has not subsequently withdrawn their written consent to the inclusion in this Circular of their name, the legal opinion on the policies relating to foreign investment, taxation and repatriation of profits, ownership of title to securities or assets, enforceability of agreements, representations and undertakings given by foreign counter-parties under the relevant laws of Mauritius and all references thereto in the form and context in which they appear in this Circular.

GlobaLex Chambers has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Mauritian legal counsel to provide the abovementioned legal opinion for the Proposals.

3. MATERIAL COMMITMENTS

As at the LPD, our Board is not aware of any material commitments incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the financial results or position of our Group.

4. CONTINGENT LIABILITIES

As at the LPD, our Board is not aware of any contingent liabilities incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the financial results or position of our Group.

5. MATERIAL CONTRACTS

As at the LPD, save for the Proposals (which is the subject matter of this Circular), our Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within 2 years preceding the LPD.

6. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has or may have a material effect on the financial position or business of our Group and our Board is not aware of any proceedings pending or threatened against our Group or any fact likely to give rise to any proceedings which may materially or adversely affect the financial position or business of our Group.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, during normal business hours between Mondays and Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:-

(i) the Constitution of each of OHB, SPSB, OBS(M) and SPP;

(ii) the SSAs, Supplemental SSAs, SPAs and Supplemental SPAs;

(iii) the Valuation Reports together with the valuation certificates in relation to the Subject Properties;

(iv) the audited consolidated financial statements of OHB Group for the past 2 financial years up to and including the FYE 31 December 2022, as well as the unaudited consolidated financial statements of OHB Group for the 3-month FPE 31 March 2023;

(v) the audited consolidated financial statements of SPSB, OBS(M) and SPP for the past 2 financial years up to and including the FYE 31 December 2022, as well as the unaudited consolidated financial statements of SPSB, OBS(M) and SPP for the 3-month FPE 31 March 2023;

(vi) legal opinions on the policies relating to foreign investment, taxation and repatriation of profits, ownership of title to securities or assets, enforceability of agreements, representations and undertakings given by foreign counter-parties (where applicable) under the relevant laws of the relevant countries as set out in **Appendix VI** of this Circular;

(vii) expert's report on the fairness of the Purchase Consideration of SPSB and Purchase Consideration of OBS(M) prepared by SCA as set out in **Appendix VII** of this Circular; and

(viii) the letters of consent and declarations of conflict of interest referred to in **Section 2** of this **Appendix IX**.

ORIENTAL HOLDINGS BERHAD
(Registration No. 196301000446 (5286-U))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting ("**EGM**") of Oriental Holdings Berhad ("**OHB**" or the "**Company**") will be conducted virtually through online live streaming from the broadcast venue located at Grand Ballroom, Bayview Beach Resort, Batu Ferringhi Beach, 11100 Batu Ferringhi, Penang via Remote Participation and Electronic Voting ("**RPEV**") facilities through the online platform at https://meeting.boardroomlimited.my on Wednesday, 30 August 2023 at 2.30 p.m., or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the following resolution:-

ORDINARY RESOLUTION

(I) PROPOSED ACQUISITION BY OHB OF THE REMAINING EQUITY INTERESTS IT DOES NOT ALREADY OWN IN 3 PLANTATION COMPANIES, NAMELY SELASIH PERMATA SDN BHD, ORIENTAL BOON SIEW (MAURITIUS) PTE LTD AND SOUTHERN PERAK PLANTATIONS SDN BHD ("SPP") ("PROPOSED SHARES ACQUISITIONS"); AND

(II) PROPOSED ACQUISITIONS OF THE FOLLOWING PLANTATION ESTATES LOCATED IN PENINSULAR MALAYSIA BY SPP ("PROPOSED LAND ACQUISITIONS"):-

(A) OIL PALM PLANTATION LAND HELD UNDER 17 LAND TITLES MEASURING A TOTAL OF 77.51 HECTARES ("HA") LOCATED ALONG JALAN ARA KUDA, MUKIM 19, DISTRICT OF SEBERANG PERAI TENGAH, PULAU PINANG, MALAYSIA ("BUKIT LANGKAP ESTATE");

(B) OIL PALM PLANTATION LAND HELD UNDER 30 LAND TITLES MEASURING A TOTAL OF 1,704.24 HA LOCATED WITHIN MUKIM AND DISTRICT OF BENTONG, PAHANG, MALAYSIA ("BENTONG ESTATE"); AND

(C) OIL PALM PLANTATION LAND HELD UNDER 25 LAND TITLES MEASURING A TOTAL OF 1,668.60 HA LOCATED WITHIN THE DISTRICT OF KUALA MUDA, KEDAH DARUL AMAN ("THYE GROUP ESTATE"),

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

"**THAT**, subject to the approvals of all relevant authorities or parties being obtained (where required), the Company be and is hereby authorised to proceed with the Proposed Shares Acquisitions (details of which are set out in the circular to stockholders of OHB dated 15 August 2023 ("**Circular**")) in accordance with the terms and conditions as stipulated in the conditional share sale agreements dated 13 October 2022 and supplemental share sale agreements dated 12 January 2023 and 12 April 2023 entered into between OHB and Boon Siew Sdn Bhd, Boon Siew Development Sdn Bhd and Loh Boon Siew Holdings Sdn Bhd ("**SSAs**") (salient terms of which are set out in **Appendices II(A), II(B) and II(C)** of the Circular).

