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If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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AME ELITE CONSORTIUM BERHAD

(Registration No. 201801030789 (1292815-W))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO

- I. **PROPOSED ACQUISITION OF THIRTY EIGHT (38) PLOTS OF FREEHOLD INDUSTRIAL LAND IN MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, STATE OF JOHOR ALL LOCATED WITHIN PHASE 3 OF THE SOUTHERN INDUSTRIAL AND LOGISTICS CLUSTERS IN ISKANDAR PUTERI OF ISKANDAR MALAYSIA, JOHOR DARUL TAKZIM ("SiLC"), MEASURING APPROXIMATELY 37.09 HECTARES OR APPROXIMATELY 91.64 ACRES IN TOTAL LAND AREA BY PENTAGON LAND SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF AME ELITE CONSORTIUM BERHAD ("AME"), FROM UEM LAND BERHAD ("UEML") AND NUSAJAYA HEIGHTS SDN BHD ("NHSB") FOR AN INDICATIVE TOTAL CASH CONSIDERATION OF APPROXIMATELY RM233.53 MILLION; AND**

- II. **PROPOSED ACQUISITION OF THIRTY FOUR (34) PLOTS OF FREEHOLD INDUSTRIAL LAND IN MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, STATE OF JOHOR ALL LOCATED WITHIN PHASE 3 OF SiLC, MEASURING APPROXIMATELY 31.61 HECTARES OR APPROXIMATELY 78.11 ACRES IN TOTAL LAND AREA BY GREENHILL SiLC SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF AME, FROM UEM AND NHSB FOR AN INDICATIVE TOTAL CASH CONSIDERATION OF APPROXIMATELY RM200.76 MILLION**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



RHB Investment Bank Berhad

(Registration No. 197401002639 (19663-P))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The notice of the Extraordinary General Meeting ("**EGM**") of AME ("**Company**") which will be held at i-Park@Senai Airport City Sales Gallery, No. 1, Jalan I-Park SAC 1, Taman Perindustrian I-Park SAC, 81400 Senai, Johor Darul Takzim on Thursday, 8 April 2021 at 10.00 a.m. together with the Form of Proxy are enclosed herein.

If you are unable to attend, participate, speak and vote at the forthcoming EGM, you may appoint a proxy or proxies to do so on your behalf by completing and depositing the enclosed Form of Proxy in accordance with the instructions therein at the Company's Registered Office at Suite 9D, Level 9, Menara Ansar, 65, Jalan Trus, 80000 Johor Bahru, Johor Darul Takzim not less than forty-eight (48) hours before the time set for holding the EGM. The lodging of the Form of Proxy will not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Tuesday, 6 April 2021 at 10.00 a.m.

Date and time of the EGM : Thursday, 8 April 2021 at 10.00 a.m.

This Circular is dated 24 March 2021

DEFINITIONS

Except where the context otherwise requires, the following abbreviations and definitions shall apply throughout this Circular:

"Act"	: Companies Act 2016
"AGM"	: Annual General Meeting
"AME" or the "Company"	: AME Elite Consortium Berhad
"AME Group" or the "Group"	: Collectively, AME and its subsidiaries
"AME Shares" or the "Shares"	: Ordinary shares in AME
"Ancillary Agreements"	: Collectively, the Limited Power of Attorney, the Full Power of Attorney, the Deed of Mutual Covenants and the Management Agreement entered or to be entered into pursuant to the terms of the SPAs
"Board"	: Board of Directors of AME
"Bumi Plots"	: Thirty four (34) plots of freehold industrial land in Mukim of Pulai, District of Johor Bahru, State of Johor all located within Phase 3 of SiLC, measuring approximately 31.61 hectares or approximately 78.11 acres in total land area
"Bumi Release"	: Unconditional approval from the relevant authorities which includes the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) for the release of the Bumiputera restrictions on the Bumi Plots
"Bursa Securities"	: Bursa Malaysia Securities Berhad
"CBRE WTW" or the "Valuer"	: C H Williams Talhar & Wong Sdn Bhd, the independent valuer for the Lands
"Circular"	: This circular dated 24 March 2021 in relation to the Proposed Acquisitions
"Directors"	: The directors of AME and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act, 2007
"EGM"	: Extraordinary General Meeting
"EPS"	: Earnings per Share
"EPU"	: Economic Planning Unit of the Malaysian Prime Minister Department
"EPU Consent"	: Unconditional consent and approval from the EPU to be obtained for the Proposed Acquisitions
"FPE"	: Financial period ended
"FYE"	: Financial year ended/ending, as the case may be
"Greenhill"	: Greenhill SILC Sdn Bhd, a wholly-owned subsidiary of AME

DEFINITIONS (CONT'D)

"HOA"	: Heads of agreement
"Non-Bumi Plots"	: Thirty eight (38) plots of freehold industrial land in Mukim of Pulai, District of Johor Bahru, State of Johor all located within Phase 3 of the SiLC, measuring approximately 37.09 hectares or approximately 91.64 acres in total land area
"Lands"	: Collectively, the Non-Bumi Plots and the Bumi Plots
"Listing Requirements"	: Main Market Listing Requirements of Bursa Securities
"LPD"	: 1 March 2021, being the latest practicable date prior to the date of this Circular
"Market Day"	: A day on which the stock market of Bursa Securities is open for trading in securities
"NA"	: Net assets
"NHSB" or the "Proprietor"	: Nusajaya Heights Sdn Bhd, the proprietor of the Lands
"Pentagon"	: Pentagon Land Sdn Bhd, a wholly-owned subsidiary of AME
"Proposed Acquisition 1"	: Proposed acquisition of the Non-Bumi Plots by Pentagon from UEML and NHSB for the Purchase Consideration 1
"Proposed Acquisition 2"	: Proposed acquisition of the Bumi Plots by Greenhill from UEML and NHSB for the Purchase Consideration 2
"Proposed Acquisitions"	: Collectively, the Proposed Acquisition 1 and the Proposed Acquisition 2
"Purchase Consideration 1"	: Indicative total cash consideration of approximately RM233.53 million for the Non-Bumi Plots under the Proposed Acquisition 1
"Purchase Consideration 2"	: Indicative total cash consideration of approximately RM200.76 million for the Bumi Plots under the Proposed Acquisition 2
"RHBIB" or the "Principal Adviser"	: RHB Investment Bank Berhad
"RM" and "sen"	: Ringgit Malaysia and sen respectively
"Signed HOA"	: Collectively, the following two (2) HOAs dated 9 October 2020: <ol style="list-style-type: none">i. the first HOA was entered into between Pentagon, Greenhill, UEML and NHSB in relation to thirty five (35) plots of freehold industrial land under the Proposed Acquisition 1 and thirty four (34) plots of freehold industrial land under the Proposed Acquisition 2; andii. the second HOA was entered into between Pentagon, UEML and NHSB in relation to three (3) plots of freehold industrial land under the Proposed Acquisition 1

DEFINITIONS (CONT'D)

"SiLC"	: Southern Industrial and Logistics Clusters in Iskandar Puteri of Iskandar Malaysia. Iskandar Malaysia is the new regional growth centre in South Peninsular Malaysia adjacent to Singapore which comprises five (5) flagship component areas, Johor Bahru city centre, Iskandar Puteri (formerly known as Nusajaya), Western Gate Development, Eastern Gate Development and Senai – Skudai
"SPA 1"	: Conditional sale and purchase agreement dated 30 December 2020 entered into by Pentagon to acquire the Non-Bumi Plots from UEML and NHSB for the Proposed Acquisition 1
"SPA 1 Conditions Precedent"	: Conditions precedent as mentioned in item 3, Appendix III of this Circular
"SPA 1 Unconditional Date"	: The date on which the last SPA 1 Conditions Precedent has been fulfilled
"SPA 2"	: Conditional sale and purchase agreement dated 30 December 2020 entered into by Greenhill to acquire the Bumi Plots from UEML and NHSB for the Proposed Acquisition 2
"SPA 2 Conditions Precedent"	: Conditions precedent as mentioned in item 3, Appendix IV of this Circular
"SPAs"	: Collectively, the SPA 1 and the SPA 2
"sq ft"	: Square feet
"Total Purchase Consideration"	: Collectively, the Purchase Consideration 1 and the Purchase Consideration 2
"Tranche 1 Payment"	: Tranche 1 payment for fifteen (15) plots of the Non-Bumi Plots listed as Block A in SPA 1
"Tranche 2 Payment"	: Tranche 2 payment for nine (9) plots of the Non-Bumi Plots listed as Block B in SPA 1
"Tranche 3 Payment"	: Tranche 3 payment for fourteen (14) plots of the Non-Bumi Plots listed as Block C in SPA 1
"UEML" or the "Vendor"	: UEM Land Berhad, the vendor of the Lands
"Valuation Certificates"	: Collectively, the valuation certificates dated 30 December 2020 issued by the Valuer for the Lands
"Valuation Reports"	: Collectively, the valuation reports dated 30 December 2020 issued by the Valuer for the Lands

References to "our Company" in this Circular are to AME and references to "our Group" are to our Company and our subsidiaries. References to "we", "us", "our" and "ourselves" in this Circular are to our Company and where the context otherwise requires, shall include our subsidiaries. All references to "you" in this Circular are to our shareholders.

Unless specifically referred to, words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

DEFINITIONS (CONT'D)

Any reference in this Circular to the provisions of any statute, rules, regulation or rules of stock exchange shall (where the context admits) be construed as a reference to the provisions of such statute, rules, regulation or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments to the statute, rules, regulation or rules of stock exchange for the time being in force.

Any reference to a time of day and date in this Circular shall be a reference to Malaysian time and date respectively, unless otherwise specified.

Certain amounts and percentage figures included herein have been subject to rounding adjustments. Any discrepancy between the figures shown herein and figures published by the Company, such as in its quarterly results or annual reports, is due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that the Company's and/or the Group's plans and objectives will be achieved.

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposed Acquisitions in this Circular. You are advised to read and carefully consider the contents of this Circular and the appendices contained herein in its entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposed Acquisitions before voting at the forthcoming EGM.

Salient information	Description	Reference to Circular
Summary of the Proposed Acquisitions	<p>The wholly-owned subsidiaries of AME, Pentagon and Greenhill had on 30 December 2020 entered into the following agreements:</p> <ul style="list-style-type: none">i. the conditional SPA 1 entered into by Pentagon to acquire the Non-Bumi Plots from UEML and NHSB for the indicative purchase consideration of approximately RM233.53 million; andii. the conditional SPA 2 entered into by Greenhill to acquire the Bumi Plots from UEML and NHSB for the indicative purchase consideration of approximately RM200.76 million.	Sections 1, 2 and 3 of this Circular
Basis and justification of arriving at the indicative purchase consideration	<ul style="list-style-type: none">• The indicative Purchase Consideration 1 and the indicative Purchase Consideration 2 are equivalent to approximately RM58.50 per sq ft and RM59.00 per sq ft respectively after taking into consideration the following:<ul style="list-style-type: none">i. the market value of the Non-Bumi Plots and Bumi Plots as ascribed by CBRE WTW at RM241.00 million or approximately RM60.37 per sq ft for the Non-Bumi Plots and at RM202.00 million or approximately RM59.37 per sq ft for the Bumi Plots; andii. the prospects and development potential of the Lands as described in Section 5.4 of this Circular.• The indicative Purchase Consideration 1 of the Non-Bumi Plots represents a discount of approximately RM7.47 million or 3.10% to the market value of the Non-Bumi Plots as ascribed by the Valuer.• The indicative Purchase Consideration 2 of the Bumi Plots represents a discount of approximately RM1.24 million or 0.62% to the market value of the Bumi Plots as ascribed by the Valuer.	Section 2.2 of this Circular
Rationale and benefits of the Proposed Acquisitions	<ul style="list-style-type: none">• The Proposed Acquisitions come at an opportune time given the development progress of Iskandar Malaysia and the prospects of the Lands (as set out in Section 5.4 of this Circular).• The Lands are a potentially valuable addition to the land bank of the Group due to its strategic location and sizeable acreage which would enable the Group to showcase its construction and development expertise in undertaking industrial development projects.	Section 4 of this Circular

EXECUTIVE SUMMARY (CONT'D)

Salient information	Description	Reference to Circular
Prospects of the Lands	<ul style="list-style-type: none"> • The Lands are strategically located within Iskandar Puteri of Iskandar Malaysia. Iskandar Malaysia is the new regional growth centre in South Peninsular Malaysia adjacent to Singapore. This special economic zone is planned to be a major regional economic hub. • SiLC, where the Lands are located, is envisioned to be a world-class, managed, clean and green industrial park designed and planned to meet the current demand for environmentally sustainable development. 	Section 5.4 of this Circular
Risk factors of the Proposed Acquisitions	<p>The Proposed Acquisitions are subject to risks inherent to the industrial property development industry which the Group is already involved in and the following:</p> <ol style="list-style-type: none"> i. Non-completion of the Proposed Acquisitions; ii. Funding risk for the development of the Lands; iii. Risk of achieving lower gross development value than estimated; iv. Compulsory acquisition of land; and v. Power to take temporary possession of properties. 	Section 6 of this Circular
Approvals required for the Proposed Acquisitions	<ul style="list-style-type: none"> • The Proposed Acquisitions are subject to the following approvals being obtained: <ol style="list-style-type: none"> i. the shareholders of AME, for the Proposed Acquisitions at the forthcoming EGM by way of a poll; ii. the EPU in relation to the Proposed Acquisitions; iii. the relevant authorities for the Bumi Release for the Proposed Acquisition 2; and iv. any other relevant authorities and/or parties, if required. • The Proposed Acquisitions are not inter-conditional upon each other and are not conditional upon any other proposal undertaken or to be undertaken by the Company. 	Section 8 of this Circular
Interests of Directors, major shareholders, chief executive and/or persons connected	<p>None of the Directors, major shareholders, chief executives of AME and/ or persons connected with them has any interests, whether direct or indirect, in the Proposed Acquisitions.</p>	Section 9 of this Circular
Directors' statement and recommendation	<ul style="list-style-type: none"> • The Board, having considered all aspects of the Proposed Acquisitions, is of the opinion that the Proposed Acquisitions are in the best interest of the Company. • Accordingly, the Board recommends that you VOTE IN FAVOUR of the resolutions pertaining to the Proposed Acquisitions to be tabled at the forthcoming EGM. 	Section 12 of this Circular



AME ELITE CONSORTIUM BERHAD
(Registration No. 201801030789 (1292815-W))
(Incorporated in Malaysia)

Registered Office

Suite 9D, Level 9
Menara Ansar
65, Jalan Trus
80000 Johor Bahru
Johor Darul Takzim

24 March 2021

Board of Directors

YM Tengku Azrina Binti Raja Abdul Aziz (*Independent Non-Executive Chairperson*)
Lee Chai (*Group Managing Director*)
Lim Yook Kim (*Executive Director*)
Kang Ah Chee (*Executive Director*)
Lee Sai Boon (*Executive Director*)
Tan Lay Beng (*Independent Non-Executive Director*)
Chang Tian Kwang (*Independent Non-Executive Director*)
Wee Soon Chit (*Independent Non-Executive Director*)
Lim Pei Shi (*Alternate Director to Lim Yook Kim*)
Lee Ling Sien (*Alternate Director to Lee Chai*)
Kang Koh Wei (*Alternate Director to Kang Ah Chee*)

To: Our shareholders

Dear Sir/Madam,

PROPOSED ACQUISITIONS

1. INTRODUCTION

On 9 October 2020, the Board announced that the wholly-owned subsidiaries of AME, Pentagon and Greenhill had on 9 October 2020 entered into two (2) HOAs with UEML and NHSB in the following manner:

- (a) the first HOA was entered into between Pentagon, Greenhill, UEML and NHSB in relation to thirty five (35) plots of the Non-Bumi Plots under the Proposed Acquisition 1 and the thirty-four (34) plots of the Bumi Plots under the Proposed Acquisition 2; and
- (b) the second HOA was entered into between Pentagon, UEML and NHSB in relation to three (3) plots of the Non-Bumi Plots under the Proposed Acquisition 1.

Subsequently, on 6 November 2020 and 7 December 2020, the Company announced that Pentagon, Greenhill, UEML and NHSB had mutually agreed to extend the validity of the Signed HOA from 8 November 2020 to 7 December 2020 and to further extend the validity of the Signed HOA from 8 December 2020 to 31 December 2020 respectively.

On 30 December 2020, RHBIB had, on behalf of the Board, announced that the wholly-owned subsidiaries of AME, Pentagon and Greenhill had on 30 December 2020 entered into the following agreements:

- i. the conditional SPA 1 entered into by Pentagon to acquire the Non-Bumi Plots from UEML and NHSB for the indicative Purchase Consideration 1; and
- ii. the conditional SPA 2 entered into by Greenhill to acquire the Bumi Plots from UEML and NHSB for the indicative Purchase Consideration 2.

Details of the Proposed Acquisitions are set out in the ensuing sections and the salient terms of the SPA 1 and the SPA 2 (including the Ancillary Agreements) are set out in Appendices III and IV of this Circular respectively.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED ACQUISITIONS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED ACQUISITIONS TO BE TABLED AT THE FORTHCOMING EGM.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR AND THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ACQUISITIONS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED ACQUISITIONS

The Proposed Acquisitions entail the acquisition of the Lands by Pentagon and Greenhill from UEML and NHSB for an indicative Total Purchase Consideration of approximately RM434.29 million, subject to the terms and conditions of the SPAs.

Pursuant to the SPAs, Pentagon shall purchase the Non-Bumi Plots and Greenhill shall purchase the Bumi Plots respectively free from all encumbrances and with vacant possession, subject to any expressed and implied conditions of title and restrictions in interest, and other endorsements as registered on the documents of title to the Non-Bumi Plots or Bumi Plots upon the terms and conditions of the SPA 1 and the SPA 2 respectively.

