

BERTAM ALLIANCE ERHAD (“BERTAM” OR THE “COMPANY”)

PROPOSED RATIFICATION ON THE JOINT VENTURE (“JV”) BETWEEN SUNRISE AVENUE SDN BHD (“SASB” OR THE “DEVELOPER” OR THE “SUBLESSEE”), A WHOLLY-OWNED SUDIARY OF BERTAM, AND ROSALIA ANTHONY (“ROSALIA” OR THE “SUBLESSOR”) FOR THE PROPOSED DEVELOPMENT OF LOT B LANDS (AS DEFINED IN APPENDIX I) INTO COMMERCIAL DEVELOPMENT (“JV COMMERCIAL PROJECT DEVELOPMENT”), STRICTLY CONDITIONAL UPON APPROVAL OF THE APPLICATION FOR AMALGAMATION, SUDIVISION AND CONVERSION OF THE LAND TITLES IN LOT B LANDS FROM NATIVE TITLES (“NT”) INTO COUNTRY LEASE (“CL”) TITLES AND/OR TOWN LEASE LANDS (“PROPOSED JV RATIFICATION - LOT B LANDS”) (AMENDED)

1. INTRODUCTION

The Board of directors of Bertam (“**Board**”) wishes to announce that its wholly-owned subsidiary, SASB, had on 21 September 2015, entered into a joint-venture agreement with Rosalia to undertake the JV Commercial Project Development (“**JVA – Lot B Lands**”), strictly conditional upon approval of the application for amalgamation, subdivision and conversion of the land titles in Lot B Lands from NT to CL Title or Town Lease land title.

On 21 September 2015, the Board of directors of SASB approved the execution of the JVA.

Subsequent to the execution of the above JVA, SASB and Rosalia had executed various agreements as set out in Section 2 below to further protect the interest of SASB.

2. DETAILS OF THE PROPOSED LOT B JV RATIFICATION

2.1 Background Information on the Proposed JV Ratification – Lot B Lands

On 21 September 2015, SASB and Rosalia executed the JVA – Lot B Lands. The entering into the said JVA was also intended to define, regulate and establish the respective rights and obligations of SASB and Rosalia in relation to the JV SASB Project Development.

The JVA also included the granting of a Sublease of the Lot B Lands by Rosalia to SASB for a period of thirty (30) years (“**Sublease - Lot B Lands**”) at an annual rental of RM559,172 with an upfront payment for the entire thirty (30) years totalling RM16,775,160 payable by SASB to Rosalia. The Sublease arrangement will cater for the development of the commercial project in Lot B Lands pending the approval on the amalgamation, subdivision and conversion of the land titles in Lot B Lands from NT to CL Titles, from the Lands and Surveys Department of Kota Kinabalu, Sabah (“**Lands and Surveys Department**”).

Pursuant to the JVA – Lot B Lands, SASB and Rosalia shall be entitled to 95% and 5% of the net profits of the JV Commercial Project Development respectively.

On 30 September 2015, SASB entered into a supplemental joint-venture agreement (“**Supplemental JVA – Lot B Lands**”) with Rosalia to effect certain amendments and variations to the terms and conditions of the JVA – Lot B Lands. The Supplemental JVA – Lot B Lands served to further protect SASB’s interest in the event the application for

the amalgamation, subdivision and conversion of the Lot B Lands was granted with onerous terms by the Lands and Surveys Department, thereby restricting the transfer of ownership of Lot B Lands to SASB. In this respect, Rosalia shall execute an irrevocable power of attorney (“**PA - Lot B Lands**”) to SASB with full powers including powers to execute the valid and registrable memorandum of transfer and all other relevant documents for the effectual transfer of the CL or Town Lease into SASB’s name or SASB’s nominees and the execution of a trust deed declaring that Rosalia is holding the CL or Town Lease as are trustee for the Developer. The Supplemental JV – Lot B Lands allows full and absolute control over all aspects of the development of Lot B Lands including but not limited to the rights of SASB to submit the development plan and building plan (collectively known as “**Approved Plans**”) to the relevant authorities for approval at its sole decision; to bind both parties, namely Rosalia and SASB, on the Approved Plans relating to the JV Commercial Project Development; and to promote, market and sell all the residential units to be developed on Lot B Lands at such costs and prices where it deems fit and proper.

In view of the above, Rosalia had accordingly executed and delivered to SASB a valid and registrable full power of attorney in favour of SASB authorising and empowering SASB to deal with all matters pertaining to Lot B Lands including, but not limited to the power to develop the Lot B Lands, to encumber the Lot B Lands for financing purpose, to sell or transfer all or any part of the Lot B Lands to be developed and to undertake all necessary matters in the development of the Lot B Lands into residential which will be dated, stamped and registered with the Central Land Registry, Kota Kinabalu as soon as the surrender of the Lot B Lands have been accepted by the Penampang Land Office.

As at the date of executing the JVA on 21 September 2015, the completion of the sale and purchase agreements entered into between the respective owners of Lot B Lands and Rosalia (“**SPA – Lot B Lands**”); and the transfer of land titles from the owners of Lot B Lands to Rosalia have been registered on 16th Oct 2015

Subsequently, on 5 April 2016, SASB entered into six (6) Memorandum of Sublease for each of the lands under Lot B Lands with Rosalia for the sub-leasing of each parcel of the lands under Lot B for a period of thirty (30) years commencing on 5 April 2016 and expiring on 4 April 2046 (“**Sublease**”). The aggregate annual and 30-year lease rental payment amounted to RM RM559,172 and RM16,775,160 respectively. Each of the Memorandum of Sublease sets out the rights accorded to SASB to have full access to the lands, to develop and to construct infrastructure on the lands; the rights to transfer the said Sublease to any third party and to assign or pledge the Subleased land to any financial institutions for the purpose of securing financing facilities; that Rosalia has also covenanted to create third-party charge in favour of any financial institution for such purpose; the annual and thirty (30) years lease rental payment payable by SASB as disclosed in **Appendix I** of this announcement; and their respective obligations. As a condition precedent to this Sublease, the Sublessor is required to grant an irrevocable option to the Sublessee to purchase the said lands and Sublessee shall be deemed to have exercised the option to purchase the said lands immediately upon approval for the conversion of the said lands into CL or Town Lease (“**Sublease Condition Precedent**”).

The Sublease Condition Precedent is disclosed in **Appendix IV** of this announcement.

The other salient terms of the JVA – Lot B Lands, Supplemental JVA - Lot B Lands and Memorandum of Sublease – Lot B Lands are disclosed in **Appendices II, III and IV** respectively of this announcement.

2.2 Information on Lot B Lands

The Lot B Lands are as disclosed in **Appendix I** of this announcement.

The Lot B Lands are of irregular shape, mainly flat terrain and are below the feeder road and Jalan Pintas-Donggongon.

The Lot B lands are strategically located near the commercial hub of Sabah, Kota Kinabalu, with a distance of approximately 7.1 kilometres linear due south of Kota Kinabalu City Centre; and about 3.1 kilometres linear due north-west of Donggongon New Township, the Greater of Kota Kinabalu.