THAT, subject to the completion of the Proposed Shares Acquisitions (in view that SPP is the purchaser for the Bukit Langkap Estate, Bentong Estate and Thye Group Estate), the Company be and is hereby authorised to proceed with the Proposed Land Acquisitions (details of which are set out in the Circular) in accordance with the terms and conditions as stipulated in the conditional sale and purchase agreements dated 13 October 2022 and supplemental sale and purchase agreements dated 12 January 2023 and 12 April 2023 entered into between OHB, SPP and Boontong Estates Sdn Bhd ("**SPAs**", together with the SSAs, the "**Agreements**") (salient terms of which are set out in **Appendices II(D), II(E) and II(F)** of the Circular).

AND THAT the Board of Directors of the Company ("**Board**") (save for the Interested Directors, as set out in the Circular) be and is hereby authorised to give effect to the Proposals with full power (i) to assent to any condition, modification, variation and/or amendment in any manner as may be required by the relevant authorities; (ii) to deal with all matters relating to the Agreements thereto; and (iii) to do all such acts and things as they may consider necessary or expedient to implement, finalise and give full effect to the Proposals."

By order of the Board,
ORIENTAL HOLDINGS BERHAD

TAI YIT CHAN (MAICSA 7009143) (SSM PC No.: 202008001023)
ONG TZE-EN (MAICSA 7026537) (SSM PC No.: 202008003397)

JOINT COMPANY SECRETARIES

Date: 15 August 2023

Notes:-

1. *The EGM will be held entirely via the RPEV facilities through the meeting platform at https://meeting.boardroomlimited.my. Kindly refer to the Administrative Guide for the EGM in order to register, participate and vote remotely via the RPEV facilities.*

2. *The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the chairman of the meeting to be present at the main venue of the meeting. Stockholders / proxies from the public **WILL NOT BE ALLOWED** to be physically present. Stockholders who wish to participate in the EGM will have to register online and attend remotely. Kindly read and follow the procedures in the Administrative Guide for the EGM in order to participate remotely.*

3. *A proxy may but need not be a member of the Company.*

4. *The instrument appointing a proxy must be deposited / submitted via the following ways not less than 48 hours before the time set for holding the EGM or at any adjournment thereof:-*

    (i) By hardcopy form

    The Form of Proxy must be deposited at the registered office of the Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia.

    (ii) By electronic form

    The Form of Proxy can be electronically submitted through the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com. Please refer to the Administrative Guide for the procedures on electronic lodgement of Form of Proxy.

5. *A member entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.*

6. *Where a member of the Company is an authorised nominee as defined under the Securities Industries (Central Depositories) Act 1991 ("**SICDA**"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary stocks of the Company standing to the credit of the said securities account.*

7. *Where a member of the Company is an exempt authorised nominee which holds ordinary stocks in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.*

8. *If the appointer is a corporation, the Form of Proxy must be executed under the corporation's common seal or under the hand of an officer or an attorney duly authorised.*

9. *In respect of deposited securities, only a Depositor whose name appears on the Record of Depositors on **23 August 2023** (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint a proxy to attend and/or vote on his/her behalf.*

Personal Data Privacy

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the stockholder's breach of warranty.

ORIENTAL HOLDINGS BERHAD
(Registration No. 196301000446 (5286-U))
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.:	No. of Stocks held:

I/We ____
(Full name in Block Letters and NRIC No. / Passport No. / Company No.)

of ____ and ________________
(Address) (Tel. No.)

being a *member/ members of Oriental Holdings Berhad hereby appoint

Full Name (in Block Letters)	NRIC/Passport No.	E-mail Address & Mobile Phone No.	No. of Stocks	% of Stockholding

*and/or

Full Name (in Block Letters)	NRIC/Passport No.	E-mail Address & Mobile Phone No.	No. of Stocks	% of Stockholding

or failing *him/her, the CHAIRMAN OF THE MEETING as *my/our proxy, to vote for *me/us and on *my/our behalf at the Extraordinary General Meeting of the Company to be conducted virtually through online live streaming from broadcast venue located at Grand Ballroom, Bayview Beach Resort, Batu Ferringhi Beach, 11100 Batu Ferringhi, Penang via Remote Participation and Electronic Voting ("**RPEV**") facilities through the online platform at https://meeting.boardroomlimited.my on Wednesday, 30 August 2023 at 2.30 p.m., or at any adjournment thereof.

*My/our proxy is to vote on a poll as indicated below with an "X".

ORDINARY RESOLUTION	FOR	AGAINST
PROPOSALS		

* Strike out if not applicable

Signed this___________day of____________2023

____
Signature of Stockholder(s)/Common Seal

Notes:

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7. *Where a member of the Company is an exempt authorised nominee which holds ordinary stocks in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.*

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Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Company Secretaries
Oriental Holdings Berhad
Registration No. 196301000446 (5286-U)

170-09-01, Livingston Tower, Jalan Argyll
10050 George Town, Pulau Pinang

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