A summary of the indicative purchase consideration under each of the SPAs are set out below:

SPAs	Lands	Land area			Indicative purchase consideration RM
		Hectares	Acres	sq ft	
SPA 1	Non-Bumi Plots	37.09	91.64	3,992,019.00	233,532,994.50
SPA 2	Bumi Plots	31.61	78.11	3,402,615.00	200,755,642.00
		68.70	169.75	7,394,634.00	434,288,636.50

2.1 Mode of settlement

The indicative Total Purchase Consideration shall be satisfied entirely by cash in the manner as set out below:

i. Proposed Acquisition 1

Payment terms	Timing	RM	%	Source of funding ^(d)	
				Internal funds %	Bank borrowings %
<u>Deposit^(a)</u>					
• Earnest deposit	Paid upon signing of the SPA 1 on 30 December 2020	4,670,659.89	2.00	100.00	-
• Balance deposit	Payable within ten (10) business days from the SPA 1 Unconditional Date	18,682,639.56	8.00	100.00	-
		(A) 23,353,299.45	10.00		
<u>Balance purchase consideration</u>					
• Initial payment of the balance purchase consideration	Payable within ten (10) business days from the SPA 1 Unconditional Date	11,676,649.79	5.00	100.00	-
• Tranche 1 Payment	Payable within twelve (12) months from the SPA 1 Unconditional Date ^(b)	34,753,051.07	14.88	30.00	70.00
• Tranche 2 Payment	Payable within twenty four (24) months from the SPA 1 Unconditional Date ^(b)	62,942,949.22	26.95	30.00	70.00
• Tranche 3 Payment	Payable within thirty six (36) months from the SPA 1 Unconditional Date ^(b)	100,807,044.97	43.17	28.84	71.16
		(B) 210,179,695.05	90.00		
		Total (A+B) 233,532,994.50^(c)	100.00		

Notes:

- (a) The Deposit (or any part thereof) is refundable, free of interest, in the event the SPA 1 is terminated if any of the SPA 1 Conditions Precedent are not obtained or fulfilled upon the terms contained therein).
- (b) Pentagon shall be entitled from time to time to elect and complete the purchase of any Non-Bumi Plots forming part of Block A, Block B or Block C of Phase 3 of SiLC earlier therefore, as the case may be, after the SPA 1 Unconditional Date and during the payment period for each Tranche 1 Payment, Tranche 2 Payment or Tranche 3 Payment respectively.
- (c) The indicative Purchase Consideration 1 may be subjected to price adjustments. Details of the adjustments are set out in item 2, Appendix III of this Circular.

- (d) *The breakdown of the source of funding is purely indicative at this juncture and is set out purely for illustration purposes only. The Group may utilise more internal funds than bank borrowings, depending on the sales performance and development progress of the Lands and financial condition of the Group. Internal funds would comprise of internally generated funds and proceeds raised from AME Group's initial public offering, which was completed on 14 October 2019, which has been earmarked for future industrial property development and investment projects including land acquisitions and joint ventures. For avoidance of doubt, the proceeds raised from AME Group's initial public offering may be used for Proposed Acquisition 1 and/or Proposed Acquisition 2, depending on the timing of the payment for the respective sales and purchase agreement.*

ii. Proposed Acquisition 2

Payment terms	Timing	RM	%	Source of funding ^(c)	
				Internal funds %	Bank borrowings %
<u>Deposit^(a)</u>					
• Earnest deposit	Paid upon signing of the SPA 2 on 30 December 2020	4,015,112.84	2.00	100.00	-
• Balance deposit	Payable within ten (10) business days from the date of the approvals from the shareholders of AME or the EPU Consent in relation to the Proposed Acquisition 2, whichever is later	16,060,451.36	8.00	100.00	-
		(A)	20,075,564.20	10.00	
<u>Balance purchase consideration</u>					
• Payment of the balance purchase consideration	Payable on plot basis within thirty six (36) months from the Bumi Release of the respective Bumi Plots	180,680,077.80	90.00	33.33	66.67
		(B)	180,680,077.80	90.00	
		Total (A+B)	200,755,642.00^(b)	100.00	

Notes:

- (a) *The Deposit (or any part thereof) is refundable, free of interest, in the event the SPA 2 is terminated if any of the SPA 2 Conditions Precedent are not obtained or fulfilled upon the terms contained therein.*
- (b) *The indicative Purchase Consideration 2 may be subjected to price adjustments. Details of the adjustments are set out in item 2, Appendix IV of this Circular.*
- (c) *The breakdown of the source of funding is purely indicative at this juncture and is set out purely for illustration purposes only. The Group may utilise more internal funds than bank borrowings, depending on the sales performance and development progress of the Lands and financial condition of the Group. Internal funds would comprise of internally generated funds and proceeds raised from AME Group's initial public offering, which was completed on 14 October 2019, which has been earmarked for future industrial property development and investment projects including land acquisitions and joint ventures. For avoidance of doubt, the proceeds raised from AME Group's initial public offering may be used for Proposed Acquisition 1 and/or Proposed Acquisition 2, depending on the timing of the payment for the respective sales and purchase agreement.*

2.2 Basis and justification of arriving at the indicative purchase consideration

The indicative Purchase Consideration 1 and the indicative Purchase Consideration 2 for the Proposed Acquisition 1 and Proposed Acquisition 2 respectively, which are equivalent to approximately RM58.50 per sq ft and RM59.00 per sq ft respectively, were arrived at on a willing buyer-willing seller basis after taking into consideration the following:

- i. the market value of the Non-Bumi Plots and the Bumi Plots as ascribed by CBRE|WTW vide its Valuation Certificates dated 30 December 2020 at RM241.00 million or approximately RM60.37 per sq ft for the Non-Bumi Plots and at RM202.00 million or approximately RM59.37 per sq ft for the Bumi Plots; and
- ii. the prospects and development potential of the Lands as described in Section 5.4 of this Circular.

The indicative Purchase Consideration 1 of the Non-Bumi Plots and the indicative Purchase Consideration 2 of the Bumi Plots represent the following discount to the market value as ascribed by the Valuer:

	Indicative purchase consideration	Market value ascribed by the Valuer	Discount to market value
Non-Bumi Plots	RM233.53 million (or RM58.50 per sq ft)	RM241.00 million (or RM60.37 per sq ft)	RM7.47 million (or 3.10%)
Bumi Plots	RM200.76 million (or RM59.00 per sq ft)	RM202.00 million (or RM59.37 per sq ft)	RM1.24 million (or 0.62%)

2.3 Salient feature of the Valuation Reports

The Company had appointed the Valuer to undertake an independent valuation on the Lands and the Valuer had vide its Valuation Certificates ascribed a market value of RM241.00 million or approximately RM60.37 per sq ft for the Non-Bumi Plots and RM202.00 million or approximately RM59.37 per sq ft for the Bumi Plots on 30 December 2020 using the *Comparison Approach*. In addition, the valuation for the Bumi Plots was conducted based on the basis/additional assumptions that the Bumi Plots have been released to the public/non-Bumiputera purchaser by the relevant authorities which includes the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan), with all the contributions fully paid. As at the LPD, the application to the EPU in relation to the Proposed Acquisitions has been made and is currently pending approval.

The *Comparison Approach* involves analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location/accessibility, terrain, size and shape of land, tenure, planning status, title restrictions, if any and other relevant factors to arrive at the market value. The Valuer has adopted the *Comparison Approach* as the only method of valuation considering that the Lands comprise seventy two (72) plots of vacant industrial land without any building plan approval granted. Furthermore, there are adequate sale comparables in the vicinity of the subject property which can be relied upon.

Please refer to the Appendices I and II of this Circular for the Valuation Certificates for the Non-Bumi Plots and Bumi Plots respectively.

2.4 Source of funding

The indicative Total Purchase Consideration of approximately RM434.29 million will be funded via a combination of bank borrowings and internal funds, the proportion of which is expected to be as set out below:

Source of funding ^(a)	RM'million	%
Bank borrowings	260.57	60.00
Internal funds	173.72	40.00
Total	434.29	100.00

Note:

(a) *The funding is based on the assumption that the Bumi Plots have been released to the public/non-Bumiputera purchaser by the relevant authorities which includes the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) with all the contributions fully paid.*

For information purposes, the cash and cash equivalent of AME Group based on the latest unaudited consolidated quarterly results of AME for the nine (9)-month FPE 31 December 2020 amounts to approximately RM287.30 million.

2.5 Information on the Vendor and Proprietor

i. Information on UEML

UEML was incorporated in Malaysia on 7 October 1982 under the Companies Act, 1965 as a public limited company under the name of Renong Berhad and is deemed registered under the Act. On 10 December 2003, it assumed its present name. It is a wholly-owned subsidiary of UEM Sunrise Berhad, a public company listed on the Main Market of Bursa Securities. Its principal activities are property development, property investment, project procurement and management, and strategic investment holding. Its subsidiaries are principally involved in property development, property investment, land trading, property management, construction and investment holding.

As at the LPD, its issued share capital is RM1,414,631,287.54 represented by 464,468,113 ordinary shares and 948,015,753 redeemable convertible preference shares, all of which are held by UEM Sunrise Berhad. Its directors and their respective shareholdings in UEML as at the LPD are set out below:

Directors	Nationality	<-----Direct----->		<-----Indirect----->	
		No. of shares	%	No. of shares	%
Wong Koon Keng	Malaysian	-	-	-	-
Zamri Bin Yusof	Malaysian	-	-	-	-
Anuar Bin Kasim	Malaysian	-	-	-	-

ii. Information on NHSB

NHSB was incorporated in Malaysia on 6 September 1994 under the Companies Act, 1965 as a private limited company under the name of Alaskali (M) Sdn Bhd and is deemed registered under the Act. On 30 November 1995, it changed its name to Prolink Heights Sdn Bhd. Subsequently, on 30 January 2004, it assumed its present name. It is a wholly-owned subsidiary of Bandar Nusajaya Development Sdn Bhd which in turn is a wholly-owned subsidiary of UEML. Its principal activities are property development, land trading and investment holding. It does not have any subsidiary.

As at the LPD, its issued share capital is RM50,744,423.00 represented by 3,308,478 ordinary shares, all of which are held by Bandar Nusajaya Development Sdn Bhd. Its directors and their respective shareholdings in NHSB as at the LPD are set out below:

Directors	Nationality	<-----Direct----->		<-----Indirect----->	
		No. of shares	%	No. of shares	%
Zamri Bin Yusof	Malaysian	-	-	-	-
Zulfa Ashida Binti Zulkifli	Malaysian	-	-	-	-
Raja Norashikin Binti Tengku Aziz	Malaysian	-	-	-	-

2.6 Salient terms of the SPAs (including the Ancillary Agreements)

Please refer to the Appendices III and IV of this Circular for the salient terms of the SPA 1 and SPA 2 (including the Ancillary Agreements) respectively.

2.7 Liabilities/ Guarantees in relation to the Proposed Acquisitions

Save for the obligations and liabilities in and arising from and in connection with the SPAs and the Ancillary Agreements, there is no liability, including any contingent liability or guarantee, to be assumed by the Company arising from the Proposed Acquisitions.

2.8 Additional financial commitment required

Save for the Total Purchase Consideration and the future development costs for the Lands which cannot be ascertained at this juncture, the Board does not foresee any additional financial commitment arising from the Proposed Acquisitions.

3. INFORMATION ON THE LANDS

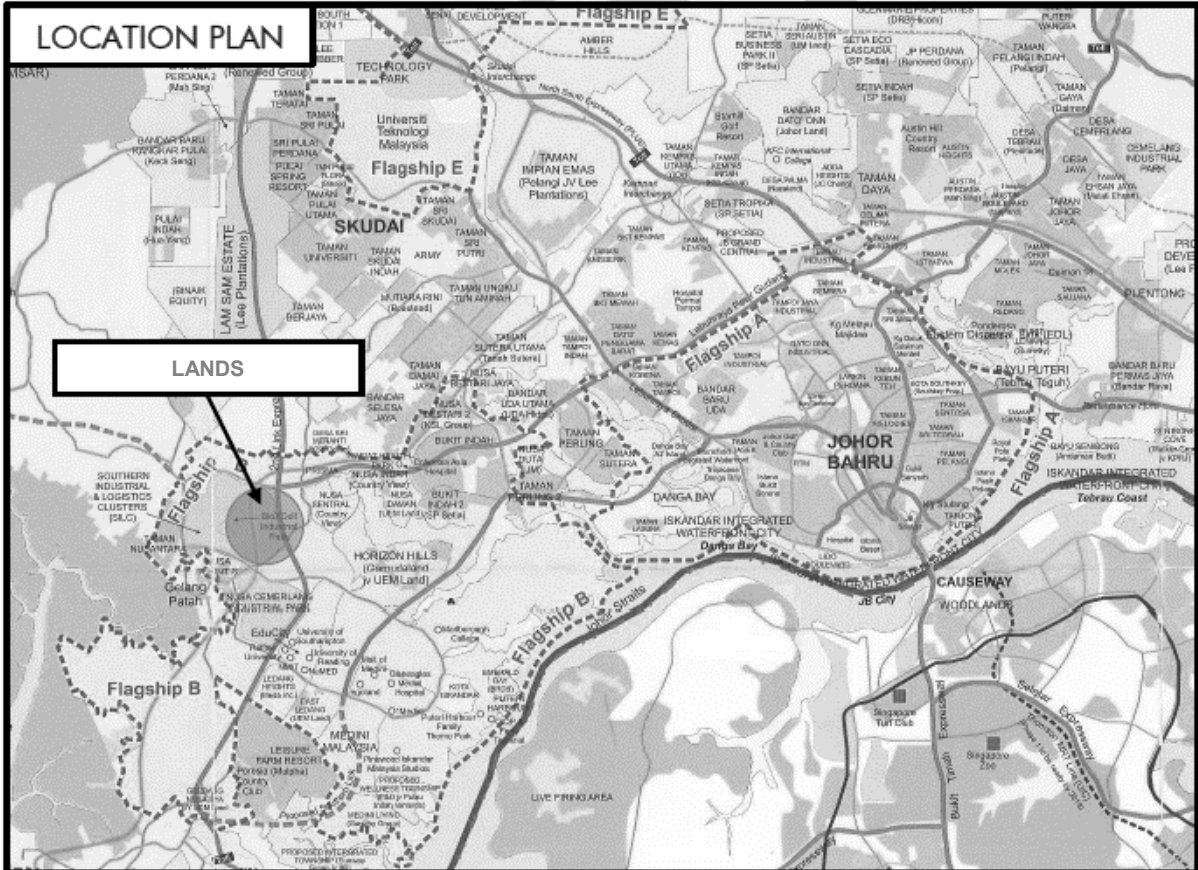
The Lands are located within Phase 3 of SiLC, Iskandar Puteri of Iskandar Malaysia, Johor Darul Takzim and are sited about three (3) kilometres due north-east of Gelang Patah town and twenty five (25) kilometres due west of the Johor Bahru city centre.

The Lands are easily accessible from the Johor Bahru city centre via Jalan Tun Abdul Razak, the Skudai Highway, Persisiran Perling, JB Parkway exit at the SiLC Interchange followed by Persiaran SiLC and thereafter onto Persiaran Bioteknologi leading to Phase 3 of SiLC.

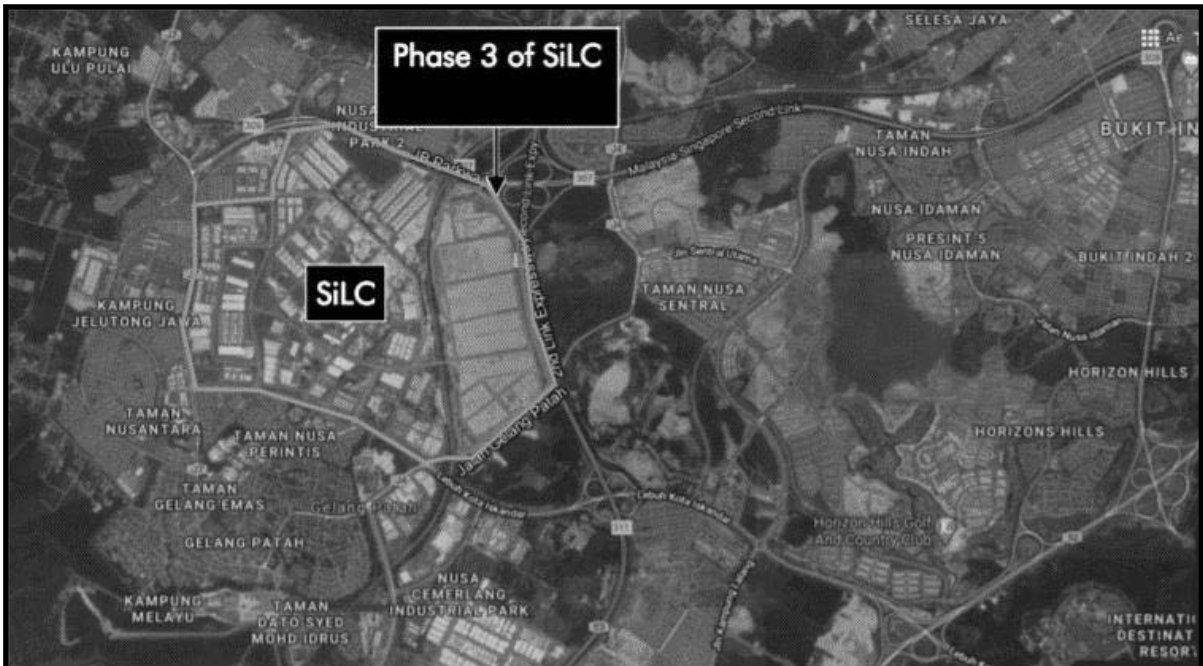
Alternatively, they are also accessible from the Johor Bahru city centre via Persiaran Abu Bakar Sultan, Persiaran Iskandar Sultan, the Iskandar Coastal Highway exit at Kota Iskandar Interchange onto Lebu Kota Iskandar, Jalan Nusa Perintis, Jalan SiLC 1 and thereafter onto Persiaran Bioteknologi leading to Phase 3 of SiLC.

Access from Tuas Second Link Expressway is by exiting at the Iskandar Puteri Interchange (Exit 311) onto Lebu Kota Iskandar and thereafter followed by the above-mentioned route.