The Lot B Lands are bounded by Jalan Lintas on the north and Jalan Pintas on the east or about 1.9 kilometres linear due south of the intersection between Jalan Lintas and Jalan Pintas within the District of Penampang. The Lot B Lands are easily accessible from the city center and other parts of Greater Kota Kinabalu via the readily available public transportation along Jalan Pintas-Donggongon (Penampang Bypass) and Jalan Penampang to and from Kota Kinabalu City Centre.

The completion of the Penampang Bypass has spurred the property development, both in residential and commercial, surrounding the highway such as Kepayan, Kobusak, Nosoob and Donggongon. Notable residential (condo living) developments in the immediate surrounding area comprise Lido Four Seasons, Surian Residences and The Light Residences, to name a few, all of which are medium to high-end luxurious condominium. The major commercial centers in the immediate surrounding area comprise Plaza Grand Millennium, Cyber Square, Plaza 333 and Kobusak Commercial Center, to name a few, while the newly completed commercial centers include Pintas Square, I-Plaza and C-Park. One up-coming commercial development is the International Technology & Convention Centre (“**ITTC**”) Penampang Shopping Mall.

The location plans of Lot B Lands are shown edged in **ORANGE** on the plans as append in Appendix IA of this announcement.

2.3 Proposed Development on Lot B Lands

The JV Commercial Project Development involves the development of 108 units of 2-Storey Shop Office with a built-up area of approximately 1,568 square feet per unit covering a land area of 7.572 acres.

The Development Plan for the JV Commercial Project Development has been submitted to the Penampang Council on 27 August 2016 for approval. The development is expected to span over a period of 3 years with an estimated gross development value of approximately RM129,464,800.00 and an estimated gross development cost of approximately RM92,919,197.00. This project will result in a projected gross profit of approximately RM36,545,603.00 and net profits of approximately RM26,095,576.00 to Bertam Group over the next 3 years.

As at the LPD, the proposed development for Lot B Lands is in its preliminary stages and work has yet to commence as it is still subject to obtaining the Development Plan and Building Plan approvals from the Penampang Council, Sabah. SASB had on, 27 December 2017 submitted its Development Plan to the Penampang Council for its approval. Consequently, the name of the proposed development for Lot B Lands has not been determined.

Subject to obtaining the approvals from the relevant authorities and shareholders of Bertam, the proposed development on Lot B Lands is targeted to commence in October 2019 and is to be completed in October 2022.

Bertam intends to fund the development costs or any other costs associated in putting the Lot B Lands on-stream for development either through internally generated funds and

future debt or equity fund raising exercise(s) or a combination of both debt and equity fund raising exercises.

2.4 Basis of Sublease Payment and Justification for the JV

The upfront lease rental payment for the 30-year Sublease – Lot B Lands of RM16,775,160 was arrived at on a willing-buyer willing-seller basis, and after taking into consideration, amongst others, the following:

- (i) The development potential and prospects of Lot B Lands in view of their strategic location that is close to the Kota Kinabalu city center; Donggongon, the Greater of Kota Kinabalu and the Penampang Bypass;
- (ii) Potential GDV to be generated from the JV Commercial Project Development of approximately RM129,464,800.00 based on the management's estimate used in the preliminary proposed Development Plan; and
- (iii) The Group's knowledge of the market value of similar lands transacted in the vicinity.

Given that the Group's knowledge of the market value of similar lands transacted in the vicinity, the Group did not appoint any independent valuers to conduct a valuation of the Lot B Lands at that point of SASB entering into the JVA with Rosalia.

2.5 Mode and Source of Funding

The upfront lease rental payment for the 30-year Sublease – Lot B Lands of RM16,775,160 was funded through internally generated funds.

2.6 Liabilities to Be Assumed

Save for SASB's obligations as set out in the JVA – Lot B Lands, Supplemental JVA – Lot B Lands and Memorandum of Sublease – Lot B Lands, there are no other liabilities including contingent liabilities and guarantees, to be assumed by Bertam or its subsidiaries pursuant to the Proposed JV Ratification – Lot B Lands.

2.7 Additional Financial Commitment

Save for the estimated gross development cost of approximately RM92,919,197.00, for the proposed development on Lot B Lands which shall be funded through internally generated funds and/or debt or/and equity financing, there are no other material additional financial commitment expected to be incurred in the development of Lot B Lands.

2.8 Encumbrances on Lot B Lands

The Lot B Lands are free from encumbrances.

3. INFORMATION ON SASB

SASB was incorporated on 16 September 1991 in Malaysia under the Malaysia Companies Act, 1965 as a private limited company. SAS is principally involved in property development.

As at the LPD, the authorised share capital of SASB is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each ("SASB Shares") of which 2,050,000 shares have been issued and fully paid-up.

The present directors of SASB are Lim Nyuk Foh and Chiew Boon Chin,

SAS is a wholly-owned subsidiary of Bertam.

4. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED JV RATIFICATION – LOT B

Bertam opined that the JV provides an opportunity for the Group to gain access to 7.572 acres of strategic land within a rapid growth area commercial hub of Kota Kinabalu and Penampang.

The Lot B Lands are also situated near Kota Kinabalu International airport (about 5.0 kilometers) and Donggongon (Greater Kota Kinabalu (about 1.9 kilometers) with good access to the city and urban center via the Penampang Highway. taking into cognisance of scarcity in strategic land in urban center. Moreover, the JV enables the Group to continue undertaking property development in Sabah and thus, strengthening their presence in Sabah.

5. ECONOMY AND INDUSTRY OVERVIEW AND PROSPECTS OF LOT B LANDS

5.1 Overview of the Malaysian Economy

The Malaysian economy recorded a higher growth of 5.6% in the first quarter of 2017 (4Q 2016: 4.5%). Private sector activity was higher and remained as the main driver of growth. Domestic demand growth increased to 7.7% in the first quarter of the year (4Q 2016: 3.2%), supported by continued expansion in private sector expenditure (8.2%; 4Q 2016: 5.9%) and the turnaround in public sector expenditure.

Private consumption grew by 6.6% (4Q 2016: 6.1%). Household spending remained supported by continued expansion in employment and wage growth. The implementation of selected Government measures, including the higher amount of Bantuan Rakyat 1Malaysia cash transfers, also provided additional impetus to household spending.

Public consumption recorded a stronger growth of 7.5% (4Q 2016: -4.2%) attributed to higher spending on both emoluments and supplies and services. Public investment registered a higher growth of 3.2% (4Q 2016: -0.4%), driven mainly by higher spending on fixed assets by public corporations.

On the supply side, most economic sectors expanded at a faster pace. The improvement in the overall growth was contributed primarily by the turnaround in the agriculture sector and higher growth in the manufacturing and services sectors.

Growth in the agriculture sector rebounded as crude palm oil yields recovered from the negative impact of El Niño. The performance of the sector was also supported by a double-digit expansion in rubber production. In the manufacturing sector, growth was driven mainly by the electronics and electrical segment, in line with the continued favourable global demand for semiconductors. The domestic-oriented industries were supported by the continued demand for food-related products and a rebound in the motor vehicle production.

The services sector expanded at a faster pace in the first quarter. Growth in the wholesale and retail sub-sector improved in line with higher household spending. The finance and insurance sub-sector also registered higher growth, supported by improvements in loan growth and capital market activity amid higher issuance of initial

public offerings. Growth in the construction sector was stronger, supported by civil engineering activity in the petrochemical, power plant and transportation segments.

