

LTKM BERHAD (“LTKM” or the “Company”)

Further to the announcement made on 22 December 2015 regarding the Disposal of Property by a wholly-owned subsidiary of the Company (“the said Disposal”), the Board wishes to furnish additional information relating to the said Disposal:

a. Information of the Property

Erected on the land is a factory complex which comprises the following:-

- i) A double storey office building
- ii) A single storey factory annexed
- iii) A TNB sub-station
- iv) A refuse chamber; and
- v) A guardhouse

This factory complex has a total built-up area of approximately 80,000 square feet.

b. Information of JM Asijaya Sdn Bhd (“JMSB” or “the buyer”)

The details of the directors and shareholders of JMSB are listed hereunder:

Directors of JMSB

Teoh Cha Hai (NRIC No.: 550528-07-5403)

Yeoh Kam (NRIC No.: 561219-02-5326)

Shareholders of JMSB

Teoh Cha Hai (NRIC No.: 550528-07-5403)

Yeoh Kam (NRIC No.: 561219-02-5326)

c. Basis and justification for the Disposal Consideration

The market value of the Property is RM26 million as appraised by Henry Buttcher Malaysia (Sel) Sdn. Bhd. (“HBM”), an independent professional valuer, using the Comparison Method and Cost Method of Valuation. According to HBM’s valuation report, the current Market Value (“MV”) may be apportioned as follows:

Land - RM14,250,000.00

Building - RM11,750,000.00

Total MV - RM26,000,000.00

The date of valuation for this subject property by HBM was on 11 February 2015.

d. Rationale for the disposal

The Property was originally constructed by LJSB for glass manufacturing operation. When LJSB ceased its business operation in the financial year ended 31 March 2012, the Property was subsequently rented out. The Company therefore has no further use for the Property, after the tenant vacated the premise in 2014.

Hence, the Proposed Disposal will allow LTKM to unlock the potential value of the Property and generate cash and increase opportunity for LTKM to acquire strategic landbank in the future.

This announcement is dated 23rd December 2015.