The Lands are located inside the circle on the location plan as follows:



Phase 3 of SiLC is located towards the eastern most side of the SiLC development. It is bound by JB Parkway along its northern boundary, Second Link Expressway along its eastern boundary and Jalan Gelang Patah along its southern boundary whilst an existing overhead electricity transmission line runs along its western boundary:



Further details on the Lands are set out below:

Particulars

Non-Bumi Plots

Identification/ Postal address (with provisional land area) : Thirty eight (38) plots of freehold industrial land in the Mukim of Pulai, District of Johor Bahru, State of Johor bearing the following details:

Bumi Plots

Thirty four (34) plots of freehold industrial land in the Mukim of Pulai, District of Johor Bahru, State of Johor bearing the following details:

	Title No.	Lot No.	Land area		Title No.	Lot No.	Land area	
			Hectares	Acres			Hectares	Acres
GRN 587910	1.947	LOT 169178	1.947	4.811	GRN 587943	LOT 169189	1.218	3.010
GRN 587911	1.218	LOT 169179	1.218	3.010	GRN 587944	LOT 169190	1.308	3.232
GRN 587912	1.269	LOT 169180	1.269	3.136	GRN 587945	LOT 169191	1.308	3.232
GRN 587914	1.218	LOT 169182	1.218	3.010	GRN 587946	LOT 169192	1.218	3.010
GRN 587915	1.218	LOT 169183	1.218	3.010	GRN 587951	LOT 169203	1.530	3.781
GRN 587916	1.672	LOT 169184	1.672	4.132	GRN 587952	LOT 169204	1.218	3.010
GRN 587939	1.767	LOT 169185	1.767	4.366	GRN 587953	LOT 169205	1.218	3.010
GRN 587940	1.218	LOT 169186	1.218	3.010	GRN 587960	LOT 169212	1.218	3.010
GRN 587941	1.218	LOT 169187	1.218	3.010	GRN 587961	LOT 169213	1.218	3.010
GRN 587942	1.218	LOT 169188	1.218	3.010	GRN 587962	LOT 169214	1.484	3.667
GRN 587947	1.218	LOT 169193	1.218	3.010	GRN 587967	LOT 169219	1.218	3.010
GRN 587948	1.218	LOT 169194	1.218	3.010	GRN 587968	LOT 169220	1.308	3.232
GRN 587949	1.218	LOT 169195	1.218	3.010	GRN 587969	LOT 169221	1.288	3.183
GRN 587954	1.218	LOT 169206	1.218	3.010	GRN 587970	LOT 169222	1.218	3.010
GRN 587959	1.218	LOT 169211	1.218	3.010	GRN 587905	LOT 169229	1.294	3.198
GRN 587963	1.548	LOT 169215	1.548	3.825	GRN 587906	LOT 169230	1.207	2.983
GRN 587964	1.218	LOT 169216	1.218	3.010	GRN 587907	LOT 169231	1.207	2.983
GRN 587965	1.218	LOT 169217	1.218	3.010	GRN 587908	LOT 169232	1.207	2.983
GRN 587966	1.218	LOT 169218	1.218	3.010	GRN 587909	LOT 169233	1.207	2.983
GRN 587971	1.218	LOT 169223	1.218	3.010	GRN 587917	LOT 169234	0.713	1.762
GRN 587972	1.218	LOT 169224	1.218	3.010	GRN 587918	LOT 169235	0.407	1.006
GRN 587973	1.218	LOT 169225	1.218	3.010	GRN 587919	LOT 169236	0.407	1.006
GRN 587974	1.686	LOT 169226	1.686	4.166	GRN 587920	LOT 169237	0.413	1.021
GRN 587926	0.437	LOT 169248	0.437	1.080	GRN 587893	LOT 169239	0.454	1.122
GRN 587927	0.407	LOT 169249	0.407	1.006	GRN 587894	LOT 169240	0.484	1.196
GRN 587930	0.407	LOT 169252	0.407	1.006	GRN 587921	LOT 169243	0.439	1.085
GRN 587931	0.434	LOT 169253	0.434	1.072	GRN 587922	LOT 169244	0.407	1.006
GRN 587897	0.407	LOT 169256	0.407	1.006	GRN 587923	LOT 169245	0.407	1.006
GRN 587900	0.405	LOT 169261	0.405	1.001	GRN 587924	LOT 169246	0.441	1.090
GRN 587901	0.406	LOT 169262	0.406	1.003	GRN 587925	LOT 169247	0.692	1.710
GRN 587902	0.407	LOT 169263	0.407	1.006	GRN 587928	LOT 169250	0.407	1.006
GRN 587903	0.408	LOT 169264	0.408	1.008	GRN 587929	LOT 169251	0.407	1.006
GRN 587932	0.460	LOT 169266	0.460	1.137	HSD 580306	PTD 206370	0.805	1.989
GRN 587933	0.407	LOT 169267	0.407	1.006	HSD 580307	PTD 206371	0.638	1.577

Particulars

Non-Bumi Plots

Bumi Plots

	Title No.	Lot No.	Hectares	Land area Acres
	GRN 587934	LOT 169268	0.407	1.006
	GRN 587935	LOT 169269	0.407	1.006
	HSD 580308	PTD 206372	0.640	1.581
	HSD 580309	PTD 206373	0.455	1.124

Tenure	:	Freehold		Freehold
Proprietor/ Registered/ Beneficial owner	:	NHSB		NHSB
Category of land use	:	Industrial		Industrial
Existing use	:	Vacant		Vacant
Proposed use/ Development potential	:	Medium industrial area		Medium industrial area
Express condition	:	<ul style="list-style-type: none"> This land shall be used for medium industrial area and other related use, constructed in accordance with the plan approved by the relevant local authority. All impurities and pollution as a result of this activity must be channelled to the places that have been determined by the relevant authorities. All policies and conditions set and enforced from time to time by the relevant authority shall be complied with. 	<ul style="list-style-type: none"> This land shall be used for medium industrial area and other related use, constructed in accordance with the plan approved by the relevant local authority. All impurities and pollution as a result of this activity must be channelled to the places that have been determined by the relevant authorities. All policies and conditions set and enforced from time to time by the relevant authority shall be complied with. 	
Restriction-in-interest	:	This land is not allowed to be transferred in any way unless the infrastructure for public facilities in the factory area has started to be built according to the plan approved by the relevant local authority.		This land is not allowed to be transferred in any way unless the infrastructure for public facilities in the factory area has started to be built according to the plan approved by the relevant local authority.
				This land is allocated to Bumiputera. Once it is transferred to a Bumiputera/Bumiputera company, then it cannot be subsequently sold, leased or transferred in any way to non-Bumiputera/non-Bumiputera companies without the permission of the state authority.

Particulars	Non-Bumi Plots	Bumi Plots
Encumbrances	: Nil	Nil
Endorsement	: Nil	Lot for Bumiputera
Audited net book value	: Not available as the Company is not privy to the information	Not available as the Company is not privy to the information
Independent registered valuer	: CBRE WTW	CBRE WTW
Date of valuation	: 28 December 2020	28 December 2020
Method of valuation	: Comparison Approach	Comparison Approach
Market value	: RM241,000,000	RM202,000,000

(Source: Valuation Certificates)

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4. RATIONALE AND BENEFITS OF THE PROPOSED ACQUISITIONS

AME Group is a construction and property group with core expertise in the construction of customised large manufacturing plants as well as design-and-build of industrial parks complemented by the Group's offerings in engineering services, property investment and management services in Malaysia. AME Group intends to become a leading industrial park developer in Malaysia. Its business segments are summarised below:

Business segments	Segment activities
Property development	Design, construction and sale/lease of industrial buildings within the Group's industrial parks. It has extensive experience in building industrial properties tailored to the requirements of its customers which includes multinational corporations. The industrial units are thereafter sold or leased to domestic as well as international clients.
Property investment and management services	Leasing of industrial units in the Group's industrial parks to clients and the rental and management of workers' dormitories.
Construction	Construction services from planning to scoping, design, construction and management to post-construction maintenance.
Engineering	Steel engineering works, precast concrete works and mechanical and electrical engineering services as standalone services to external customers as well as to complement its construction projects.

AME Group's industrial development projects are mainly focused in Johor and it has presence in the construction of industrial development projects in Kuala Lumpur and Selangor as well. Its flagship projects are situated in Iskandar Malaysia, namely the development of industrial factories, commercial developments and dormitories in i-Park@Senai Airport City and i-Park@Indahpura, industrial factories and commercial developments in SME City, and industrial factories in i-Park@SiLC and District 6.

For shareholders' information, the financial performance of AME Group's property development, property investment and management services as well as construction and engineering services segments are set out below:

Revenues	<-----Audited----->				<-----Unaudited----->	
	FYE 31 March 2019		FYE 31 March 2020		Nine (9)-month FPE	
	RM'000	%	RM'000	%	31 December 2020	%
					RM'000	
Property development	43,143	12.72	92,347	24.28	112,953	37.99
Property investment and management services	21,522	6.35	34,631	9.11	26,571	8.94
Construction services	233,670	68.93	185,186	48.69	124,001	41.71
Engineering services	40,678	12.00	68,182	17.92	33,766	11.36
Total	339,013	100.00	380,346	100.00	297,291	100.00

As set out in the table above, AME's Group property development revenues have increased from RM43.14 million in FYE 31 March 2019 to RM112.95 million in the nine (9)-month FPE 31 December 2020. AME Group's focus on the development of industrial parks has enable AME Group to grow in a market segment that has relatively low competition as compared to the construction services and engineering services segments. Accordingly, AME Group aims to expand the property development business. AME Group decided to expand AME Group's land banks to include lands within the SiLC pursuant to the Proposed Acquisitions after taking into consideration the prospect of the Lands as set out in Section 5.4 of this Circular.

As at the LPD, the Group has total land bank of approximately 61.07 acres spread across i-Park@Senai Airport City (51.68 acres) and i-Park@Indahpura (9.39 acres). The Proposed Acquisitions will allow the Group to expand its land bank from approximately 61.07 acres to approximately 230.82 acres and increase its presence in Iskandar Malaysia, Johor being one of the nation's three (3) main economic regions. The other two (2) main economic regions are Selangor and Penang.

Over the past 10 years, Iskandar Malaysia has successfully attracted international investments in various sectors including manufacturing, real estate, education as well as tourism, all of which have not only created more job opportunities in the region but also transformed Johor Bahru into a more vibrant city today. The incoming catalytic infrastructure projects in Johor are expected to further spur investments in Iskandar Malaysia and these include the proposed Johor Bahru-Singapore Rapid Transit System ("**RTS**"), which will connect the Woodlands North station in Singapore with Bukit Chagar in Johor Bahru, and the proposed Bus Rapid Transit ("**BRT**") system for the transportation needs of the Johoreans. Apart from improving the connectivity of the state and the economy of Johor, these public transportation projects would also attract both local and foreign tourists to the region.

Notwithstanding the current soft property market condition in Johor and Malaysia, the Board is of the view that the Proposed Acquisitions come at an opportune time given the development progress of Iskandar Malaysia and the prospects of the Lands (as set out in Section 5.4 of this Circular). The Board also recognises that the Proposed Acquisitions are in line with the strategic plans of the Group to establish a strong and dominant presence in all the key growth corridors in Malaysia. The Lands are therefore a potentially valuable addition to the land bank of the Group due to its strategic location and sizeable acreage which would enable the Group to showcase its construction and development expertise in undertaking industrial development projects. This in turn would place the Group on a better footing to grow its industrial development business.

Furthermore, after taking into consideration the favourable outlook on the potential development of the Lands, the Board also believes that the Proposed Acquisitions will augur well for the Group and the future development of the Lands is expected to contribute positively to the Group's future earnings in the medium-to-long term and deliver sustainable growth to the Group if the development components on the Lands are planned properly.

5. INDUSTRY OVERVIEW AND OUTLOOK AND PROSPECTS OF THE LANDS

5.1 Overview and outlook of the Malaysian economy

The Malaysian economy recorded a negative growth of 3.4% in the fourth quarter (4th) ("**4Q**") of 2020, largely attributable to the imposition of the Conditional Movement Control Order ("**CMCO**") on a number of states since mid-October. The restrictions on mobility, especially on inter-district and inter-state travel, weighed on economic activity. Nevertheless, the continued improvement in external demand provided support to growth. Consequently, except for manufacturing, all economic sectors continued to record negative growth. On the expenditure side, moderating private consumption and public investment activities weighed on domestic demand. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a decline of 0.3% in 4Q 2020.

The services sector registered a larger contraction of 4.9% in 4Q 2020, as tighter restrictions on mobility and stricter standard operating procedures affected domestic-oriented activities. The restrictions (e.g. shorter operating hours) and weak sentiments adversely impacted spending, particularly on recreational activity and non-essential retail goods, which in turn weighed on activity in the wholesale and retail trade subsector. This was partially offset by continued growth in the motor vehicle segment. In addition, the weakness in tourism activity amid continued closure of international borders weighed on key sub-sectors, such as food and beverage, accommodation as well as transport and storage. Meanwhile, finance and insurance continued to grow amid sustained loan and deposit growth. Growth in the information and communication sub-sector also improved, amid higher demand for data communication services, particularly broadband.

The agriculture sector contracted further by 0.7% in 4Q 2020. This was due mainly to weak oil palm output as labour shortages continued to affect harvesting activities, while deteriorating weather conditions towards the end of the year led to operational constraints in production. Growth was also weighed by the continued weaknesses in the rubber, fisheries, forestry and logging subsectors, which partially offset the continued expansion in the livestock and other agriculture subsectors.

The construction sector registered a larger contraction by 13.9% in 4Q 2020. Labour shortages, site shutdowns due to COVID-19 outbreaks and interruptions in progress of selected work packages have affected growth, particularly in the civil engineering and residential sub sectors. The special trade sub sector, however, continued to register positive growth following support from small-scale projects under the PRIHATIN stimulus package.

The manufacturing sector expanded by 3.0% in 4Q 2020, as robust electrical and electronics ("E&E") production more than offset lower activity in the consumer cluster. The strong performance in the E&E sub-sector was supported by sustained global demand for semiconductors components, which has led to a global shortage. This has resulted in a build-up of order backlogs among Malaysian producers which are highly integrated in the global value chain. The positive growth in E&E was partially offset by the weakness in consumer-cluster. In particular, the refining and manufacture of palm-oil related products was affected by disruptions in the agriculture sector amid labour shortages. Several consumer-clusters, such as food and beverages, tobacco, and textiles subsectors, were affected by weaker demand due to the re-imposition of CMCO.

Domestic demand recorded a decline of 4.4% in 4Q 2020, mainly due to the subdued private consumption and public investment activities. Net exports grew by 12.4% in 4Q 2020, with continued expansion in manufactured exports.

Private consumption contracted by 3.4% in 4Q 2020. Household spending was subdued amid continued weaknesses in income and employment conditions during the quarter. Spending was also affected by tighter movement restrictions in selected states. Nevertheless, the decline in physical spending was partly mitigated by the continued acceleration in online spending. During 4Q 2020, consumer expenditure also remained supported by various stimulus measures including the EPF i-Lestari withdrawals, the continued support to affected borrowers under the Targeted Repayment Assistance and lower passenger car sales tax.

Meanwhile, public consumption continued to expand, albeit at a more moderate pace of 2.7% in 4Q 2020, supported by spending in emoluments.

(Source: Economic and Financial Developments in the Malaysian Economy in 4Q 2020, Bank Negara Malaysia)

Malaysia's gross domestic product is expected to contract by 4.5% in 2020, before rebounding between 6.5% - 7.5% in 2021. All sectors in the economy are expected to turnaround. Nevertheless, downside risks to the growth outlook remain, arising from the resurgence of COVID-19 cases and the duration of containment measures domestically and globally.

(Source: Chapter 3 Macroeconomic Outlook, Economic Outlook 2021, Ministry of Finance Malaysia)

5.2 Overview and outlook of the property market in Malaysia

The property market performance recorded a sharp decline in the first half ("H1") of 2020 compared to the same period last year. The property sector recorded 115,476 transactions worth RM46.94 billion in H1 2020, a decrease by 27.9% in volume and 31.5% in value compared to H1 2019, which recorded 160,165 transactions worth RM68.53 billion. The residential sub-sector led the overall property market with 65.2% contribution, followed by the agriculture sub-sector with 20.1% share. In terms of value, residential took the lead with 54.6% share, followed by commercial with 18.1% share.

The industrial sub-sector recorded 1,980 transactions worth RM5.41 billion in H1 2020. Compared to the same period last year, the market activity decreased by 36.9% in volume and 23.0% in value. Selangor continued to dominate the market, with 34.3% of the nation's volume, followed by Johor and Sarawak, each with 12.7% and 10.5% market share respectively.

Against H2 2019, the industrial overhang increased to 1,461 units worth RM2.23 billion, up by 14.1% and 19.2% in volume and value respectively. On a better note, the unsold under construction and not constructed declined to 617 units and 36 units, down by 3.9% and 47.8% respectively.

By state, Johor held most of the overhang, with 42.6% share. By type, terraced units formed the bulk of the overhang (41.6%), followed by semi-detach (36.8%).

On the construction front, the industrial sub-sector remain on a low tone as completion, starts and new planned supply declined. Completion were down by 47.4% to 159 units (H1 2019: 302 units). Starts and new planned supply declined by 20.4% and 59.9% to 292 units and 138 units respectively. As at end-June 2020, there were 117,526 existing industrial units, slightly more than 4,000 units in the incoming supply and slightly more than 7,000 units in the planned supply.

Prices of industrial property showed a more stable trend across the states with downward trend witnessed for terraced factory. In Selangor, single storey and one and a-half storey terraced dropped by 2.1% to 18%.

(Note: The expansion of e-commerce may spur demand for warehouses/distributions centres but the overhang continued to increase, probably due to mismatch as more than 80% of the industrial overhang units comprised terraced and semi-detached whilst the demand is seen towards vacant land/warehouses.)

The property market performance recorded a sharp decline in H1 2020, in consonance with the Malaysian economic performance, which contracted by 17.1% in Q2 2020 (Q1 2020: 0.7%).

Further assistance from the government, initiated under the new Short-term Economic Recovery Plan or PENJANA namely the proposed reintroduction of the Home Ownership Campaign (HOC), Real Property Gains Tax exemption and the relaxation of the current 70% financing margin limit for third housing loan onwards.

Despite the cautious optimism towards the nation's projected gradual economic recovery, with the resumption of market activity under the Recovery Movement Control Order and the proposed measures under PENJANA, the property market is more than likely to remain soft for the remaining half of 2020. The pace of improvement will be depending on both domestic and external factors such as political stability, global oil and commodity prices as well as further developments related to the COVID-19 pandemic.

(Source: Overview of Property Market First Half 2020, Valuation and Property Services Department, Ministry of Finance Malaysia)

5.3 Overview and outlook of the property market in Johor

The Southern Region property market performance softened in H1 2020, indicated by the contraction in market activity and construction activity. The Southern Region registered 26,616 transactions worth RM10.20 billion, decreased by 29.5% and 39.6% in volume and value respectively as compared to H1 2019. Combined, these three states formed about 23.0% and 21.7% of the national volume and value of transactions.

By State, Johor dominated the region's overall property transaction with 56.3% in volume (14,981 transactions) and 62.1% in value (RM6.33 billion) of the total transactions.

By sub-sector, residential continued to dominate the region's property transactions, contributing 67.8% (18,041 transactions) of the total. Likewise, residential sub-sector dominated the region's overall property transaction value with 54.5% share.

The industrial sub-sector contributed a small portion to the overall market activity in the Southern Region. The region's market performance recorded a decrease of 46.7% in volume (H1 2019: 925 transactions) and 32.6% in value (H1 2019: RM1.49 billion). Nevertheless, Johor took the lead in the industrial market activity with 252 transactions (-52.2%) followed by Melaka and Negeri Sembilan with 126 transactions (-20.3%) and 115 transactions (-52.1%) respectively. In terms of transactions value, all the states showed downtrend. Melaka declined by 42.8%, followed by Johor (-32.4%) and Negeri Sembilan (-28.4%).

The region's industrial overhang grew in the review period for Johor with 622 units worth RM1.31 billion, up by 12.3% in volume and 13.8% in value as compared to H2 2019 (554 units worth RM1.15 billion). Meanwhile Negeri Sembilan and Melaka stagnated at 79 units worth RM60.75 million and 28 units worth RM23.53 million respectively.

