

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Property No. 2

a. Sallent Details																																																							
Date of Inspection and Valuation:	27 January 2021																																																						
Identification / Type of Property / Property Address:	A purpose built private specialist medical centre known as KPJ Damansara Specialist Hospital ("DSH"), identified as Lot 60950, Section 39 [Formerly PT No. 1856], Town of Petaling Jaya, District of Petaling, Selangor Darul Ehsan, held under Title No. Geran 336358 [Formerly HS(D) 146423], bearing postal address No. 119, Jalan SS 20/10, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan.																																																						
Title Particulars:	Tenure:	Interest in perpetuity																																																					
	Title Land Area:	18,771 sq. m. / 180,521.53 sq. ft.																																																					
	Registered Proprietor:	AmanahRaya Trustees Berhad (as Trustee)																																																					
	Category of Land Use:	Building																																																					
	Encumbrance:	Charged by AmanahRaya Trustees Berhad to Maybank Trustee Berhad, registered on 5 November 2018																																																					
Location																																																							
<p>DSH is located within SS 20, Damansara Utama, Petaling Jaya and is sited off the south-western (left) side of the SPRINT Highway (part of Jalan Damansara), travelling from Section 16, Petaling Jaya towards Bandar Utama/MRR II and also sited off the eastern (right) side of Damansara - Puchong Highway ("LDP"), travelling from Kelana Jaya towards Damansara Perdana. It is located about 16 kilometres (10 miles) to the south-west of Kuala Lumpur city centre and about 6 kilometres (3.75 miles) to the north-east of Petaling Jaya City. DSH fronts onto Jalan SS 20/10 and is accessible from various parts of Kuala Lumpur and Selangor and the common accessibility from Kuala Lumpur city centre is via Jalan Semantan and SPRINT Highway (Jalan Damansara). Alternatively, it is accessible from the Federal Highway via Kerinchi Link and SPRINT Highway. The newly completed nearest Taman Tun Dr. Ismail MRT Line 1 Station (along Jalan Damansara) is located about 550 metres to the south-east of DSH. The under construction nearest Bandar Utama LRT Line 3 Station is located about 2 kilometres (1.25 miles) to the north-west of DSH. Prominent developments located in the immediate vicinity are Plaza VADS, TTDI Plaza, The Starling Shopping Mall, Menara KEN TTDI, One Utama Shopping Complex, Plaza IBM, One World Hotel, Sri Pentas TV3 station and 3 Damansara Shopping Mall.</p> <p>Prominent private medical centres and government hospitals located in the neighbourhood are as follows: -</p>																																																							
<table border="1"> <thead> <tr> <th>Name</th> <th>Capacity</th> <th>Location</th> <th>Distance from DSH</th> </tr> </thead> <tbody> <tr> <td colspan="4">Private Medical Centre</td> </tr> <tr> <td>Columbia Asia Hospital</td> <td>57 beds</td> <td>Jalan 13/6, 46200 Petaling Jaya, Selangor Darul Ehsan</td> <td>3 kilometres</td> </tr> <tr> <td>KPJ Damansara 2 Specialist Hospital (expected to be in operation in year 2022)</td> <td>300 beds</td> <td>Bukit Lanjan, 60000 Kuala Lumpur</td> <td>5.5 kilometres</td> </tr> <tr> <td>The Tun Hussein Onn National Eye Hospital</td> <td>30 beds</td> <td>Lorong Utara B, 46200 Petaling Jaya, Selangor Darul Ehsan</td> <td>6 kilometres</td> </tr> <tr> <td>Beacon Hospital</td> <td>93 beds</td> <td>Jalan 215, Section 51, Off Jalan Templer, 46050 Petaling Jaya, Selangor Darul Ehsan</td> <td>6.5 kilometres</td> </tr> <tr> <td>Pantai Hospital Kuala Lumpur</td> <td>363 beds</td> <td>Jalan Bukit Pantai, 59100 Kuala Lumpur</td> <td>7.2 kilometres</td> </tr> <tr> <td>Assunta Hospital</td> <td>245 beds</td> <td>Jalan Templer, 46050 Petaling Jaya, Selangor Darul Ehsan</td> <td>7.5 kilometres</td> </tr> <tr> <td>Thomson Hospital Kota Damansara</td> <td>205 beds</td> <td>Jalan Teknologi, Taman Sains Selangor 1, Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan</td> <td>10 kilometres</td> </tr> <tr> <td>Parkcity Medical Centre</td> <td>148 beds</td> <td>Jalan Intisari Perdana, Desa Parkcity, 52200 Kuala Lumpur</td> <td>10 kilometres</td> </tr> <tr> <td>Taman Desa Medical Centre</td> <td>39 beds</td> <td>Jalan Desa, Taman Desa, Off Jalan Klang Lama, 58100 Kuala Lumpur</td> <td>10.5 kilometres</td> </tr> <tr> <td colspan="4">Government Hospital</td> </tr> <tr> <td>University Malaya Medical Centre (formerly University Hospital)</td> <td>1,617 beds</td> <td>Jalan Professor Diraja Ungku Aziz, 59100 Kuala Lumpur</td> <td>8 kilometres</td> </tr> </tbody> </table>				Name	Capacity	Location	Distance from DSH	Private Medical Centre				Columbia Asia Hospital	57 beds	Jalan 13/6, 46200 Petaling Jaya, Selangor Darul Ehsan	3 kilometres	KPJ Damansara 2 Specialist Hospital (expected to be in operation in year 2022)	300 beds	Bukit Lanjan, 60000 Kuala Lumpur	5.5 kilometres	The Tun Hussein Onn National Eye Hospital	30 beds	Lorong Utara B, 46200 Petaling Jaya, Selangor Darul Ehsan	6 kilometres	Beacon Hospital	93 beds	Jalan 215, Section 51, Off Jalan Templer, 46050 Petaling Jaya, Selangor Darul Ehsan	6.5 kilometres	Pantai Hospital Kuala Lumpur	363 beds	Jalan Bukit Pantai, 59100 Kuala Lumpur	7.2 kilometres	Assunta Hospital	245 beds	Jalan Templer, 46050 Petaling Jaya, Selangor Darul Ehsan	7.5 kilometres	Thomson Hospital Kota Damansara	205 beds	Jalan Teknologi, Taman Sains Selangor 1, Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan	10 kilometres	Parkcity Medical Centre	148 beds	Jalan Intisari Perdana, Desa Parkcity, 52200 Kuala Lumpur	10 kilometres	Taman Desa Medical Centre	39 beds	Jalan Desa, Taman Desa, Off Jalan Klang Lama, 58100 Kuala Lumpur	10.5 kilometres	Government Hospital				University Malaya Medical Centre (formerly University Hospital)	1,617 beds	Jalan Professor Diraja Ungku Aziz, 59100 Kuala Lumpur	8 kilometres
Name	Capacity	Location	Distance from DSH																																																				
Private Medical Centre																																																							
Columbia Asia Hospital	57 beds	Jalan 13/6, 46200 Petaling Jaya, Selangor Darul Ehsan	3 kilometres																																																				
KPJ Damansara 2 Specialist Hospital (expected to be in operation in year 2022)	300 beds	Bukit Lanjan, 60000 Kuala Lumpur	5.5 kilometres																																																				
The Tun Hussein Onn National Eye Hospital	30 beds	Lorong Utara B, 46200 Petaling Jaya, Selangor Darul Ehsan	6 kilometres																																																				
Beacon Hospital	93 beds	Jalan 215, Section 51, Off Jalan Templer, 46050 Petaling Jaya, Selangor Darul Ehsan	6.5 kilometres																																																				
Pantai Hospital Kuala Lumpur	363 beds	Jalan Bukit Pantai, 59100 Kuala Lumpur	7.2 kilometres																																																				
Assunta Hospital	245 beds	Jalan Templer, 46050 Petaling Jaya, Selangor Darul Ehsan	7.5 kilometres																																																				
Thomson Hospital Kota Damansara	205 beds	Jalan Teknologi, Taman Sains Selangor 1, Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan	10 kilometres																																																				
Parkcity Medical Centre	148 beds	Jalan Intisari Perdana, Desa Parkcity, 52200 Kuala Lumpur	10 kilometres																																																				
Taman Desa Medical Centre	39 beds	Jalan Desa, Taman Desa, Off Jalan Klang Lama, 58100 Kuala Lumpur	10.5 kilometres																																																				
Government Hospital																																																							
University Malaya Medical Centre (formerly University Hospital)	1,617 beds	Jalan Professor Diraja Ungku Aziz, 59100 Kuala Lumpur	8 kilometres																																																				
Source: MOH / KPJHB's Annual Report																																																							
The Site																																																							
The site is an irregular shaped parcel of corner plot. It has frontage onto Jalan SS 20/10 along it's north-eastern site boundary. The north-western and western site boundaries abut onto Jalan SS 20/21 and Jalan SS 20/18, respectively. Part of the southern site boundary abuts onto Jalan SS 20/19, Jalan SS 20/14 and Jalan SS 20/17.																																																							
The Buildings																																																							
Brief details of the development, extension and renovation of DSH are as follows: -																																																							
Year of Construction / Approval	Development / Extension / Renovation	Date / Reference No. of the Approved Plan / CF / CCC																																																					
1994 / 1996 / 1997 / 1998	A 6-storey private specialist medical centre with basement floor A basement floor and ground floor car park A medical gas building A guard house A refuse chamber A Tenaga Nasional Berhad ("TNB") substation	Approved by Majlis Perbandaran Petaling Jaya ("MPPJ") vide plan no. BP519/82 kandungan (505-K) (112AF) (211A-E) on 19 September 1994, 21 September 1996 and 16 December 1997, respectively. CF bearing certificate no. 9042 was issued by MPPJ on 05 January 1998.																																																					
2003 / 2004 / 2005	Renovation works on part of the fourth floor	Approved by MPPJ vide plan no. MPPJ/530/S/P10/762/2003 on 18 August 2003 and 24 April 2004, respectively. CF bearing certificate no. 05916 was issued by MPPJ on 05 May 2005.																																																					



All the above mentioned buildings are of similar construction and the details of the specification are as follows: -

Buildings:	Constructed of reinforced concrete frame with brick infills rendered externally and plastered internally, partly supporting steel roof trusses and purlins laid over with concrete roofing tiles and partly of reinforced concrete flat roof.
Ceilings:	Generally of plaster boards with cornices incorporating downlights, air-conditioning ducts and sprinkler system, mineral fibre boards incorporating fluorescent lights and cassette type air-conditioning with the exception of the toilets and car parking area which are of cement plaster.
Internal Walls:	Generally of gypsum boards and gypsum boards incorporating glass panels. The internal walls of the lift lobbies are generally lined with glazed wall tiles up to the ceiling height whilst the waiting area on the ground floor are lined with glazed wall tiles up to a height of about 0.915 metres (3 feet) and up to the ceiling height. The male and female toilets are lined with glazed wall tiles up to the ceiling height.
Doors:	Generally, the main entrance to the reception area on the ground floor is fitted with an electronically operated double leaf frameless glass panelled door. Other doors are generally of fire rated timber door, timber flush door, timber panelled door incorporating glass panels, electronically operated double leaf frameless glass panelled door and polyvinyl chloride ("PVC") door.
Windows:	Generally of aluminium casements incorporating glass panels and top hung units.
Floors:	Generally of vinyl tiles with the exception of the main lobby and waiting area of the ground floor which are generally finished with marble slabs. The management office and conference room are laid over with wall to wall carpet whilst the security room and toilets are finished with ceramic tiles.

Generally, the medical centre building is equipped with centralised air-conditioning system, with some rooms fitted with additional split-unit air conditioners. Vertical movement between floors is by means of three units of passenger lifts (each with a capacity of 750 kilogrammes / 11 persons), a Bomba lift (with a capacity of 1,360 kilogrammes / 15 persons), two units of service lifts (each with a capacity of 1,565 kilogrammes / 21 persons) and five units of reinforced concrete are staircases. It is also equipped with medical gas supply system, nurse call-button / Intercom system and PABX system. Generally, all the buildings are installed with a fire fighting system.

Car Park Bays

There are 177 car park bays within DSH. The basement and ground floors of the 6-storey building accommodate 60 and 54 car park bays, respectively. There are about 63 open car parking bays located at the north-eastern and eastern portion of the subject site.

All the car park areas are being managed by Metro Parking Sdn Bhd except for the drop off and emergency car parks.

GFA

The GFA computed by Perunding Alam Bina Sdn Bhd and provided to us by DSH are in line with our measurement in accordance with the Uniform Method of Measurement of Buildings, RISM. The GFA and age of each building are tabulated as follows: -

Building	GFA		Age (Year)
	sq. m.	sq. ft.	
ia) A 6-storey private specialist medical centre together with a basement floor	37,561.91	404,205.38	23
ib) A basement floor and ground floor car park	3,802.14	40,925.89	
ii) A medical gas building	61.04	549.39	
iii) A guard house	4.00	43.06	
iv) A refuse chamber	38.07	409.78	
v) A TNB substation	33.44	359.95	
Total	41,480.60	446,493.45	

Beds

Vida a licence to operate bearing licence no. 131005-00068-01/2019 (Borang 4 No. Siri: 004436) with 3 years validity from 25 March 2019 to 24 March 2021 as approved by MOH dated 11 April 2019, we note that DSH has been permitted to operate 232 beds (inclusive of ICU, daycare, cardiac HDU ("CHDU") and cardiac ICU ("CICU")), 11 cots, 10 bassinets, 15 dialysis chairs and 1 dental chair.

From the prospectus of Al-Aqar REIT dated 24 July 2006, we note that originally there were 208 operational beds. Subsequently, the beds were increased to 211 beds. However, in 2018 the number of beds were reduced from 211 beds to 194 beds as 17 beds were converted to additional ICU. We note from the average occupancy rate, number of inpatient and outpatient of the DSH over the past 5 years that the occupancy of DSH has been on the declining trend due to the existence of other hospitals in the neighbourhood which has heightened the competition. In light of the above, conversion of the 17 beds into additional ICU are regarded as business strategy to add revenue to DSH and we have adopted the existing 194 beds in our projections instead of 211 beds.

The beds are classified into VVIP premier, VVIP suite, VIP suite, premier superior single, premier single, Permata suite, Mutiara suite, Kristal suite, Berlian suite, two bedded, four bedded, Qaseh VIP, Qaseh single, Qaseh two bedded, Qaseh four bedded, Mesra VIP and Mesra single.

The configuration of hospital beds, number of rooms and rates are as follows: -

Bed	Rate Per Bed Per Night (RM)	No. of Room	No. of Bed
Single Bedded (including isolation room)	280 - 580	102	102
Two Bedded	160 - 180	24	48
Four Bedded	95 - 120	9	36
VVIP / VIP Room	750 - 1,080	8	8
Total (Operational Beds)		143	184
ICU (including isolation room)	450		12
CHDU	280		4
CICU	380		5
Daycare & Daycare Endoscopy	90 - 135		17
Total			38
Grand Total (Licenced Beds)		143	232

Source: Damansara Specialist Hospital Sdn Bhd ("DSHSB")

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Facilities and Services:	and	Other medical facilities provided in DSH comprise as follows: -												
		<table border="1"> <thead> <tr> <th>Other medical facilities</th> <th>No. of Room/Cot/Chair</th> </tr> </thead> <tbody> <tr> <td>Operate Theatre (OT) Room</td> <td>4</td> </tr> <tr> <td>Labour Room</td> <td>3</td> </tr> <tr> <td>NICU</td> <td>1</td> </tr> <tr> <td>Nursery</td> <td>1</td> </tr> <tr> <td>Dialysis Centre</td> <td>15</td> </tr> </tbody> </table>	Other medical facilities	No. of Room/Cot/Chair	Operate Theatre (OT) Room	4	Labour Room	3	NICU	1	Nursery	1	Dialysis Centre	15
Other medical facilities	No. of Room/Cot/Chair													
Operate Theatre (OT) Room	4													
Labour Room	3													
NICU	1													
Nursery	1													
Dialysis Centre	15													
		Source: DSHSB												
		DSH provides the following services: -												
		<table border="1"> <thead> <tr> <th>Clinical Disciplines</th> <th>Facilities and Services</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> • Anaesthesiology • Cardiology • Cardiothoracic Surgery • Cardiac Surgeon • Clinical Oncologist • Dental Surgery • Dermatology & Allergy • Ear, Nose & Throat / Otorhinolaryngology • Eye / Ophthalmology • General Surgery • Haematologist • Interventional Radiology • Laparoscopic Surgery • Maternal-Fetal Medicine • Maxillofacial Surgeon • Neurology • Neurosurgery • Obstetric & Gynaecology • Orthopaedic Surgery • Paediatric Cardiology & Surgery • Paediatrics • Physician • Plastic Surgeon • Psychiatrist • Urology • Vascular / Endovascular Surgery </td> <td> <ul style="list-style-type: none"> • 24 Hours Accident & Emergency ("A&E") Services • In House 24 Hours Pharmacy • 24 Hours Laboratory Services • Ambulance Services • 64 Slice CT Scan • Medical Check-up • Executive • Physiotherapy • ECG • Haemodialysis • X-ray and Fluoroscopy • MRI • Ultrasound • Dietary Services • Mammography </td> </tr> </tbody> </table>	Clinical Disciplines	Facilities and Services	<ul style="list-style-type: none"> • Anaesthesiology • Cardiology • Cardiothoracic Surgery • Cardiac Surgeon • Clinical Oncologist • Dental Surgery • Dermatology & Allergy • Ear, Nose & Throat / Otorhinolaryngology • Eye / Ophthalmology • General Surgery • Haematologist • Interventional Radiology • Laparoscopic Surgery • Maternal-Fetal Medicine • Maxillofacial Surgeon • Neurology • Neurosurgery • Obstetric & Gynaecology • Orthopaedic Surgery • Paediatric Cardiology & Surgery • Paediatrics • Physician • Plastic Surgeon • Psychiatrist • Urology • Vascular / Endovascular Surgery 	<ul style="list-style-type: none"> • 24 Hours Accident & Emergency ("A&E") Services • In House 24 Hours Pharmacy • 24 Hours Laboratory Services • Ambulance Services • 64 Slice CT Scan • Medical Check-up • Executive • Physiotherapy • ECG • Haemodialysis • X-ray and Fluoroscopy • MRI • Ultrasound • Dietary Services • Mammography 								
Clinical Disciplines	Facilities and Services													
<ul style="list-style-type: none"> • Anaesthesiology • Cardiology • Cardiothoracic Surgery • Cardiac Surgeon • Clinical Oncologist • Dental Surgery • Dermatology & Allergy • Ear, Nose & Throat / Otorhinolaryngology • Eye / Ophthalmology • General Surgery • Haematologist • Interventional Radiology • Laparoscopic Surgery • Maternal-Fetal Medicine • Maxillofacial Surgeon • Neurology • Neurosurgery • Obstetric & Gynaecology • Orthopaedic Surgery • Paediatric Cardiology & Surgery • Paediatrics • Physician • Plastic Surgeon • Psychiatrist • Urology • Vascular / Endovascular Surgery 	<ul style="list-style-type: none"> • 24 Hours Accident & Emergency ("A&E") Services • In House 24 Hours Pharmacy • 24 Hours Laboratory Services • Ambulance Services • 64 Slice CT Scan • Medical Check-up • Executive • Physiotherapy • ECG • Haemodialysis • X-ray and Fluoroscopy • MRI • Ultrasound • Dietary Services • Mammography 													
		Source: DSHSB												
Consultants / Clinics:		As at the date of valuation, as provided to us by the client, DSH is supported by 84 consultants / doctors.												
Planning Details:		DSH is located within an area designated for commercial use. All the buildings and renovation works are issued with CF as per the details in the description of the buildings.												
Occupancy Status / Lease Details:		Vide a Lease Agreement dated 30 June 2006 made between Al-Aqar REIT (formerly Al-Aqar KPJ REIT) (being represented by its trustee, ART) as a Lessor, Damansara Specialist Hospital Sdn Bhd (DSHSB or Lessee) (now Rawang Specialist Hospital Sdn Bhd) and DRMSB (Manager), we note that DSH has been leased for a term of fifteen (15) years with an option to renew for a further term of fifteen (15) years, subject to the terms and conditions to be agreed by the parties. The Lease commenced on 30 June 2006 and expires on 29 June 2021. This valuation is carried out pursuant to the proposed renewal of the lease of the DSH for a further term of fifteen (15) years.												