In the mining sector, growth moderated on lower crude oil production, particularly in Sarawak and Peninsular Malaysia, as part of the global initiative to reduce oil production.

Inflation increased to 4.3% in the 1Q 2017 driven by higher costs, but is expected to moderate in the second quarter onwards. However, compared to the forecast at the beginning of the year, the upside risks to global oil prices have increased given the rising geopolitical tensions in the Middle East and the possibilities of an extension to OPEC's output cut agreement. While the impact of these developments on global oil prices remain limited at this juncture, if they persist, inflation could average higher than forecasted.

Going forward, the Malaysian economy is on track to register higher growth in 2017 driven by domestic demand.

(Source: Malaysian Economy in the First Quarter of 2017, Bank Negara Malaysia Quarterly bulletin)

5.2 Overview of the Sabah Economy

Sabah recorded the second fastest economic growth in Malaysia in 2015 at 6.1% compared to the national economic growth that registered 5% *(Source: Department of Statistics Malaysia 2016)*. It has also emerged 5th in the top 5 places in the country for commercial investment or development after Kuala Lumpur as the top choice followed by Selangor, Johor and Penang. According to Knight Frank's Malaysia Commercial Real Estate Investment Survey 2017, Sabah is also voted along with Penang as the highly-attractive regions for hotel and leisure investment, likely attributed to its strong tourism market. Presently, the State Government of Sabah is working on improving infrastructure such as Pan Borneo Highway, the ports and utilities together with the development of human capital which will open more opportunities for new growth centers and spur economy activities along its path in Sabah. For 2017, Sabah is expected to maintain a stable Gross Domestic Product ("GDP") growth momentum of between 4% and 4.5%, on the back of recovery prospects for commodity prices and the global economy in general. The economic activities in Sabah will be mainly driven by tourism, investment, public spending and exports

(Source: www.dailyexpress.com.my).

5.3 Overview of the Overall Property Industry in Malaysia

House prices have remained steady despite a slowdown in property sales and a huge overhang of unsold units.

According to the Valuation & Property Services Department's (JPPH) Property Market Report 2016, prices of residential property continued to grow, albeit moderately despite the current market glut.

There were 14,792 overhang units worth RM8.56bil, up by 43.8% in volume and 70.7% in value, against 2015. About 42% (6,052) of these overhang units were in the price range of RM500,000 and above. By state, Johor saw an increasing overhang market share of 24.8%, which mainly was made up of two- to three-storey terraced houses priced at RM500,000 and above (43.2%).

The unsold units under construction and not constructed had also succumbed to an increase of 29.3% and 44.7% to 64,077 units and 11,622 units, respectively. Selangor, Johor and Penang held more than half of these unsold under construction units, which were predominantly made up of double-storey terrace and apartments/condominiums priced at RM500,000 and above. As for the unsold units not constructed, Kuala Lumpur (27.2%) and Penang (25.1%) held the most, which were mainly apartment/condominium units.

The Malaysian property market would endure another challenging year in 2017 as the enduring global political uncertainty and low domestic economic growth will continue to have an impact on the sector. However, it said the performance of the local property market will continue to be sustained with the implementation of various property-related incentives and accommodative monetary policy.

JPPH director-general Rahah Ismail said developers would need to come up with the right product and pricing to withstand the property market slowdown. The main segment would be the affordable housing segment. That is what is most in demand and the developer has to respond to that need. According to JPPH, affordable houses continued to be in demand last year, with more than 65% of the residential transactions within RM300,000 and below.

There were 203,064 transactions worth RM65.57bil last year compared with 235,967 transactions worth RM73.47bil in 2015. The performance of all states recorded declines in market activity except for Kelantan. New launches in the primary market dropped 9.8% to 52,713 units last year, with sales performance hitting a low of 31.4% compared with 42.1% in 2015. By property type, condominiums/apartments formed the bulk (37% share), followed by two to three-storey terraced houses (36.2%), which were mostly priced in the range of RM500,000 to RM1mil. All states saw substantial declines in their new launches last year except for Johor, Penang, Melaka, Terengganu and Sabah. Kuala Lumpur and Selangor saw sales performance below 40% for nearly all its new launches comprised condominiums/apartments; and two to three-storey terraces and condominiums/apartments respectively.

The report said construction activities remained on a low tone, which reduced by 15.1% to 121,326 units. All major states except Kuala Lumpur recorded lower commencements. Completions were up by 9.3% to 78,216 units, whilst new planned supply units saw an 11.3% increase to 120,089 units. As at end of 2016, there were 4.95 million existing residential units with nearly 830,000 in the incoming supply and 600,000 in the planned supply categories.

(Source: thestar.com.my/business/business-news/2017/04/19)

5.4 Overview of the Overall Property Industry in Sabah

Based on the Sabah Housing and Real Estate Developers Association's ("SHAEDA's") Property Development Annual Report and Market Outlook 2017, Sabah recorded a total GDV of RM2.94 billion for 6,408 units in 2016 as compared to RM2.669 billion in 2015, showing a slight increase of 10.15% on the overall outlook. Even though in this economic turmoil, the property developers are slowly regaining their confidence in launching more vibrant products in condominiums and apartments with a higher total GDV of RM1.753 billion in 2016 as compared to RM910 million in 2015, i.e., an increase of 92.6%.

The West Coast Division of Sabah contributed approximately RM2.441 billion representing 83% of the total gross GDV of RM2.94 billion for 5,449 units. Its total gross GDV for the condominiums/apartments sector stood at RM1.540 billion for 4,381 units recording a significant increase of 69.2% from 2015 to 2016 while the

total gross GDV for its SASB sector recorded at RM0.641 billion for 698 units, an increase of 31.1% from 2015 to 2016.

There were eight (8) condominiums/apartments launched in the West Coast Division of Sabah in 2016 comprising Bukit Bantayan Residences, Maya Likas, E Residence Phase 1, Universiti Utama Condominium Phase 6, Bukit Saujamas, Kingfisher Inamam and Kingfisher Putatan, all in the vicinities of Inaman, Likas, Telipok and Putatan. These condominiums/apartments represent the medium to high ends with built-up areas ranging from 414 square feet to 2,084 square feet.

As for the SASB sector, there were six (6) commercial developments launched in the West Coast Division of Sabah in 2016 comprising Manhattan Suites, HM Solaris, Paper Square, Seri Putatan Commercial Center, GM City (Emum Tower) and ZII Avenue – Phase 1 the ZII@KK South, all in the vicinities of Penampang, Tuaran, Papar, Putatan, Menggatal and Kinarut. The property type of these commercial properties consist of soho, 2 or 3 storey shop office and commercial shoplots, all of which are located more than 10 kilometers from the city center, Kota Kinabalu.

It is expected that the property market outlook for 2017 will be slow until the second quarter of 2017 due to the weak Ringgit Malaysia currency and external factors like REXIT and TRUMPISM. To counter the softening of the market sentiments, developers have geared their home offerings towards the middle-income segment. Notwithstanding the above, the implementation of the Pan Borneo Highway and also other infrastructural projects together with the resounding oil palm price will elevate the growth of Sabah's economy and hence, increase the effective demand of the market.