Similarly, unsold under construction in Negeri Sembilan increased by almost double to 33 units (H2 2019: 17 units), whilst Johor recorded better performance with decreasing in number by 31.2% to 190 units.

In tandem with the softening property market in Southern Region, construction activities were less active. Starts in Negeri Sembilan witnessed upward trend whilst the other states showed otherwise. Meanwhile, completion and new planned supply shrank for all states in the region.

(Source: Southern Region Property Market Report First Half 2020, Valuation and Property Services Department, Ministry of Finance Malaysia)

5.4 Prospects of the Lands

The Lands are strategically located within Iskandar Puteri of Iskandar Malaysia. Iskandar Malaysia is the new regional growth centre in South Peninsular Malaysia adjacent to Singapore. This special economic zone is planned to be a major regional economic hub. Its development is prioritised and encouraged via various incentives which include vast expansion capacity, developed infrastructure and facilities, and an investment-friendly business environment. The special zone is set to become a centre of attraction with its unique fusion of lifestyle, entertainment, environment and socio economics that are in line with its rapid growth as a strong and sustainable metropolis.

With Iskandar Malaysia's Comprehensive Development Plan 2006-2025 entering into the 2nd half of the 20 years plan, as of the first half of 2020 ("**1H2020**"), the region has recorded total cumulative investment of RM332.11 billion since its debut in 2006. Out of the total cumulative investment, RM194.28 billion (58.5%) have been realised. The year-on-year growth from 2018 to 2019 has increased by RM30.75 billion (10.8%) and RM24.23 billion (14.9%) in terms of total cumulative investment and total realised investment respectively. The average growth rate since 2010 for both total cumulative investment and total realised investment are RM27.40 billion (18.4%) and RM17.68 (23.9%) respectively.

As at 1H2020, as far as industrial sector is concerned, manufacturing, logistics and industrial properties contributed RM110.51 billion (33.3%) of the total cumulative investment in Iskandar Malaysia. This is mainly contributed by the manufacturing sector which contributed RM79.61 billion (24.0%), followed by industrial properties RM19.84 billion (6.0%) and RM11.06 billion (3.3%). Sector wise, manufacturing ranked second (2nd) place, industrial properties ranked fourth (4th) place and logistics ranked seventh (7th) place, out of a total of 13 categorised sectors, in terms of contributions to the total cumulative investment in 1H2020.

Iskandar Puteri, the key driver of Iskandar Malaysia is strategically located at the south-western tip of Peninsular Malaysia adjacent to Singapore. It is also the largest fully integrated urban development in South East Asia, covering 24,000 acres. It features eight (8) signature developments that are integral to Iskandar Puteri's vision to be 'The World In One City'. These eight (8) catalyst developments are Kota Iskandar - Johor State New Administrative Centre, Puteri Harbour, Medini, EduCity @ Iskandar, SiLC, Afiat Healthpark, Nusajaya Residences and Integrated Sustainable Living.

SiLC, where the Lands are located, is envisioned to be a world-class, managed, clean and green industrial park designed and planned to meet the current demand for environmentally sustainable development. SiLC capitalises on its proximity to an established network of two (2) international airports, namely Senai International Airport, Johor and Singapore Changi Airport, as well as five (5) seaports namely, Port of Tanjung Pelepas, Port of Pasir Gudang and Port of Tanjung Langsat located in Johor, and Jurong Port and Port of Singapore Authority located in the Republic of Singapore. A 1,300-acre flagship industrial development with a cluster-based approach, featuring advanced, innovation-driven industries augmenting on the value-chains of integrated 'clean' industrial clusters in three (3) major areas - advanced technologies, health and nutrition and integrated logistics. For clarification, a cluster-based approach in economic development is about improving the performance of key clusters within such region so they succeed, grow and attract similar businesses. The interconnectivity of clusters also provides the opportunity for an economy to gradually expand.

Premised on the above, the Board is optimistic of the future development potential of the Lands which in turn is expected to improve the Group's revenue and profit from the property development segment as well as the Group's future overall financial performance in the medium-to-long term.

(Source: Management of AME)

6. RISK FACTORS OF THE PROPOSED ACQUISITIONS

The Proposed Acquisitions are subject to risks inherent to the industrial property development industry which the Group is already involved in. Such risks may include industrial property overhang, adverse changes in real estate market prices, competition from other industrial property developers, changes in economic, social and political conditions, delay in completion of the Group's industrial property development projects against the scheduled completion, performance of third party sub-contractors, labour and material supply shortages, fluctuations in the prices of building materials and costs of labour charges as well as adverse changes in property tax, assessment and other statutory charges.

In addition to the risks set out above, the following are risks specifically associated with the Proposed Acquisitions:

i. Non-completion of the Proposed Acquisitions

The completion of the Proposed Acquisitions is subject to the fulfilment of the conditions precedent of the SPAs which include, among others, the approval of the shareholders of the Company, the EPU Consent for the Proposed Acquisitions, Bumi Release for SPA 2 and the SPAs becoming unconditional in accordance with the terms and conditions contained therein. Further details of the conditions precedent of the SPAs are set out in Section 3 of Appendices III and IV of this Circular. If Pentagon, Greenhill, UEML and/or NHSB are unable to fulfil or waive any of the said conditions precedent and/or perform their obligations in accordance with the terms of the SPAs, the Proposed Acquisitions may not be completed.

ii. Funding risk for the development of the Lands

Given the magnitude of the potential development of the Lands, the Group may be required to seek external financing to fund the development of the Lands in the future. There can be no assurance that the anticipated benefits of the Proposed Acquisitions will be realised or that the Group will be able to generate the desired returns from the future development of the Lands to repay the bank borrowings. In the event of any delay in receipt or absence of the anticipated benefits, the Group's repayment of such borrowings could be delayed and consequently result in higher borrowing costs.

iii. Risk of achieving lower gross development value than estimated

All the thirty four (34) plots of the Bumi Plots designated for Bumiputera purchasers requires the approval from the relevant authorities which includes the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) for the release of the Bumiputera restrictions on the Bumi Plots. In addition to the EPU Consent being obtained, failure to obtain the Bumi Release will result in the Group not being able to acquire the Bumi Plots and this in turn may result in the Group not being able to achieve its targeted gross development value for its industrial development project on the Bumi Plots.

iv. Compulsory acquisition of land

Pursuant to the Land Acquisition Act, 1960, the ruler of the Yang Di-Pertua Negeri of the respective state has the power to compulsorily acquire any land within the jurisdiction of such relevant state authority in Malaysia in accordance with the aforesaid act. In the event of any compulsory acquisition of the Lands or any part thereof, the amount of compensation to be compensated will be determined on the basis prescribed in the First Schedule of the Land Acquisition Act, 1960. If all or any portion of the Lands is compulsorily acquired by the relevant state authority at any point in time after the completion of the relevant SPAs, the amount of such compensation may be less than the purchase consideration paid by Pentagon and/or Greenhill under the Proposed Acquisitions.

In the event of any compulsory acquisition of the Lands or any part thereof, Pentagon and/or Greenhill may seek to minimise any potential losses from such transactions by invoking the relevant provisions in the Land Acquisition Act, 1960 in relation to its rights to submit an objection in respect of the amount of compensation, where necessary.

v. Powers to take temporary possession of properties

On 12 January 2021, the Yang di-Pertuan Agong exercised his powers under Clause (1) of Article 150 of the Federal Constitution to issue a Proclamation of Emergency throughout Malaysia from 11 January 2021 to 1 August 2021. The Emergency (Essential Powers) Ordinance 2021 ("**Ordinance 2021**") was subsequently gazetted on 14 January 2021 to combat the existing Covid-19 pandemic that will threaten the security, economic life and public order in Malaysia. Pursuant to the Ordinance 2021, the Yang di-Pertuan Agong or His Royal Highness' Authorised Person ("**HRH Authorised Person**") is empowered to take temporary possession of any land, building or movable property or part of any land, building or movable property and may give such directions as appear to him necessary or expedient in connection with the taking of possession of that land, building or movable property.

Additionally, the Yang-di-Pertuan Agong or HRH Authorised Person possesses powers to prohibit or restrict any exercise of rights over the Lands as well.

If temporary possession of the Lands takes place, Pentagon and/or Greenhill will be entitled to a certain amount of compensation which will be determined and assessed by the HRH Authorised Person himself. This compensation amount is final and conclusive and shall not be challenged in court on any grounds.

In the event the Yang-di-Pertuan Agong or HRH Authorised Person proceeds to take temporary possession of the Lands, Pentagon and/or Greenhill may face a risk of not being able to complete the Proposed Acquisitions. If temporary possession of the Lands occurs after completion of the Proposed Acquisitions or if the powers to prohibit or restrict exercise of rights over the Lands are exercised, Pentagon and/or Greenhill may be barred from dealing and/or developing the Lands.

As a result, Pentagon and/or Greenhill may not be able to realise the full benefits of the Proposed Acquisitions.

7. EFFECTS OF THE PROPOSED ACQUISITIONS

7.1 Issued share capital

The Proposed Acquisitions will not have any effect on the issued share capital of AME as it will not involve the issuance of any new AME Shares.

7.2 Consolidated NA per Share and gearing

Based on the latest audited consolidated statements of financial position of AME Group as at 31 March 2020 and assuming that the Proposed Acquisitions had been effected on that date, the pro forma effects of the Proposed Acquisitions on the NA per AME Share and gearing of AME Group are set out in the following page.

	Audited as at 31 March 2020 RM'000	I After subsequent event ^(a) RM'000	II After I and the Proposed Acquisitions RM'000
Share capital	620,140	620,140	620,140
Merger reserve	(452,311)	(452,311)	(452,311)
Retained earnings	466,048	453,235 ^(a)	452,620 ^(b)
Shareholders' funds/ NA	633,877	621,064	620,449
No. of AME Shares in issue ('000)	427,115	427,115	427,115
NA per AME Share (RM)	1.48	1.45	1.45
Total borrowings (RM'000)	283,225	283,225	543,798 ^(c)
Gearing ratio (times)	0.45	0.46	0.88 ^(d)

Notes:

(a) After taking into consideration the payment of the single-tier interim dividend of RM0.03 per AME Share in respect of the FYE 31 March 2020 amounting to approximately RM12.81 million which was paid on 18 August 2020.

(b) The estimated expenses in relation to the Proposed Acquisitions is approximately RM12.50 million, out of which approximately RM11.88 million will be capitalised and approximately RM0.62 million will be expensed off and charged to retained earnings. The breakdown of the estimated expenses are as follows:

	RM'000
Stamp duty and legal due diligence on the Lands	11,885
Professional fees	477
Regulatory fees	40
Printing and despatch of Circular and costs of convening the EGM	20
Other incidental expenses	78
Total	12,500

(c) After taking into consideration that 60% of the indicative Total Purchase Consideration amounting to approximately RM260.57 million is expected to be funded via bank borrowings. The funding is based on the assumption that the Bumi Plots under Proposed Acquisition 2 have been released to the public/non-Bumiputera purchaser by the relevant authorities which includes the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) with all the contributions fully paid.

(d) Assuming 60% of the indicative Total Purchase Consideration is funded via bank borrowings, the gearing ratio of the Group may increase from 0.46 times to 0.88 times. However, the Board wishes to clarify that the proportion of the funding via bank borrowings is purely indicative at this juncture and is set out purely for illustration purposes only. The Group may utilise more internal funds (comprising gross proceeds from AME Group's initial public offering which was completed on 14 October 2019, and internally generated funds) than bank borrowings, depending on the sales performance and development progress of the Lands and financial condition of the Group. Hence, the gearing ratio of the Group after the Proposed Acquisitions is not determinable at this juncture. Notwithstanding the above, the Board is of the view that the potential increase in gearing ratio arising from the Proposed Acquisitions is still relatively low, which is below 1.0 time against the shareholders' equity, even with the partial funding via bank borrowings. Moreover, the Board is of the view that the Proposed Acquisitions may contribute positively to the NA per Share in the future upon recognition of the developments of the Lands.

7.3 Substantial shareholders' shareholdings

The Proposed Acquisitions will not have any effect on the substantial shareholders' shareholdings in the Company as it will not involve the issuance of any new AME Shares.

7.4 Earnings and EPS

The pro forma effects of the Proposed Acquisitions on the consolidated EPS of AME assuming the Proposed Acquisitions had been effected at the beginning of the FYE 31 March 2020, is illustrated as follows:

	Audited as at 31 March 2020	I After the Proposed Acquisitions
Profit after tax attributable to owners of the Company (RM'000)	64,141	63,526 ^(a)
Weighted average number of AME Shares in issue ('000)	381,369	381,369
Basic EPS (sen)	16.82	16.66

Note:

- (a) After deducting the estimated expenses of approximately RM0.62 million which will be expensed off and charged to retained earnings.

8. APPROVALS REQUIRED FOR THE PROPOSED ACQUISITIONS

The Proposed Acquisitions are subject to the following approvals being obtained:

- i. the shareholders of AME, for the Proposed Acquisitions at the forthcoming EGM of the Company by way of a poll.

The highest percentage ratio applicable to the Proposed Acquisition 1 and the Proposed Acquisition 2 pursuant to Paragraph 10.02(g) of the Listing Requirements are approximately 36.84% and 31.67% respectively based on the indicative Purchase Consideration 1 and the indicative Purchase Consideration 2 over the latest audited consolidated net assets of AME Group as at 31 March 2020.

Paragraph 10.12 of the Listing Requirements stipulates, among others, that transactions should be aggregated when such transactions are entered into with the same party or with parties connected with one another as well as when such transactions involve the acquisition of various parcels of land contiguous to each other. In this regard, the highest percentage ratio for the Proposed Acquisitions when aggregated is 68.51%;

- ii. the EPU for the EPU Consent in relation to the Proposed Acquisitions. As at the LPD, the application to the EPU in relation to the Proposed Acquisitions has been made and is currently pending approval;
- iii. the relevant authorities for the Bumi Release which includes the Pejabat Setiausaha Kerajaan Johor (Bahagian Perumahan) for the release of the Bumiputera restrictions on the Bumi Plots; and
- iv. any other relevant authorities and/or parties, if required.

The Proposed Acquisitions are not inter-conditional upon each other and are not conditional upon any other proposal undertaken or to be undertaken by the Company.

9. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of the Directors, major shareholders, chief executives of AME and/ or persons connected with them has any interests, whether direct or indirect, in the Proposed Acquisitions.

10. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposed Acquisitions are expected to be completed by the second (2nd) quarter of 2025.

The tentative timetable for the implementation of the Proposed Acquisitions is set out below:

Date/Month	Events
8 April 2021	<ul style="list-style-type: none">• Convening of EGM to obtain the approval of the shareholders of AME for the Proposed Acquisitions
End April 2021	<ul style="list-style-type: none">• Fulfilment of all the SPA 1 Conditions Precedent for the Proposed Acquisition 1
End December 2021	<ul style="list-style-type: none">• Fulfilment of all the SPA 2 Conditions Precedent for the Proposed Acquisition 2
End June 2025 ^(a)	<ul style="list-style-type: none">• Completion of the Proposed Acquisitions

Note:

- (a) *For the avoidance of doubt, the estimated completion of the Proposed Acquisitions by end June 2025 is arrived at after the management of AME had taken into consideration that the balance purchase consideration for SPA 1 and SPA 2 are payable within thirty six (36) months from the respective unconditional date. In addition, the Management Agreement as set out in item 12 of Appendix III will commence from the SPA 1 Unconditional Date until 30 June 2025.*

11. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION

Save as disclosed below, there is no corporate exercise which has been announced by the Company but not yet completed as at the date of this Circular:

- i. the Proposed Acquisitions; and
- ii. On 1 December 2020, the Company announced that it proposed to undertake a proposed establishment and listing of an industrial real estate investment trust ("**AME REIT**") on the Main Market of Bursa Securities ("**Proposed REIT Establishment and Listing**") which may entail, amongst others, the following:
 - (a) proposed disposals by the subsidiaries of AME of their interests in the subject properties to be identified to AME REIT with the disposal consideration to be satisfied through a combination of cash and issuance of new units in AME REIT ("**Units**");
 - (b) proposed placement of Units to institutional investors and selected investors to meet the public unitholding spread requirement of at least 25% pursuant to the Listing Requirements; and
 - (c) proposed admission of AME REIT to the Official List of Bursa Securities and the listing and quotation for the Units on the Main Market of Bursa Securities.

Apart from the above, AME will also explore other potential corporate exercises which may be undertaken as part of the Proposed REIT Establishment and Listing.

The details of the Proposed REIT Establishment and Listing will be announced when all the terms and conditions have been finalised.

12. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed Acquisitions, including the basis and justification for arriving at the indicative Total Purchase Consideration, salient terms of the SPAs, rationale and benefits of the Proposed Acquisitions as well as the effects of the Proposed Acquisitions, is of the opinion that the Proposed Acquisitions are in the best interest of the Company.

Accordingly, the Board recommends that you **vote in favour** of the resolutions pertaining to the Proposed Acquisitions to be tabled at the forthcoming EGM.

13. EGM

The EGM, the notice of which is enclosed in this Circular, will be held at i-Park@Senai Airport City Sales Gallery, No. 1, Jalan I-Park SAC 1, Taman Perindustrian I-Park SAC, 81400 Senai, Johor Darul Takzim on Thursday, 8 April 2021 at 10.00 a.m. for the purpose of considering and if thought fit, passing the resolutions to give effect to the Proposed Acquisitions.

If you are unable to attend, participate, speak and vote at the forthcoming EGM, you may appoint a proxy or proxies to do so on your behalf by completing and depositing the enclosed Form of Proxy in accordance with the instructions therein at the Company's Registered Office at Suite 9D, Level 9, Menara Ansar, 65, Jalan Trus, 80000 Johor Bahru, Johor Darul Takzim, not less than 48 hours before the time set for holding the EGM. The lodging of the Form of Proxy will not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

14. ADDITIONAL INFORMATION

You are advised to refer to the attached appendices for additional information.

Yours faithfully,
For and on behalf of the Board
AME ELITE CONSORTIUM BERHAD

LEE CHAI
Group Managing Director

VALUATION CERTIFICATE FOR THE NON-BUMI PLOTS



C H Williams Talhar & Wong Sdn Bhd (197401001098)
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 65 Jalan Trus P O Box 320
 80000 Johor Bahru
 Johor Darul Takzim
 Malaysia

Report and Valuation

Our Ref : WTW/04/V/008390/20/JTZ

30 December 2020

PRIVATE & CONFIDENTIAL

The Board of Directors
 AME Elite Consortium Berhad
 No. 5, Jalan i-Park SAC 2
 Taman Perindustrian i-Park SAC
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 Johor

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Dear Sirs

CERTIFICATE OF VALUATION

LOT NOS. 169178 TO 169180, 169182 TO 169188,
 169193 TO 169195, 169206, 169211, 169215 TO 169218,
 169223 TO 169226, 169248, 169249, 169252, 169253, 169256,
 169261 TO 169264, 169266 TO 169269, PTD 206372 & PTD 206373
 MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, JOHOR
 [THIRTY-EIGHT (38) PARCELS OF VACANT INDUSTRIAL LAND
 LOCATED WITHIN PHASE 3 OF SOUTHERN INDUSTRIAL & LOGISTICS CLUSTERS ("SILC")
 79200 ISKANDAR PUTERI, JOHOR] ("SUBJECT PROPERTY")
 FOR SUBMISSION TO BURSA MALAYSIA SECURITIES BERHAD

We thank you for your instructions to carry out a formal valuation on the above-mentioned Subject Property and to provide our opinion of the Market Value of the Subject Property as at 28 December 2020 for the purpose of submission to Bursa Malaysia Securities Berhad in relation to the proposed acquisitions by Pentagon Land Sdn Bhd ("Pentagon"), a wholly-owned subsidiary of AME Elite Consortium Berhad ("AME") of the Subject Property.