b. Valuation

1. Income Approach by Profits Method (DCF)

Parameters Adopted

a)	Occupancy Rate of Beds Adopted				
		Year 1	Year 2	Year 3	Year 4
		2021	2022	2023	2024
		50.70%	53.24%	55.90%	58.70%
					Year 5
					2025
					61.64%
b)	No. of Inpatient Admitted Days				2.57
c)	Ratio of No. of Outpatient / Inpatient				10.63

Revenue

a)	Consultant Inpatient Revenue Per Occupied Bed	RM1,116
b)	Consultant Outpatient Revenue Per Person	RM 135
c)	Hospital Inpatient Revenue Per Occupied Bed	RM2,763
d)	Hospital Outpatient Revenue Per Person	RM 264

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Expenses

a)	Cost of Sale		
	i) Material	30.3%	of Hospital Inpatient and Outpatient Revenues
	ii) Direct Staff Cost	12.9%	of Gross Operating Revenue
	iii) Operating Overhead	We have adopted 5% per annum escalation throughout our projection as fair and reasonable representation	
b)	Undistributed Operating Expenses		
	i) Administrative & General	11.9%	of Total Operating Revenue
	ii) Sales & Marketing	0.6%	
	iii) POMECS	5.4%	
c)	Quit Rent & Assessment Per Annum (Actual)		RM287,359.60
d)	Insurance Premium to cover F, B, PG, MB, PL, CL, AR and MM Per Annum (Actual)		RM372,504.15
e)	Capital Reserve Fund For The Replacement Of FFE, HOE And CAPEX Adopted in Valuation Per Annum		RM10,600,000
f)	Terminal Capitalisation Rate	8.00%	DSH has an interest in perpetuity
g)	Discount Rate	10.00%	

2. Cost Approach

In arriving at the Market Value of the land component, we have adopted the Market/Comparison Approach. The following sale evidences, amongst others, are considered suitable comparables and adopted: -

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Lot No. / Town / Mukim / District / State:	Lots 60858, 47009 and 50368 / All within Section 39 / Town of Petaling Jaya / District of Petaling / Selangor Darul Ehsan	Lot 42406 / Pekan Cempaka / District of Petaling / Selangor Darul Ehsan	Lots 2002 and 2003 / Both within Section 14 / Town of Petaling Jaya / District of Petaling / Selangor Darul Ehsan	Lot 45822, Section 39 / Town of Petaling Jaya / District of Petaling / Selangor Darul Ehsan
Title No.:	Geran 313564, Geran 336044 and Geran 336037, respectively	Geran 98935	Pajakan Negeri 91465 and Pajakan Negeri 91466	Geran 54432
Property Type:	Three contiguous parcels of commercial land (Corner)	A parcel of commercial land (Corner)	Two parcels of commercial land (Corner)	A parcel of commercial land (Corner)
Location:	Located along Jalan 21/21, Section 21, Petaling Jaya, Selangor Darul Ehsan	Located along Jalan Bukit Mayang Emas, Dataran Prima, Petaling Jaya, Selangor Darul Ehsan	Located along Jalan 51A/223, Section 51A, Petaling Jaya, Selangor Darul Ehsan	Located along Jalan SS 2/113, SS 2, Petaling Jaya, Selangor Darul Ehsan
Category Of Land Use:	Building	Building	Building	Building
Town Planning:	Commercial	Commercial	Commercial	Commercial
Tenure:	Interests in perpetuity, in respect of all the titles	Interest in perpetuity	99-year leasehold interests expiring on 07 April 2103 (unexpired term of about 82 years)	Interest in perpetuity
Land Area (sq. ft.):	149,597	35,930	420,912	44,143
Consideration:	RM50,000,000	RM21,558,000	RM160,000,000	RM24,587,651
Date of Transaction:	06 December 2018	30 November 2018	22 December 2017	07 November 2017
Vendor:	S.E.A Housing Corporation Sdn Bhd	SYM World Ventures Sdn Bhd	Kumpulan Darul Ehsan Berhad	Tropicana City Sdn Bhd
Purchaser:	Midas De Sdn Bhd	SNS Network (M) Sdn Bhd	Aneka Sepakat Sdn Bhd	O&C Construction Sdn Bhd
Analysis (psf):	RM334.23	RM600.00	RM380.13	RM557.00
Adjustment Factors Considered:	Market condition due to the impact of the Covid-19 pandemic (time), location and accessibility, corner/end premium, shape, category of land use/express condition, planning approval/development order, restriction in interest, size/quantum allowance and tenure.			
Adjusted Value Of Land (psf):	RM401.08	RM435.00	RM460.30	RM417.75
Market Value Of Land:	In arriving at the market value of the subject land using the Market/Comparison Approach, we have emphasized upon Comparable 1 which has the least dissimilarities against the DSH as fair representation of the market value of the land, as per practice in the industry. We have adopted the adjusted value of RM401.08 psf from the adjustments of Comparable 1 as fair representation which translates into a market value of the commercial land of RM72,403,256 .			

Source: Valuation and Property Services Department, Ministry of Finance

The GCRCN of the buildings is RM124,857,179. Depreciation is adopted at a rate of 2% per annum. The DRC of the buildings is RM67,422,877. Thus, the Market Value derived from the Cost Approach is RM139,826,133 and we have rounded up to RM140,000,000.

3. Reconciliation and Opinion of Values

Method of Valuation	Market Value Derived	Market Value Adopted	
Income Approach by Profits Method (DCF)	RM135,000,000	RM135,000,000	We have considered the market value derived from the Income Approach by Profits Method (DCF) as fair and accurate representation of the market value of the DSH supported by the Cost Approach.
Cost Approach	RM140,000,000		

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Property No. 3

a. Sallent Details																																							
Date of Inspection and Valuation:	25 January 2021																																						
Identification / Type of Property / Property Address:	A purpose built private specialist medical centre known as KPJ Johor Specialist Hospital ("JSH"), identified as PTB 12319 (New Lot 19262), Town and District of Johor Bahru, Johor Darul Takzim, held under Title No. HSD 420217, bearing postal address No. 39-B, Jalan Abdul Samad, 80100 Johor Bahru, Johor Darul Takzim.																																						
Title Particulars:	Tenure:	99-year leasehold interest expiring on 1 March 2079 (unexpired term of about 58.13 years)																																					
	Provisional Title Land Area:	20,234,2824 sq. m. / 217,800 sq. ft.																																					
	Registered Proprietor:	AmanahRaya Trustees Berhad (as Trustee)																																					
	Category of Land Use:	Building																																					
	Encumbrance:	Charged by AmanahRaya Trustees Berhad to Maybank Trustee Berhad, registered on 21 November 2018.																																					
	Endorsement:	A private caveat has been entered by Maybank Trustees Berhad, registered on 24 April 2018.																																					
Location																																							
<p>JSH fronts onto Jalan Abdul Samad, a parallel road along the western (right) side of Tun Razak Highway, travelling from Skudai towards Johor Bahru city centre. It is located about 5 kilometres to the north-west of Johor Bahru city centre. It is accessible from various parts of Johor Bahru and the common accessibility from Johor Bahru city centre is via Jalan Tun Abdul Razak, Jalan Datin Halimah and Jalan Tasek Utara. Johor Bahru Sentral ("JB Sentral"), an integrated transport hub in Bukit Chagar is located about 5.2 kilometres (3.25 miles) to the south-east of JSH. Prominent developments in the immediate vicinity include Sultan Ibrahim Military Camp (Johor Military Force), Johor Radio Televisyen Malaysia Department ("RTM Johor"), Johor Ministry of Communications and Multimedia Department, Johor Bahru District Health Department, Johor Immigration Department, Johor Bahru District Education Office, Johor Bahru District Fisheries Office, Johor Chemistry Department and Johor Agriculture Department.</p> <p>Prominent private medical centres and government hospitals located in the neighbourhood are as follows: -</p>																																							
<table border="1"> <thead> <tr> <th>Name</th> <th>Capacity</th> <th>Location</th> <th>Distance from JSH</th> </tr> </thead> <tbody> <tr> <td colspan="4">Private Medical Centre</td> </tr> <tr> <td>KPJ Puteri Specialist Hospital</td> <td>158 beds</td> <td>Jalan Tun Abdul Razak (Susur 5), 80350 Johor Bahru</td> <td>4.8 kilometres</td> </tr> <tr> <td>Kempas Medical Centre</td> <td>47 beds</td> <td>Jalan Kempas Baru, 81200 Johor Bahru</td> <td>7 kilometres</td> </tr> <tr> <td>Columbia Asia Hospital</td> <td>33 beds</td> <td>Persiaran Southkey 5, Kota Southkey, 80150 Johor Bahru</td> <td>7 kilometres</td> </tr> <tr> <td colspan="4">Government Hospital</td> </tr> <tr> <td>Hospital Sultanah Aminah</td> <td></td> <td>Dataran Larkin 2, Larkin Jaya, 80350 Johor Bahru</td> <td>3.5 kilometres</td> </tr> <tr> <td>Hospital Pemail Johor Bahru</td> <td></td> <td>Persiaran Kempas Baru, Kempas Banjaran, 81200 Johor Bahru</td> <td>10.8 kilometres</td> </tr> <tr> <td>Hospital Sultan Ismail</td> <td></td> <td>Jalan Mutiara Emas Utama, Taman Mount Austin, 81100 Johor Bahru</td> <td>14.8 kilometres</td> </tr> </tbody> </table>				Name	Capacity	Location	Distance from JSH	Private Medical Centre				KPJ Puteri Specialist Hospital	158 beds	Jalan Tun Abdul Razak (Susur 5), 80350 Johor Bahru	4.8 kilometres	Kempas Medical Centre	47 beds	Jalan Kempas Baru, 81200 Johor Bahru	7 kilometres	Columbia Asia Hospital	33 beds	Persiaran Southkey 5, Kota Southkey, 80150 Johor Bahru	7 kilometres	Government Hospital				Hospital Sultanah Aminah		Dataran Larkin 2, Larkin Jaya, 80350 Johor Bahru	3.5 kilometres	Hospital Pemail Johor Bahru		Persiaran Kempas Baru, Kempas Banjaran, 81200 Johor Bahru	10.8 kilometres	Hospital Sultan Ismail		Jalan Mutiara Emas Utama, Taman Mount Austin, 81100 Johor Bahru	14.8 kilometres
Name	Capacity	Location	Distance from JSH																																				
Private Medical Centre																																							
KPJ Puteri Specialist Hospital	158 beds	Jalan Tun Abdul Razak (Susur 5), 80350 Johor Bahru	4.8 kilometres																																				
Kempas Medical Centre	47 beds	Jalan Kempas Baru, 81200 Johor Bahru	7 kilometres																																				
Columbia Asia Hospital	33 beds	Persiaran Southkey 5, Kota Southkey, 80150 Johor Bahru	7 kilometres																																				
Government Hospital																																							
Hospital Sultanah Aminah		Dataran Larkin 2, Larkin Jaya, 80350 Johor Bahru	3.5 kilometres																																				
Hospital Pemail Johor Bahru		Persiaran Kempas Baru, Kempas Banjaran, 81200 Johor Bahru	10.8 kilometres																																				
Hospital Sultan Ismail		Jalan Mutiara Emas Utama, Taman Mount Austin, 81100 Johor Bahru	14.8 kilometres																																				
Source: MOH																																							
The Site																																							
The subject site is a parcel of intermediate plot and almost rectangular in shape. It has a frontage onto Jalan Abdul Samad along its eastern site boundary.																																							
The Buildings																																							
Brief details of the development, extension and renovation of JSH are as follows: -																																							
<table border="1"> <thead> <tr> <th>Year of Construction / Approval</th> <th>Development / Extension / Renovation</th> <th>Date / Reference No. of the Approved Plan / CF / CCC</th> </tr> </thead> <tbody> <tr> <td>1981 / 1994</td> <td>A 7-storey main hospital building (Inpatient Block).</td> <td>Approved by Majlis Perbandaran Johor Bahru ("MPJB") vide plan nos. MPJB(P) 778/79 and MPJB (PB) 1356/84 on 17 July 1981 and 17 July 1981, respectively. CF bearing certificate no. 1711/81 were issued by MPJB in year 1981 and 17 October 1994, respectively.</td> </tr> <tr> <td>1999 / 2003</td> <td>A 4-storey physician consulting building (Outpatient Block) together with 2-level basement car park</td> <td>Approved by Majlis Bandaraya Johor Bahru ("MBJB") (formerly MPJB) vide plan nos. 87/99 and 87/99(1) on 28 August 1999 and 1 October 2001. CF bearing certificate no. 131/2003 was issued by MBJB on 26 February 2003.</td> </tr> <tr> <td>2004</td> <td>Renovation of the entire floors of the 7-storey main hospital building (Inpatient Block)</td> <td>Approved by MBJB vide plan no. PL/UT1203/2003 dated 9 July 2004.</td> </tr> <tr> <td>2007 to 2010</td> <td>A 5-storey annexed building (Premier Block) and a car park building An additional 2-storey and amendment on previous approved building plan of 5-storey annexed building (Premier Block) A 7-storey annexed building (Premier Block) A 5-storey car park building together with a mezzanine and basement level A 3-level Tenaga Nasional Berhad ("TNB") substation</td> <td>Approved by MBJB vide plan nos. PL/UT184/2007 to PL/UT184/2007(3) (inclusive) on 26 March 2007, 14 May 2008, 10 June 2008 and 10 June 2010, respectively. Certification (Surat Patahkan Siap Bina Ubaahan Tambahan) bearing reference no. MBJB/13/UT/952/2006(37) was issued by MBJB on 11 June 2010.</td> </tr> </tbody> </table>				Year of Construction / Approval	Development / Extension / Renovation	Date / Reference No. of the Approved Plan / CF / CCC	1981 / 1994	A 7-storey main hospital building (Inpatient Block).	Approved by Majlis Perbandaran Johor Bahru ("MPJB") vide plan nos. MPJB(P) 778/79 and MPJB (PB) 1356/84 on 17 July 1981 and 17 July 1981, respectively. CF bearing certificate no. 1711/81 were issued by MPJB in year 1981 and 17 October 1994, respectively.	1999 / 2003	A 4-storey physician consulting building (Outpatient Block) together with 2-level basement car park	Approved by Majlis Bandaraya Johor Bahru ("MBJB") (formerly MPJB) vide plan nos. 87/99 and 87/99(1) on 28 August 1999 and 1 October 2001. CF bearing certificate no. 131/2003 was issued by MBJB on 26 February 2003.	2004	Renovation of the entire floors of the 7-storey main hospital building (Inpatient Block)	Approved by MBJB vide plan no. PL/UT1203/2003 dated 9 July 2004.	2007 to 2010	A 5-storey annexed building (Premier Block) and a car park building An additional 2-storey and amendment on previous approved building plan of 5-storey annexed building (Premier Block) A 7-storey annexed building (Premier Block) A 5-storey car park building together with a mezzanine and basement level A 3-level Tenaga Nasional Berhad ("TNB") substation	Approved by MBJB vide plan nos. PL/UT184/2007 to PL/UT184/2007(3) (inclusive) on 26 March 2007, 14 May 2008, 10 June 2008 and 10 June 2010, respectively. Certification (Surat Patahkan Siap Bina Ubaahan Tambahan) bearing reference no. MBJB/13/UT/952/2006(37) was issued by MBJB on 11 June 2010.																					
Year of Construction / Approval	Development / Extension / Renovation	Date / Reference No. of the Approved Plan / CF / CCC																																					
1981 / 1994	A 7-storey main hospital building (Inpatient Block).	Approved by Majlis Perbandaran Johor Bahru ("MPJB") vide plan nos. MPJB(P) 778/79 and MPJB (PB) 1356/84 on 17 July 1981 and 17 July 1981, respectively. CF bearing certificate no. 1711/81 were issued by MPJB in year 1981 and 17 October 1994, respectively.																																					
1999 / 2003	A 4-storey physician consulting building (Outpatient Block) together with 2-level basement car park	Approved by Majlis Bandaraya Johor Bahru ("MBJB") (formerly MPJB) vide plan nos. 87/99 and 87/99(1) on 28 August 1999 and 1 October 2001. CF bearing certificate no. 131/2003 was issued by MBJB on 26 February 2003.																																					
2004	Renovation of the entire floors of the 7-storey main hospital building (Inpatient Block)	Approved by MBJB vide plan no. PL/UT1203/2003 dated 9 July 2004.																																					
2007 to 2010	A 5-storey annexed building (Premier Block) and a car park building An additional 2-storey and amendment on previous approved building plan of 5-storey annexed building (Premier Block) A 7-storey annexed building (Premier Block) A 5-storey car park building together with a mezzanine and basement level A 3-level Tenaga Nasional Berhad ("TNB") substation	Approved by MBJB vide plan nos. PL/UT184/2007 to PL/UT184/2007(3) (inclusive) on 26 March 2007, 14 May 2008, 10 June 2008 and 10 June 2010, respectively. Certification (Surat Patahkan Siap Bina Ubaahan Tambahan) bearing reference no. MBJB/13/UT/952/2006(37) was issued by MBJB on 11 June 2010.																																					