(Source: Property Development Annual Report and Market Outlook 2017, SHARED A)

5.5 Prospects of Lot B Lands

As set out in Section 2.2 of this announcement, the Lot B Lands are located in a prime and strategic location in between Jalan Lintas Highway and Jalan Pintas Penampang/Penampang Bypass and are in close proximity to city center in Kota Kinabalu, Kota Kinabalu International Airport and Donggongan, the Greater Kota Kinabalu.

The Lot B Lands are also near the newly completed commercial center, International Technology & Commercial Centre (“**ITCC**”) Penampang, a “Private Sector Initiative Project” by the Sabah Economic Development and Investment Authority (SEDIA) under the Sabah Development Corridor (SDC). It is the largest mix-development project in that area and has over 677 lots of retail outlets available, restaurants, bars, Cineplex, Banquet Hall, Science & Technology Centre and Conference & Exhibitions Centre adjacent to modern architecturally designed Office, Hotel and Hotel Suites in the heart of a bustling District of Penampang will be. Moreover, it is equipped with a dedicated high speed 100M broadband connectivity.

Presently, there are only small pockets of developments along the Jalan Penampang Bypass. One of the latest and newest commercial centre with the most number of shop offices by far is the Kousak Commercial Centre or also known as “Plaza 333”, comprising 80 units of 3-storey shop office fully sold with occupancy rate about 80%. Other new and on-going developments within 10 kilometers radius of the subject land include I-Plaza, C-Park, Padimas Point Phase 2, Austin Business Park, Wisma Langat, Donggongan Avenue and T1 undusan, just to name a few.

Bertam Group intends to develop the land into affordable smaller 2-storey shop office units to cater for the small and mid-size businesses. The shop office will also be of modern design taking into cognisance that the residential property market in Kota Kinabalu is evolving from the conventional housing development into contemporary and luxurious housing concept.

With the interconnectivity of major highways for convenient access to the Kota Kinabalu International Airport, city center, Donggong, ITCC Penampang, schools and commercial areas, this will provide our future buyers of the JV Residential Project Development with a holistic approach to modern living.

Premised on the above, our Board envisages the prospects of the development of Lot B Lands are expected to be encouraging with favourable take-up rates and good prospects for capital appreciation. In addition, our Board believes that as long as Kota Kinabalu city centre remains Sabah's commercial hub, demand for commercial housing within and around the city will be most sought after as the population density in Kota Kinabalu increases, and thus, creating demand for commercial properties. The spillover effects of the booming Kota Kinabalu property market will also enhance our property development.

6. RISK FACTORS

The risks in relation to the transaction, the Lot B Lands and the overall industry where the Lot B Lands are located which had or could materially affect, directly or indirectly, the business, operating results and financial condition of the listed issuer and the mitigating factors include, amongst others, the following:

6.1 Risk Relating to Transaction

6.1.1 Failure to Obtain Bertam's Shareholders' Approval on the Proposed JV Ratification – Lot B Lands

The Proposed Ratification – Lot B Lands is subject to approvals to be obtained in the forthcoming extraordinary general meeting ("**EGM**") to be convened. Should Bertam fails to obtain the requisite approval from its shareholders during the forthcoming EGM, the JV Commercial Project Development will not materialise and Bertam will not be able to enjoy any potential benefits envisaged to be derived from the JV. As a consequence of the above, Bertam will negotiate with Rosalia to resolve the matters amicably. This include, amongst others, unwinding the JVA Lot B Lands or to procure alternative party to replace SASB as the JV party for the JV Commercial Development Project with Rosalia such that Bertam shall be able to recoup its investment or minimise its losses incurred in relation to the said JV.

6.1.2 Completion Risk

The completion of the JV for the development of Lot B Lands into Commercial Development is subject to the fulfilment of the Conditions Precedents as set out in **Appendix II** of this announcement, which may be beyond the control of SASB or Rosalia such as failure to obtain the approval from the Lands and Surveys Department, for the amalgamation, subdivision and conversion of the land titles in Lot B Lands from NT into CL Titles or to effect the title transfer from NT to CL within twelve (12) months from the Transfer of Lot Lands (as defined in **Appendix II**). In the event any of the Conditions Precedents is not fulfilled, the JVA – Lot B Lands will lapse and Bertam will be unable to complete the Proposed JV Ratification – Lot B Lands.

To mitigate such risks, the Board will take reasonable steps to ensure that the Conditions Precedents are met within the stipulated timeframe in order to complete the Proposed JV Ratification – Lot B Lands in a timely manner.

6.2 Risk Relating to the JV in Lot B Lands

6.2.1 Business Risk

The Proposed JV Ratification – Lot B Lands is subject to risks inherent in the property development industry of which the Group is already involved in. Such risks may include, amongst others,

- (i) delay in completion of property development projects against the scheduled completion which may be attributable to the delay in obtaining approvals for the Development Plan and building Plan from the relevant authorities, delay in obtaining financing for the project and/or shortages in the supply of material and labour;
- (ii) softening demand for properties and thus, affecting the selling prices of the properties to be developed or change in purchasers' preference for type and design of properties and thereby affecting the salability of SASB's sales;
- (iii) fluctuations in the costs of building materials and labour which are mainly attributable to the weak Ringgit Malaysia currency;
- (iv) competition from other property developers;
- (v) Changes in economic, social and political conditions in Malaysia;
- (vi) Increase in real property gains tax and property tax assessments including imposition of goods and services tax ("**GST**") and increase in stamp duty on property purchase with value worth over RM1 million and GST as well as changes in property tax assessments and other statutory charges.

Any adverse change in the above conditions may affect the business operations and financial performance of the Group.

Our Group will take measures to mitigate the above risks such as conducting market intelligence surveys, monitoring and adjusting development and marketing strategies in response to changing economic conditions and market demand, conducting continuous reviews of our Group's operations, closely monitoring the progress of the developments as well as leveraging on our Group's experienced and capable management team

6.2.2 Funding Risk

As set out in Section 2.3 of this announcement, Bertam will raise funding for the project development either through debt or/and equity. Bertam Group's ability to raise funds through debt or equity financing and the cost of such fund raisings are dependent on numerous factors, including general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investors' confidence in Bertam Group or any restrictions imposed by the Malaysian government including political, social and economic conditions in Malaysia. There can be no assurance that the necessary fund raising will be available in amounts or on terms acceptable to Bertam. In addition, the Group could potentially be exposed to fluctuations in interest rates on such external fund raising raised, leading to higher borrowing costs or cost of equity which may

adversely affect Bertam Group's future results of operations and financial performance as well as the Group's ability to service future loan repayment obligations.

Nevertheless, Bertam shall continuously monitor and review its debt portfolio, which includes taking into consideration its group gearing level, interest or equity costs as well as cash flows in achieving and maintaining an optimal capital structure.

6.3 Risk Relating to the Property Industry

6.3.1 Political, Economic and Regulatory Condition

The successful development of Lot B Lands depends largely on the economic conditions in Sabah. Factors that could affect the successful development of the Lot B Lands include, but are not limited to, changes in interest rates, inflation, economic growth, taxation, accounting policies, changes in laws and regulations, government policies and political stability. Any adverse development in political, economic, regulatory and social conditions in Sabah, directly or indirectly, could materially and adversely affect the prospect and potential of the development of Lot B Lands.