Having inspected the Subject Property and investigated available data related and relevant to the matter, we are pleased to report that in our opinion, the market value of the Subject Property with permission to transfer and free from all encumbrances is **RM241,000,000/- (Ringgit Malaysia : Two Hundred And Forty One Million Only)**.

The valuation has been prepared in accordance with the requirements as set out in the Asset Valuation Guidelines issued by Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

The basis of the valuation is Market Value which is defined by the Malaysian Valuation Standards (MVS) to be "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

This Valuation Certificate should be read in conjunction with the full Report and Valuation.

VALUATION CERTIFICATE FOR THE NON-BUMI PLOTS (CONT'D)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref : WTW/04/V/008390/20/JTZ

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TERMS OF REFERENCE

To assess the market value of the above captioned property for the purpose of submission to Bursa Malaysia Securities Berhad in relation to the proposed acquisitions by Pentagon Land Sdn Bhd ("Pentagon"), a wholly-owned subsidiary of AME Elite Consortium Berhad ("AME") of the Subject Property.

PROPERTY IDENTIFICATION

The Subject Property	:	Thirty-eight (38) parcels of vacant industrial land
Location	:	Located within Phase 3 of Southern Industrial & Logistics Clusters ("SiLC"), 79200 Iskandar Puteri, Johor
Title No.	:	Refer to "Schedule of Title Particulars" attached as Attachment I
Lot No.	:	Refer to "Schedule of Title Particulars", all in Mukim of Pulai, District of Johor Bahru, Johor
Tenure	:	Freehold / Term In Perpetuity
Total Titled Land Area	:	370,871 square metres (3,992,019 square feet or 91.644 acres)
Registered Proprietor	:	Nusajaya Heights Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian
Encumbrances	:	Nil
Date of Valuation	:	28 December 2020

SITUATION

The Subject Property is easily accessible from the Johor Bahru city centre via Jalan Tun Abdul Razak, the Skudai Highway, Persisiran Perling, JB Parkway exit at the SiLC Interchange followed by Persiaran SiLC and thereafter onto Persiaran Bioteknologi leading to Phase 3 of SiLC. Access from Tuas Second Link Expressway is by exiting at the Iskandar Puteri Interchange (Exit 311) onto Lebuhraya Kota Iskandar and thereafter followed by the above-mentioned route.

GENERAL DESCRIPTION

The Subject Property comprises thirty-eight (38) parcels of vacant industrial land. The lands are fairly regular in shape. In general, the individual sites are flat in terrain and lie slightly above the frontage metalled roads level.

The site boundaries are basically not demarcated by any form of fencing.

At the time of our inspection, we noted that the subject sites were generally cleared and readily for development.

PLANNING PROVISION

The Subject Property is designated for medium industrial use as per the Express Condition in the documents of title.

METHOD OF VALUATION

In arriving at the market value of the Subject Property, we have adopted the Comparison Approach. We have adopted the Comparison Approach as the only method of valuation considering that the Subject Property comprises thirty-eight (38) parcels of vacant industrial land without any building plan approval granted. Furthermore, there are adequate sale comparables in the vicinity of the Subject Property which can be relied upon.

VALUATION CERTIFICATE FOR THE NON-BUMI PLOTS (CONT'D)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref : WTW/04/V/008390/20/JTZ

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VALUE CONSIDERATION

For the purpose of this valuation, we have adopted Lot 169261 as the Base Lot with further adjustments made for differences in land size and corner premium to other lots in arriving at their market value.

In arriving at the market value of the Base Lot, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation and Property Services Department (JPPH)			
Lot No., Mukim, District and State	PTD 200337 to PTD 200340, Mukim of Pulai, District of Johor Bahru, Johor	PTD 200718, PTD 200756 to PTD 200758, Mukim of Pulai, District of Johor Bahru, Johor	PTD 182044, Mukim of Pulai, District of Johor Bahru, Johor	PTD 200400, Mukim of Pulai, District of Johor Bahru, Johor
Location	Kawasan Perindustrian SiLC, Iskandar Puteri, Johor	IBP Nusajaya, Kawasan Perindustrian SiLC, Iskandar Puteri, Johor	Kawasan Perindustrian SiLC, Iskandar Puteri, Johor	Kawasan Perindustrian SiLC, Iskandar Puteri, Johor
Type	Vacant Industrial Land			
Tenure	Freehold / Term In Perpetuity			
Land Area (sq. metre)	50,520	5,680	12,140	4,070
Land Area (sq. feet)	543,792	61,140	130,674	43,809
Date	04/12/2019	16/10/2018	21/08/2018	19/07/2018
Vendor	Nusajaya Heights Sdn Bhd	THAB Development Sdn Bhd	J.B Eastern Engineering Sdn Bhd	Nusajaya Heights Sdn Bhd
Purchaser	Wilmar Greenfarm Food Industries Sdn Bhd	Jubin BMS (1990) Sdn Bhd	Samtec Asia Pacific (M) Sdn Bhd	BCC Bright Capital Sdn Bhd
Consideration	RM38,072,312/-	RM6,113,900/-	RM14,374,800/-	RM3,940,002/-
Analysis (RM psm)	RM754	RM1,076	RM1,184	RM968
Analysis (RM psf)	RM70	RM100	RM110	RM90
Adjustments	Adjustments are made on time/market condition, land size and corner premium			
Adjusted Land Value (RM psf)	RM80	RM90	RM110	RM85

Notes : "psm" denotes per square metre
"psf" denotes per square foot

Our verbal enquiries with Nusajaya Heights Sdn Bhd revealed that the reported sale prices of Comparable 1 and 4 are the final price paid by the purchaser. Therefore, we are of the view that no further adjustment or discount need to be allow for the reported sale price.

The adjusted land values derived from the above comparables range from RM80 to RM110 per square foot. We have placed greater emphasis on Comparable Nos. 1, 2 and 4 for the reason that they are amongst the latest sale transactions and located within the same locality as the Subject Property.

Based on the above, we have adopted a rounded base value at RM85 per square foot in our valuation as a fair representation and thereafter further adjustments made for differences, if any, to arrive at the market value of the remaining lots.

Accordingly, the market value of the Subject Property is derived as follows: -

Lot No.	Base Land Value (RM psf)	Adjustment	Adjusted Land Value (RM psf)	Market Value
Lot 169178	RM85	Adjustments are made on land size and corner premium	RM80	RM16,800,000/-
Lot 169179			RM80	RM10,500,000/-
Lot 169180			RM85	RM11,600,000/-
Lot 169182			RM80	RM10,500,000/-
Lot 169183			RM80	RM10,500,000/-
Lot 169184			RM80	RM14,400,000/-
Lot 169185			RM80	RM15,200,000/-
Lot 169186			RM80	RM10,500,000/-
Lot 169187			RM80	RM10,500,000/-
Lot 169188			RM80	RM10,500,000/-
Lot 169193			RM80	RM10,500,000/-
Lot 169194			RM80	RM10,500,000/-
Lot 169195			RM80	RM10,500,000/-
Lot 169206			RM80	RM10,500,000/-
Lot 169211			RM80	RM10,500,000/-
Lot 169215			RM85	RM14,200,000/-
Lot 169216			RM80	RM10,500,000/-

VALUATION CERTIFICATE FOR THE NON-BUMI PLOTS (CONT'D)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref : WTW/04/V/008390/20/JTZ

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VALUE CONSIDERATION (Cont'd)

Lot No.	Base Land Value (RM psf)	Adjustment	Adjusted Land Value (RM psf)	Market Value
Lot 169217	RM85	Adjustments are made on land size and corner premium	RM80	RM10,500,000/-
Lot 169218			RM80	RM10,500,000/-
Lot 169223			RM80	RM10,500,000/-
Lot 169224			RM80	RM10,500,000/-
Lot 169225			RM80	RM10,500,000/-
Lot 169226			RM80	RM14,500,000/-
Lot 169248			RM90	RM4,200,000/-
Lot 169249			RM85	RM3,700,000/-
Lot 169252			RM85	RM3,700,000/-
Lot 169253			RM90	RM4,200,000/-
Lot 169256			RM85	RM3,700,000/-
Lot 169261			RM85	RM3,700,000/-
Lot 169262			RM85	RM3,700,000/-
Lot 169263			RM85	RM3,700,000/-
Lot 169264			RM85	RM3,700,000/-
Lot 169266			RM90	RM4,500,000/-
Lot 169267			RM85	RM3,700,000/-
Lot 169268			RM85	RM3,700,000/-
Lot 169269			RM85	RM3,700,000/-
PTD 206372			RM90	RM6,200,000/-
PTD 206373	RM90	RM4,400,000/-		
Total				RM325,700,000/-

The market value is thence further adjusted to take into consideration the holding period, sales & marketing costs as well as risk factor, discounted at 8.0% per annum over the three (3) years.

Commenced in 2006, SiLC's phases 1 and 2 with a total of 550 acres had been fully sold as at March 2012 with an average take-up rate of about 90 acres per annum. Based on this, our projected absorption rate for the Subject Property after considering the availability of other unsold lands in Phase 3 SiLC is as follows: -

Year 1	Year 2	Year 3	Total
18.329 ac 20%	32.075 ac 35%	41.240 ac 45%	91.644 ac 100%

The estimated sales of the Subject Property per annum ranging from 18.329 acres to 41.240 acres is in alignment with the average take-up rate of SiLC's first two phases. In view of the above, the holding period assumed in our valuation is considered reasonable and realistic after taking into account the current market condition also time frame required for the sales of the property.

The market value after holding period adjustment is derived at RM241,000,000/- based on the following: -

Description	Year 1	Year 2	Year 3	Total
Estimated Cash Inflow				
Sale of industrial land	RM65,140,000	RM113,995,000	RM146,565,000	RM325,700,000
Estimated Cash Outflow				
i. Sale & Marketing Cost (2% of sale consideration)	RM1,302,800	RM2,279,900	RM2,931,300	RM6,514,000
ii. Profit & Risk (10% of sale consideration)	RM6,514,000	RM11,399,500	RM14,656,500	RM32,570,000
Net Cash Flow	RM57,323,200	RM100,315,600	RM128,977,200	RM286,616,000
Present Value @ 8%	0.9259	0.8573	0.7938	
Market Value	RM53,077,037	RM86,004,458	RM102,386,260	RM241,467,755
			Market Value, say	RM241,000,000

The sales & marketing cost is adopted at 2% in consideration that the Subject Property is vacant industrial land and the rate is acceptable by the market at large due to the current competitive market. Whilst, the 10% of profit and risk factor adopted for the sale consideration is expected rate of return generally expected by developers or investors.

A present value factor of 8.0% per annum adopted is in tandem with the finance rate and reflects adequately the time value of money. The discount rate is market derived and it is also generally made reference to the industry average weighted average cost of capital of property related companies that acceptable to most stakeholders of the property and real estate market.

The above analysed holding period discount is in line with the general market practise on discount rate for size adjustment (or also commonly known as quantum discount) in the Comparison Approach.

VALUATION CERTIFICATE FOR THE NON-BUMI PLOTS (CONT'D)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref : WTW/04/V/008390/20/JTZ
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VALUATION

Taking into consideration the above factors, we therefore assess the market value of the Subject Property with permission to sell, lease, transfer and free from all encumbrances at **RM241,000,000/-** (Ringgit Malaysia : Two Hundred And Forty One Million Only).

Yours faithfully
for and on behalf of
C H Williams Talhar & Wong Sdn Bhd

Sr LO KIN WENG
B. (Hons) Estate Management, MRICS, MRISM, MPEPS
Registered Valuer (V-917)

VALUATION CERTIFICATE FOR THE NON-BUMI PLOTS (CONT'D)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref : WTW/04/V/008390/20/JTZ

ATTACHMENT I

SCHEDULE OF TITLE PARTICULARS

Title No.	Lot No.	Land Area	
		(sq. metre)	(sq. feet)
GRN 587910	Lot 169178	19,467	209,541
GRN 587911	Lot 169179	12,180	131,104
GRN 587912	Lot 169180	12,689	136,583
GRN 587914	Lot 169182	12,180	131,104
GRN 587915	Lot 169183	12,180	131,104
GRN 587916	Lot 169184	16,720	179,972
GRN 587939	Lot 169185	17,665	190,144
GRN 587940	Lot 169186	12,180	131,104
GRN 587941	Lot 169187	12,180	131,104
GRN 587942	Lot 169188	12,180	131,104
GRN 587947	Lot 169193	12,180	131,104
GRN 587948	Lot 169194	12,180	131,104
GRN 587949	Lot 169195	12,180	131,104
GRN 587954	Lot 169206	12,180	131,104
GRN 587959	Lot 169211	12,180	131,104
GRN 587963	Lot 169215	15,484	166,668
GRN 587964	Lot 169216	12,180	131,104
GRN 587965	Lot 169217	12,180	131,104
GRN 587966	Lot 169218	12,180	131,104
GRN 587971	Lot 169223	12,180	131,104
GRN 587972	Lot 169224	12,180	131,104
GRN 587973	Lot 169225	12,180	131,104
GRN 587974	Lot 169226	16,855	181,426
GRN 587926	Lot 169248	4,371	47,049
GRN 587927	Lot 169249	4,067	43,777
GRN 587930	Lot 169252	4,067	43,777
GRN 587931	Lot 169253	4,342	46,737
GRN 587897	Lot 169256	4,067	43,777
GRN 587900	Lot 169261	4,053	43,626
GRN 587901	Lot 169262	4,063	43,734
GRN 587902	Lot 169263	4,072	43,831
GRN 587903	Lot 169264	4,080	43,917
GRN 587932	Lot 169266	4,603	49,546
GRN 587933	Lot 169267	4,067	43,777
GRN 587934	Lot 169268	4,067	43,777
GRN 587935	Lot 169269	4,067	43,777
HSD 580308	PTD 206372	6,398	68,868
HSD 580309	PTD 206373	4,547	48,944

VALUATION CERTIFICATE FOR THE BUMI PLOTS



C H Williams Talhar & Wong Sdn Bhd (197401001098)
 Unit 15B Level 15 Menara Ansar
 65 Jalan Trus P O Box 320
 80000 Johor Bahru
 Johor Darul Takzim
 Malaysia

Report and Valuation

Our Ref : WTW/04/V/008390A/20/JTZ

30 December 2020

PRIVATE & CONFIDENTIAL

The Board of Directors
AME Elite Consortium Berhad
 No. 5, Jalan i-Park SAC 2
 Taman Perindustrian i-Park SAC
 81400 Senai
 Johor

T +(6 07) 224 3388
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Dear Sirs

CERTIFICATE OF VALUATION

LOT NOS. 169189 TO 169192, 169203 TO 169205, 169212 TO 169214,
 169219 TO 169222, 169229 TO 169237, 169239, 169240,
 169243 TO 169247, 169250, 169251, PTD 206370 & PTD 206371
 MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, JOHOR
 [THIRTY-FOUR (34) PARCELS OF VACANT INDUSTRIAL LAND
 LOCATED WITHIN PHASE 3 OF SOUTHERN INDUSTRIAL & LOGISTICS CLUSTERS ("SILC")
 79200 ISKANDAR PUTERI, JOHOR] ("SUBJECT PROPERTY")
 FOR SUBMISSION TO BURSA MALAYSIA SECURITIES BERHAD

We thank you for your instructions to carry out a formal valuation on the above-mentioned Subject Property and to provide our opinion of the Market Value of the Subject Property for the purpose of submission to Bursa Malaysia Securities Berhad in relation to the proposed acquisitions by Greenhill SILC Sdn Bhd ("Greenhill"), a wholly-owned subsidiary of AME Elite Consortium Berhad ("AME") of the Subject Property.

Having inspected the Subject Property and investigated available data related and relevant to the matter, we are pleased to report that in our opinion, the market value of the Subject Property **ON THE BASIS(S) AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to sell, lease, transfer and free from all encumbrances is **RM202,000,000/- (Ringgit Malaysia : Two Hundred And Two Million Only)**.

The valuation has been prepared in accordance with the requirements as set out in the Asset Valuation Guidelines issued by Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

The basis of the valuation is Market Value which is defined by the Malaysian Valuation Standards (MVS) to be "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

This Valuation Certificate should be read in conjunction with the full Report and Valuation.

VALUATION CERTIFICATE FOR THE BUMI PLOTS (CONT'D)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref : WTW/04/V/008390A/20/JTZ

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TERMS OF REFERENCE

To assess the market value of the above captioned property for the purpose of submission to Bursa Malaysia Securities Berhad in relation to the proposed acquisitions by Greenhill SILC Sdn Bhd ("Greenhill"), a wholly-owned subsidiary of AME Elite Consortium Berhad ("AME").

Pursuant to the Sale and Purchase Agreement dated 30 December 2020 entered between UEM Land Berhad (the "Vendor"), Nusajaya Heights Sdn Bhd (the "Proprietor") and Greenhill SILC Sdn Bhd (the "Purchaser"), the Vendor and the Proprietor agree to sell and the Purchaser agrees to purchase the Subject Property free from encumbrances with vacant possession, and subject to any expressed and implied conditions of title and restrictions in interest, and other endorsements as registered on the individual documents of title (except the Bumiputera restrictions), and upon the fulfilment of the conditions precedent stipulated therein.

The parties expressly agree that the said Sale and Purchase Agreement shall be conditional upon, amongst other the satisfaction that the Vendor procured, and the Purchaser received the unconditional approval for Bumiputera release from the appropriate authorities within 12 months (or any further extension as agreed between the parties) from the date of the Sale and Purchase Agreement.

Having regard to the foregoing, as instructed, the valuation is carried out based on the following **BASIS(S)**: -

THE SUBJECT PROPERTY HAS OBTAINED THE BUMIPUTERA RELEASE APPROVAL FROM THE APPROPRIATE AUTHORITIES WITH ALL THE RELAVANT CHARGES AND CONTRIBUTIONS FULLY PAID.

OUR VALUATION IS BASED ON THE ABOVE INFORMATION WHICH ARE PRESUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE INFORMATION ARE INVALID / INCORRECT.