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



2011	An extension and renovation of 4-storey physician consulting building (Outpatient Block) (new wing) together with 2-level basement car park.	Approved by MBBJ vide plan nos. PL/UT175/2009 and PL/UT175/2009(1) on 01 April 2009 and 10 August 2011, respectively. Certification (Surat Perakuan Siap Bina Bangunan) bearing reference no. MBBJ/U/2008/14/UBT/569(46) was issued by MBBJ on 16 August 2011.
2016 / 2017	A renovation of part of basement 2, levels 3 and 4 of physician consulting building (Outpatient Block).	Approved by MBBJ vide plan no. MBBJ/U/2015/14/UBT/296 on 19 January 2016. Certification (Surat Perakuan Siap Bina Ubahan Tambahan (U/T)) bearing reference no. MBBJ/U/2015/14/UBT/296 was issued by MBBJ on 26 December 2017.
2015 / 2017 / 2018	A new 7-storey annexed building (known as New Tower Block).	Approved by MBBJ vide plan nos. PL/PB112/2015 and PL/PB112/2015(1) on 07 October 2015 and 08 August 2017, respectively. CCC was issued by Design P.A.C Sdn Bhd bearing certificate no. LAM/J 7622 on 02 May 2018.

At the date of our inspection, we noted that an extension of 4-storey physician consulting building (Outpatient Block) (new wing) together with 2-level basement car park and a new 7-storey annexed building (known as New Tower Block) were completed and fully operational. However, both the extension and the new building have yet to be sold to ART (trustee for Al-Aqar REIT) due to valid corporate reasons. Therefore, we have excluded the said extension and building in our valuation.

All the above mentioned buildings are of similar construction and the details of the specification are as follows: -

Buildings:	Constructed of reinforced concrete frame with brick infills rendered externally and plastered internally supporting a reinforced concrete flat roof concealed behind parapet walls.
Ceilings:	Generally of plaster boards with cornices incorporating downlights, mineral fibre boards incorporating fluorescent lights and air-conditioning ductings and cement plaster.
Internal Walls:	Generally gypsum boards and gypsum boards incorporating glass panels. The internal walls of the lift lobbies are generally lined with glazed wall tiles up to the height of about 2.13 metres (7 feet). The kitchen, male and female toilets are lined with glazed wall tiles up to the ceiling height whilst the cafeteria are lined with ceramic wall tiles up to a height of about 1.52 metres (5 feet).
Doors:	Generally, the main entrance to the main lobby area on the ground floor is fitted with an automatically operated sliding tinted glass panelled door. Other doors are generally of fire rated timber door, timber flush door, timber panelled door, solid timber door, automatically operated sliding door and PVC doors as well as metal roller shutters at loading area.
Windows:	Generally of aluminium casements incorporating glass panels and top hung units.
Floors:	Generally finished with ceramic tiles, marble slabs and heavy duty vinyl floor.

Generally, the buildings are equipped with centralised air-conditioning system, with some rooms fitted with additional split-unit air conditioners. Vertical movement between floors is by means of eight units of passenger lifts (each with a capacity of 1,560 kilogrammes / 22 persons to 1,635 kilogrammes / 23 persons), four units of Bomba lifts (each with a capacity of 1,560 kilogrammes / 22 persons to 1,635 kilogrammes / 23 persons) and twelve units of reinforced concrete staircases. The medical centre buildings are equipped with medical gas supply system, nurse call button / intercom system and PABX system. Generally, all the buildings are installed with fire fighting systems.

Car Park Bays

There are 336 car park bays provided within JSH comprising 104 car park bays within physician consulting building (Outpatient Block), 124 car park bays within car park building and 108 surface car park bays within the site. There are also two (2) additional open car park areas provided by JSH for their visitors. The first car park area is located at the northern side of the site boundary and the land belongs to RTM Johor and the other car park area is located at the southern side of the site boundary and the land belongs to State Government of Negeri Johor. Both the additional car park areas are rented by JSH from the respective land owners. All the car park areas are being managed by Metro Parking Sdn Bhd except for the drop off and emergency car parks.

GFA

The GFA of the buildings computed by M&R Architects Sdn Bhd and provided by DRMSB are in line with our measurement in accordance with the Uniform Method of Measurement of Buildings, RISM. The GFA and age of each building are tabulated as follows: -

Building	GFA		Age (Year)
	sq. m.	sq. ft.	
i) A 7-storey main hospital building (Inpatient Block)	13,738.72	147,882.43	17 *
ii) A 4-storey physician consulting building (Outpatient Block)	7,500.68	80,736.63	10
iii) A 2-level basement car park	5,258.50	56,602.00	
iv) A 7-storey annexed building (Premier Block)	6,771.00	72,882.43	11
v) A 5-storey car park building together with a mezzanine and basement level	6,508.97	70,062.00	11
vi) A sprinkler & pump house	90.12	970.00	40
vii) A generator set room	76.18	820.00	40
viii) A parking booth	5.95	64.00	40
ix) A TNB substation (TNB Substation 1)	46.45	500.00	40
x) A 3-level TNB substation (TNB Substation 2)	178.56	1,922.00	11
xi) A scheduled waste storage	13.38	144.00	40
Total	40,108.51	432,585.49	

* The 7-storey main hospital building (Inpatient Block) was constructed in year 1981. However, the entire building had undergone major renovation and refurbished in year 2004.

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Beds

Vide a licence to operate bearing licence no. 130102-00089-01/2019 (Borang 7 No. Siri: 001913) with 3 years validity from 21 February 2019 to 7 January 2021 as approved by MOH dated 11 March 2019 that JSH is permitted to operate 268 beds (inclusive of 8 ICU beds, 8 HDU beds, 3 CICU beds and 5 Endoscopy beds), 4 basinets, 3 cots, 36 dialysis chairs and 12 reclining chairs.

From the prospectus of Al-Aqar REIT dated 24 July 2006, we note that originally there were 192 operational beds. Vide a Supplemental Lease Agreement, we note that a new building comprising a 7 storey annexed building and a 5 storey car park building were sold to Al-Aqar REIT in year 2010. The additional operational beds were 50 beds. Thus, total operational beds of JSH in year 2010 were 242 beds.

From years 2011 to 2016 (inclusive), 109 beds from the 4th to 7th floors (inclusive) have been reconfigured to reduce the number of beds to 80 beds. Thus, the number of beds in the main hospital building (Inpatient Block) had been reduced about 29 beds. In light of the above, as at year 2017, the total operational beds were 213 beds. In year 2017, based on information from the client, the operational beds had been further reduced to 198 beds due to 10 operational beds in Surgical Ward were used for Oncology Daycare and Clinics whilst 5 operational beds were converted for labour room and nursery. In year 2018, the 10 operational beds in Surgical Ward were reverted as operational beds, thus, making total operational beds as 208 beds.

The new 7 storey annexed building (New Tower Block) with additional 31 beds have yet to be sold to Al-Aqar REIT due to valid corporate reasons. In light of the above, we have excluded the 7 storey annexed building (New Tower Block). We have based our projections based on the operational beds of 208 beds.

The configuration of hospital beds, number of rooms and rates are as follows: -

Bed	Rate Per Bed Per Night (RM)	No. of Room	No. of Bed
Inpatient & Premier Blocks			
Premier VIP	850 / 600	9	9
Premier Single	250 - 390	40	40
Single Bedded	205	12	12
Two Bedded	120	54	108
Four Bedded	100	9	36
Isolation Room	165	3	3
Total Beds			208
New Tower Block			
Single Bedded	205	1	1
Two Bedded	120	15	30
Total (Operational Beds)			239
ICU/CCU	220 - 250		8
HDU	190 / 205		8
CICU	260		3
Endoscopy Daycare	120		5
Converted to Labour Room and Nursery			5
Total			29
Grand Total (Licenced Beds)		148	268

Source: Johor Specialist Hospital Sdn Bhd ("JSHSB")

Facilities and Services:

Other medical facilities provided in JSH comprise as follows: -

Other medical facilities	No. of Room / Chair
Operation Theatre (OT) Room	8
Labour Room	3
Chemotherapy Unit (Reclining Chair)	12

Source: JSHSB

JSH also provides the following services: -

Clinical Disciplines	Facilities and Services
<ul style="list-style-type: none"> • Anaesthesiology & Critical Care • Cardiology • Physician • Nephrologist • Ear, Nose & Throat • Orthopaedic & Trauma • Paediatrics • Radiology & Imaging • Orthopaedics, Plastic & Reconstructive • Radiotherapy & Oncology • Clinical Oncology • Gastroenterology • Obstetrician & Gynaecology • Ophthalmology • Neuro Surgery • Urology • Cardiothoracic Surgery • Endocrinology • Nuclear Medicine 	<ul style="list-style-type: none"> • 3D & 4D Fetal Ultrasound • Ambulance Services • A&E Services • Ear, Nose & Throat Services • General Blood / Health Screening Packages • Laparoscopic Surgery • Neonatal and Paediatric Services • Obstetric & Gynaecological Services • Orthopaedic and Traumatology Services • Physiotherapy Services • Plastic & Reconstructive Surgery • Treadmill Stress Test • Diagnostic Imaging - MRI, CT Scan, Mammography, X-Ray, Ultra-Sound, Fluoroscopy, Pet-Scan • Diagnostic Centre - Gastroscopy, Colonoscopy • Cardiothoracic Centre • IVF Centre • Audiology Services • Dietetic Services

Source: JSHSB

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Consultants / Clinics:	As at the date of valuation, as provided to us by the client, JSH is supported by 77 consultants / doctors.
Planning Details:	JSH is located within an area designated for commercial use. All the buildings and extension and renovation works are issued with CF and CCC as per the details in the description of the buildings.
Occupancy Status / Lease Details:	Vide a Lease Agreement dated 30 June 2006 made between Al-Aqar REIT (formerly Al-Aqar KPJ REIT) (being represented by its trustee, ART) as a Lessor, Johor Specialist Hospital Sdn Bhd (JSHSB or Lessee) and DRMSB (Manager), we note that JSH has been leased for a term of fifteen (15) years with an option to renew for a further term of fifteen (15) years, subject to the terms and conditions to be agreed by the parties. The Lease commenced on 30 June 2006 and expires on 29 June 2021. This valuation is carried out pursuant to the proposed renewal of the lease of JSH for a further term of fifteen (15) years.

b. Valuation

1. Income Approach By Profits Method (DCF)

Parameters Adopted

a)	Occupancy Rate Adopted				
		Year 1	Year 2	Year 3	Year 4
		2021	2022	2023	2024
		62.00%	65.10%	68.36%	71.77%
					Year 5
					2025
					75.36%
b)	No. of Inpatient Admitted Days				2.65
c)	Ratio of No. of Outpatient / Inpatient				7.76

Revenue

a)	Consultant Inpatient Revenue Per Occupied Bed	RM1,010
b)	Consultant Outpatient Revenue Per Person	RM 128
c)	Hospital Inpatient Revenue Per Occupied Bed	RM2,479
d)	Hospital Outpatient Revenue Per Person	RM 442

Expenses

a)	Cost Of Sale		
	i) Material	26.9%	of Hospital Inpatient and Outpatient Revenues
	ii) Direct Staff Cost	12.7%	of Gross Operating Revenue
	iii) Operating Overhead	We have adopted 5% per annum escalation throughout our projection as fair and reasonable representation	
b)	Undistributed Operating Expenses		
	i) Administrative & General	13.0%	of Total Operating Revenue
	ii) Sales & Marketing	0.4%	
	iii) POMECS	4.5%	
c)	Quit Rent & Assessment Per Annum (Actual)		RM265,120.90
d)	Insurance Premium to cover F, B, PG, MB, PL, CL, AR and MM Per Annum		RM479,721.72
e)	Capital Reserve Fund For The Replacement Of FFE, HOE And CAPEX Adopted in Valuation Per Annum		RM11,700,000
f)	Terminal Capitalisation Rate	10.25%	JSH has an unexpired leasehold interest of about 58.13 years
g)	Discount Rate	12.25%	

2. Cost Approach

In arriving at the Market Value of the land component, we have adopted the Market/Comparison Approach. The following sale evidences, amongst others, are considered suitable comparables and adopted: -

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Lot No. / Town / Mukim / District / State:	PTB 24422 / Town and District of Johor Bahru / Johor Darul Takzim	Lot 27577 / Mukim of Pulai / District of Johor Bahru / Johor Darul Takzim	PTD 175869 and 175870 / All within Mukim of Tebrau / District of Johor Bahru / Johor Darul Takzim	Lot 4205 / Town and District of Johor Bahru / Johor Darul Takzim
Title No.:	HS(D) 565071	Geran 38925	HS(D) 529771 and 529772, respectively	Geran 32033
Property Type:	A parcel of commercial land (Intermediate)	A parcel of commercial land (Corner)	Two (2) adjoining parcels of commercial land (Corner)	A parcel of commercial land (Intermediate)
Location:	Off Jalan Tampoi, Taman Damansara Afiq, Johor Bahru	Off Persisiran Perling, Taman Perling (next to Perling Mall), Johor Bahru	Jalan Tampoi, Bandar Baru Uda, Johor Bahru	Jalan Ah Siang, Taman Stulang Laut, Johor Bahru

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Category Of Land Use:	Building	Building	Building	Nil
Town Planning:	Commercial	Commercial	Commercial	Commercial
Tenure:	Interest in perpetuity	Interest in perpetuity	99-year leasehold interests expiring on 2 May 2105 (unexpired term of about 84.32 years)	Interest in perpetuity
Land Area (sq. ft.):	486,988.00	223,900.00	255,320.00	22,216.00
Consideration:	RM65,000,000.00	RM30,000,000.00	RM38,295,774.00	RM5,554,028.00
Date of Transaction:	28 November 2018	16 October 2018	26 April 2018	14 February 2018
Vendor:	Naga Berkas Sdn Bhd	Permodalan Nasional Berhad	Perbadanan Johor	Wong Khoong Chin
Purchaser:	Tanahmas Kapital Sdn Bhd	PNB Commercial Sdn Berhad	Johor Land Berhad	Looi Tok Hin + 2
Analysis (psf):	RM133.47	RM133.99	RM149.99	RM250.00
Adjustment Factors Considered:	Market condition due to the impact of the Covid-19 pandemic (time), location and accessibility, corner/end premium, shape, category of land use/express condition, planning approval/development order, restriction in interest, size/quantum allowance and tenure.			
Adjusted Value Of Land (psf):	RM153.35	RM147.36	RM162.79	RM154.42
Market Value Of Land:	In arriving at the market value using the Market/Comparison Approach, we have emphasized upon Comparable 3 which has the least dissimilarities against the subject property. We have adopted the adjusted value of RM162.79 psf from the adjustments of Comparable 3 as fair representation which translates into a market value of the commercial land of RM35,455,941 .			

Source: Valuation and Property Services Department, Ministry of Finance

The GCRCN of the buildings is RM116,542,366. Depreciation is adopted at a rate of 2% per annum. The DRC of the buildings is RM85,233,916. Thus, the Market Value derived from the Cost Approach is RM120,689,857 and we have rounded up to RM121,000,000.