These factors are generally beyond the Group's control and will affect all the players in the property industry. Nevertheless, Bertam will continuously strive to take reasonable and effective measure such as prudent financial risk management and efficient operating procedures to mitigate such risk.

7. EFFECTS OF THE PROPOSED JV RATIFICATION – LOT B Lands

7.1 Share Capital and Substantial Shareholders' Shareholding

The Proposed JV Ratification – Lot B Lands will not have any effect on the share capital and substantial shareholders' shareholdings in Bertam as the Proposed JV Ratification – Lot B Lands does not involve any issuance of new ordinary share in Bertam.

7.2 Net assets per share and gearing

The Proposed JV Ratification – Lot B Lands will not have any material effect on the consolidated net assets per share and gearing of Bertam for the financial year ended 31 December 2016 based on the assumption that the Proposed JV Ratification – Lot B Lands had been effected as at 31 December 2016.

The proforma effect on the consolidated gearing of Bertam cannot be ascertained at this juncture as the quantum of the debt or/and equity financing to be raised for the financing of the JV Residential Project Development has yet to be determined.

7.3 Earnings and earnings per share

Subject to obtaining the approvals for the Development Plan and Building Plan as scheduled, the construction of the JV Residential Project Development is expected to commence in January 2019. Hence, the Proposed JV Ratification – Lot B Lands is not expected to have a material effect on the consolidated earnings and earnings per share of Bertam for the financial year ending 31 December 2017 but is expected to be earnings accretive and will contribute positively to the future earnings or earnings per share of Bertam in the long run.

8. APPROVALS REQUIRED

The Proposed JV Ratification – Lot B Lands is subject to approvals being obtained from the followings:

- (i) the shareholders of Bertam at the forthcoming extraordinary general meeting (“**EGM**”) to be convened; and
- (ii) any other relevant authorities or parties, if required.

The Proposed JV Ratification – Lot B Lands is not conditional upon the Proposed JV Ratification – Lot B Lands which is announced concurrently with this announcement to Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The Proposed JV Ratification – Lot B Lands is not conditional upon any other corporate proposal or scheme undertaken by Bertam which has been announced but pending completion.

9. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed JV Ratification – Lot B Lands pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Securities is 36.63% which was computed based on the aggregate 30-year Sublease Payments for both Lot B Lands and Lot A Lands (which is announced separately and concurrently with this announcement to Bursa Securities) over the audited consolidated net asset of Bertam as at 31 December 2014.

In view that both lots of lands in A and B are adjacent to each other, the subject transaction was added together in computing the percentage ratio.

10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTERESTS

None of the Directors and/or major shareholders of Bertam and/or persons connected to them have any interests, whether direct or indirect, in the Proposed JV Ratification – Lot B Lands.

11. BOARD’S STATEMENT AND RECOMMENDATION

The Board after having considered all aspects of the Proposed JV Ratification – Lot B Lands, including but not limited to the rationale as set out in Section 4 of this announcement, the terms of the JVA – Lot B Lands and the various agreements thereto; and the prospects of the Lot B Lands, is of the opinion that the Proposed JV Ratification – Lot B Lands is in the best interest of Bertam Group.

12. SUBMISSION TO THE AUTHORITY AND ESTIMATED TIMEFRAME FOR COMPLETION

The draft circular to shareholders in relation to the Proposed JV Ratification – Lot B Lands is expected to be submitted to Bursa Securities for clearance within two (2) months from the date of this announcement.

Barring any unforeseen circumstances and Subject to all the requisite approvals being obtained, the Proposed JV Ratification – Lot B Lands is expected to be completed by 2022.

13. DOCUMENTS AVAILALE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office of our Company at Lot 4.100, Tingkat 4, Wisma Central, Jalan Ampang, 50450 Kuala Lumpur, during normal business hours between Monday to Friday (except public holidays) for a period of at least three (3) months from the date of this announcement:

- (i) The JVA – Lot B Lands;
- (ii) The Supplemental JVA – Lot B Lands; and
- (iii) Memorandum of Sublease – Lot B Lands.

This announcement is dated 24 May 2017.