PROPERTY IDENTIFICATION

The Subject Property	:	Thirty-four (34) parcels of vacant industrial land
Location	:	Located within Phase 3 of Southern Industrial & Logistics Clusters ("SiLC"), 79200 Iskandar Puteri, Johor
Title No.	:	Refer to "Schedule of Title Particulars" attached as Attachment I
Lot No.	:	Refer to "Schedule of Title Particulars", all in Mukim of Pulau, District of Johor Bahru, Johor
Tenure	:	Freehold / Term In Perpetuity
Total Titled Land Area	:	316,113 square metres (3,402,615 square feet or 78.113 acres)
Registered Proprietor	:	Nusajaya Heights Sdn Bhd
Category of Land Use	:	Perusahaan / Perindustrian
Encumbrances	:	Nil
Date of Valuation	:	28 December 2020

SITUATION

The Subject Property is easily accessible from the Johor Bahru city centre via Jalan Tun Abdul Razak, the Skudai Highway, Persisiran Perling, JB Parkway exit at the SiLC Interchange followed by Persiaran SiLC and thereafter onto Persiaran Bioteknologi leading to Phase 3 of SiLC. Access from Tuas Second Link Expressway is by exiting at the Iskandar Puteri Interchange (Exit 311) onto Lebuhraya Kota Iskandar and thereafter followed by the above-mentioned route.

VALUATION CERTIFICATE FOR THE BUMI PLOTS (CONT'D)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref : WTW/04/V/008390A/20/JTZ

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GENERAL DESCRIPTION

The Subject Property comprises thirty-four (34) parcels of vacant industrial land. The lands are fairly regular in shape. In general, the individual sites are flat in terrain and lie slightly above the frontage metalled roads level.

The site boundaries are basically not demarcated by any form of fencing.

At the time of our inspection, we noted that the subject sites were generally cleared and readily for development.

PLANNING PROVISION

The Subject Property is designated for medium industrial use as per the Express Condition in the documents of title.

METHOD OF VALUATION

In arriving at the market value of the Subject Property, we have adopted the Comparison Approach. We have adopted the Comparison Approach as the only method of valuation considering that the Subject Property comprises thirty-four (34) parcels of vacant industrial land without any building plan approval granted. Furthermore, there are adequate sale comparables in the vicinity of the Subject Property which can be relied upon.

VALUE CONSIDERATION

For the purpose of this valuation, we have adopted Lot 169250 as the Base Lot with further adjustments made for differences in land size and corner premium to other lots in arriving at their market value.

In arriving at the market value of the Base Lot, we have considered the following market evidences: -

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	Valuation and Property Services Department (JPPH)			
Lot No., Mukim, District and State	PTD 200337 to PTD 200340, Mukim of Pulai, District of Johor Bahru, Johor	PTD 200718, PTD 200756 to PTD 200758, Mukim of Pulai, District of Johor Bahru, Johor	PTD 182044, Mukim of Pulai, District of Johor Bahru, Johor	PTD 200400, Mukim of Pulai, District of Johor Bahru, Johor
Location	Kawasan Perindustrian SiLC, Iskandar Puteri, Johor	IBP Nusajaya, Kawasan Perindustrian SiLC, Iskandar Puteri, Johor	Kawasan Perindustrian SiLC, Iskandar Puteri, Johor	Kawasan Perindustrian SiLC, Iskandar Puteri, Johor
Type	Vacant Industrial Land			
Tenure	Freehold / Term In Perpetuity			
Land Area (sq. metre)	50,520	5,680	12,140	4,070
Land Area (sq. feet)	543,792	61,140	130,674	43,809
Date	04/12/2019	16/10/2018	21/08/2018	19/07/2018
Vendor	Nusajaya Heights Sdn Bhd	THAB Development Sdn Bhd	J.B Eastern Engineering Sdn Bhd	Nusajaya Heights Sdn Bhd
Purchaser	Wilmar Greenfarm Food Industries Sdn Bhd	Jubin BMS (1990) Sdn Bhd	Samtec Asia Pacific (M) Sdn Bhd	BCC Bright Capital Sdn Bhd
Consideration	RM38,072,312/-	RM6,113,900/-	RM14,374,800/-	RM3,940,002/-
Analysis (RM psm)	RM754	RM1,076	RM1,184	RM968
Analysis (RM psf)	RM70	RM100	RM110	RM90
Adjustments	Adjustments are made on time/market condition, land size and corner premium			
Adjusted Land Value (RM psf)	RM80	RM90	RM110	RM85

Notes : "psm" denotes per square metre
"psf" denotes per square foot

Our verbal enquiries with Nusajaya Heights Sdn Bhd revealed that the reported sale prices of Comparable 1 and 4 are the final price paid by the purchaser. Therefore, we are of the view that no further adjustment or discount need to be allow for the reported sale price.

The adjusted land values derived from the above comparables range from RM80 to RM110 per square foot. We have placed greater emphasis on Comparable Nos. 1, 2 and 4 for the reason that they are amongst the latest sale transactions and located within the same locality as the Subject Property.

Based on the above, we have adopted a rounded base value at RM85 per square foot in our valuation as a fair representation and thereafter further adjustments made for differences, if any, to arrive at the market value of the remaining lots.

VALUATION CERTIFICATE FOR THE BUMI PLOTS (CONT'D)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref : WTW/04/V/008390A/20/JTZ

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VALUE CONSIDERATION (Cont'd)

Accordingly, the market value of the Subject Property is derived as follows: -

Lot No.	Base Land Value (RM psf)	Adjustment	Adjusted Land Value (RM psf)	Market Value
Lot 169189			RM80	RM10,500,000/-
Lot 169190			RM85	RM12,000,000/-
Lot 169191			RM85	RM12,000,000/-
Lot 169192			RM80	RM10,500,000/-
Lot 169203			RM85	RM14,000,000/-
Lot 169204			RM80	RM10,500,000/-
Lot 169205			RM80	RM10,500,000/-
Lot 169212			RM80	RM10,500,000/-
Lot 169213			RM80	RM10,500,000/-
Lot 169214			RM85	RM13,600,000/-
Lot 169219			RM80	RM10,500,000/-
Lot 169220			RM85	RM12,000,000/-
Lot 169221			RM85	RM11,800,000/-
Lot 169222			RM80	RM10,500,000/-
Lot 169229			RM85	RM11,800,000/-
Lot 169230			RM80	RM10,400,000/-
Lot 169231			RM80	RM10,400,000/-
Lot 169232			RM80	RM10,400,000/-
Lot 169233			RM80	RM10,400,000/-
Lot 169234			RM90	RM6,900,000/-
Lot 169235			RM85	RM3,700,000/-
Lot 169236			RM85	RM3,700,000/-
Lot 169237			RM90	RM4,000,000/-
Lot 169239			RM85	RM4,200,000/-
Lot 169240			RM85	RM4,400,000/-
Lot 169243			RM90	RM4,300,000/-
Lot 169244			RM85	RM3,700,000/-
Lot 169245			RM85	RM3,700,000/-
Lot 169246			RM85	RM4,000,000/-
Lot 169247			RM90	RM6,700,000/-
Lot 169250			RM85	RM3,700,000/-
Lot 169251			RM85	RM3,700,000/-
PTD 206370			RM90	RM7,800,000/-
PTD 206371			RM85	RM5,800,000/-
Total				RM283,100,000/-

The market value is thence further adjusted to take into consideration the holding period, sales & marketing costs as well as risk factor, discounted at 8.0% per annum over the four (4) years.

Commenced in 2006, SiLC's phases 1 and 2 with a total of 550 acres had been fully sold as at March 2012 with an average take-up rate of about 90 acres per annum. Based on this, our projected absorption rate for the Subject Property after considering the availability of other unsold lands in Phase 3 SiLC is as follows: -

Year 1	Year 2	Year 3	Year 4	Total
7.811 ac 10%	23.434 ac 30%	27.340 ac 35%	19.528 ac 25%	78.113 ac 100%

The estimated sales of the Subject Property per annum ranging from 7.811 acres to 27.340 acres is in alignment with the average take-up rate of SiLC's first two phases. In view of the above, the holding period assumed in our valuation is considered reasonable and realistic after taking into account the current market condition also time frame required for the sales of the property and to obtained the bumiputera release approval from the appropriate authorities in Johor state. The estimated timeframe is also conformed to the period as stipulated in the Sale and Purchase Agreement whereby the Vendor procured and the Purchaser received the unconditional approval for Bumiputera release from the appropriate authorities within 12 months from the date of the said agreement.

The market value after holding period adjustment is derived at RM202,000,000/- based on the following: -

Description	Year 1	Year 2	Year 3	Year 4	Total
Estimated Cash Inflow					
Sale of industrial land	RM28,310,000	RM84,930,000	RM99,085,000	RM70,775,000	RM283,100,000
Estimated Cash Outflow					
i. Sale & Marketing Cost (2% of sale consideration)	RM566,200	RM1,698,600	RM1,981,700	RM1,415,500	RM5,662,000
ii. Profit & Risk (10% of sale consideration)	RM2,831,000	RM8,493,000	RM9,908,500	RM7,077,500	RM28,310,000
Net Cash Flow	RM24,912,800	RM74,738,400	RM87,194,800	RM62,282,000	RM249,128,000
Present Value @ 8%	0.9259	0.8573	0.7938	0.7350	
Market Value	RM23,067,407	RM64,076,132	RM69,218,043	RM45,779,129	RM202,140,712
				Market Value, say	RM202,000,000

VALUATION CERTIFICATE FOR THE BUMI PLOTS (CONT'D)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref : WTW/04/V/008390A/20/JTZ
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VALUE CONSIDERATION (Cont'd)

The sales & marketing cost is adopted at 2% in consideration that the Subject Property is vacant industrial land and the rate is acceptable by the market at large due to the current competitive market. Whilst, the 10% of profit and risk factor adopted for the sale consideration is expected rate of return generally expected by developers or investors.

A present value factor of 8.0% per annum adopted is in tandem with the finance rate and reflects adequately the time value of money. The discount rate is market derived and it is also generally made reference to the industry average weighted average cost of capital of property related companies that acceptable to most stakeholders of the property and real estate market.

The above analysed holding period discount is in line with the general market practise on discount rate for size adjustment (or also commonly known as quantum discount) in the Comparison Approach.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the Subject Property **ON THE BASIS(S) AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to sell, lease, transfer and free from all encumbrances at **RM202,000,000/- (Ringgit Malaysia : Two Hundred And Two Million Only)**.

Yours faithfully
for and on behalf of
C H Williams Talhar & Wong Sdn Bhd

Sr LO KIN WENG
B. (Hons) Estate Management, MRICS, MRISM, MPEPS
Registered Valuer (V-917)

VALUATION CERTIFICATE FOR THE BUMI PLOTS (CONT'D)



C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref : WTW/04/V/008390A/20/JTZ

ATTACHMENT I

SCHEDULE OF TITLE PARTICULARS

Title No.	Lot No.	Land Area	
		(sq. metre)	(sq. feet)
GRN 587943	Lot 169189	12,180	131,104
GRN 587944	Lot 169190	13,082	140,813
GRN 587945	Lot 169191	13,082	140,813
GRN 587946	Lot 169192	12,180	131,104
GRN 587951	Lot 169203	15,298	164,666
GRN 587952	Lot 169204	12,180	131,104
GRN 587953	Lot 169205	12,180	131,104
GRN 587960	Lot 169212	12,180	131,104
GRN 587961	Lot 169213	12,180	131,104
GRN 587962	Lot 169214	14,843	159,769
GRN 587967	Lot 169219	12,180	131,104
GRN 587968	Lot 169220	13,082	140,813
GRN 587969	Lot 169221	12,882	138,661
GRN 587970	Lot 169222	12,180	131,104
GRN 587905	Lot 169229	12,935	139,231
GRN 587906	Lot 169230	12,070	129,920
GRN 587907	Lot 169231	12,070	129,920
GRN 587908	Lot 169232	12,070	129,920
GRN 587909	Lot 169233	12,070	129,920
GRN 587917	Lot 169234	7,129	76,736
GRN 587918	Lot 169235	4,067	43,777
GRN 587919	Lot 169236	4,067	43,777
GRN 587920	Lot 169237	4,127	44,423
GRN 587893	Lot 169239	4,540	48,868
GRN 587894	Lot 169240	4,837	52,065
GRN 587921	Lot 169243	4,388	47,232
GRN 587922	Lot 169244	4,067	43,777
GRN 587923	Lot 169245	4,067	43,777
GRN 587924	Lot 169246	4,414	47,512
GRN 587925	Lot 169247	6,920	74,486
GRN 587928	Lot 169250	4,067	43,777
GRN 587929	Lot 169251	4,067	43,777
HSD 580306	PTD 206370	8,054	86,695
HSD 580307	PTD 206371	6,378	68,656

SALIENT TERMS OF THE SPA 1

The salient terms of the SPA 1 are set out below:

1. Agreement for sale and purchase

In consideration of Pentagon agreeing to pay UEML the Purchase Consideration 1, UEML and NHSB agree to sell and Pentagon agrees to purchase the Non-Bumi Plots, subject to the Non-Bumi Plots free from encumbrances with vacant possession, and subject to any expressed and implied conditions of title and restrictions in interest, and other endorsements as registered on the individual document of title of each Non-Bumi Plots, and upon the fulfilment of the conditions precedent stipulated in item 3 of Appendix III below.

2. Purchase consideration, payment and adjustments

- (a) Details of the Purchase Consideration 1 are set out in Section 2 of this Circular.
- (b) As at the date of SPA 1, the parties to SPA 1 have agreed that the document of titles to certain Non-Bumi Plots are deemed inconclusive. Should there be a difference in measurements of at least two per centum (2%) for the respective Non-Bumi Plots under the respective final document of titles, UEML and Pentagon agrees that Purchase Consideration 1 shall be revised and adjusted at a rate of RM58.50 per sq ft accordingly for the relevant Non-Bumi Plots.

3. Conditions precedent

The parties expressly agree that the SPA 1 shall be conditional upon the satisfaction of the following conditions within four (4) months (or any further extension as agreed between the parties of SPA 1) from the date of the SPA 1:

- (a) Pentagon obtaining its board of directors and shareholders' approvals (including the ultimate holding company's approval) for the transaction contemplated by the SPA 1; and
- (b) UEML procuring the EPU Consent, where applicable to observe, fulfil and complete all conditions and documentation as may be necessary to obtain the EPU Consent and the same is not withdrawn prior to the completion of the sale and purchase of the Non-Bumi Plots and the SPA 1,

(collectively known as "**SPA 1 Conditions Precedent**").

4. Completion

- (a) Pentagon shall be entitled from time to time to elect and to complete the purchase of any Non-Bumi Plots forming part of Block A, Block B or Block C (individually, "**Early Completion Plot for SPA 1**") as the case may be after the SPA 1 Unconditional Date and during the payment period for Tranche 1 Payment, Tranche 2 Payment or Tranche 3 Payment respectively. If Pentagon elects to exercise such rights, Pentagon shall pay to the Vendor the balance purchase consideration less initial payment of balance purchase consideration for the relevant Non-Bumi Plot ("**Early Completion SPA 1 Balance Purchase Consideration**") and forming part of the balance purchase consideration for SPA 1.
- (b) Subject to the parties' financing obligations in accordance to SPA 1, UEML's solicitors shall within five (5) business days from the respective receipt of the balance purchase consideration for the relevant Non-Bumi Plots:

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (i) deliver to Pentagon's solicitors a full power of attorney (as described in item 10 of Appendix III) in respect of such Non-Bumi Plot or Early Completion Plot for SPA 1, duly executed by NHSB, to be stamped, filed and registered in the High Court of Malaya by Pentagon's solicitors and to be put into effect on the payment date of the respective purchase consideration;
- (ii) return to Pentagon's solicitors the revocation deed of limited power of attorney for the Non-Bumi Plots (as described in item 9 of Appendix III) in respect of such plot ("**Revocation Deed for Non-Bumi Plots**") pursuant to the terms of SPA 1;
- (iii) deliver to Pentagon's solicitors the following:
 - (aa) the valid and registrable memorandum of transfer in Form 14A of the National Land Code or such other prescribed statutory form, in respect of a Non-Bumi Plot, duly completed and executed by NHSB and/or UEML ("**Transfer 1**");
 - (bb) the original issue document of title to the relevant Non-Bumi Plots; and
 - (cc) other supporting documents including up to-date outgoing receipts which are incumbent upon NHSB or UEML to produce as may be required to enable registration of the transfer to be effected in favour of Pentagon or any party who may acquire the Non-Bumi Plot from Pentagon ("**End Purchaser for SPA 1**").

(collectively known as "**Transfer Documents for SPA 1**")
- (c) Upon full payment of the respective purchase consideration, the following shall occur in respect of the relevant Non-Bumi Plot or Early Completion Plot for SPA 1:
 - (i) the sale and purchase of such Non-Bumi Plot or Early Completion Plot for SPA 1 shall be deemed to have been completed on the part of Pentagon notwithstanding the change of ownership of such Non-Bumi Plot or Early Completion Plot for SPA 1 has yet to be effected at the respective land registry or land office ("**Land Registry**");
 - (ii) Pentagon shall be entitled to enjoy and deal with all rights, title, interests and benefits pertaining or relating to such Non-Bumi Plot or Early Completion Plot for SPA 1;
 - (iii) prior to the registration of Transfer 1 at Land Registry, UEML and NHSB shall acknowledge the beneficial ownership of Pentagon in respect of such Non-Bumi Plot or Early Completion Plot for SPA 1;
 - (iv) the vacant possession in respect of such Non-Bumi Plot or Early Completion Plot for SPA 1 shall be delivered by UEML to Pentagon in accordance with the terms of SPA 1;
 - (v) Pentagon shall be liable to pay the quit rent and assessment for such Non-Bumi Plot or Early Completion Plot for SPA 1 calculated from the date of delivery of vacant possession to Pentagon pursuant to terms of SPA 1;
 - (vi) in the event of termination of the SPA 1 pursuant to terms of SPA 1, such Non-Bumi Plot or Early Completion Plot for SPA 1 shall be excluded from the consequences of termination applicable to the parties in accordance with the terms of SPA 1, whichever applicable;

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (vii) Pentagon shall be at liberty at any time to put into effect the Transfer 1 of any such Non-Bumi Plot or Early Completion Plot for SPA 1 in favour of itself or End Purchaser for SPA 1 at the Land Registry;
- (viii) if Pentagon puts into effect a direct transfer of any such Non-Bumi Plot or Early Completion Plot for SPA 1 in favour of the End Purchasers for SPA 1, Pentagon shall be responsible for such transfer and Pentagon shall not hold NHSB and UEML responsible in respect of such transfer save and except for the non-registration of transfer due to reason not attributable to Pentagon, End-Purchaser for SPA 1 and financier arising from the direct transfer of a Non-Bumi Plots;
- (ix) the balance purchase consideration for SPA 1, Tranche 1 Payment, Tranche 2 Payment or Tranche 3 Payment, as the case may be, shall be adjusted accordingly, deducting such payment, and
- (x) if Transfer 1 is presented for registration by way of the full power of attorney (as described in item 10 of Appendix III), it must be presented before the expiry of twelve (12) months calculated from expiry of the payment period for Tranche 3 Payment.