3. Reconciliation and Opinion of Values

Method of Valuation	Market Value Derived	Market Value Adopted	
Income Approach by Profits Method (DCF)	RM147,000,000	RM147,000,000	We have considered the market value derived from the Income Approach by Profits Method (DCF) as fair and accurate representation of the market value of JSH supported by the Cost Approach.
Cost Approach	RM121,000,000		

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Property No. 4

a. Salient Details			
Date of Inspection and Valuation:	25 January 2021		
Identification / Type of Property / Property Address:	A purpose built private specialist medical centre known as KPJ Puteri Specialist Hospital ("PSH") identified as PTB No. 24134, Town of Johor Bahru, District of Johor Bahru, Johor Darul Takzim, held under Title No. HSD 535599, bearing postal address No. 33, Jalan Tun Abdul Razak (Susur 5), 80350 Johor Bahru, Johor Darul Takzim.		
Title Particulars:	Tenure:	99-year leasehold interest expiring on 31 December 2053 (unexpired term of about 32.95 years)	
	Provisional Title Land Area:	9,672.097 sq. m. / 104,109.58 sq. ft.	
	Registered Proprietor:	AmanahRaya Trustees Berhad (as Trustee)	
	Category of Land Use:	Building	
	Encumbrance:	Charged by AmanahRaya Trustees Berhad to Maybank Trustees Berhad, registered on 1 August 2013.	
	Endorsement:	Nil	
Location			
<p>PSH is situated along Jalan Tun Abdul Razak (Susur 5), a parallel road with Tun Abdul Razak Highway, next to the Larkin flyover. Johor Bahru city centre is located about 4.8 kilometres (3 miles) to the south-east of PSH. PSH is accessible from several directions from Johor Bahru city centre and the neighbourhood with the main accessibility from Johor Bahru city centre via the Tun Abdul Razak Highway for about 5 kilometres (3.13 miles) until Larkin flyover and then a U turn towards Johor Bahru city for about 100 metres followed by a left turn onto an access filter road leading upto Jalan Tun Abdul Razak (Susur 5). JB Sentral, an integrated transport hub in Bukit Chagar is located about 6.6 kilometres (4.10 miles) to the south-east of PSH. Along the same road, a short distance are Perkeso Complex and Custom Johor Tower as well as several petrol filling and service stations namely Petron, BHP, Caltex and Petronas, all located fronting onto the same serviced road.</p>			
Prominent private medical centres and government hospitals located in the neighbourhood are as follows: -			
Name	Capacity	Location	Distance from PSH
Private Medical Centre			
KPJ Johor Specialist Hospital	268 beds	Jalan Abdul Samad, 80100 Johor Bahru	4.8 kilometres
Regency Specialist Hospital	188 beds	Jalan Suria, Bandar Seri Alam, 81750 Masai	21.3 kilometres
Gleneagles Medini	159 beds	Jalan Medini Utara 4, Medini Iskandar, 79250 Iskandar Puteri	17.7 kilometres
Columbia Asia Hospital – Iskandar Puteri	135 beds	Persiaran Afiat, Taman Kesihatan Afiat, 79250 Iskandar Puteri	14.5 kilometres
KPJ Pasir Gudang Specialist Hospital	110 beds	Jalan Persiaran Dahlia 2, Taman Bukit Dahlia, 81700 Pasir Gudang	19.8 kilometres
Kempas Medical Centre	47 beds	Jalan Kempas Baru, 81200 Johor Bahru	5.7 kilometres
Kensington Green Specialist Centre Sdn Bhd	39 beds	Jalan Ceria 20, Taman Nusa Indah, 79100 Iskandar Puteri	16.3 kilometres
KPJ Bandar Dato' Onn Specialist Hospital	34 beds	Jalan Bukit Mutiara, Taman Bukit Mutiara, 81100 Johor Bahru	10.4 kilometres
Columbia Asia Hospital	33 beds	Persiaran Southkey 5, Kota Southkey, 80150 Johor Bahru	5.0 kilometres
Government Hospital			
Hospital Sultanah Aminah	-	Dataran Larkin 2, Larkin Jaya, 80350 Johor Bahru	500 metres
Hospital Permai Johor Bahru	-	Persiaran Kempas Baru, Kempas Banjaran, 81200 Johor Bahru	9.2 kilometres
Hospital Sultan Ismail	-	Jalan Mutiara Emas Utama, Taman Mount Austin, 81100 Johor Bahru	12.5 kilometres
Source: MOH			
The Site			
<p>The PSH was previously sited on Lots 46034, 5219 and 5221, which have been amalgamated into a single lot and issued under new Lot No. PTB 24134. The subject site is an irregular shaped parcel of corner plot. It lies in the north-western to south-eastern direction. It has a frontage onto Jalan Tun Abdul Razak (Susur 5) along its western site boundary, a splay corner and a return frontage onto Jalan Sentosa (Lorong 1) along its southern site boundary.</p>			
The Buildings			
Brief details of the development, extension and renovation of PSH are as follows: -			
Year of Construction / Approval	Development / Extension / Renovation	Date / Reference No. of the Approved Plan	Date / Reference No. of CF / CCC
1983 / 1986	A 8-storey hospital building (Left Wing), a pump house and a TNB substation.	Approved by MPJB vide plan no. 759/83 1559/85 on 30 August 1983.	CF bearing certificate no. 1674/80 was issued by MPJB on 30 October 1986.
	The extension of an adjoining 6-storey hospital building (Right Wing) into 2 stages.		

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



1997	<u>1st extension</u> Construction of the 3-level of the hospital building (Ground to 2nd floors) and other ancillary buildings i.e. a new TNB substation, a M&E plant building, a trash centre and a sewerage treatment plant. The original TNB substation had been demolished.	Approved by MPJB vide plan no. 2031/96 on 29 December 1997. The same plans bearing reference no. 2031/96 (29 December 1997) were resubmitted to MBBJ (formerly MPJB) for continuation of 2nd extension and was certified by planning department of MBBJ on 13 November 2013.	Certification (Surat Pematuhan Dan Perakuan Siap Bina Ubahan Tambahan / Borang UT-5) bearing file no. MBBJ/12/PB/187/96 was issued by MBBJ on 8 May 2006.
2004 / 2006	<u>2nd extension</u> Construction of the additional 3-level of the hospital building (3rd to 5th floors).	Approved by MBBJ vide plan nos. (PL/PB) 2031/96(1) and PL/PB 2031/96(2) on 03 February 2004 and 08 March 2006, respectively.	
2004	<u>Internal renovation of the 6-storey hospital building of levels 4 to 6 (inclusive) (Left Wing).</u>	Approved by Jabatan Bomba & Penyelamat Malaysia ("Bomba") vide plan no. JPBM:JH/005/3/9/10/JBU on 10 January 2004.	-
2008	<u>Renovation of the original 6-storey hospital building (Left Wing) comprises of A&E (Level 1), CSSD (Level 2), Nursery & NICU (Level 3), Blood Donor Room (Level 5).</u>	Approved by MBBJ vide plan no. MBBJ/UT: 651/2007(10) (Plan No. 76/2008) on 30 January 2008. Approved by Bomba vide plan no. JBPM: JH/005/3/9/10-8 on 19 July 2008.	-
2011	<u>Change of condition, amalgamation of land and add 6-storey hospital building on Lot PTB 21513, 5219 and 5221</u>	Approved by MBBJ vide plan no. MBBJ/U/2011/12/PBN/KM/15 on 22 June 2011.	-
2014 / 2020	<u>A new 9-storey hospital building at the eastern portion.</u>	Originally approved by MBBJ vide plan no. MBBJ/U/2014/12/PBN/KM/40 on 2014. Final approval by MBBJ vide plan no. MBBJ/U/2019/12/PBN/KM/41 on 25 February 2020. (Pindaan ke atas pelan lulus bil daftar BP6/KM/07/06/2014 melalui fail MBBJ/U/2014/12/PBN/KM/40 pelan 34A-34X)	Yet to issue with CCC as still under construction.

At the date of our inspection, we noted that a new 9-storey building was currently under construction by KPJ Puteri Specialist Hospital (wholly owned by Pasir Gudang Specialist Hospital Sdn Bhd), at the eastern portion of the site. This building has yet to be sold to ART (trustee for Al-Aqar REIT). Therefore, excluded in the valuation.

All the above mentioned buildings are of similar construction and the details of the specification are as follows: -

Buildings:	Constructed of reinforced concrete framework, columns and beams plastered brickwalls rendered externally and plastered internally partly supporting reinforced concrete flat roof and partly metal roof trusses and purlins laid over with metal decking roofing sheets.
Ceilings:	Generally of suspended decorative plaster boards and gypsum boards incorporating built-in recessed lightings and built-in concealed air-conditioner ductings and cement plaster.
Internal Walls:	Generally of mixture of plastered brickwalls, gypsum boards and glass panels while the walls of the laboratory ("Lab")/maternity unit and VIP wards are further lined with decorative wallpapers finishing. The walls of the toilets, lift lobbies and several parts of the building are of ceramic wall tiles up to the ceiling height.
Doors:	Generally, the main entrances are fitted with an automatically operated sliding glass panelled doors whilst other doors are mixture of automatic sliding metal doors with smart-card access and press button controls, manual sliding metal/glass/gypsum/plywood doors (partly with electronic security pin-code system), solid timber, timber/plywood with glass panels, 1-hour fire-rated timber doors, stainless steel doors and metal roller shutters.
Windows:	Generally of sliding and top-hung aluminium casements incorporating tinted glass panels.
Floors:	Generally of ceramic tiles, marble slabs and heavy duty vinyl floors.

Generally, the buildings are equipped with centralised air-conditioning system, with some rooms fitted with additional split-unit air conditioners. Vertical access between floors is by means of four units of passenger lifts (each with a capacity of 1,295 kilogrammes / 19 persons to 1,500 kilogrammes / 22 persons), a Bomba/cargo lift (with a capacity of 1,295 kilogrammes / 19 persons) and two units of reinforced concrete staircases. The medical centre buildings are equipped with medical gas supply system, nurse call button / intercom system and PABX system. Generally, all the buildings are installed with fire fighting systems.

Car Park Bays

There are 9 covered car park bays provided within PSH. There are also three (3) additional surface (covered and open space) car park areas provided by PSH for their visitors. The first car park area is located at the north-eastern side of the site boundary and the land belongs to PSHJSB and the other car park area is located at further north-eastern side of the site boundary and the land belongs to Kulim (Malaysia) Berhad. The third car park area is rented by PSH from respective land owners. All the car park areas are being managed by Metro Parking Sdn Bhd except for the drop off and emergency car parks.

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



GFA

The GFA of the buildings computed by M&R Architects Sdn Bhd (formerly Mokhtar Rahman Partners Consultant Architect) and provided to us by DRMSB are in line with our measurement in accordance with the Uniform Method of Measurement of Buildings, RISM. The GFA and age of each building are tabulated as follows: -

Building	GFA		Age (Year)
	sq. m.	sq. ft.	
A 6-storey medical centre building (Left Wing)	5,320.37	57,268	35
A 6-storey medical centre building (Right Wing)	5,643.95	60,751	17
A mechanical & electrical ("M&E") plant building	38.93	419	17
A pump house	15.05	162	17
A TNB substation	125.42	1,350	7
A generator room	46.55	501	7
A sewerage treatment plant	502.42	5,408	17
A general waste bin centre	83.15	895	17
Total	11,775.83	126,754	

Beds

Vide a licence to operate bearing licence no. 130102-00077-01/2020 (Borang 4 No. Siri: 005333) with 3 years validity from 24 November 2020 to 23 November 2022 as approved by MOH on 07 December 2020, we note that PSH has been permitted 147 beds (inclusive of VVIP suites, ICU, CCU and isolation room), 10 cots and 13 dialysis chairs.

From the prospectus of Al-Aqar REIT dated 24 July 2006, we note that originally there were 137 operational beds. Out of this, 3 beds were allocated to VVIP suites. Thus, the operational beds were 134. In year 2016, the number of beds had been increased to 144 beds. In year 2018, the beds were reduced from 144 beds to 140 beds as 4 beds were converted to Doctors' clinics. In year 2019, about 10 beds were reduced to make way for the connecting walk way to the currently under construction 9-storey building. After completion of the construction, about 4 beds have been added back for the operation. Thus, at present, the beds in operation are 134. Notwithstanding, in arriving at our opinion of the market value of PSH, we have adopted our projections based on the 134 beds.

The beds are classified into VVIP suite, VIP/executive suite, premier suite, single bedded, two bedded, three bedded, four bedded and five bedded.

The configuration of hospital beds, number of rooms and rates are as follows: -

Bed	Rate Per Bed Per Night (RM)	No. of Room	No. of Bed
VIP/Executive Suite	280 - 380	8	8
Premier Suite			
Single Bedded	300	6	6
Two Bedded	190	2	4
Single Bedded	195	16	16
Two Bedded	130	9	18
Three Bedded	115	16	48
Four Bedded	95	6	24
Five Bedded	90	2	10
Total (Operational Beds)		65	134
VVIP Suite		3	3
ICU	180	1	4
CCU	180	3	3
Premier Suite			
Three Bedded (not part of the operational beds)	130	1	3
Total		8	13
Grand Total (Licenced Beds)		73	147

Source: *Puteri Specialist Hospital (Johor) Sdn Bhd ("PSHJSB")*

Facilities and Services: Other medical facilities provided in PSH comprise as follows: -

Other medical facilities	No. of Room / Bed
Operation Theatre (OT) Room	4
Labour Room	5

Source: *PSHJSB*

PSH also provides the following services: -

Clinical Disciplines	Facilities and Services
<ul style="list-style-type: none"> • General surgeon • Obstetrics & gynaecology • Physician • Neurologist • Paediatrician • Paediatric surgeon • Paediatric neurology • Hepatic pancreatic biliary surgery • Anesthesiology • Radiology • Urology & transplant surgeon • Cardiologist 	<ul style="list-style-type: none"> • 3D & 4D fetal ultrasound • Ambulance services • A&E services • Ear, nose & throat services • General blood screening/health screening packages • Covid test • General medical/cardiology services • Laparoscopic surgery • General surgery • Neonatal & paediatric services • Obstetric & gynecological services

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



	<ul style="list-style-type: none"> • Orthopaedic surgeon • Spinal surgeon • Trauma surgeon • Ophthalmology • Internal medicine & nephrology • Neonatologist • Gastroenterologist • Otorhinolaryngology surgeon • Thoracic surgeon • Neurologist • Plastic & reconstructive surgeon • Neuro surgeon • Psychiatrist • General vascular & endovascular surgeon • Laparoscopic surgeon • General internal medicine & respiratory physician • Specialist in rheumatology • Dermatologist 	<ul style="list-style-type: none"> • Orthopaedic & traumatology services • Physiotherapy services • Haemodialysis services • Diagnostic imaging services • Neuro surgery • Plastic & reconstructive surgery • Treadmill stress test • Pharmacy • Endoscopy services • Diagnostic gastrointestinal (g.i) endoscopy - ercp, colonoscopy, ogds, broncho, protoscopy, sigmoidoscopy • Therapeutic (g.i) endos related procedure • Diagnostic imaging services - MRI, CT scan, c-arm, mammography, x-ray, fluoroscopy & ultrasound
	Source: PSHJSB	
Consultants:	As at the date of valuation, as provided to us by the client, PSH is supported by 60 consultants / doctors.	
Planning Details:	PSH is located within an area designated for commercial use. All the buildings and extension and renovation works are issued with CF and CCC as per the details in the description of the buildings.	
Occupancy Status / Lease Details:	Vide a Lease Agreement dated 30 June 2006 made between Al-Aqar REIT (formerly Al-Aqar KPJ REIT) (being represented by its trustee, ART) as a Lessor, Puteri Specialist Hospital (Johor) Sdn Bhd (PSHJSB or Lessee) (now Pasir Gudang Specialist Hospital Sdn Bhd / formerly Medical Centre (Johore) Sdn Bhd) and DRMSB (Manager), we note that PSH has been leased for a term of fifteen (15) years with an option to renew for a further term of fifteen (15) years, subject to the terms and conditions to be agreed by the parties. The Lease commenced on 30 June 2006 and expires on 29 June 2021. This valuation is carried out pursuant to the proposed renewal of the lease of PSH for a further term of fifteen (15) years.	

b. Valuation

1. Income Approach by Profits Method (DCF)

Parameters Adopted

a)	Occupancy Rate Adopted				
		Year 1	Year 2	Year 3	Year 4
		2021	2022	2023	2024
		59.00%	61.95%	65.05%	68.30%
					Year 5
					2025
					71.72%
b)	No. of Inpatient Admitted Days				2.08
c)	Ratio of No. of Outpatient / Inpatient				7.75

Revenue

a)	Consultant Inpatient Revenue Per Occupied Bed	RM1,072
b)	Consultant Outpatient Revenue Per Person	RM 133
c)	Hospital Inpatient Revenue Per Occupied Bed	RM2,457
d)	Hospital Outpatient Revenue Per Person	RM 259

Expenses

a)	Cost of Sale		
	i) Material	24.3%	of Hospital Inpatient and Outpatient Revenues
	ii) Direct Staff Cost	12.5%	of Gross Operating Revenue
	iii) Operating Overhead	We have adopted 5% per annum escalation throughout our projection as fair and reasonable representation	
b)	Undistributed Operating Expenses		
	i) Administrative & General	18.0%	of Total Operating Revenue
	ii) Sales & Marketing	0.2%	
	iii) POMECS	4.9%	
c)	Quit Rent & Assessment Per Annum (Actual)		RM106,499.20
d)	Insurance Premium to cover F, B, PG, MB, PL, CL, AR and MM Per Annum (Actual)		RM335,726.60
e)	Capital Reserve Fund For The Replacement Of FFE, HOE And CAPEX Adopted in Valuation Per Annum		RM5,800,000
f)	Terminal Capitalisation Rate	11.25%	PSH has an unexpired leasehold interest of about 32.95 years
g)	Discount Rate	13.25%	

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



2. Cost Approach

In arriving at the Market Value of the land, we have adopted the Market/Comparison Approach. The following sale evidences, amongst others, are considered suitable comparables and adopted: -

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Lot No. / Town / Mukim / District / State:	PTB 24422 / Town of Johor Bahru / District of Johor Bahru / Johor Darul Takzim	Lot 27577 / Mukim of Pulau / District of Johor Bahru / Johor Darul Takzim	PTD 175869 and 175870 / All within Mukim of Tebrau / District of Johor Bahru / Johor Darul Takzim	Lot 4205 / Town of Johor Bahru / District of Johor Bahru / Johor Darul Takzim
Title No.:	HS(D) 565071	Geran 38925	HS(D) 529771 and 529772, respectively	Geran 32033
Property Type:	A parcel of commercial land (Intermediate)	A parcel of commercial land (Corner)	2 adjoining parcels of commercial land (Corner)	A parcel of commercial land (Intermediate)
Location:	Off Jalan Tampoi, Taman Damansara Aliff, Johor Bahru	Off Persisiran Perling, Taman Perling (next to Perling Mail), Johor Bahru	Jalan Tampoi, Bandar Baru Uda, Johor Bahru	Jalan Ah Siang, Taman Stulang Laut, Johor Bahru
Category Of Land Use:	Building	Building	Building	Nil
Town Planning:	Commercial	Commercial	Commercial	Commercial
Tenure:	Interest in Perpetuity	Interest in Perpetuity	99-year leasehold interests expiring on 02 May 2105 (unexpired term of about 84.32 years)	Interest in Perpetuity
Land Area:	486,988.00	223,900.00	255,320.00	22,216.00
Consideration:	RM65,000,000.00	RM30,000,000.00	RM38,295,774.00	RM5,554,028.00
Date of Transaction:	28 November 2018	16 October 2018	26 April 2018	14 February 2018
Vendor:	Naga Berkat Sdn Bhd	Permodalan Nasional Berhad	Perbadanan Johor	Wong Khoong Chin
Purchaser:	Tanahmas Kapital Sdn Bhd	PNB Commercial Sdn Berhad	Johor Land Berhad	Looi Teik Hin + 2
Analysis (psf)	RM133.47	RM133.99	RM149.99	RM250.00
Adjustment Factors Considered:	Market condition due to the impact of the Covid-19 pandemic (time), location and accessibility, corner/end premium, shape, category of land use/express condition, planning approval/development order, restriction in interest, size/quantum allowance and tenure.			
Adjusted Value Of Land (psf):	RM166.85	RM157.61	RM180.01	RM206.63
Market Value Of Land Component:	In arriving at the market value using the Market/Comparison Approach, we have emphasized upon Comparable 4 which has the least dissimilarities against the subject property. We have adopted the adjusted value of RM206.63 psf from the adjustments of Comparable 4 as fair representation which translates into a market value of the commercial land of RM21,512,294 .			