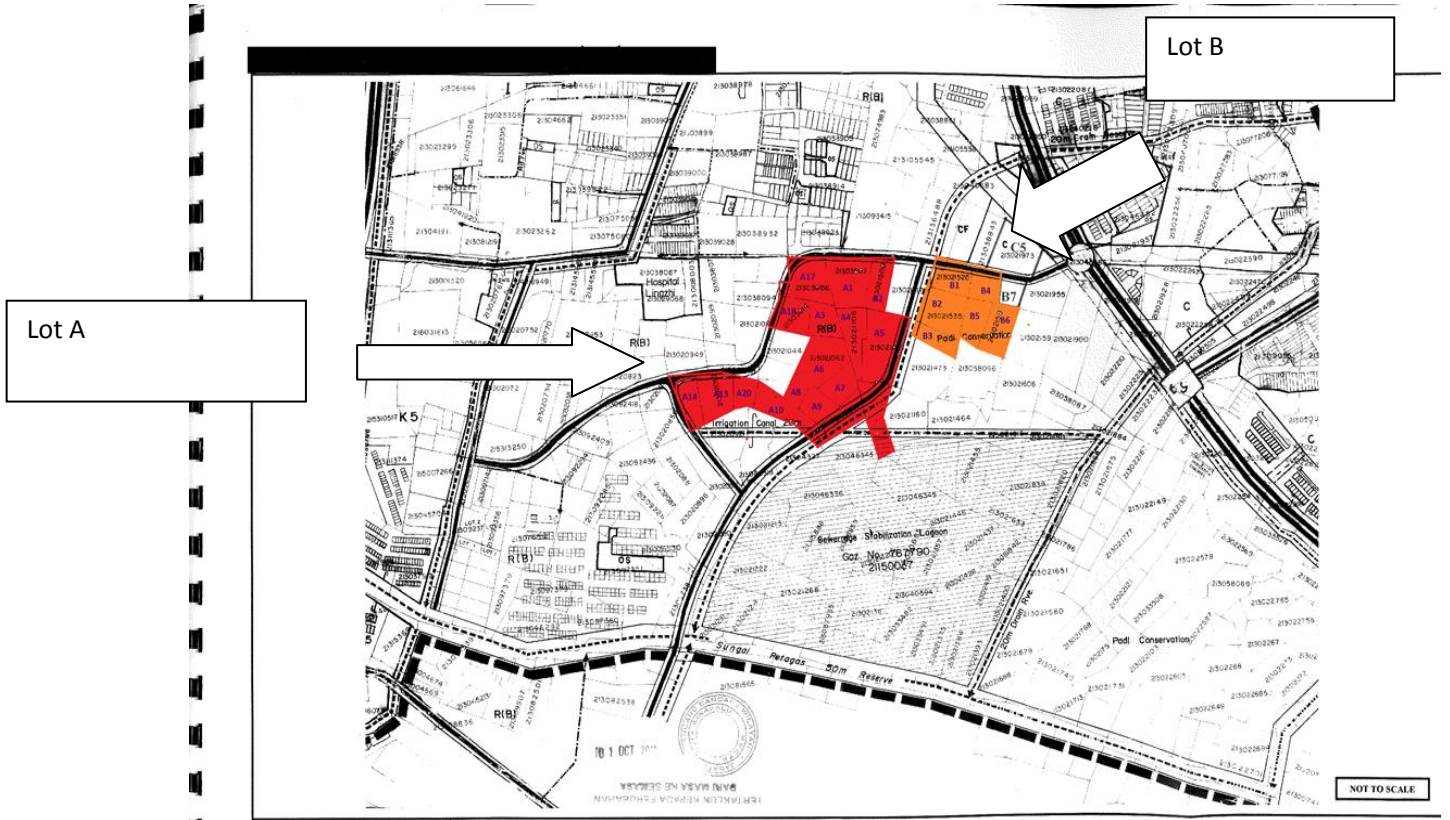
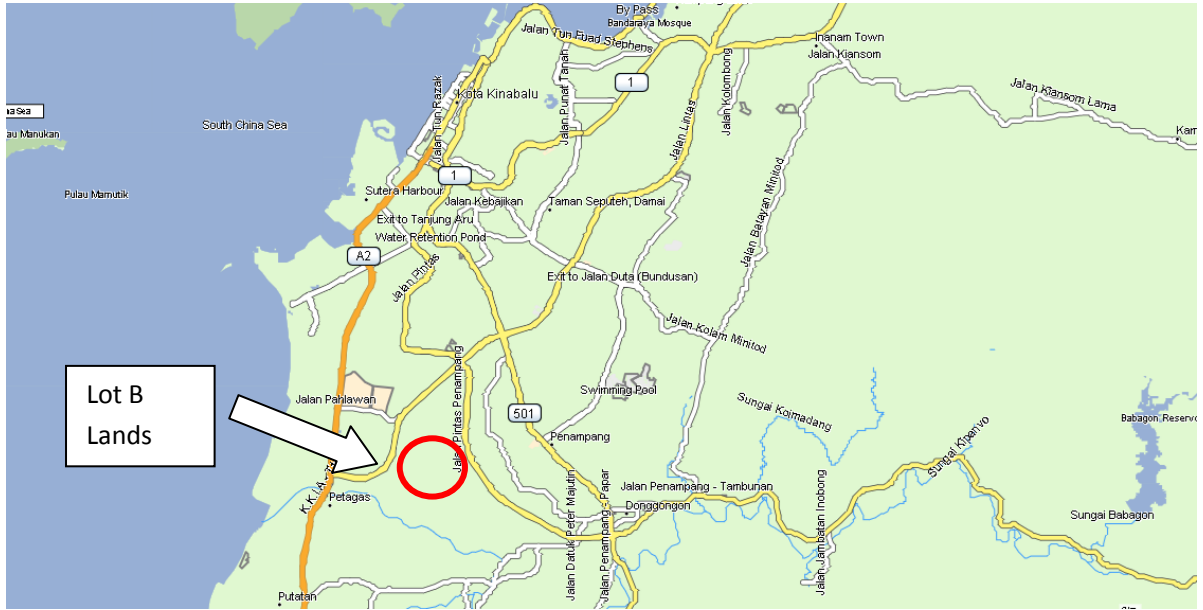
APPENDIX I

LOT B LANDS

Lot B Lands means all the six (6) adjoining parcels of agricultural lands held under NT numbers with the corresponding identified lot numbers and occupying the land areas as stated below, all located in the District of Penampang, Sabah, measuring in aggregate of approximately 7.572 acres.

No	Lot No.	Native Title ("NT") No.	Land Area	Land Acquired	Land Area Remaining	Annual Lease Rental	30 Years Lease Rental
			acres	acres	acres	RM	RM
1	1	213021526	1.275	0.11	1.165	67,000	2,010,000
2	2	213021535	1.888	-	1.888	131,400	3,942,000
3	3	213021544	1.019	-	1.019	71,272	2,138,160
4	4	213021562	0.950	-	0.95	88,900	2,667,000
5	5	213021553	1.100	-	1.1	104,800	3,144,000
6	6	213021580	1.450	-	1.45	95,800	2,874,000
	Total		7.682	0.11	7.572	559,172	16,775,160

**LOCATION PLAN
OFF JALAN PINTAS – DONGGONGON, KEPAYAN
NATIVE TITLES NOS.213021526 & 5 OTHERS AS INDICATED IN APPENDIX 1**



SALIENT TERMS OF THE JVA

The salient terms of the JVA – Lot B Lands as below have been extracted verbatim from the JVA – Lot B Lands executed between SASB and Rosalia on 21 September 2015.

The abbreviations used in this appendix shall have the same meaning as those defined in the JVA – Lot B Lands unless otherwise stated.

Clause	Content												
1	DEFINITIONS & INTERPRETATION												
1.1	In this JVA the following terms have the following meanings <table border="1" data-bbox="312 629 1374 1420"> <thead> <tr> <th>Abbreviation</th> <th>Meaning</th> </tr> </thead> <tbody> <tr> <td>Amalgamation, Subdivision and Conversion Approval</td> <td>the approval in the form of a Letter of Offer consequent on an application for the amalgamation/subdivision/conversion of the Lands issued by the Director, Lands & Surveys Department Subject to payment of 100% conversion premium and the execution of the Memorandum of Surrender of the Lands</td> </tr> <tr> <td>Amalgamation, Subdivision and Conversion Effective Approval Date</td> <td>the date of the issuance of the Memorandum of Surrender of the Land by Lands & Survey Department pursuant to Section 38 of the Land Ordinance (Sabah Cap.68) ('Sabah Land Ordinance') is to be obtained by Rosalia</td> </tr> <tr> <td>Business Day</td> <td>a day on which commercial banks in Wilayah Persekutuan, Malaysia and Sabah, Malaysia are open for business</td> </tr> <tr> <td>Relevant Authorities</td> <td>any federal, state, and local government, statutory, semi-or quasi-governmental and/or other authorities and bodies having jurisdiction at any time and from time to time relevant to the Amalgamation and Conversion Application or any matters in relation with the Project that requires any bodies of approvals and/or applications need to be made to</td> </tr> <tr> <td>Unconditional Date</td> <td>the date on which the Condition is satisfied or such other date as may be agreed between the parties</td> </tr> </tbody> </table>	Abbreviation	Meaning	Amalgamation, Subdivision and Conversion Approval	the approval in the form of a Letter of Offer consequent on an application for the amalgamation/subdivision/conversion of the Lands issued by the Director, Lands & Surveys Department Subject to payment of 100% conversion premium and the execution of the Memorandum of Surrender of the Lands	Amalgamation, Subdivision and Conversion Effective Approval Date	the date of the issuance of the Memorandum of Surrender of the Land by Lands & Survey Department pursuant to Section 38 of the Land Ordinance (Sabah Cap.68) ('Sabah Land Ordinance') is to be obtained by Rosalia	Business Day	a day on which commercial banks in Wilayah Persekutuan, Malaysia and Sabah, Malaysia are open for business	Relevant Authorities	any federal, state, and local government, statutory, semi-or quasi-governmental and/or other authorities and bodies having jurisdiction at any time and from time to time relevant to the Amalgamation and Conversion Application or any matters in relation with the Project that requires any bodies of approvals and/or applications need to be made to	Unconditional Date	the date on which the Condition is satisfied or such other date as may be agreed between the parties
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Unconditional Date	the date on which the Condition is satisfied or such other date as may be agreed between the parties												
1.	SCOPE OF THE JOINT VENTURE												
1.1	In consideration of and subject to the respective agreements, undertakings, warranties, representations, covenants and obligations of the parties herein, the parties agree to combine their resources to undertake, carry out and complete the Project												
1.2	The parties agree that the Developer shall have sole and absolute control over all aspects of the JV Commercial Property Project Development including the assignment of the development rights as envisaged in this Agreement												
1.3	The parties shall fully co-operate with each other in relation to the JV Commercial Property Project Development in accordance with the provisions of this JVA – Lot B Lands and act at all times in such a way as to further the common interest of the parties herein.												

