

### **Basis / Method of Valuation**

The basis of valuation as described in the valuation report issued by Messrs Horwath dated 30 April 2009 (“the Valuation Report”) is the Enterprise Value (“EV”) Multiple Method.

As disclosed in the Valuation Report, the use of the Enterprise Value Multiple Method requires the consideration of 2 specific parameters:-

- (a) the maintainable or sustainable earning before income tax, depreciation and amortisation (“EBITDA”) that can be generated in the absence of any exceptional or extraordinary events; and
- (b) the EV multiple that should be ascribed to the maintainable or sustainable EBITDA.

Premised on the above, the fair value of Kereta Komersil Seladang (M) Sdn Bhd (“KKS”), as extracted from the Valuation Report, is tabulated below:

	Reference	Fair value	
		Low	High
Maintainable EBITDA (RM)	[a]	531,391	531,391
Adjusted EV Multiple (times)		2.62	2.62
Discount for non-listed companies		30%	20%
Net EV multiple	[b]	1.83	2.10
<b>Equity value of KKS (RM)</b>	<b>c = [a] x [b]</b>	<b>972,446</b>	<b>1,115,921</b>
<b>Round Down (RM)</b>		<b>972,000</b>	<b>1,115,000</b>

As disclosed in the Valuation Report, the range of the fair values for the KKS is between **RM972,000 to RM1,115,000**. Premised on the foregoing, the range of fair value of the 70% equity interest in KKS is between **RM680,000 to RM780,000**.