Source: Valuation and Property Services Department, Ministry of Finance, Malaysia

The GCRCN of the buildings is RM39,400,245. Depreciation is adopted at a rate of 2% per annum. The DRC of the buildings is RM19,505,396. Thus, the Market Value derived from the Cost Approach is RM41,017,690 and we have rounded down to RM41,000,000.

3. Reconciliation and Opinion of Values

Method of Valuation	Market Value Derived	Market Value Adopted	We have considered the market value derived from Income Approach by Profits Method (DCF) as fair and accurate representation of the market value of PSH supported by the Cost Approach.
Income Approach by Profits Method (DCF)	RM51,000,000	RM51,000,000	
Cost Approach	RM41,000,000		

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Property No. 5

a. Salient Details																																																					
Date of Inspection and Valuation:	26 January 2021																																																				
Identification / Type of Property / Property Address:	A purpose built private specialist medical centre known as KPJ Selangor Specialist Hospital ("SSH"), identified as PT No. 2, Section 20, Town of Shah Alam, District of Petaling, Selangor Darul Ehsan, held under Title No. HS(D) 112884, bearing postal address Lot 1, Jalan Singa 20/1, Section 20, 40300 Shah Alam, Selangor Darul Ehsan.																																																				
Title Particulars:	<table border="1"> <tr> <td>Tenure:</td> <td>99-year leasehold interest expiring on 1 July 2096 (unexpired term of about 75.47 years)</td> </tr> <tr> <td>Provisional Title Land Area:</td> <td>18,984 sq. m. / 204,342 sq. ft.</td> </tr> <tr> <td>Registered Proprietor:</td> <td>AmanahRaya Trustees Berhad (as Trustee)</td> </tr> <tr> <td>Category of Land Use:</td> <td>Building</td> </tr> <tr> <td>Encumbrances:</td> <td>Charged by AmanahRaya Trustees Berhad to Maybank Trustee Berhad, registered on 5 November 2018</td> </tr> <tr> <td>Endorsements:</td> <td> i) A private caveat has been entered by Maybank Trustees Berhad, registered on 26 April 2018. ii) Pajakan Seluruh Tanah to Selangor Specialist Hospital Sdn Bhd vide Surat Kuasa Wakil : 21/2018 & 70/2018, Surat Kebenaran: 4319/2018 & 4320/2018 commencing from 1 January 2016 and expiring on 30 June 2021, registered on 8 February 2018. </td> </tr> </table>	Tenure:	99-year leasehold interest expiring on 1 July 2096 (unexpired term of about 75.47 years)	Provisional Title Land Area:	18,984 sq. m. / 204,342 sq. ft.	Registered Proprietor:	AmanahRaya Trustees Berhad (as Trustee)	Category of Land Use:	Building	Encumbrances:	Charged by AmanahRaya Trustees Berhad to Maybank Trustee Berhad, registered on 5 November 2018	Endorsements:	i) A private caveat has been entered by Maybank Trustees Berhad, registered on 26 April 2018. ii) Pajakan Seluruh Tanah to Selangor Specialist Hospital Sdn Bhd vide Surat Kuasa Wakil : 21/2018 & 70/2018, Surat Kebenaran: 4319/2018 & 4320/2018 commencing from 1 January 2016 and expiring on 30 June 2021, registered on 8 February 2018.																																								
Tenure:	99-year leasehold interest expiring on 1 July 2096 (unexpired term of about 75.47 years)																																																				
Provisional Title Land Area:	18,984 sq. m. / 204,342 sq. ft.																																																				
Registered Proprietor:	AmanahRaya Trustees Berhad (as Trustee)																																																				
Category of Land Use:	Building																																																				
Encumbrances:	Charged by AmanahRaya Trustees Berhad to Maybank Trustee Berhad, registered on 5 November 2018																																																				
Endorsements:	i) A private caveat has been entered by Maybank Trustees Berhad, registered on 26 April 2018. ii) Pajakan Seluruh Tanah to Selangor Specialist Hospital Sdn Bhd vide Surat Kuasa Wakil : 21/2018 & 70/2018, Surat Kebenaran: 4319/2018 & 4320/2018 commencing from 1 January 2016 and expiring on 30 June 2021, registered on 8 February 2018.																																																				
Location	<p>SSH is located within Section 20, Shah Alam and is sited off the southern (left) side of Federal Highway, travelling from Petaling Jaya city towards Shah Alam / Klang. It is located about 25.0 kilometres (15.63 miles) to the north-east of Kuala Lumpur city centre. Shah Alam city is located about 5.0 kilometres (3.13 miles) to the north-west of SSH. SSH fronts onto Jalan Singa 20/1 and is accessible from various parts of the Kuala Lumpur city centre or Shah Alam / Klang and the commonly used access is from the Federal Highway leading to Persiaran Tengku Ampuan. Alternatively, it is also accessible from Shah Alam Expressway (KESAS) via Persiaran Kuala Selangor. The nearest under construction LRT Line 3 station at Persiaran Hisamuddin, Section 13, Shah Alam is located about 5.0 kilometres (3.13 miles) to the north-east of SSH. The Keretapi Tanah Melayu (KTM) Commuter of Shah Alam and Padang Jawa Stations are located about 8.0 kilometres (4.97 miles) and about 2.0 kilometres (1.24 miles) to the north-west and west of SSH, respectively. Prominent developments in the immediate vicinity of SSH include Pos Malaysia National Mel Centre, Panasonic AVC Networks Kuala Lumpur Malaysia Sdn Bhd, TASCOS Berhad, Shah Alam National Sports Complex Panasonic and 'Petronas' petrol filling and service station, Section 20, Shah Alam.</p> <p>Prominent private medical centres and government hospitals located in the neighbourhood are as follows: -</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Capacity</th> <th>Location</th> <th>Distance from SSH</th> </tr> </thead> <tbody> <tr> <td colspan="4">Private Medical Centre</td> </tr> <tr> <td>Salam Shah Alam Specialist Hospital</td> <td>82 beds</td> <td>Jalan Nelayan 19/B, Section 19, 40300 Shah Alam, Selangor Darul Ehsan</td> <td>1.6 kilometres</td> </tr> <tr> <td>MSU Medical Centre</td> <td>30 beds</td> <td>Persiaran Olahraga, 40100 Shah Alam, Selangor Darul Ehsan</td> <td>4.9 kilometres</td> </tr> <tr> <td>Avisena Specialist Hospital</td> <td>111 beds</td> <td>Jalan Ikhtisas, Section 14, 40000 Shah Alam, Selangor Darul Ehsan</td> <td>5.5 kilometres</td> </tr> <tr> <td>Hospital Umra</td> <td>35 beds</td> <td>Jalan Bola Tampar 13/14, Section 13, 40100 Shah Alam, Selangor Darul Ehsan</td> <td>5.1 kilometres</td> </tr> <tr> <td>Columbia Asia Extended Care Hospital</td> <td>66 beds</td> <td>Jalan Baung 17/22, Section 17, 40200 Shah Alam, Selangor Darul Ehsan</td> <td>6.4 kilometres</td> </tr> <tr> <td>Columbia Asia Hospital</td> <td>77 beds</td> <td>Persiaran Anggerik Eria, Bukit Rimau, Section 32, 40460 Shah Alam, Selangor Darul Ehsan</td> <td>9.4 kilometres</td> </tr> <tr> <td colspan="4">Government Hospital</td> </tr> <tr> <td>Hospital Shah Alam</td> <td>-</td> <td>Persiaran Kayangan, Section 7, 40000 Shah Alam, Selangor Darul Ehsan</td> <td>9.1 kilometres</td> </tr> </tbody> </table> <p>Source: MOH</p> <p>The Site</p> <p>The subject site is a parcel of corner plot and rectangular in shape. It has a frontage of about 161.236 metres (529 feet) and 117.354 metres (385 feet) onto Jalan Singa 20/1 and Persiaran Tengku Ampuan along its southern and eastern site boundaries, respectively.</p> <p>The Buildings</p> <p>Brief details of the development, extension and renovation of SSH are as follows: -</p> <table border="1"> <thead> <tr> <th>Year of Construction / Approval</th> <th>Development / Extension / Renovation</th> <th>Date / Reference No. of the Approved Plan / CF / CCC</th> </tr> </thead> <tbody> <tr> <td>1995 / 1996</td> <td>A 6-storey main building together with a basement</td> <td>Approved by Bomba and Majlis Perbandaran Shah Alam ("MPSA") vide plan nos. JBM/PK 36517 and MPSA/B/PC/SEK.20/145-94 on 24 June 1995 and 30 August 1995, respective. CF bearing certificate no. 3661 was issued by MPSA on 30 October 1996.</td> </tr> <tr> <td>2012</td> <td>A 5-storey car park block together with a half basement level and an open roof level</td> <td>Approved by Majlis Bandaraya Shah Alam ("MBSA") (formerly MPSA) vide plan no. MBSA/BGN/BB/600-2(PB)/SEK 20/00512012 on 28 May 2012. CCC bearing certificate no. LAM/S 7822 was issued by MBSA on 1 October 2012.</td> </tr> <tr> <td>2016</td> <td>A 9-storey consultant block</td> <td>Approved by MBSA vide plan no. MBSA/BGN/BB/600-2(PB)/SEK 20/0267-2015 on 30 June 2016. CCC bearing certificate no. 16677 was issued by MBSA in year 2016.</td> </tr> </tbody> </table> <p>At the date of our inspection, we noted that a new 9-storey consultant block which was constructed in 2016 at the eastern portion of the site. However, this block has yet to be sold to ART (trustee for Al-Aqar REIT) due to valid corporate reasons. Notwithstanding, in arriving at our opinion of the market value of SSH, we have excluded the 9-storey consultant block and other related reconfiguration and renovation related to it resulting in higher number of operational beds.</p>	Name	Capacity	Location	Distance from SSH	Private Medical Centre				Salam Shah Alam Specialist Hospital	82 beds	Jalan Nelayan 19/B, Section 19, 40300 Shah Alam, Selangor Darul Ehsan	1.6 kilometres	MSU Medical Centre	30 beds	Persiaran Olahraga, 40100 Shah Alam, Selangor Darul Ehsan	4.9 kilometres	Avisena Specialist Hospital	111 beds	Jalan Ikhtisas, Section 14, 40000 Shah Alam, Selangor Darul Ehsan	5.5 kilometres	Hospital Umra	35 beds	Jalan Bola Tampar 13/14, Section 13, 40100 Shah Alam, Selangor Darul Ehsan	5.1 kilometres	Columbia Asia Extended Care Hospital	66 beds	Jalan Baung 17/22, Section 17, 40200 Shah Alam, Selangor Darul Ehsan	6.4 kilometres	Columbia Asia Hospital	77 beds	Persiaran Anggerik Eria, Bukit Rimau, Section 32, 40460 Shah Alam, Selangor Darul Ehsan	9.4 kilometres	Government Hospital				Hospital Shah Alam	-	Persiaran Kayangan, Section 7, 40000 Shah Alam, Selangor Darul Ehsan	9.1 kilometres	Year of Construction / Approval	Development / Extension / Renovation	Date / Reference No. of the Approved Plan / CF / CCC	1995 / 1996	A 6-storey main building together with a basement	Approved by Bomba and Majlis Perbandaran Shah Alam ("MPSA") vide plan nos. JBM/PK 36517 and MPSA/B/PC/SEK.20/145-94 on 24 June 1995 and 30 August 1995, respective. CF bearing certificate no. 3661 was issued by MPSA on 30 October 1996.	2012	A 5-storey car park block together with a half basement level and an open roof level	Approved by Majlis Bandaraya Shah Alam ("MBSA") (formerly MPSA) vide plan no. MBSA/BGN/BB/600-2(PB)/SEK 20/00512012 on 28 May 2012. CCC bearing certificate no. LAM/S 7822 was issued by MBSA on 1 October 2012.	2016	A 9-storey consultant block	Approved by MBSA vide plan no. MBSA/BGN/BB/600-2(PB)/SEK 20/0267-2015 on 30 June 2016. CCC bearing certificate no. 16677 was issued by MBSA in year 2016.
Name	Capacity	Location	Distance from SSH																																																		
Private Medical Centre																																																					
Salam Shah Alam Specialist Hospital	82 beds	Jalan Nelayan 19/B, Section 19, 40300 Shah Alam, Selangor Darul Ehsan	1.6 kilometres																																																		
MSU Medical Centre	30 beds	Persiaran Olahraga, 40100 Shah Alam, Selangor Darul Ehsan	4.9 kilometres																																																		
Avisena Specialist Hospital	111 beds	Jalan Ikhtisas, Section 14, 40000 Shah Alam, Selangor Darul Ehsan	5.5 kilometres																																																		
Hospital Umra	35 beds	Jalan Bola Tampar 13/14, Section 13, 40100 Shah Alam, Selangor Darul Ehsan	5.1 kilometres																																																		
Columbia Asia Extended Care Hospital	66 beds	Jalan Baung 17/22, Section 17, 40200 Shah Alam, Selangor Darul Ehsan	6.4 kilometres																																																		
Columbia Asia Hospital	77 beds	Persiaran Anggerik Eria, Bukit Rimau, Section 32, 40460 Shah Alam, Selangor Darul Ehsan	9.4 kilometres																																																		
Government Hospital																																																					
Hospital Shah Alam	-	Persiaran Kayangan, Section 7, 40000 Shah Alam, Selangor Darul Ehsan	9.1 kilometres																																																		
Year of Construction / Approval	Development / Extension / Renovation	Date / Reference No. of the Approved Plan / CF / CCC																																																			
1995 / 1996	A 6-storey main building together with a basement	Approved by Bomba and Majlis Perbandaran Shah Alam ("MPSA") vide plan nos. JBM/PK 36517 and MPSA/B/PC/SEK.20/145-94 on 24 June 1995 and 30 August 1995, respective. CF bearing certificate no. 3661 was issued by MPSA on 30 October 1996.																																																			
2012	A 5-storey car park block together with a half basement level and an open roof level	Approved by Majlis Bandaraya Shah Alam ("MBSA") (formerly MPSA) vide plan no. MBSA/BGN/BB/600-2(PB)/SEK 20/00512012 on 28 May 2012. CCC bearing certificate no. LAM/S 7822 was issued by MBSA on 1 October 2012.																																																			
2016	A 9-storey consultant block	Approved by MBSA vide plan no. MBSA/BGN/BB/600-2(PB)/SEK 20/0267-2015 on 30 June 2016. CCC bearing certificate no. 16677 was issued by MBSA in year 2016.																																																			

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



All the above mentioned buildings are of similar construction and the details of the specification are as follows: -

Buildings:	Constructed of reinforced concrete frame with brick infills rendered externally and partly supporting steel roof trusses and purlins laid over with metal deck roofing sheets and partly of reinforced concrete flat roof.
Ceilings:	Generally of plaster boards with cornices incorporating downlights, mineral fibre boards incorporating fluorescent lights and cassette type air-conditioning system with the exception of the toilets which are of cement plaster.
Internal Walls:	Generally of gypsum boards and gypsum boards incorporating glass panels. The internal walls of the lift lobbies are generally lined with glazed wall tiles up to the ceiling height whilst the waiting area on the ground floor is partly lined with glazed wall tiles up to a height of about 0.915 metres (3 feet) and partly up to the ceiling height. The male and female toilets are lined with glazed wall tiles up to the ceiling height.
Doors:	Generally, the main entrance to the reception area on the ground floor is fitted with an automatically operated double leaf frameless glass panelled door. Other doors are generally of fire rated timber door, timber flush door, timber panelled door incorporating glass panels, automatically operated double leaf frameless glass panelled doors and PVC doors.
Windows:	Generally of aluminium casements incorporating glass panels and top hung units.
Floors:	Generally finished homogeneous tiles, ceramic tiles, marble slabs, heavy duty vinyl floor and cement screed.

Generally, the buildings are equipped with centralised air-conditioning system, with some rooms fitted with additional split-unit air conditioners. Vertical movement between floors is by means of four units of passenger lifts (each with a capacity of 1,635 kilogrammes / 24 persons to 1,640 kilogrammes), a Bomba lift (with a capacity of 1,635 kilogrammes / 24 persons), a service lift (with a capacity of 1,640 kilogrammes / 23 persons) and ten units of reinforced concrete staircases for each building. The medical centre buildings are equipped with medical gas supply system, nurse call button / intercom system and PABX system. Generally, all the buildings are installed with fire fighting systems.