2.	CONDITIONS PRECEDENT
2.1	The parties agree that the performance by the parties of their respective obligations under this JVA – Lot B Lands is conditional upon the board of directors’ of the Developer approving the execution of this Agreement and performance of the obligations of the Developer and Rosalia’s obligations under the JVA – Lot B Lands and the completion of the transactions contemplated hereunder (“ Condition ”).
2.2	If the Condition is not fulfilled within seven (7) business Days from the date of this JVA – Lot B Lands (or such other period as may be mutually agreed by the parties), this JVA – Lot B Lands shall automatically be rendered null and void, cease to have effect and each party shall have no claim under it against the other, save in respect of any prior reach.
3.	ROSALIA’S OLIGATIONS
3.1	Subject to Clauses 5.1(a) and 6, Rosalia shall complete the purchase of the Lands in accordance with the Lot B Lands SPAs (“ Lot B Lands SPAs Completion ”).
3.2	<p>Rosalia shall as soon as reasonably practicable and in any event not later than three (3) Business Days after:</p> <p>(a) the execution of this Agreement:</p> <p>(i) procure an undertaking from Messrs Chee & Co (his solicitors for the SPAs) to release the following documents to the Developer within seven (7) Business Days after the Developer has fully complied with its obligations under Clause 6:</p> <p>A. the valid and registrable memoranda of transfer duly executed by the Landowners in respect of the Lot B Lands;</p> <p>B. original issued document of title to the Lot B Lands;</p> <p>(ii) execute the memoranda of Sublease in respect of the Sublease;</p> <p>(iii) deliver or cause to deliver to the Developer the valid and registrable memoranda of Sublease referred to in Clause 4.2(a)(ii).</p> <p>(b) the Transfer of Lands (i.e., the registration of the duly executed, valid and registrable memoranda of transfer in respect of the Lot B Lands in favour of Rosalia):</p> <p>(i) grant a Sublease of the Lands to the Developer for a period of THIRTY (30) years (‘Sublease’) at an annual rental of RINGGIT MALAYSIA ONE MILLION FIVE HUNDRED THIRTY-THREE THOUSAND AND TWO HUNDRED AND FIFTY (RM1,533,250.00 only) (“Rental”); and</p> <p>(ii) submit all necessary applications, documents and forms whatsoever to the Relevant Authorities for the Lot B Lands to be amalgamated and converted into Country Lease or Town Lease (“Lot B Lands Amalgamation, Subdivision and Conversion Application”);</p> <p>(c) the Amalgamation, Subdivision and Conversion Effective Approval Date, execute, grant and deliver to the Developer or its nominee an irrevocable Power of Attorney in the form and content set out in Schedule 2 of the JVA.</p>

5.	THE DEVELOPER'S OBLIGATIONS
5.1	The Developer shall as soon as reasonably practicable after: (a) compliance by Rosalia with his obligations under Clause 4.2(a), pay the Rental for the whole duration of the Sublease in accordance with Clause 6; (b) the execution, grant and delivery of the Power of Attorney referred to in Clause 4.2(c), undertake, carry out and complete the JV Commercial Project Development including planning and developing a concept, determining suitable development mix, designing each component or phase within the JV Commercial Project Development and other structures proposed to be erected on the Lot B Lands, obtaining all approvals from the Relevant Authorities, constructing all buildings, infrastructure and amenities in accordance with the approved plans and doing all matters necessary, incidental and in connection with the JV Commercial Project Development.
5.2	All costs incurred in connection with the JV Commercial Project Development shall be borne by the Developer
7.	ROSALIA'S AND THE DEVELOPER'S RESPECTIVE ENTITLEMENTS
7.1	Upon completion of the JV Commercial Project Development, Rosalia shall be entitled to a percentage of FIVE (5%) of the net profits of the said JV Commercial Project Development (" Rosalia's Entitlements "), unless Rosalia fails to fulfill the prerequisites set out in Clause 4.2.
7.2	Subject to the payment of the Rosalia's Entitlements, the Developer is entitled to retain and enjoy all income to be derived from the JV Commercial Project Development for its own benefit.
9.	ACCESS AND POSSESSION OF THE LANDS
9.1	Upon the Lot B Lands SPAs Completion and/or registration of the Sublease, the Developer shall be entitled and be at full liberty to have free and unrestricted access and possession of the Lands at all times and to enter upon the same with its workmen, agents, servants, licensees, consultants, suppliers, contractors and/or other person authorised by the Developer with or without vehicle and/or equipment and to remain thereon throughout the duration of JVA
10.	DURATION OF THIS AGREEMENT
10.1	This JVA shall be effective from the Unconditional Date and, except as provided herein, shall continue until each party has completed and settled all its obligations and liabilities under this JVA
11.	Termination
11.1	The Developer shall be entitled forthwith to terminate this JVA (other than the Surviving Provisions) by written notice to Rosalia if: (a) the Transfer of the Lands cannot be completed within Three (3) months from the SPAs Completion; (b) the Amalgamation, Subdivision and Conversion Application is rejected by the Relevant Authorities; (c) the Amalgamation, Subdivision and Conversion Approval is not obtained within a period of Twelve (12) months from the date of the Transfer of the Lands; (d) the Amalgamation, Subdivision and Conversion Approval is Subject to onerous covenant(s) or condition(s); (e) he commits a material breach or persistent breaches of his obligations under this

	<p>Agreement (whether such reach or reaches amount to a repudiatory reach or reaches or not and whether capable of remedy or otherwise);</p> <p>(f) at any time throughout the duration of this Agreement, any of the Warranties is untrue, inaccurate or misleading.</p>
12.	CONSEQUENCES OF TERMINATION
12.1	<p>Upon termination of this JVA by the Developer pursuant to Clause 11, Rosalia shall within thirty (30) business Days from the date of the written notice referred to in Clause 11.1, pay to the Developer a sum of RINGGIT MALAYSIA SIXTEEN MILLION SEVEN HUNDRED SEVENTY-FIVE THOUAND AND ONE HUNDRED AND SIXTY ONLY (RM16,775,160.00 only) as agreed liquidated damages.</p>
12.2	<p>To the extent permitted by law, Rosalia shall use his best endeavours (including charge or caused to be charged any or all of the Lot B Lands) to obtain financing from banks to discharge his payment obligation under Clause 12.1</p>

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SALIENT TERMS OF THE SUPPLEMENTAL JVA

The salient terms of the supplemental JVA as below have been extracted verbatim from the JVA executed between SASB and Rosalia on 30 September 2015.

