



**AdvanceTC Limited**  
B-1-8, Sunway Nexis,  
Jalan PJU 5/1,  
Kota Damansara,  
47810 Petaling Jaya,  
Selangor, Malaysia

Date: 16 July 2021

Dear Sirs/Madams,

**Re: Valuation Summary Letter**

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We have prepared a valuation report in relation to the market value of 100% equity interests in AdvanceTC Limited (the "Company") for internal reference purpose, which might be disclosed publicly. Subject to the major assumptions in section 1, the valuation result was approximately USD 3.015 billion as at 26 May 2021 (the "Date of Valuation") in which we have applied income approach, a discounted cash flow model, to implement the valuation based on the financial projection provided by the management of the Company (the "Management").

For the valuation performed based on the income approach, we have adopted the following major valuation assumptions:

**1. MAJOR ASSUMPTIONS**

- The current valuation result is significantly different from the implied market capitalization of the Company as at the Date of Valuation, which expresses the business expectation from the perspective of the Management and should be handled with caution;



- The valuation was primarily based on the financial projection (including assumptions of the Company's ability to continue as a going concern, and the effect of COVID-19 on the Company's operations and cash flows) of the Company as at the Date of Valuation as provided by the Management. The projection outlined in the financial information provided was assumed to be reasonable, reflecting market conditions and economic fundamentals, and will be materialized;
- The unaudited consolidated financial statements of the Company as at 31 May 2021 can reasonably represent the financial position as at the Date of Valuation and there would be no material difference in the financial statements between 31 May 2021 and the Date of Valuation since consolidated financial statements as at the Date of Valuation were not available;
- The projection on trade receivables, inventories and trade payables was based on the turnover days estimated by the Management;
- Since the Company is a listed company, we assumed that there was no significant liquidity issue that might materially impair the Company's market value as at the Date of Valuation. Therefore, no marketability discount was applied;
- The Company would be operated and developed as planned by the Management throughout the forecasted period, and the development would be in line with the financial projection;
- All relevant legal approvals and business certificates or licenses to operate the business in the localities in which the Company operates or intends to operate would be officially obtained;
- There will be sufficient supply of technical staff in the industry in which the Company operates, and the Company will retain competent management, key personnel and technical staff to support its ongoing operations and developments;
- There will be no major change in the current taxation laws in the localities in which the Company operate or intend to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with;



- There will be no major change in the political, legal, economic or financial conditions in the localities in which the Company operates or intend to operate, which would adversely affect the revenues attributable to and profitability of the Company; and
- Interest rates and exchange rates in the localities for the operation of the Company will not differ materially from those presently prevailing.

## 2. LIMITING CONDITIONS

The opinion of value is not, in any form whatsoever, an investment recommendation to any stakeholders of the Company or the general public. We assume no responsibility whatsoever to any person other than the directors and the Management in respect of, or arising out of, the content of the valuation report. If others choose to rely in any way on the contents, including any potential gain or loss from the investment in the Company, they do so entirely at their own risk.

The valuation reflects facts and conditions existing at the Date of Valuation. Subsequent events or circumstances have not been considered and we are not required to update the valuation report for such events and conditions.

We would particularly point out that the valuation was based on the information such as the Company background and business nature of the Company provided to us.

To the best of our knowledge, all data set forth in the valuation report are assumed to be reasonable and accurately determined. The data, opinions, or estimates identified as being furnished by others that have been used in formulating the analysis are gathered from reliable sources; yet, no guarantee is made nor liability assumed for their accuracy.



We have relied on the historical and/or prospective information provided by the Management and other third parties to a considerable extent in arriving at their opinion of value. The information has not been audited or compiled by us. We are not in the position to verify the accuracy of all information provided to us. However, we have had no reason to doubt the truth and accuracy of the information provided to us and to doubt that any material facts have been omitted from the information provided. No responsibilities for the operation and financial information that have not been provided to us are accepted.

We assumed that the Management is competent and perform duties under the Company regulation. Also, ownership of the Company was in responsible hands, unless otherwise stated in the valuation report. The quality of the Management may have direct impact on the viability of the business as well as the market value of the Company.

We have not investigated the title to or any legal liabilities of the Company, and have assumed no responsibility for the title to the Company appraised.

Our conclusion of the market value was derived from generally accepted valuation procedures and practices that rely substantially on the use of various assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained. The conclusion and various estimates may not be separated into parts, and/or used out of the context presented herein, and/or used together with any other valuation or study.

No change to any item in any part of the valuation report shall be made by anyone except us. We have no responsibility for any such unauthorized change. Neither all nor any part of the valuation report shall be disseminated to the public without the written consent and approval of us through any means of communication or referenced in any publications, including but not limited to advertising, public relations, news or sales media.

The valuation report may not be reproduced, in whole or in part, and utilized by any third parties for any purpose, without the written consent and approval of us.

The working papers and models for the valuation are being kept in our files and would be available for further references. We would be available to support the valuation if required. The title of the valuation report shall not pass to the Company until all professional fee has been paid in full.



### **3. REMARKS**

The above summary was extracted from the valuation report dated 16 July 2021 issued by us. In case of doubt or discrepancy, the content of the valuation report shall prevail.

Yours faithfully,  
For and on behalf of  
**Roma Appraisals Limited**