Car Park Bays

There are 563 car park bays within SSH comprising 283 covered car park bays located within the car park block (north-western of the site) and 280 surface car park bays (inclusive of valet parking) provided at the north-eastern and south-eastern portions, respectively, of the site and along the circulation area of the site. All the car park areas are being managed by Infinite Parking Sdn Bhd except for the drop off and emergency car parks.

GFA

The GFA computed by Rekakonsult and provided to us by DRMSB are in line with our measurement in accordance with the Uniform Method of Measurement of Buildings, RISM. The GFA and age of each building are tabulated as follows: -

Building	GFA		Age (Year)
	sq. m.	sq. ft.	
A 6-storey main building together with a basement	19,290	207,636	25
A 5-storey car park block together with a half basement level and an open roof level	9,956	107,165	9
A guard house	4	43	25
Total	29,250	314,844	

Beds

Vide a licence to operate bearing licence no. 131005-00121-01/2019 (Borang 7 No. Siri: 002479) with 1 year 5 months validity from 26 June 2020 to 16 November 2021 as approved by MOH dated 3 August 2020, SSH is licenced to accommodate 184 beds (inclusive of ICU and isolation beds), 18 cots, 32 dialysis chairs, 4 dialysis beds and 1 dental chair.

From the prospectus of Al-Aqar REIT dated 24 July 2006 and prior to the construction of the 9-storey Consultant Block, we note that originally there were 165 operational beds. Originally, part of the ground floor of the 6-storey main building was occupied by the consultants' clinics. After the construction and completion of the 9-storey Consultant Block in December 2016, the consultants' clinics were moved to the Consultant Block. The original consultants' clinics in the 6-storey main building were converted to Haemodialysis and Rehabilitation units. We also note that the corporate office which was originally located within the 6-storey main building had been shifted to the 9-storey Consultant Block. The corporate office area had been converted into an additional 10 beds (Inpatient Unit). Thus, the existing total beds are 175 beds.

The 9-storey Consultant Block has yet to be sold to Al-Aqar REIT due to valid corporate reasons. Notwithstanding, in arriving at our opinion of the Market Value of the SSH, we have excluded the 9-storey Consultant Block and other related reconfiguration and renovation related to it resulting in higher number of operational beds and we have adopted our projections based on 165 beds.

The beds are classified into VIP suite, single bedded room, two bedded room, four bedded room, ICU room and isolation room.

The configuration of hospital beds, number of rooms and rates are as follows: -

Bed	Rate Per Bed Per Night (RM)	No. of Room	No. of Bed
VIP Suite	450 - 900	7	7
Single Bedded	195 - 380	62	62
Two Bedded	140 - 280	32	64
Four Bedded	95 - 180	8	32
Sub Total		109	165
10 additional beds resulting from the conversion of corporate office which have been excluded in the valuation	195 - 380	10	10
Total (Operational Beds)		119	175
ICU	350	7	7
Isolation Room	450 / 550	2	2
Total		9	19
Grand Total (Licenced Beds)		128	184

Source: Selangor Specialist Hospital Sdn Bhd ("SSHSB")

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Facilities and Services:	<p>Other medical facilities provided in SSH comprise as follows: -</p> <table border="1"> <thead> <tr> <th>Other medical facilities</th> <th>No. of Bed / Room</th> </tr> </thead> <tbody> <tr> <td>Operate Theatre (OT) Room</td> <td>5</td> </tr> <tr> <td>Labour room</td> <td>4</td> </tr> <tr> <td>Nursery</td> <td>1</td> </tr> <tr> <td>CSSD</td> <td>1</td> </tr> <tr> <td>Cardiac Catheterization Lab</td> <td>1</td> </tr> </tbody> </table> <p>Source: SSHSB</p> <p>SSH also provides the following services: -</p> <table border="1"> <thead> <tr> <th>Clinical Disciplines</th> <th>Facilities and Services</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> • Anaesthesiology & Critical Care • Cardiology • Physician • General Medicine • General Surgery • Nephrologist • Ear, Nose & Throat • Orthopaedic • Paediatric • Gastroenterology • Radiology Services • Laboratory Services • Obstetrician & Gynaecology • Ophthalmology • Neuro Surgery • Urology • Endocrinology • Haemodialysis Services • Special Diagnostic Services (SDU) • Dietetic Services • Diabetic Services • Physiotherapy Services • Medical Record Services </td> <td> <ul style="list-style-type: none"> • 24 hours A&E services • Delivery Suites • Diagnostic Imaging which includes 1.5 Tesla MRI, Mammography, X-Ray and Ultrasound • Ultrasound Endoscopy & OGDS, Colonoscopy and ERCP procedure • Catheterization Laboratory equipped with Angiogram for Angioplasty and other Interventional Cardiology such as Echocardiogram Test, Trans Oesophagus Echo, ECG, Stress ECG & etc. • Dietetic Counseling Service • 3D Ultrasound • Heart Centre • Home Nursing; Physiotherapy & Nursing Care • Intensive Care Unit / Cardiac Care Unit / High Dependency Care Unit • Immunization and Vaccination • In House 24 Hour Pharmacy • 24 hours Laboratory Services • Neonate ICU / Neonate HDU • Operation Theatres and Day Care Surgery • Premier Screening & Wellness Centre • Rehabilitation Medicine • Renal & Dialysis Centre • Special Care Nursery • Special Diagnostic Centre </td> </tr> </tbody> </table> <p>Source: SSHSB</p>	Other medical facilities	No. of Bed / Room	Operate Theatre (OT) Room	5	Labour room	4	Nursery	1	CSSD	1	Cardiac Catheterization Lab	1	Clinical Disciplines	Facilities and Services	<ul style="list-style-type: none"> • Anaesthesiology & Critical Care • Cardiology • Physician • General Medicine • General Surgery • Nephrologist • Ear, Nose & Throat • Orthopaedic • Paediatric • Gastroenterology • Radiology Services • Laboratory Services • Obstetrician & Gynaecology • Ophthalmology • Neuro Surgery • Urology • Endocrinology • Haemodialysis Services • Special Diagnostic Services (SDU) • Dietetic Services • Diabetic Services • Physiotherapy Services • Medical Record Services 	<ul style="list-style-type: none"> • 24 hours A&E services • Delivery Suites • Diagnostic Imaging which includes 1.5 Tesla MRI, Mammography, X-Ray and Ultrasound • Ultrasound Endoscopy & OGDS, Colonoscopy and ERCP procedure • Catheterization Laboratory equipped with Angiogram for Angioplasty and other Interventional Cardiology such as Echocardiogram Test, Trans Oesophagus Echo, ECG, Stress ECG & etc. • Dietetic Counseling Service • 3D Ultrasound • Heart Centre • Home Nursing; Physiotherapy & Nursing Care • Intensive Care Unit / Cardiac Care Unit / High Dependency Care Unit • Immunization and Vaccination • In House 24 Hour Pharmacy • 24 hours Laboratory Services • Neonate ICU / Neonate HDU • Operation Theatres and Day Care Surgery • Premier Screening & Wellness Centre • Rehabilitation Medicine • Renal & Dialysis Centre • Special Care Nursery • Special Diagnostic Centre
Other medical facilities	No. of Bed / Room																
Operate Theatre (OT) Room	5																
Labour room	4																
Nursery	1																
CSSD	1																
Cardiac Catheterization Lab	1																
Clinical Disciplines	Facilities and Services																
<ul style="list-style-type: none"> • Anaesthesiology & Critical Care • Cardiology • Physician • General Medicine • General Surgery • Nephrologist • Ear, Nose & Throat • Orthopaedic • Paediatric • Gastroenterology • Radiology Services • Laboratory Services • Obstetrician & Gynaecology • Ophthalmology • Neuro Surgery • Urology • Endocrinology • Haemodialysis Services • Special Diagnostic Services (SDU) • Dietetic Services • Diabetic Services • Physiotherapy Services • Medical Record Services 	<ul style="list-style-type: none"> • 24 hours A&E services • Delivery Suites • Diagnostic Imaging which includes 1.5 Tesla MRI, Mammography, X-Ray and Ultrasound • Ultrasound Endoscopy & OGDS, Colonoscopy and ERCP procedure • Catheterization Laboratory equipped with Angiogram for Angioplasty and other Interventional Cardiology such as Echocardiogram Test, Trans Oesophagus Echo, ECG, Stress ECG & etc. • Dietetic Counseling Service • 3D Ultrasound • Heart Centre • Home Nursing; Physiotherapy & Nursing Care • Intensive Care Unit / Cardiac Care Unit / High Dependency Care Unit • Immunization and Vaccination • In House 24 Hour Pharmacy • 24 hours Laboratory Services • Neonate ICU / Neonate HDU • Operation Theatres and Day Care Surgery • Premier Screening & Wellness Centre • Rehabilitation Medicine • Renal & Dialysis Centre • Special Care Nursery • Special Diagnostic Centre 																
Consultants / Clinics:	As at the date of valuation, as provided to us by the client, SSH is supported by 78 consultants / doctors.																
Planning Details:	SSH is located within an area designated for commercial use. All the buildings and renovation works are issued with CF and CCC as per the details in the description of the buildings.																
Occupancy Status / Lease Details:	Vide a Lease Agreement dated 30 June 2006 made between Al-Aqar REIT (formerly Al-Aqar KPJ REIT) (being represented by its trustee, ART) as a Lessor, Selangor Specialist Hospital Sdn Bhd (SSHSB or Lessee) and DRMSB (Manager). We note that SSH has been leased for a term of fifteen (15) years with an option to renew for a further term of fifteen (15) years, subject to the terms and conditions to be agreed by the parties. The Lease commenced on 30 June 2006 and expires on 29 June 2021. This valuation is carried out pursuant to the proposed renewal of the lease of SSH for a further term of fifteen (15) years.																

b. Valuation

1. Income Approach by Profits Method (DCF)

Parameters Adopted

a)	Occupancy Rate of Beds Adopted				
		Year 1	Year 2	Year 3	Year 4
		2021	2022	2023	2024
		61.75%	64.84%	68.08%	71.48%
					75.05%
b)	No. of Inpatient Admitted Days				2.61
c)	Ratio of No. of Outpatient / Inpatient				9.52

Revenue

a)	Consultant Inpatient Revenue Per Occupied Bed	RM 863
b)	Consultant Outpatient Revenue Per Person	RM 99
c)	Hospital Inpatient Revenue Per Occupied Bed	RM2,141
d)	Hospital Outpatient Revenue Per Person	RM 249

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Expenses

a)	Cost Of Sale		
	i) Material	25.8%	of Hospital Inpatient and Outpatient Revenues
	ii) Direct Staff Cost	15.8%	of Gross Operating Revenue
	iii) Operating Overhead	We have adopted 5% per annum escalation throughout our projection as fair and reasonable representation	
b)	Undistributed Operating Expenses		
	i) Administrative & General	11.7%	of Total Operating Revenue
	ii) Sales & Marketing	0.5%	
	iii) POMEK	5.2%	
c)	Quit Rent & Assessment Per Annum (Actual)		RM412,588.90
d)	Insurance Premium to cover F, B, PG, MB, PL, CL, AR and MM Per Annum (Actual)		RM405,537.78
e)	Capital Reserve Fund For The Replacement Of FFE, HOE And CAPEX Adopted in Valuation Per Annum		RM7,000,000
f)	Terminal Capitalisation Rate	9.25%	SSH has an unexpired leasehold interest of about 75.47 years
g)	Discount Rate	11.25%	

2. Cost Approach

In arriving at the Market Value of the land component, we have adopted the Market/Comparison Approach. The following sale evidences, amongst others, are considered suitable comparables and adopted: -

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Lot No. / Title No. / Town / District / State:	PT No. 32, Section 14 / HS(D) 142037 / Town of Shah Alam / District of Petaling / Selangor Darul Ehsan	Lot 91083, Section 13 / Pajakan Negeri 110614 / Town of Shah Alam, District of Petaling / Selangor Darul Ehsan	PT No. 38, Section 14 / HS(D) 142043 / Town of Shah Alam / District of Petaling / Selangor Darul Ehsan	PT No. 294, Section 3 / HS(D) 266275 / Town of Shah Alam / District of Petaling / Selangor Darul Ehsan
Property Type:	A parcel of commercial land with dual access (Intermediate)	A parcel of commercial land with dual access (Corner)	A parcel of commercial land with triple access (Corner)	A parcel of commercial land with single access (Intermediate)
Location:	Located along Persiaran Perbandaran	Located along Jalan Rugby 13/30 @ Persiaran Sukan	Located along Jalan 14/3	Located along Jalan 3/9A
Category of Land Use:	Building	Building	Building	Building
Town Planning:	Commercial	Commercial	Commercial	Commercial
Tenure:	99-year leasehold interest expiring on 17 December 2099 (unexpired term of about 78.94 years)	99-year leasehold interest expiring on 22 January 2102 (unexpired term of about 81.04 years)	99-year leasehold interest expiring on 17 December 2099 (unexpired term of about 78.94 years)	99-year leasehold interest expiring on 11 March 2085 (unexpired term of about 64.16 years)
Land Area (sq. ft.):	111,557	134,893	107,413	32,421
Consideration:	RM32,000,000	RM38,000,000	RM34,000,000	RM7,600,000
Date Of Transaction:	08 May 2020	28 May 2019	31 December 2018	28 February 2018
Vendor:	Majlis Bandaraya Shah Alam	Equipark Sdn Bhd	Avisena Holdings Sdn Bhd	Kualiti Megamas Sdn Bhd
Purchaser:	Puncak Niaga Holdings Berhad	Ara Ville Sdn Bhd	Lembaga Zakat Selangor (MAIS)	Lovely Century Sdn Bhd
Analysis (psf):	RM286.85	RM281.70	RM316.54	RM234.42
Adjustment Factors Considered:	Market condition due to the impact of the Covid-19 pandemic (time), location and accessibility, corner/end premium, shape, category of land use/express condition, planning approval/development order, restriction in interest, size/quantum allowance and tenure.			
Adjusted Value Of Land (psf):	RM269.91	RM256.41	RM250.63	RM248.77
Market Value Of Land:	In arriving at the market value using the Market/Comparison Approach, we have emphasized upon Comparable 1 which has the least dissimilarities against the subject property as fair representation of the market value of the land, as per practice in the industry. We have adopted the adjusted value of RM269.91 psf as fair representation which translates into a market value of the commercial land of RM65,154,160 .			

Source: Valuation and Property Services Department, Ministry of Finance

The GCRN of the buildings is RM76,944,472. Depreciation is adopted at a rate of 2% per annum. The DRC of the buildings is RM43,101,781. Thus, the Market Value derived from the Cost Approach is RM98,255,941 and we have rounded down to RM98,000,000.

3. Reconciliation and Opinion of Values

Method of Valuation	Market Value Derived	Market Value Adopted	
Income Approach by Profits Method (DCF)	RM100,000,000	RM100,000,000	We have considered the market value derived from the Income Approach by Profits Method (DCF) as fair and accurate representation of the market value of SSH supported by the Cost Approach.
Cost Approach	RM98,000,000		