Clause	Content						
1.	<p>In consideration of the premises, observance and performance by each of the parties hereto of all covenants, stipulations and undertakings herein and the mutual benefits herein contained, the parties hereto hereby agree to amend the JVA – Lot B Lands in the following manner:</p> <p>(a) To insert the following new Clause 6(c):</p> <p>"For the avoidance of doubt, all payments made under this JVA – Lot B Lands are for the development rights in relation to the Lot B Lands."</p> <p>(f) To insert the following new Clause 9():</p> <table border="1" data-bbox="363 786 1396 1489"> <thead> <tr> <th data-bbox="363 786 448 819">9</th> <th data-bbox="448 786 1396 819">APPROVED PLANS BINDING ON PARTIES</th> </tr> </thead> <tbody> <tr> <td data-bbox="363 819 448 1361">9.1</td> <td data-bbox="448 819 1396 1361"> <p>The parties hereby agree that the approved plans in relation to the Project ("Approved Plans") shall be binding on the parties and may be varied, altered or amended only in the following circumstances:</p> <p>(a) Where the alteration, variation or amendment are deemed in the Developer's sole discretion, fit and/or necessary by the Developer's consultants; or</p> <p>(b) in the case of alteration, variation or amendment involving substitution of any of the material stipulated in the Approved Plans and specifications, where the materials substituted are of equivalent or superior standard; or</p> <p>(c) where the alteration, variation or amendment are required by the Relevant Authorities and all costs and expenses arising from or related thereto shall be borne and paid solely by the Developer; PROVIDED ALWAYS that the Developer shall not be in any way whatsoever liable to ROSALIA for any such alteration, variation and/or amendment</p> </td> </tr> <tr> <td data-bbox="363 1361 448 1489">9.2</td> <td data-bbox="448 1361 1396 1489"> <p>The parties hereby agree that ROSALIA shall not be entitled to and shall not request any alteration, variation and/or amendment to any of the Approved Plans."</p> </td> </tr> </tbody> </table>	9	APPROVED PLANS BINDING ON PARTIES	9.1	<p>The parties hereby agree that the approved plans in relation to the Project ("Approved Plans") shall be binding on the parties and may be varied, altered or amended only in the following circumstances:</p> <p>(a) Where the alteration, variation or amendment are deemed in the Developer's sole discretion, fit and/or necessary by the Developer's consultants; or</p> <p>(b) in the case of alteration, variation or amendment involving substitution of any of the material stipulated in the Approved Plans and specifications, where the materials substituted are of equivalent or superior standard; or</p> <p>(c) where the alteration, variation or amendment are required by the Relevant Authorities and all costs and expenses arising from or related thereto shall be borne and paid solely by the Developer; PROVIDED ALWAYS that the Developer shall not be in any way whatsoever liable to ROSALIA for any such alteration, variation and/or amendment</p>	9.2	<p>The parties hereby agree that ROSALIA shall not be entitled to and shall not request any alteration, variation and/or amendment to any of the Approved Plans."</p>
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9.2	<p>The parties hereby agree that ROSALIA shall not be entitled to and shall not request any alteration, variation and/or amendment to any of the Approved Plans."</p>						

SALIENT TERMS OF THE MEMORANDUM OF SUBLEASE – LOT B LANDS

The salient terms of the Memorandum of Sublease – Lot B Lands as below have been extracted verbatim from the Memorandum of Sublease – Lot B Lands, executed between SASB and Rosalia on 5 April 2016.

The abbreviations used in this appendix shall have the same meaning as those defined in the Memorandum of Sublease – Lot B Lands unless otherwise stated.

Clause	Content
6.	CONTINGENT OPTION
	<p>It is a condition precedent of this Sublease (Lot B Lands) that the Sublessor (Rosalia) hereby grants an irrevocable option to the Sublessee (SASB) to purchase the Said Land (Lot B Lands) and Sublessee (SASB) shall be deemed to have exercised the option to purchase the Said Land (Lot B Lands) immediately upon approval for the conversion/exchange of the Said Lands (Lot B Lands) into the Converted Titles thereto has even obtained Subject to the provisions of the Land Ordinance (Sabah Cap. 68), the Town and Country Planning Ordinance (Cap. 141) or any other relevant laws as amended from time to time, and Subject further to the following conditions:</p> <ul style="list-style-type: none"> (a) The consideration for the purchase and transfer of the Said Land (Lot B Lands) upon conversion into Country Lease or Town Lease (hereinafter referred to as “the Converted Title”) shall be the total rental paid and received by the Sublessor (Rosalia) up to the date of the Converted Title being issued; (b) All costs and expenses incurred in the development and enhancing the value of the Said Land including the premium for conversion, survey fees, legal fees and other costs incidental thereto in relation to either convert the Said Land (Lot B Lands) or to secure the consent of the transfer under Section 17 of the Land Ordinance (Sabah Cap. 68) directly and indirectly incurred pursuant to such transfer shall be wholly borne by the Sublessee (SASB); (c) Upon issuance of the Converted Titles from the Said Land (Lot B Lands), the Said Solicitors shall hereby be irrevocably authorized to cause the transfer of the Converted Titles into the name of the Sublessee (SASB) or its nominee in accordance with the terms herein; and (d) For the purpose of effectuating the transfer of the Converted Titles into the name of the Sublessee (SASB), the Sublessor (Rosalia) shall simultaneous with the execution of this Sublease (Lot B Lands) deliver duly executed Memoranda of Transfer in escrow with irrevocable instruction to legal Firm of Messrs Fernandez & Co, No. 143, Jalan Tangka, Dezsons building (Next to Karamunsing Complex), Karamunsing, 88100, Kota Kinabalu, PO box 13834, 88844, Kota Kinabalu (“the Said Solicitors”) to cause the lodgment and registration of the transfer of the Converted Titles into the name of the Sublessee (SASB) or its nominees within a reasonable time after issuance and delivery of the Converted Titles to the Sublessee (SASB) Solicitors as envisaged herein. (e) In the event that the transfer of the Converted Titles into the name of the Sublessee (SASB) or its nominees as envisaged under the preceding Clause 6(d) cannot be effected due to conditions imposed in the draft Converted Titles in relation to the fulfilment, inter alia, of building covenants, the Sublessor

	<p>(Rosalia) hereto hereby expressly agree to execute an Irrevocable Power of Attorney to the Sublessee (SASB) with full powers including powers to execute the Memorandum of Transfer and all other relevant documents for the effectual transfer of the Converted Titles into the name of the Sublessee (SASB) or its nominees including the execution of a Trust Deed with the Sublessor's (Rosalia's) declaration that he is holding the Said Land (Lot B Lands) as a trustee for the Sublessee (SASB).</p>
9.	<p>This Sublease (Lot B Lands) shall continue to be valid and binding notwithstanding that the entering into this Sublease (Lot B Lands) may be invalid or in excess of the powers of any party herein or of any director, attorney, partner, agent or other person purporting to act on behalf of any party herein and notwithstanding any other irregularity in entering into this Sublease (Lot B Lands) by the signatory or party concerned.</p>