Notwithstanding the full payment of Tranche 1 Payment, Tranche 2 Payment, Tranche 3 Payment or Early Completion SPA 1 Balance Purchase Consideration (whichever applicable), SPA 1 shall be completed on the part of Pentagon upon the receipt from UEML and NHSB of the duly executed full power of attorney in favour of Pentagon and the Transfer Documents for SPA 1 of the relevant Non-Bumi Plots, notwithstanding that the transfer of the relevant Non-Bumi Plots has yet to be effected.

5. Non-registration of transfer

If Transfer 1 is rejected for registration for any reason whatsoever, not due to any reasons attributed to either party, the parties shall use their best endeavours to rectify the situation within ten (10) business days (or such other period as the parties may mutually agree in writing) from the parties' receipt of the notice of such rejection, so that the Non-Bumi Plots or relevant Non-Bumi Plots could be registered in favour of Pentagon, the End Purchasers for SPA 1 or any third party as directed by Pentagon and where Pentagon obtains a loan or financing facility to assist with purchase of the Non-Bumi Plots, the respective payment period for Tranche 1 Payment, Tranche 2 Payment or Tranche 3 Payment (or the extended completion period) shall be automatically and correspondingly be extended, free of interest, by the number of days taken for the registration of Transfer 1 to be effected without prejudice to Pentagon's right to terminate the affected Non-Bumi Plots and the consequences of termination as stipulated in accordance to item 8 of Appendix III.

6. Infrastructure

- (a) The Non-Bumi Plots form part of Phase 3 of SiLC.
- (b) UEML represents that, the basic infrastructure works for Phase 3 of SiLC as set out in SPA 1 have been completed in accordance with the plans approved and endorsed by the appropriate authorities as attached to SPA 1 to serve Phase 3 of SiLC, save and except for remedial works to be carried out by UEML pursuant to the relevant clauses set out in SPA 1.

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (c) UEML shall at its own costs and expenses apply, construct and complete the enhanced infrastructure:
- (i) water reticulation pipes sufficient for serving Non-Bumi Plots and Bumi Plots at a capacity of not less than 3,500,000 liter per day;
 - (ii) 33kV and 11kV Pipe Sleeve (2 full circuits for each pipe sleeve) PN10 pipe sleeve along the existing linked bridge; and
 - (iii) PPU No. 3 and PPU No.4, which after being energized, the total electricity supply serving the Non-Bumi Plots and Bumi Plots shall be at a capacity of not less than 55 mVA,
- in the manner stated in SPA 1.
- (d) UEML shall, at its own costs and expenses, provide further undertakings for the following items contained in SPA 1:
- (i) carry out the land levelling as detailed in SPA 1;
 - (ii) carry out the necessary works for unwanted material as detailed in SPA 1;
 - (iii) furnish supporting documentary evidence to Pentagon that the open space as detailed in SPA 1 has been approved as green area or recreational park;
 - (iv) procure relevant approvals from the appropriate authorities to amend, vary or modify the type of industries allowed to operate on the Non-Bumi Plots as detailed in SPA 1; and
 - (v) procure the removal of the existing food court plot as detailed in SPA 1.
- (e) Subject to item 6(b) to item 6(d) of Appendix III, UEML shall, at its own costs and expenses, surrender to the appropriate authorities, the basic infrastructure, common areas and common facilities (excluding the guardhouse, boundary fencing and CCTV equipment) in accordance with the manner and timeline provided in SPA 1 to be maintained by the appropriate authorities upon terms and conditions as may be imposed by the appropriate authorities.

7. Delivery of possession

- (a) UEML shall issue a notice to Pentagon to the effect that delivery of vacant possession of the Non-Bumi Plots by UEML to Pentagon as follows:
- (i) Block A: upon receipt by UEML of the Tranche 1 Payment in full;
 - (ii) Block B: upon receipt by UEML of the Tranche 2 Payment in full; and
 - (iii) Block C: upon receipt by UEML of the Tranche 3 Payment in full,
- in accordance with and subject to the terms contained in SPA 1.

SALIENT TERMS OF THE SPA 1 (CONT'D)

8. Termination**8.1 Pentagon's Default**

- (a) If Pentagon:
- (i) defaults in payment of any part of the Purchase Consideration 1 in accordance with the terms and conditions set out in SPA 1, and Pentagon fails to remedy such breach after ten (10) business days from the date of receipt of a written notice from UEML notifying Pentagon of such breach; or
 - (ii) fails to perform or observe any undertaking, obligation or agreement expressed in SPA 1, and fails to remedy such breach within thirty (30) days (or such longer period as may be determined by UEML at its absolute discretion) from the date of receipt of a written notice from UEML notifying Pentagon of such breach,

then in such event UEML shall be entitled to terminate SPA 1 in respect of the Non-Bumi Plots where the respective purchase consideration have not been paid in full forthwith by giving a notice in writing to Pentagon ("**UEML's Notice of Termination for SPA 1**").

- (b) Upon the termination due to Pentagon's default:
- (i) the Deposit for the Non-Bumi Plots where the respective purchase consideration have not been paid in full shall be absolutely forfeited to UEML as agreed liquidated damages but all other payments by Pentagon towards the Purchase Consideration 1, including the initial payment of the balance purchase consideration for SPA 1, Tranche 1 Payment, Tranche 2 Payment and/or Tranche 3 Payment received by UEML in respect of the Non-Bumi Plots where the respective purchase consideration have not been paid in full, shall be refunded to Pentagon free of interest within thirty (30) business days from the date of UEML's Notice of Termination for SPA 1 failing which UEML shall pay to Pentagon interest at the rate of eight per centum (8%) per annum on the amount to be refunded and paid by UEML to Pentagon as at the expiry date of thirty (30) business days until the date on which the said sum shall have been paid in full to Pentagon;
 - (ii) Upon Pentagon's receipt of UEML's refund under item 8.1(b)(i) of Appendix III, in respect of the Non-Bumi Plots where the respective purchase consideration have not been paid in full:
 - (aa) each party shall return or caused to be returned to the other party all relevant documents furnished by the party (including Pentagon's solicitor, UEML's solicitors or the financier's solicitors prior to the termination of SPA 1);
 - (bb) Pentagon or Pentagon's solicitors shall return or caused to be returned to UEML's solicitors the Transfer Documents for SPA 1 with UEML's interest intact and free from all encumbrances lodged or caused to be lodged by Pentagon or the financier Provided Always that if Transfer 1 has been adjudicated and stamped, Pentagon's solicitors shall be entitled to surrender the same to the appropriate authority to obtain a refund of the stamp duty paid by Pentagon and for their cancellation thereafter;

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (cc) where Pentagon has lodged a private caveat on such Non-Bumi Plots or any such Non-Bumi Plots thereof, Pentagon shall, within ten (10) business days from the receipt of UEML's refund furnish UEML with the relevant document evidencing withdrawal of such private caveat in accordance with the terms set out in SPA 1; and
- (dd) UEML's solicitor is entitled to file the Revocation Deed for Non-Bumi Plots in accordance with the terms set out in SPA 1;

and thereafter, SPA 1 shall be terminated, null and void and be of no further effect and neither party shall have any claim against the other hereunder save in respect of any antecedent breach of SPA 1 and UEML shall be entitled at its absolute discretion to resell or otherwise deal with such Non-Bumi Plots and/or any such Non-Bumi Plots thereof in such manner as UEML shall think fit and keep any profit made on any resale.

- (c) For avoidance of doubt, in respect of any Non-Bumi Plots where the respective purchase consideration have been paid in full by Pentagon to UEML including the Early Completion Plot for SPA 1:
 - (i) Item 8.1(b) of Appendix III shall not be applicable; and
 - (ii) UEML shall continue to indemnify and keep Pentagon fully indemnified against all claims, demands, costs, charges, loss and damages suffered by Pentagon arising strictly to the delay or non-issuance of the certificate of completion and compliance ("**CCC**") on the building on each affected individual Non-Bumi Plots which is attributed solely to the non-fulfillment of UEML's obligations under the relevant clauses in SPA 1, provided that the aggregate claims, demands, costs, charges, loss and damages for each affected individual Non-Bumi Plots shall not exceed the sum equivalent to 5% of purchase consideration and building construction consideration of the individual affected Non-Bumi Plots as stated in the agreement with the End-Purchaser for SPA 1 of that affected Non-Bumi Plots.

8.2 UEML's and/or NHSB's Default in relation to SPA 1

- (a) If NHSB and/or UEML fails to perform or observe any undertaking, obligation, agreement, representations or warranties expressed in the SPA 1, and where such failure is capable of being remedied, fails to remedy such breach after thirty (30) days (or such longer period as may be determined by Pentagon at its absolute discretion) from the date of receipt of a written notice from Pentagon notifying the NHSB and/or UEML of such breach and in such event, Pentagon shall be entitled to:
 - (i) specific performance of SPA 1 against NHSB and/or UEML and all damages following therefrom, in which case, NHSB and/or UEML shall be liable to all costs reasonably incurred by Pentagon (on solicitors-clients basis) in pursuing this remedy; or
 - (ii) terminate the SPA 1 in respect of the Non-Bumi Plots where the respective purchase consideration have not been paid in full forthwith by notice in writing ("**Pentagon's Notice of Termination**") to NHSB and/or UEML.

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (b) Upon the termination due to UEML's and/or NHSB's default:
- (i) UEML shall pay to Pentagon a sum equivalent to the Deposit for the Non-Bumi Plots where the respective purchase consideration have not been paid in full as agreed liquidated damages without the need for Pentagon to prove its loss and damages;
 - (ii) the Deposit and initial payment of balance purchase consideration as described in SPA 1 and all payments by Pentagon towards the Purchase Consideration 1 in respect of the Non-Bumi Plots where the respective purchase consideration have not been paid in full by Pentagon shall be refunded and paid by UEML to Pentagon together with the agreed liquidated damages within thirty (30) business days from the date of Pentagon's Notice of Termination, failing which UEML shall pay to Pentagon interest at the rate of eight per centum (8%) per annum on the amount to be refunded and paid by UEML to Pentagon as at the expiry of the aforesaid thirty (30) business days period, until the date on which the said sum shall have been paid in full to Pentagon;
 - (iii) Upon receipt by Pentagon of payment under items 8.2(b)(i) and (ii) of Appendix III, in respect of the affected Non-Bumi Plots referred therein:
 - (aa) each party shall return or caused to be returned to the other party all relevant documents that may have been forwarded by the party, Pentagon's solicitor, UEML's solicitors or Pentagon's financier's solicitors prior to the termination of SPA 1;
 - (bb) Pentagon or Pentagon's solicitors shall return or caused to be returned to UEML's solicitors the Transfer Documents for SPA 1 with UEML's interest intact and free from all encumbrances lodged or caused to be lodged by Pentagon or the financier Provided Always that if Transfer 1 has been adjudicated and stamped, Pentagon's Solicitors shall be entitled to surrender the same to the appropriate authority to obtain a refund of the stamp duty paid by Pentagon and for their cancellation thereafter;
 - (cc) where Pentagon has lodged a private caveat on the Non-Bumi Plots or any Non-Bumi Plots thereof, Pentagon shall, within ten (10) business days from the receipt of UEML's refund furnish UEML with the relevant document evidencing withdrawal of such private caveat in accordance with the terms set out in SPA 1;
 - (dd) the limited power of attorneys (as described in item 9 of Appendix III) for the Non-Bumi Plots where the respective purchase consideration have not been paid in full shall be revoked in accordance with the terms set out in SPA 1;

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (iv) UEML shall indemnify and keep Pentagon fully indemnified against all claims, demands, costs, charges, loss and damages suffered by Pentagon arising strictly to the delay or non-issuance of the CCC on the building on the Non-Bumi Plots which is attributed solely to the non-fulfilment of UEML's obligations under the relevant clauses in SPA 1, provided that the aggregate claims, demands, costs, charges, loss and damages for each individual affected Non-Bumi Plots shall not exceed the rate of 5% of purchase consideration and building construction consideration of each individual affected Non-Bumi Plots as stated in the agreement with the End Purchaser for SPA 1 of that affected Non-Bumi Plot;
- (v) SPA 1 in respect of the Non-Bumi Plots where the respective purchase consideration have not been paid in full shall thereafter be null and void and of no further effect and neither party shall, subject to the terms set out in SPA 1, have any further claim whatsoever against the other and UEML shall be entitled at its absolute discretion to resell or otherwise deal with such Non-Bumi Plots or any such Non-Bumi Plots, in such manner as UEML shall think fit and to keep any profit made on any resale; and
- (vi) For avoidance of doubt, where the respective purchase consideration have been paid in full by Pentagon to UEML including the Early Completion Plot for SPA 1:
 - (aa) the consequences of termination under item 8.2(b) of Appendix III shall not be applicable; and
 - (bb) UEML shall continue to indemnify and keep Pentagon fully indemnified against all claims, demands, costs, charges, loss and damages suffered by Pentagon arising strictly to the delay or non-issuance of the CCC on the building on each affected individual Non-Bumi Plots which is attributed solely to the non-fulfilment of UEML's obligations under the relevant clauses in SPA 1, provided that the aggregate claims, demands, costs, charges, loss and damages for each affected individual Non-Bumi Plots shall not exceed the sum equivalent to 5% of purchase consideration and building construction consideration of the individual affected Non-Bumi Plots as stated in the agreement with the End-Purchaser for SPA 1 of that affected Non-Bumi Plots.

8.3 Specific Consequences of UEML's Default in relation to SPA 1

- (a) Without prejudice to Pentagon's right under SPA 1, if UEML defaults in any part of its obligations under the relevant clauses in SPA 1, Pentagon shall be entitled to, among others:
 - (i) elect to continue with SPA 1 by giving notice in writing to UEML to request UEML to remedy such breach within a specified period as Pentagon shall deem fit; or

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (ii) elect to continue with SPA 1 with UEML appointing Pentagon, as an independent service provider or contractor of UEML, to complete such work failed to be completed by UEML under items 6(c) and (d) of Appendix III, as the case may be, and in such event:
 - (aa) UEML shall provide necessary assistance to Pentagon and pay Pentagon all cost and expenses incurred by Pentagon in completing such work;
 - (bb) UEML is still liable to pay for all fees and expenses due and payable to the appropriate authorities and its consultants and shall indemnify and keep Pentagon fully indemnified against such liabilities; and
 - (cc) notwithstanding the above, any works done or completed by Pentagon pursuant to this provision shall not absolve UEML of its duties, obligations and liabilities to Pentagon pursuant to and under SPA 1.

- (b) In addition to item 8.3(a) of Appendix III, UEML shall indemnify and keep Pentagon fully indemnified against all claims, demands, costs, charges, loss and damages suffered by Pentagon arising strictly to the delay or non-issuance of the CCC on the building on the Non-Bumi Plots which is attributed solely to the non-fulfillment of UEML's obligations under the relevant clauses in SPA 1, provided that the aggregate claims, demands, costs, charges, loss and damage for each individual affected Non-Bumi Plots shall not exceed the rate of 5% of purchase consideration and building construction consideration of the each individual affected Non-Bumi Plots as in the agreement with the End Purchasers for SPA 1 of that affected Non-Bumi Plot.

9. Limited power of attorney ("LPA for Non-Bumi Plots")

- 9.1 NHSB and Pentagon have agreed to enter into separate limited power of attorney for the respective Non-Bumi Plots.
- 9.2 NHSB, with the consent of UEML, agree to appoint Pentagon to be the true and lawful attorney of NHSB and on behalf of NHSB to do, amongst others, the following acts and things in respect of the Non-Bumi Plots and Phase 3 of SiLC, at Pentagon's cost and expense:
 - (a) Power to make applications in relation to the Non-Bumi Plots;
 - (b) Power to conduct open cut on the existing road for the tapping of the utilities supply including power, water, sewerage and telephone from all relevant tapping points within and out of the Non-Bumi Plots and Phase 3 of SiLC;
 - (c) Power to conduct soil tests and investigation on the Non-Bumi Plots;
 - (d) Power to conduct land survey within Phase 3 of SiLC;
 - (e) Power to enter the Non-Bumi Plots to carry out physical works on the Non-Bumi Plots, namely earthwork, land clearing and site preparation for the construction and development on the Non-Bumi Plots;
 - (f) Power to enter the Non-Bumi Plots, Phase 3 of SiLC or any part thereof to carry out any improvement activities to the common areas and common facilities;

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (g) Power to advocate, advertise, announce, disclose, exhibit, market, promote, the Non-Bumi Plots and/or Phase 3 of SiLC;
 - (h) Power to circulate, distribute any form of materials including leaflets, brochures for the sale of the Non-Bumi Plots and/or Phase 3 of SiLC;
 - (i) Power to remove, set up and erect any logo, billboard, banner, signage and bunting at any part of the Non-Bumi Plots and/or Phase 3 of SiLC; and
 - (j) Power to execute booking contract or any form of contract, offering or accepting any interest or potential interest from any party of the Non-Bumi Plots.
- 9.3 NHSB confirms and declares that the LPA for Non-Bumi Plots created is given for valuable consideration and shall be valid and effectual until the same is being revoked upon occurrence of any of the following:
- (a) the lawful termination of the SPA 1; or
 - (b) upon exercise by Pentagon of the right of unilateral revocation of the LPA for Non-Bumi Plots; or
 - (c) misuse by Pentagon of the powers exercised by Pentagon under and pursuant to the LPA for Non-Bumi Plots,

provided that such revocation shall not affect all things, matters, acts and documents done and executed prior to such revocation and/or on the Non-Bumi Plots.