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Property No. 6

a. Salient Details																																	
Date of Inspection and Valuation:	29 January 2021																																
Identification / Type of Property / Property Address:	A purpose built private specialist medical centre known as KPJ Ipoh Specialist Hospital ("ISH"), identified as PT No. 254356, held under Title No. HS(D) 221754, (formerly Lot 9826N, Lot 10259, Lot 9306N and Lot 34494, held under Title No. Pajakan Negeri 257171, Pajakan Negeri 6451, Pajakan Negeri 346406 and Pajakan Negeri 154468, respectively), Town of Ipoh (U), District of Kinta, Perak Darul Ridzuan, bearing postal address No. 26, Jalan Raja Dihilir, 30350 Ipoh, Perak Darul Ridzuan.																																
Title Particulars:	Tenure:	Interest in perpetuity																															
	Provisional Title Land Area:	13,203 sq. m. / 142,116 sq. ft.																															
	Registered Proprietor:	AmanahRaya Trustees Berhad (as Trustee)																															
	Category of Land Use:	Building																															
	Encumbrance:	Charged by AmanahRaya Trustees Berhad to Maybank Trustees Berhad, registered on 8 November 2018																															
Location																																	
<p>ISH is located along the northern (right) side of Jalan Raja Dihilir traveling from Tambun towards Ipoh Old Town. It is accessible from various parts of the Ipoh town with the common accessibility via Jalan Tambun and Jalan Raja Dihilir. Prominent landmarks in the vicinity include the Palace of Deputy Crown Prince (Raja Dihilir), the residence of Menteri Besar Perak and the Department of Culture and Arts, Perak. Ipoh Railway station is located about 3 kilometres (1.86 miles) to the west of ISH.</p> <p>Prominent private medical centres and government hospitals located in the neighbourhood are as follows: -</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Capacity</th> <th>Location</th> <th>Distance from ISH</th> </tr> </thead> <tbody> <tr> <td colspan="4">Private Medical Centre</td> </tr> <tr> <td>Kinta Medical Centre</td> <td>46 beds</td> <td>No. 20A, Jalan Chung Thye Phin, 30250 Ipoh, Perak Darul Ridzuan</td> <td>1.5 kilometres</td> </tr> <tr> <td>Pantai Hospital Ipoh</td> <td>224 beds</td> <td>No. 126, Jalan Tambun, 31400 Ipoh, Perak Darul Ridzuan</td> <td>3.0 kilometres</td> </tr> <tr> <td>Hospital Fatimah</td> <td>236 beds</td> <td>No. 1, Jalan Chew Peng Loon, Off Jalan Dato Lau Pak Khuan, Ipoh Garden, 31400 Ipoh, Perak Darul Ridzuan</td> <td>4.0 kilometres</td> </tr> <tr> <td>Perak Community Specialist Hospital</td> <td>69 beds</td> <td>No. 277, Jalan Raja Permaisuri Bainun, 30250 Ipoh, Perak Darul Ridzuan</td> <td>5.0 kilometres</td> </tr> <tr> <td colspan="4">Government Hospital</td> </tr> <tr> <td>Hospital Raja Permaisuri Bainun</td> <td>-</td> <td>Jalan Raja Ashman Shah, 30450 Ipoh, Perak Darul Ridzuan</td> <td>2.2 kilometres</td> </tr> </tbody> </table> <p>Source: MOH</p>		Name	Capacity	Location	Distance from ISH	Private Medical Centre				Kinta Medical Centre	46 beds	No. 20A, Jalan Chung Thye Phin, 30250 Ipoh, Perak Darul Ridzuan	1.5 kilometres	Pantai Hospital Ipoh	224 beds	No. 126, Jalan Tambun, 31400 Ipoh, Perak Darul Ridzuan	3.0 kilometres	Hospital Fatimah	236 beds	No. 1, Jalan Chew Peng Loon, Off Jalan Dato Lau Pak Khuan, Ipoh Garden, 31400 Ipoh, Perak Darul Ridzuan	4.0 kilometres	Perak Community Specialist Hospital	69 beds	No. 277, Jalan Raja Permaisuri Bainun, 30250 Ipoh, Perak Darul Ridzuan	5.0 kilometres	Government Hospital				Hospital Raja Permaisuri Bainun	-	Jalan Raja Ashman Shah, 30450 Ipoh, Perak Darul Ridzuan	2.2 kilometres
Name	Capacity	Location	Distance from ISH																														
Private Medical Centre																																	
Kinta Medical Centre	46 beds	No. 20A, Jalan Chung Thye Phin, 30250 Ipoh, Perak Darul Ridzuan	1.5 kilometres																														
Pantai Hospital Ipoh	224 beds	No. 126, Jalan Tambun, 31400 Ipoh, Perak Darul Ridzuan	3.0 kilometres																														
Hospital Fatimah	236 beds	No. 1, Jalan Chew Peng Loon, Off Jalan Dato Lau Pak Khuan, Ipoh Garden, 31400 Ipoh, Perak Darul Ridzuan	4.0 kilometres																														
Perak Community Specialist Hospital	69 beds	No. 277, Jalan Raja Permaisuri Bainun, 30250 Ipoh, Perak Darul Ridzuan	5.0 kilometres																														
Government Hospital																																	
Hospital Raja Permaisuri Bainun	-	Jalan Raja Ashman Shah, 30450 Ipoh, Perak Darul Ridzuan	2.2 kilometres																														
The Site																																	
<p>The site comprises a parcel of intermediate plot, near trapezoidal in shape and has a frontage onto Jalan Raja Dihilir along its southern site boundary.</p>																																	
The Buildings																																	
<p>Brief details of the development, extension and renovation of ISH are as follows: -</p> <table border="1"> <thead> <tr> <th>Year of Construction / Approval</th> <th>Development / Extension / Renovation</th> <th>Date / Reference No. of the Approved Plan / CF / CCC</th> </tr> </thead> <tbody> <tr> <td>1980 / 1981</td> <td>A 3-storey main building (Old Wing)</td> <td>CF bearing certificate no. A3009 was issued by Majlis Perbandaran Ipoh ("MPI") on 19 June 1981.</td> </tr> <tr> <td>1990 / 1992</td> <td>Extension of the existing 3-storey building (Old Wing)</td> <td>Approved by Majlis Bandaraya Ipoh ("MBI") (formerly MPI) vide plan nos. F2/11/6/1805/90 and F2/11/9/333B/91 on 29 November 1990. CF bearing certificate no. B2918 was issued by MBI on 20 November 1992.</td> </tr> <tr> <td>1999</td> <td>Extension and renovation of the existing 3-storey building (Old Wing)</td> <td>Approved by MBI vide plan no. MBI F2/9/13/421/98 dated 17 November 1999.</td> </tr> <tr> <td>2004 / 2007 / 2008</td> <td>A 5-storey building with a basement (New Wing)</td> <td>Approved by MBI vide plan nos. MBI F2/11/5/161/03, MBI F2/11/14/1184/06, MBI F2/L/B/7/68/915/07 and MBI OSC(026-B)/L/B/7/14/28/08 on 13 January 2004, 05 March 2007, 23 October 2007 and 18 April 2008, respectively. CCC bearing certificate no. B8850 was issued by MBI on 05 June 2008.</td> </tr> <tr> <td>2016</td> <td>Renovations of kitchen area of the existing 3-storey building (Old Wing)</td> <td>Approved by MBI vide plan no. OSC (118-B)/L/B/7/43/123/16 on 14 September 2016.</td> </tr> <tr> <td>2019</td> <td>Renovations of HDU, Ward 3 and Ward 5 of the existing 3-storey private specialist medical centre building (Old Wing)</td> <td>Approved by MBI vide plan no. OSC (351-B)/L/B/7/92/399/18 on 14 March 2019.</td> </tr> </tbody> </table>		Year of Construction / Approval	Development / Extension / Renovation	Date / Reference No. of the Approved Plan / CF / CCC	1980 / 1981	A 3-storey main building (Old Wing)	CF bearing certificate no. A3009 was issued by Majlis Perbandaran Ipoh ("MPI") on 19 June 1981.	1990 / 1992	Extension of the existing 3-storey building (Old Wing)	Approved by Majlis Bandaraya Ipoh ("MBI") (formerly MPI) vide plan nos. F2/11/6/1805/90 and F2/11/9/333B/91 on 29 November 1990. CF bearing certificate no. B2918 was issued by MBI on 20 November 1992.	1999	Extension and renovation of the existing 3-storey building (Old Wing)	Approved by MBI vide plan no. MBI F2/9/13/421/98 dated 17 November 1999.	2004 / 2007 / 2008	A 5-storey building with a basement (New Wing)	Approved by MBI vide plan nos. MBI F2/11/5/161/03, MBI F2/11/14/1184/06, MBI F2/L/B/7/68/915/07 and MBI OSC(026-B)/L/B/7/14/28/08 on 13 January 2004, 05 March 2007, 23 October 2007 and 18 April 2008, respectively. CCC bearing certificate no. B8850 was issued by MBI on 05 June 2008.	2016	Renovations of kitchen area of the existing 3-storey building (Old Wing)	Approved by MBI vide plan no. OSC (118-B)/L/B/7/43/123/16 on 14 September 2016.	2019	Renovations of HDU, Ward 3 and Ward 5 of the existing 3-storey private specialist medical centre building (Old Wing)	Approved by MBI vide plan no. OSC (351-B)/L/B/7/92/399/18 on 14 March 2019.											
Year of Construction / Approval	Development / Extension / Renovation	Date / Reference No. of the Approved Plan / CF / CCC																															
1980 / 1981	A 3-storey main building (Old Wing)	CF bearing certificate no. A3009 was issued by Majlis Perbandaran Ipoh ("MPI") on 19 June 1981.																															
1990 / 1992	Extension of the existing 3-storey building (Old Wing)	Approved by Majlis Bandaraya Ipoh ("MBI") (formerly MPI) vide plan nos. F2/11/6/1805/90 and F2/11/9/333B/91 on 29 November 1990. CF bearing certificate no. B2918 was issued by MBI on 20 November 1992.																															
1999	Extension and renovation of the existing 3-storey building (Old Wing)	Approved by MBI vide plan no. MBI F2/9/13/421/98 dated 17 November 1999.																															
2004 / 2007 / 2008	A 5-storey building with a basement (New Wing)	Approved by MBI vide plan nos. MBI F2/11/5/161/03, MBI F2/11/14/1184/06, MBI F2/L/B/7/68/915/07 and MBI OSC(026-B)/L/B/7/14/28/08 on 13 January 2004, 05 March 2007, 23 October 2007 and 18 April 2008, respectively. CCC bearing certificate no. B8850 was issued by MBI on 05 June 2008.																															
2016	Renovations of kitchen area of the existing 3-storey building (Old Wing)	Approved by MBI vide plan no. OSC (118-B)/L/B/7/43/123/16 on 14 September 2016.																															
2019	Renovations of HDU, Ward 3 and Ward 5 of the existing 3-storey private specialist medical centre building (Old Wing)	Approved by MBI vide plan no. OSC (351-B)/L/B/7/92/399/18 on 14 March 2019.																															
<p>All the above mentioned buildings are of similar construction and the details of the specification are as follows: -</p> <table border="1"> <tbody> <tr> <td>Buildings:</td> <td>Constructed of reinforced concrete frame with brick infills rendered externally and plastered internally supporting partly metal roof trusses and purlins laid over with metal deck roofing sheets and partly of concrete flat roof.</td> </tr> <tr> <td>Ceilings:</td> <td>Generally of plaster boards with cornices incorporating downlights, mineral fibre boards incorporating fluorescent lights and air-conditioning ducting with the exception of the toilets which are of flat ceiling sheets.</td> </tr> </tbody> </table>		Buildings:	Constructed of reinforced concrete frame with brick infills rendered externally and plastered internally supporting partly metal roof trusses and purlins laid over with metal deck roofing sheets and partly of concrete flat roof.	Ceilings:	Generally of plaster boards with cornices incorporating downlights, mineral fibre boards incorporating fluorescent lights and air-conditioning ducting with the exception of the toilets which are of flat ceiling sheets.																												
Buildings:	Constructed of reinforced concrete frame with brick infills rendered externally and plastered internally supporting partly metal roof trusses and purlins laid over with metal deck roofing sheets and partly of concrete flat roof.																																
Ceilings:	Generally of plaster boards with cornices incorporating downlights, mineral fibre boards incorporating fluorescent lights and air-conditioning ducting with the exception of the toilets which are of flat ceiling sheets.																																

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



Internal Walls:	Generally of gypsum boards and gypsum boards incorporating glass panels. The male and female toilets are lined with glazed wall tiles up to the ceiling height.
Doors:	Generally, the main entrance to the reception area on the first floor is fitted with an automatically operated double leaf frameless glass panelled door. Other doors are generally of fire rated timber door, timber flush door, timber panelled door incorporating glass panels, an automatically operated double leaf frameless glass panelled door and PVC doors.
Windows:	Generally of aluminium casements incorporating glass panels and top hung units.
Floors:	Generally finished vinyl tiles, glazed marble slabs and ceramic tiles.

Generally, the medical centre buildings are equipped with centralised air-conditioning system, with some rooms fitted with additional split-unit air conditioners. Vertical movement between floors is by means of four units of passenger lifts (each with a capacity of 1,560 kilogrammes / 23 persons), a service lift (with a capacity of 1,000 kilogrammes / 15 persons) and twelve units of reinforced concrete staircases. The medical centre buildings are equipped with medical gas supply system, nurse call button / intercom system and PABX system. Generally, all the buildings are installed with fire fighting systems.

Car Park Bays

There are 197 car park bays within ISH comprising 167 covered car park bays and 30 surface car park bays provided at the southern portion of the site and along the circulation area of the site.

GFA

The GFA computed by SN Low & Associates Sdn Bhd and provided to us by DRMSB are in line with our measurement in accordance with the Uniform Method of Measurement of Buildings, RISM. The GFA and age of each building are tabulated as follows: -

Building	GFA		Age (Year)
	sq. m.	sq. ft.	
i) A 3-storey main building (Old Wing)	12,665.01	136,325	40
ii) A 5-storey building with a basement (New Wing)	14,384.56	154,834	13
iiib) A basement and ground floor car parks (New Wing)	5,205.36	56,030	
Total	32,254.94	347,189	

Beds

Vide a licence to operate bearing licence no. 130803-00150-01/2020 (Borang 4 No. Siri: 005109) with 3 years validity from 25 May 2020 to 24 May 2022 as approved by MOH dated 18 June 2020, we note that ISH is permitted to operate 264 beds ((inclusive of ICU, C ICU and HDU)), 24 cots, 37 bassinets and 41 dialysis chairs. From the prospectus of Al-Aqar REIT dated 24 July 2006, we note that originally there were 138 operational beds and about 66 additional beds (total 204 operational beds) proposed to be included which had been considered in the acquisition. Since, the beds were gradually increased to 225 beds. However, in year 2020 the operational beds have been reduced from 225 beds to 219 beds as 38 beds in Ward 3 were reconfigured to 35 beds and 27 beds in Ward 5 were reconfigured to 24 beds. Thus, total reductions in the operational beds were 65 whilst the total additions were 59. We note from the average occupancy rate, number of inpatients of the ISH over the past 5 years that the occupancy rate has been on the declining trend. In light of the above, the reconfiguration and reduction of the 6 beds are regarded as business strategy to add revenue to ISH and we have adopted existing 219 beds in our projections. The beds are classified into executive suite, single deluxe, single room, double room, three bedded room, four bedded room, ICU, C ICU and HDU.

The configuration of hospital beds, number of rooms and rates are as follows: -

Hospital Bedded	Rate Per Bed Per Night (RM)	No. of Room	No. of Bed
Executive Suite	1,338	1	1
Single Deluxe	250 - 338	13	13
Single Room	150 - 250	27	27
Double Room	80 - 170	44	88
Three Bedded	70 - 90	6	18
Four Bedded	65 - 90	10	40
Eight Bedded	70	4	32
Total (Operational Beds)		105	219
ICU	220	14	14
C ICU	200	1	3
HDU	100		6
Provision for future expansion			22
Total		15	45
Grand Total (Licenced Beds)		120	264

Source: Ipoh Specialist Hospital Sdn Bhd ("ISHSB")

Facilities and Services:

Other medical facilities provided in ISH comprise as follows: -

Other medical facilities	No. of Bed / Room
Operation Theatre (OT) Room	7
Labour Room	3
Nursery	2
CSSD	1
Catheterization Lab	1
Lasik	1

Source: ISHSB

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



	<p>ISH also provides the following services: -</p> <table border="1"> <thead> <tr> <th>Clinical Disciplines</th> <th>Facilities and Services</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> • Anaesthesiology & Critical Care • Cardiology • Physician • General Medicine • General Surgery • Nephrology • Ear, Nose & Throat • Orthopaedic • Paediatric • Gastroenterology • Radiology Services • Laboratory Services • Obstetrician & Gynaecology • Ophthalmology • Neurology • Urology • Geriatric Services • Haemodialysis Services • Special Diagnostic Services (SDU) • Dietetic Services • Diabetic Services • Physiotherapy Services • Medical Record Services • Haematology </td> <td> <ul style="list-style-type: none"> • 24 hours A&E services • Diagnostic Imaging which includes General Diagnostic Radiology, CT Scan, MRI, Bone Densitometry, Digital Mammography with Tomosynthesis (3D) & Fluoroscopy • Dietetic Counseling Service • 3D/4D Ultrasound • Heart Centre • Home Nursing; Physiotherapy & Nursing Care • Intensive Care Unit / Cardiac Care Unit / High Dependency Care Unit • Immunization and Vaccination • In House 24 Hour Pharmacy • 24 hours Laboratory Services • Neonate ICU / Neonate HDU • Operation Theatres and Day Care Surgery • Premier Screening & Wellness Centre • Rehabilitation Medicine • Renal & Dialysis Centre • Special Care Nursery • Special Diagnostic Centre </td> </tr> </tbody> </table> <p>Source: ISHSB</p>	Clinical Disciplines	Facilities and Services	<ul style="list-style-type: none"> • Anaesthesiology & Critical Care • Cardiology • Physician • General Medicine • General Surgery • Nephrology • Ear, Nose & Throat • Orthopaedic • Paediatric • Gastroenterology • Radiology Services • Laboratory Services • Obstetrician & Gynaecology • Ophthalmology • Neurology • Urology • Geriatric Services • Haemodialysis Services • Special Diagnostic Services (SDU) • Dietetic Services • Diabetic Services • Physiotherapy Services • Medical Record Services • Haematology 	<ul style="list-style-type: none"> • 24 hours A&E services • Diagnostic Imaging which includes General Diagnostic Radiology, CT Scan, MRI, Bone Densitometry, Digital Mammography with Tomosynthesis (3D) & Fluoroscopy • Dietetic Counseling Service • 3D/4D Ultrasound • Heart Centre • Home Nursing; Physiotherapy & Nursing Care • Intensive Care Unit / Cardiac Care Unit / High Dependency Care Unit • Immunization and Vaccination • In House 24 Hour Pharmacy • 24 hours Laboratory Services • Neonate ICU / Neonate HDU • Operation Theatres and Day Care Surgery • Premier Screening & Wellness Centre • Rehabilitation Medicine • Renal & Dialysis Centre • Special Care Nursery • Special Diagnostic Centre
Clinical Disciplines	Facilities and Services				
<ul style="list-style-type: none"> • Anaesthesiology & Critical Care • Cardiology • Physician • General Medicine • General Surgery • Nephrology • Ear, Nose & Throat • Orthopaedic • Paediatric • Gastroenterology • Radiology Services • Laboratory Services • Obstetrician & Gynaecology • Ophthalmology • Neurology • Urology • Geriatric Services • Haemodialysis Services • Special Diagnostic Services (SDU) • Dietetic Services • Diabetic Services • Physiotherapy Services • Medical Record Services • Haematology 	<ul style="list-style-type: none"> • 24 hours A&E services • Diagnostic Imaging which includes General Diagnostic Radiology, CT Scan, MRI, Bone Densitometry, Digital Mammography with Tomosynthesis (3D) & Fluoroscopy • Dietetic Counseling Service • 3D/4D Ultrasound • Heart Centre • Home Nursing; Physiotherapy & Nursing Care • Intensive Care Unit / Cardiac Care Unit / High Dependency Care Unit • Immunization and Vaccination • In House 24 Hour Pharmacy • 24 hours Laboratory Services • Neonate ICU / Neonate HDU • Operation Theatres and Day Care Surgery • Premier Screening & Wellness Centre • Rehabilitation Medicine • Renal & Dialysis Centre • Special Care Nursery • Special Diagnostic Centre 				
Consultants / Clinics:	As at the date of valuation, as provided to us by the client, ISH is supported by 114 consultants / doctors.				
Planning Details:	<p>ISH is located within an area designated for commercial use.</p> <p>All the buildings and renovation works are issued with CF and CCC as per the details in the description of the buildings.</p>				
Occupancy Status / Lease Details:	<p>Vide a Lease Agreement dated 30 June 2006 made between Al-Aqar REIT (formerly Al-Aqar KPJ REIT) (being represented by its trustee, ART) as a Lessor, Ipoh Specialist Hospital Sdn Bhd (ISHSB or Lessee) (formerly Medical Associates Sdn Bhd) and DRMSB (Manager), we note that ISH has been leased for a term of fifteen (15) years with an option to renew for a further term of fifteen (15) years, subject to the terms and conditions to be agreed by the parties. The Lease commenced on 30 June 2006 and expires on 29 June 2021.</p> <p>This valuation is carried out pursuant to the proposed renewal of the lease of ISH for a further term of fifteen (15) years.</p>				

b. Valuation

1. Income Approach by Profits Method (DCF)

Parameters Adopted

a)	Occupancy Rate of Beds Adopted				
	Year 1 2021	Year 2 2022	Year 3 2023	Year 4 2024	Year 5 2025
	67.00%	69.35%	71.78%	74.29%	76.89%
b)	No. of Inpatient Admitted Days			2.64	
c)	Ratio of No. of Outpatient / Inpatient			9.90	

Revenue

a)	Consultant Inpatient Revenue Per Occupied Bed	RM 908
b)	Consultant Outpatient Revenue Per Person	RM 89
c)	Hospital Inpatient Revenue Per Occupied Bed	RM2,024
d)	Hospital Outpatient Revenue Per Person	RM 167

Expenses

a)	Cost of Sale		
	i) Material	33.9%	of Hospital Inpatient and Outpatient Revenues
	ii) Direct Staff Cost	12.6%	of Gross Operating Revenue
	iii) Operating Overhead	We have adopted 5% per annum escalation throughout our projection as fair and reasonable representation	

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



b)	Undistributed Operating Expenses		
	i) Administrative & General	10.8%	of Total Operating Revenue
	ii) Sales & Marketing	0.1%	
	iii) POMECS	4.3%	
c)	Quit Rent & Assessment Per Annum (Actual)		RM132,686.50
d)	Insurance Premium to cover F, B, PG, MB, PL, CL, AR and MM Per Annum (Actual)		RM379,648.92
e)	Capital Reserve Fund For The Replacement Of FFE, HOE And CAPEX Adopted in Valuation Per Annum		RM8,600,000
f)	Terminal Capitalisation Rate	8.00%	ISH has an interest in perpetuity
g)	Discount Rate	10.00%	

2. Cost Approach

In arriving at the Market Value of the land component, we have adopted the Market/Comparison Approach. The following sale evidences, amongst others, are considered suitable comparables and adopted: -

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Lot No. / Town / Mukim / District / State:	Lot 3506N / Town of Ipoh (N) / District of Kinta / Perak Darul Ridzuan	Lot 4380S / Town of Ipoh (S) / District of Kinta / Perak Darul Ridzuan	Lot 14741S / Town of Ipoh (S) / District of Kinta / Perak Darul Ridzuan	Lot 2598S / Town of Ipoh (S) / District of Kinta / Perak Darul Ridzuan
Title No.:	Geran 38323	Geran 60183	Pajakan Negeri 363294	Geran 55092
Location:	Located off Jalan Sultan Abdul Jalil	Located along Jalan Sultan Nazrin Shah	Located along Jalan Sultan Nazrin Shah	Located along Jalan Raja Dihilir
Property Type:	A parcel of development land potential for commercial use (Intermediate)	A parcel of development land potential for commercial use currently being used as car park (Corner)	A parcel of commercial land (Corner)	A parcel of development land potential for commercial use (Intermediate)
Location:	Located off Jalan Sultan Abdul Jalil	Located along Jalan Sultan Nazrin Shah	Located along Jalan Sultan Nazrin Shah	Located along Jalan Raja Dihilir
Category of Land Use:	Building	Building	Building	Building
Town Planning:	Residential	Commercial	Commercial	Residential
Tenure:	Interest in perpetuity	Interest in perpetuity	99-year leasehold interest expiring on 09 January 2106 (unexpired term of about 85 years)	Interest in perpetuity
Land Area (sq. ft.):	21,834	41,627	73,834	46,963
Consideration:	RM3,602,676	RM8,800,000	RM13,718,842	RM8,922,980
Date Of Transaction:	06 March 2019	08 August 2018	10 April 2018	10 July 2017
Vendor:	Liew Hoong Thoe	Aun Huat & Brothers Sdn Bhd	Perbadanan Pembangunan Negeri Perak	Lim Sai Tat, Lim Shyh Kuan and Wong Kam Poh
Purchaser:	One Roof Development Sdn Bhd	Capital Pi Sdn Bhd	Child's Partner (M) Sdn Bhd	Lee Seng Hee
Analysis (psf):	RM165.00	RM211.40	RM185.81	RM190.00
Adjustment Factors Considered:	Market condition due to the impact of the Covid-19 pandemic (time), location and accessibility, corner/end premium, shape, category of land use/express condition, planning approval/development order, restriction in interest, size/quantum allowance and tenure.			
Adjusted Value Of Land (psf):	RM202.12	RM195.55	RM196.91	RM194.75
Market Value of Land:	In arriving at the market value using the Market/Comparison Approach, we have emphasized upon Comparable 4 which has the least dissimilarities against the subject property as fair representation of the market value of the land, as per practice in the industry. We have adopted the adjusted value of RM194.75 psf as fair representation which translates into a market value of the commercial land of RM27,677,119 .			

Source: Valuation and Property Services Department, Ministry of Finance

The GCRN of the buildings is RM97,417,113. Depreciation is adopted at a rate of 2% per annum. The DRC of the buildings is RM52,147,300. Thus, the Market Value derived from the Cost Approach is RM79,824,419 and we have rounded up to RM80,000,000.

3. Reconciliation and Opinion of Values

Method of Valuation	Market Value Derived	Market Value Adopted	We have considered the market value derived from the Income Approach by Profits Method (DCF) as fair and accurate representation of the market value of ISH supported by the Cost Approach.
Income Approach by Profits Method (DCF)	RM122,000,000	RM122,000,000	
Cost Approach	RM80,000,000		

APPENDIX III – FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board which individually and collectively accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable enquiries and, to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would, make any statement in this Circular misleading.

2. CONSENT

2.1 AmInvestment Bank

AmInvestment Bank, being the Adviser for the Proposed Lease Renewal, has given and has not subsequently withdrawn their written consent for the inclusion in this Circular of their names, reports and/or letters (where applicable) and all references thereto in the form and context in which they appear in this Circular.

AmInvestment Bank has given its written confirmation that it is not aware of any conflict of interest which exists or is likely to exist in its capacity as the Adviser in respect of the Proposed Lease Renewal.

AmInvestment Bank, its related and associated companies, as well as its holding company, AMMB Holdings Berhad and the subsidiaries and associated companies of its holding company (“**AmBank Group**”) form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction service businesses.

In the ordinary course of their businesses, any member of AmBank Group may at any time extend services to any company as well as hold long or short positions, and trade or otherwise effect transactions, for its own account or the account of its other clients, in debt or equity securities or senior loans of any company. Accordingly, there may be situations where parts of the AmBank Group and/or its clients now have or in the future, may have interests or take actions that may conflict with the interests of KPJ.

As at LPD, the AmBank Group has extended credit facilities of which the amount outstanding is approximately RM61.89 million to KPJ Group.

AmInvestment Bank is the Principal Adviser to both Al-`Aqar and KPJ in relation to the Proposed Lease Renewal. Al-`Aqar and KPJ have respectively appointed independent advisers, to advise the non-interested unitholders of Al-`Aqar, the non-interested shareholders of KPJ and non-interested directors of the Manager and KPJ respectively, in relation to the Proposed Lease Renewal.

Save for the above, AmInvestment Bank is of the view that its role as the Adviser for the Proposed Lease Renewal is not likely to result in a conflict of interest or potential conflict of interest situation for the following reasons:-

- (i) AmInvestment Bank’s role in the Proposed Lease Renewal is undertaken in the ordinary course of business; and
- (ii) AmInvestment Bank undertakes each of its roles on an arm’s length basis and its conduct is regulated by Bank Negara Malaysia and the SC and governed under, inter alia, the Financial Services Act 2013, the Capital Markets and Services 2007, and AmBank Group’s Chinese Wall policy and internal controls and checks.

Premised on the above, AmInvestment Bank confirms that it is not aware of any conflict of interest which exists or is likely to exist in its capacity as the Adviser in respect of the Proposed Lease Renewal.

2.2 Crowe Advisory Sdn Bhd

Crowe Advisory Sdn Bhd, being the independent adviser for the Proposed Lease Renewal, has given and has not subsequently withdrawn their written consent for the inclusion in this Circular of their names, reports and/or letters (where applicable) and all references thereto in the form and context in which they appear in this Circular. Crowe has given a written

APPENDIX III – FURTHER INFORMATION (CONT'D)

2.3 Cheston International (KL) Sdn Bhd

Cheston International (KL) Sdn Bhd, being the independent valuer for the Proposed Lease Renewal, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, the valuation certificates in respect of the Properties as set out in Appendix I of this Circular and all references thereto in the form and context in which they so appear in this Circular.

Cheston has given its written confirmation that it is not aware of any conflict of interest which exists in its capacity as the independent valuer for the Proposed Lease Renewal.

3. MATERIAL COMMITMENTS

Save as disclosed below, as at LPD, there are no other material commitments incurred or known to be incurred by KPJ Group, which upon becoming due or enforceable, may have a material impact on the financial position or business of KPJ Group:-

	Amount (RM'000)
<u>Capital Expenditure</u>	
- Approved by the Directors and contracted	158,877
- Approved by the Directors but not contracted	177,349
Total	<u>336,226</u>
Analysed as follows:-	
- Building	124,839
- Medical equipment	131,080
- Other property, plant and equipment	80,307
Total	<u>336,226</u>

4. CONTINGENT LIABILITIES

There are no contingent liabilities incurred or known to be incurred by KPJ Group as at LPD, which upon becoming due or enforceable, may have a material impact on the financial position or business of KPJ Group.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of KPJ following the date of this Circular from Mondays to Fridays (except public holidays) during business hours up to the date of the EGM:-

- (i) the Constitution of KPJ;
- (ii) the Principal Lease Agreements;
- (iii) the Lease Agreements;
- (iv) the Letters dated 6 April 2021;
- (v) the Valuation Reports of the Properties;
- (vi) the audited consolidated financial statements of the KPJ Group for FY 2019 and FY 2020; and
- (vii) the letter of consent referred to in Section 2 above.



KPJ HEALTHCARE BERHAD
(Registration No. 199201015575 (247079-M))
(Incorporated in Malaysia under the Companies Act, 1965 and deemed registered under the
Companies Act, 2016)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (“**EGM**”) of KPJ Healthcare Berhad (“**KPJ**” or the “**Company**”) will be held at at Tricor Business Centre, Manuka 2 & 3, Unit 29.01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, 8 Jalan Kerinchi, 59200 Kuala Lumpur on Tuesday, 22 June 2021, at 10.00 a.m. for the purpose of considering and if thought fit, passing with or without modification, the following ordinary resolution:-

ORDINARY RESOLUTION 1

PROPOSED LEASE RENEWAL

“**THAT** approval be and is hereby given to the following subsidiaries of KPJ (“**Subsidiaries**”) to enter into the renewal lease agreements with AmanahRaya Trustees Berhad, being the trustee for and on behalf of Al-Aqar Healthcare REIT (“**Al-Aqar**”) (“**Lessor**”) and Damansara REIT Managers Sdn Berhad, being the manager of Al-Aqar to renew the lease of the properties held by the Lessor including the Lessor’s fixtures and fittings (as described in the circular to shareholders dated 21 May 2021) in relation to the following hospitals:-

Subsidiaries	Hospital
(i) Ampang Puteri Specialist Hospital Sdn Bhd	KPJ Ampang Puteri Specialist Hospital
(ii) Rawang Specialist Hospital Sdn Bhd	KPJ Damansara Specialist Hospital
(iii) Ipoh Specialist Hospital Sdn Bhd	KPJ Ipoh Specialist Hospital
(iv) Johor Specialist Hospital Sdn Bhd	KPJ Johor Specialist Hospital
(v) Pasir Gudang Specialist Hospital Sdn Bhd	KPJ Puteri Specialist Hospital
(vi) Selangor Specialist Hospital Sdn Bhd	KPJ Selangor Specialist Hospital

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things and enter into any arrangements, guarantees, agreements and/or undertakings and, sign, execute and deliver all documents as they deem necessary or expedient in order to implement, finalise and/or give full effect to and complete the Proposed Lease Renewal with full powers to assent to any terms, conditions, modifications, variations and/or amendments as the Directors of the Company may deem fit, necessary and/or expedient in the interest of KPJ or as may be imposed by any relevant authority or consequent upon the implementation of the said conditions, modifications, variations and/or amendments to implement, finalise and/or give full effect to and complete the Proposed Lease Renewal.”

**By Order of the Board,
KPJ HEALTHCARE BERHAD**

HANA BINTI AB RAHIM @ ALI, ACIS (MAICSA 7064336)
Secretary

Kuala Lumpur
Dated: 21 May 2021

Notes:-

IMPORTANT NOTICE

1. The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016** which requires the Chairperson of the meeting to be present at the main venue of the meeting.

Shareholders **WILL NOT BE ALLOWED** to attend the EGM in person at the Broadcast Venue on the day of the meeting.

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "**participate**") remotely at the EGM via the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("**Tricor**") via its **TIIH Online** website at <https://tiih.online>. **Please follow the Procedures for RPV in the Administrative Guide on EGM and take note of Notes (2) to (14) below in order to participate remotely via RPV.**

2. For the purpose of determining who shall be entitled to participate in this EGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 15 June 2021**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this EGM via RPV.
3. A member who is entitled to participate in this EGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
4. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the EGM via RPV.
5. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
6. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("**Central Depositories Act**"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares 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 shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
8. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
9. A member who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this Annual General Meeting via RPV must request his/her proxy to register himself/herself for RPV at TIIH Online website at <https://tiih.online>. **Please follow the Procedures for RPV in the Administrative Guide on EGM.**
10. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Poll Administrator of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) By electronic form

The proxy form can be electronically lodged with the Poll Administrator of the Company via TIIH Online at <https://tiih.online> (applicable to individual shareholders only). Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIIH Online.
11. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
12. Last date and time for lodging the proxy form is **Monday, 21 June 2021 at 10.00 a.m.**

13. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Poll Administrator of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than twenty-four (24) hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
14. For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with the Poll Administrator of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member; or
 - (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

Proxy Form



KPJ HEALTHCARE BERHAD
199201015575 (247079-M)

CDS Account No.	No. of shares held

I/We _____ Tel: _____
[Full name in block and as per NRIC/passport, NRIC/Passport/Company No.]

of _____
[Full address]

being member(s) of KPJ Healthcare Berhad, hereby appoint:

Full Name (in Block and as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or* (*delete as appropriate)

Full Name (in Block and as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairperson of the Meeting, as ^my/our proxy/proxies to vote for ^me/us and on ^my/our behalf at Extraordinary General Meeting of the Company to be held at the broadcast venue, Tricor Business Centre, Manuka 2 & 3, Unit 29.01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, 8 jalan Kerinchi, 59200 Kuala Lumpur on Tuesday, 22 June 2021 at 10 a.m. or any adjournment thereof, and to vote as indicated below:

Description	Resolution	For	Against
Proposed Lease Renewal	Ordinary Resolution 1		

Signed this _____ day of _____ 2021

Signature

Notes:-

1. IMPORTANT NOTICE

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016** which requires the Chairperson of the meeting to be present at the main venue of the meeting.

Shareholders **WILL NOT BE ALLOWED** to attend the EGM in person at the Broadcast Venue on the day of the meeting.

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, **"participate"**) remotely at the EGM via the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its **TIH Online** website at <https://tih.online>. **Please follow the Procedures for RPV in the Administrative Guide on EGM and take note of Notes (2) to (14) below in order to participate remotely via RPV.**

- For the purpose of determining who shall be entitled to participate in this EGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 15 June 2021** Only a member whose name appears on this Record of Depositors shall be entitled to participate in this EGM via RPV.
- A member who is entitled to participate in this EGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.

- A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the EGM via RPV.
- If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
- Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("**Central Depositories Act**"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.



9. A member who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this Annual General Meeting via RPV must request his/her proxy to register himself/herself for RPV at **TIIH Online** website at <https://tjih.online>. **Please follow the Procedures for RPV in the Administrative Guide on EGM.**
10. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote:
- (i) In hard copy form
- In the case of an appointment made in hard copy form, the proxy form must be deposited with the Poll Administrator of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
- (ii) By electronic form
- The proxy form can be electronically lodged with the Poll Administrator of the Company via TIH Online at <https://tjih.online> (applicable to individual shareholders only). Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIH Online.
11. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
12. Last date and time for lodging the proxy form is **Monday, 21 June 2021 at 10.00 a.m.**
13. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Poll Administrator of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than twenty-four (24) hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
14. For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with the Poll Administrator of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:
- (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member; or
- (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
- (a) at least two (2) authorised officers, of whom one shall be a director; or
- (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

1st Fold Here

AFFIX
STAMP

The Company Secretary of
KPJ HEALTHCARE BERHAD (247079-M)
Level 17
Menara KPJ
238, Jalan Tun Razak
50400 Kuala Lumpur
Wilayah Persekutuan
Malaysia

2nd Fold Here

Fold This Flap For Sealing