10. Full power of attorney ("FPA for Non-Bumi Plots")

- 10.1 NHSB and Pentagon have agreed to enter into separate full powers of attorney for the respective Non-Bumi Plots upon full payment of the purchase consideration of such Non-Bumi Plot.
- 10.2 NHSB, with the consent of UEML, irrevocably and unconditionally appoints Pentagon to be the true and lawful attorney of NHSB and on behalf of NHSB to do, amongst others, the following acts and things in respect of the Non-Bumi Plots and Phase 3 of SiLC, at Pentagon's cost and expense:
- (a) To develop the Non-Bumi Plots in accordance with the relevant approvals issued by the appropriate authorities (if any);
 - (b) To decide upon, effect and carry out all matters whatsoever relating to the development of the Non-Bumi Plots;
 - (c) To sign and make all applications and submissions, obtain all licenses, permits, orders, approvals and certificates and prepare, enter into and execute all documents and instruments whatsoever in connection with the development of the Non-Bumi Plots;
 - (d) To obtain all and any licenses, permissions and consents required from any appropriate authorities under any Acts of Parliament, order, statutory instrument, regulation, by-law or otherwise in connection with the management, improvement and development of the Non-Bumi Plots;

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (e) To communicate, deal, liaise with and to negotiate and/or arrive at such agreement, arrangement, settlement or compromise with all persons and authorities whomsoever and whatsoever in connection with the Non-Bumi Plots and the development thereof;
- (f) To prepare the nature, extent, purpose, infrastructure, layout plans, building plans, designs and specifications of the development on the Non-Bumi Plots;
- (g) To apply for and/or obtain the imposition or alteration of the category of land use or the imposition, rescission, removal or amendment of any condition or restriction affecting the Non-Bumi Plots or any part thereof or the zoning of the Non-Bumi Plots or any part thereof and to comply with and satisfy any conditions that may be imposed by the appropriate authorities in connection therewith;
- (h) To apply for and/or obtain amalgamation, partition, subdivision of the Non-Bumi Plots and cause the issuance of document of title in respect of the Non-Bumi Plots or any part thereof and to execute, sign, seal, deliver and/or surrender the document of title and other documents whatsoever to the appropriate authorities for the purpose thereof and to collect and receive from the appropriate authorities the documents of title upon issuance thereof, and comply with and satisfy any conditions that may be imposed by the appropriate authorities in connection therewith;
- (i) To accept and/or appeal against any requirement, instruction, condition, restriction, order or directive that may be imposed or issued by the appropriate authorities in connection with the Non-Bumi Plots, the development of the Non-Bumi Plots or any part thereof;
- (j) To execute, withdraw, authorise, permit, oppose and take all necessary action in connection with all such applications, notices, deposits, searches and other matters under or for the purposes of any act of Parliament, order, statutory instrument, regulation, by-law or otherwise in respect of or in connection with the Non-Bumi Plots;
- (k) To conduct open cut on the existing road for the tapping of the utilities supply including power, water, sewerage and telephone from all relevant tapping points within and out of the Non-Bumi Plots and/or Phase 3 of SiLC;
- (l) To conduct soil tests and investigation on the Non-Bumi Plots;
- (m) To conduct land survey on the Non-Bumi Plots and Phase 3 of SiLC;
- (n) To enter the Non-Bumi Plots to carry out construction and other physical works, including earthworks, land clearing, site preparation, construction and development on the Non-Bumi Plots;
- (o) To grant lease, option, license, easement or any other right whatsoever over or in respect of the Non-Bumi Plots or any interest therein to any person firm or corporation and for that purpose to sign all necessary documents or instruments to give such effect;

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (p) To enter the Non-Bumi Plots, Phase 3 of SiLC or any part thereof to carry out any improvement activities to the common areas and common facilities;
- (q) To advocate, advertise, announce, disclose, exhibit, market, promote the Non-Bumi Plots and/or Phase 3 of SiLC;
- (r) To circulate, distribute any form of materials including leaflets, brochures for the sale of the Non-Bumi Plots and/or Phase 3 of SiLC;
- (s) To remove, set up and erect any logo, billboard, banner, signage and bunting at any part of the Non-Bumi Plots and/or Phase 3 of SiLC;
- (t) To execute booking contract or any form or contract, offering or accepting any interest or potential interest from any party of the Non-Bumi Plots;
- (u) To sell, transfer or assign to prospective purchasers (including to Pentagon itself) the legal interest in the Non-Bumi Plots with or without premises constructed and for that purposes to sign and execute all the sale and purchase agreements, memorandum of transfer and other instruments necessary to give effect to the same;
- (v) To charge or mortgage or provide the Non-Bumi Plots as collateral on such terms and conditions as Pentagon shall deem fit and for that purpose to sign all necessary memorandum of charge and other documents to give effect to the same, provided always that NHSB shall not in any manner, be liable for such charge, mortgage or security documents thereafter created;
- (w) To carry out and complete or cause to be carried out and completed all and every stage and aspect of development of the Non-Bumi Plots in such manner, with such materials and furnishings and together with such amenities as Pentagon may in its absolute discretion think fit;
- (x) To use and occupy the Non-Bumi Plots or any part thereof as fully and effectively as NHSB itself could have done as Pentagon shall in its absolute discretion think fit;
- (y) To appeal, oppose or otherwise deal with any proposal or order for compulsory acquisition of the Non-Bumi Plots or any part thereof;
- (z) To give such notices make such claims and to institute any action or other legal proceedings in any court or to submit to tribunal or arbitration for any purpose necessary to preserve Pentagon's rights in relation to the Non-Bumi Plots; and
- (aa) To defend all suits, actions and proceedings in connection with the Non-Bumi Plots or appeal against any judgment, order or decision in any such suit, action or proceeding.

11. Deed of mutual covenants ("DMC for Non-Bumi Plots")

11.1 NHSB, UEML and Pentagon have agreed to make further covenants and agreements supplemental to SPA 1 in respect of the management, maintenance, use and enjoyment of the common areas and common facilities for the benefit of:

- (i) Pentagon;
- (ii) purchasers of other plots within Phase 3 of SiLC (except the Non-Bumi Plots); and

SALIENT TERMS OF THE SPA 1 (CONT'D)

- (iii) all subsequent owners of the Non-Bumi Plots and other plots within Phase 3 of SiLC.

for each of the respective Non-Bumi Plots acquired under SPA 1.

(persons mentioned in items (ii) and (iii) above shall be collectively known as "**Other Purchasers for DMC of Non-Bumi Plots**").

- 11.2 Pentagon agrees that the Management shall be empowered and have the absolute discretion to make rules and regulations in respect of Phase 3 of SiLC, the provisions of the Gated Development Services (as defined in item 12 of Appendix III), as more particularly set out in the DMC for Non-Bumi Plots itself ("**Rules of Non-Bumi Plots**"). Pentagon shall comply with, abide by and observe and shall cause and procure that the employees, workers, lessees, tenants, licensees, visitors, invitees, guests, agents, contractors or such other third party visiting the Non-Bumi Plots and/or the industrial premises ("**Occupants for Non-Bumi Plots**") to comply with, abide by and observe the Rules of Non-Bumi Plots.
- 11.3 Management shall mean:
- (a) UEML;
- (b) the incorporated or unincorporated entity set up under the DMC for Non-Bumi Plots after the expiry of Fixed Period (as defined in item 12.2 of Appendix III) for Phase 3 of SiLC by UEML, Pentagon and Other Purchasers for DMC of Non-Bumi Plots to carry out the management and maintenance of the Gated Development Services; or
- (c) the managing agent appointed by the Management of Phase 3 of SiLC to maintain and manage the Gated Development Services under the DMC for Non-Bumi Plots ("**Managing Agent for DMC**").
- 11.4 Pentagon unreservedly agrees that:
- (a) the basis of computation of the maintenance charges for the Non-Bumi Plots is as follows:
- $$\frac{\text{Cost of Maintenance + Sinking Fund}}{\text{Total Land Area}} \times \text{Land Area Purchased (as per title)}$$
- (b) the determination by the Management as to the basis of computation and apportionment as between the purchasers (calculated based on respective land areas of the Non-Bumi Plots) as well as the amount to be paid by Pentagon shall be final, conclusive and binding and shall not be questioned or challenged by Pentagon on any account whatsoever;
- (c) the Management shall be at liberty to vary from time to time the basis of apportionment as well as the amount of the maintenance charges payable; and
- (d) the maintenance charges shall be payable by Pentagon after the expiry of the Fixed Period regardless of whether the Non-Bumi Plots and the industrial premises are occupied or vacant.

SALIENT TERMS OF THE SPA 1 (CONT'D)

- 11.5 Pentagon covenants and undertakes with the Management and each and every Other Purchasers for DMC of Non-Bumi Plots to:
- (a) punctually pay the maintenance charges;
 - (b) notify the Management of Pentagon's sale, leasing or letting of the Non-Bumi Plots and shall furnish the Management with details of the Occupants for Non-Bumi Plots and such other information as the Management may require from time to time;
 - (c) inform the Management in writing whenever there is any change in the address or contact numbers of Pentagon;
 - (d) be fully bound by the terms and conditions of the DMC for Non-Bumi Plots;
 - (e) comply with, conform to and observe:
 - (i) all by-laws, rules and regulations stipulated by the authorities; and
 - (ii) all rules and regulations made by the Management in respect of Phase 3 of SiLC;
 - (f) be responsible for ensuring that the Occupants for Non-Bumi Plots will comply with, abide by and observe the provisions of the DMC for Non-Bumi Plots, the Rules of Non-Bumi Plots imposed by the Management and shall be liable for any damage caused by the Occupants for Non-Bumi Plots;
 - (g) ensure that the Occupants for Non-Bumi Plots will co-operate fully with the Management and/or Other Purchasers for DMC of Non-Bumi Plots in promoting and preserving the spirit and intention of the DMC for Non-Bumi Plots;
 - (h) be liable and accountable to the relevant Other Purchasers for DMC of Non-Bumi Plots for any default, breach or omission on the part of Pentagon of the provisions of the DMC for Non-Bumi Plots as though the relevant Other Purchasers for DMC of Non-Bumi Plots were parties to the DMC for Non-Bumi Plots;
 - (i) allow the relevant Other Purchasers for DMC of Non-Bumi Plots to sue Pentagon for any default, breach or omission by Pentagon of the provisions of the DMC for Non-Bumi Plots and to seek such appropriate remedies as they deem fit as though the relevant Other Purchasers for DMC of Non-Bumi Plots were parties to the DMC for Non-Bumi Plots; and
 - (j) do such other things as the Management may at its absolute discretion decide from time to time.

12. Management Agreement (Gated Development Services)

- 12.1 UEML and NHSB agree to appoint Infinity Park Management Sdn Bhd ("**Infinity Park**") as the managing agent to perform and discharge the duties of gated development services as contained in the Management Agreement ("**Gated Development Services**") for the consideration and upon the terms and conditions contained in the Management Agreement.

SALIENT TERMS OF THE SPA 1 (CONT'D)

12.2 The term of appointment for Infinity Park under the Management Agreement shall be from the SPA 1 Unconditional Date ("**Commencement Date**") until 30 June 2025 ("**Fixed Period**").

12.3 During the Fixed Period, UEML shall pay Infinity Park the following fees in the following monthly quantum:

No.	Fixed Period	Infinity Park Fee (Monthly Basis Amount)
1.	24 months from the Commencement Date (" First Period ")	RM50,000.00
2.	The consecutive 12 months after the First Period (" Second Period ")	RM25,000.00
3.	The remaining months after the Second Period (" Third Period ")	RM12,500.00

12.4 Infinity Park agrees to indemnify and keep UEML indemnified against all claims, losses, demands and damages which UEML may incur or suffer arising from or incidental to the breach of the Management Agreement by Infinity Park.

12.5 UEML and NHSB agree to indemnify and keep Infinity Park fully indemnified against all claims, losses, demands and damages which Infinity Park may incur or suffer arising from or incidental to the breach of the Management Agreement by UEML and/or NHSB.

12.6 Upon the occurrence of any one or more of the following, either parties of the Management Agreement ("**Non-Defaulting Party**") shall be entitled to take such action as it deems fit in the circumstances including to seek specific performance from the Management Agreement (and all relief flowing therefrom at the costs and expense of the defaulting party without affecting any other remedies available to the Non-Defaulting Party under the law and equity) or elect to terminate the Management Agreement by giving ten (10) business days' notice in writing to the other party ("**Defaulting Party**"):

- (a) if any money due and payable to the Non-Defaulting Party shall remain unpaid for fourteen (14) days after its due date; or
- (b) if the Defaulting Party is in default of any provision of the Management Agreement which is not capable of being remedied or if capable of being remedied, such remedy is not commenced within twenty (21) day by the Non-Defaulting Party in its notice to the defaulting party requesting action to remedy the same; or
- (c) if the Defaulting Party shall become insolvent or bankrupt or the defaulting party shall make any assignment for the benefit or enter into any arrangement with its creditors or if the defaulting party shall suffer any execution proceedings to be levied on its goods or has a receiver and/or manager appointed over any of its assets or undertaking.

12.7 Notwithstanding the terms in the Management Agreement, the Management Agreement shall be terminated upon the termination of the SPA 1.

SALIENT TERMS OF THE SPA 2

The salient terms of the SPA 2 are set out below:

1. Agreement for sale and purchase

In consideration of Greenhill agreeing to pay UEML the Purchase Consideration 2, UEML and NHSB agree to sell and Greenhill agrees to purchase the Bumi Plots, subject to the Bumi Plots free from encumbrances with vacant possession, and subject to any expressed and implied conditions of title and restrictions in interest, and other endorsements as registered on the individual document of title of each Bumi Plots (except the Bumiputera restrictions), and upon the fulfilment of the conditions precedent stipulated in item 3 of Appendix IV.

2. Purchase consideration, payment and adjustments

- (a) Details of Purchase Consideration 2 are set out in Section 2 of this Circular.
- (b) As at the date of SPA 2, the parties to SPA 2 have agreed that the document of titles to certain Bumi Plots are deemed inconclusive. Should there be a difference in measurements of at least two per centum (2%) for the respective Bumi Plots under the respective final document of titles, UEML and Greenhill agrees that Purchase Consideration 2 shall be revised and adjusted at a rate of RM59.00 per sq ft accordingly for the relevant Bumi Plots.

3. Conditions precedent

The parties expressly agree that the SPA 2 shall be conditional upon:

- (a) the satisfaction of the following conditions within 4 months (or any further extension as agreed between the parties of SPA 2) from the date of the SPA 2:
 - (i) Greenhill obtaining its board of directors and shareholders' approvals (including the ultimate holding company's approval) for the transaction contemplated by the SPA 2; and
 - (ii) UEML procuring the EPU Consent, where applicable to observe, fulfil and complete all conditions and documentation as may be necessary to obtain the EPU Consent and the same is not withdrawn prior to the completion of the sale and purchase of the Bumi Plots and the SPA 2;
- (b) the satisfaction that UEML procured the Bumi Release and where applicable observe, fulfil and complete all documentation as may be necessary to obtain the Bumi Release within 12 months (or any further extension as agreed between the parties of SPA 2) from the date of the SPA 2.

(collectively known as "**SPA 2 Conditions Precedent**")

4. Completion

- (a) Greenhill shall be entitled from time to time to elect and to complete the purchase of any Bumi Plots (individually, "**Early Completion Plot for SPA 2**") after the unconditional date, being the date on which the last SPA 2 Conditions Precedent has been fulfilled. If Greenhill elects to exercise such right, Greenhill shall pay to UEML the balance purchase consideration for the relevant Bumi Plot ("**Early Completion SPA 2 Balance Purchase Consideration**") and forming part of the balance purchase consideration ("**Early Completion SPA 2**").

SALIENT TERMS OF THE SPA 2 (CONT'D)

- (b) Subject to the parties' financing obligations in accordance to SPA 2, UEML's Solicitors shall within five (5) business days from the respective receipt of the balance purchase consideration for the relevant Bumi Plots:
- (i) Deliver to Greenhill's solicitors a full power of attorney (as described in item 10 of Appendix IV) in respect of such Bumi Plot or Early Completion Plot for SPA 2, duly executed by NHSB, to be stamped, filed and registered in the High Court of Malaya by Greenhill's solicitors and to be put into effect on the date of full payment of the respective balance purchase consideration;
 - (ii) return to Greenhill's solicitors the revocation deed of limited power of attorney (as described in item 9 of Appendix IV) in respect of such Bumi Plot ("**Revocation Deed for Bumi Plots**") pursuant to the terms of SPA 2;
 - (iii) deliver to Greenhill's solicitors the following:
 - (a) the valid and registrable memorandum of transfer in Form 14A of the National Land Code or such other prescribed statutory form, in respect of a Bumi Plot, duly completed and executed by NHSB and/or UEML ("**Transfer 2**");
 - (b) the original issue document of title to the relevant Bumi Plots; and
 - (c) other supporting documents including up to-date outgoing receipts which are incumbent upon NHSB or UEML to produce as may be required to enable registration of the transfer to be effected in favour of Greenhill or any party who may acquire the Bumi Plot from Greenhill ("**End Purchaser for SPA 2**").(collectively known as "**Transfer Documents for SPA 2**")
- (c) Upon full payment of the respective purchase consideration, the following shall occur in respect of the relevant Bumi Plot or Early Completion Plot for SPA 2:
- (i) the sale and purchase of such Bumi Plot or Early Completion Plot for SPA 2 shall be deemed to have been completed on the part of Greenhill notwithstanding the change of ownership of such Bumi Plot or Early Completion Plot for SPA 2 has yet to be effected at the Land Registry, without affecting UEML's undertaking to complete and fulfil its duties and obligations under the SPA 2;
 - (ii) Greenhill shall be entitled to enjoy and deal with all rights, title, interests and benefits pertaining or relating to such Bumi Plot or Early Completion Plot for SPA 2;
 - (iii) prior to the registration of Transfer 2 at Land Registry, UEML and NHSB shall acknowledge the beneficial ownership of Greenhill in respect of such Bumi Plot or Early Completion Plot for SPA 2;
 - (iv) the vacant possession in respect of such Bumi Plot or Early Completion Plot for SPA 2 shall be delivered by UEML to Greenhill in accordance with the terms of SPA 2;
 - (v) Greenhill shall be liable to pay the quit rent and assessment for such Bumi Plot or Early Completion Plot for SPA 2 calculated from the date of delivery of vacant possession to Greenhill pursuant to terms of SPA 2;

SALIENT TERMS OF THE SPA 2 (CONT'D)

- (vi) in the event of termination of the SPA 2 pursuant to terms of SPA 2, such Bumi Plot or Early Completion Plot for SPA 2 shall be excluded from the consequences of termination applicable to the parties in accordance with the terms of SPA 2, whichever applicable;
 - (vii) Greenhill shall be at liberty at any time to put into effect the Transfer 2 of any such Bumi Plot or Early Completion Plot for SPA 2 in favour of itself or End Purchaser for SPA 2 at the Land Registry;
 - (viii) if Greenhill puts into effect a direct transfer of any such Bumi Plot or Early Completion Plot for SPA 2 in favour of the End Purchasers for SPA 2, Greenhill shall be responsible for such transfer and Greenhill shall not hold NHSB and UEML responsible in respect of such transfer save and except for the non-registration of transfer due to reason not attributable to Greenhill, End-Purchaser for SPA 2 and the financier arising from the direct transfer of a Bumi Plots;
 - (ix) the Purchase Consideration 2 be adjusted accordingly by deducting the balance purchase consideration of such Bumi Plot or Early Completion SPA 2 Balance Purchase Consideration, and
 - (x) if the Transfer 2 is presented for registration by way of the full power of attorney (as described in item 10 of Appendix IV), it must be presented before the expiry of twelve (12) months calculated from expiry of 36 months commencing from the date of the last SPA 2 Conditions Precedent being fulfilled.
- (d) The sale and purchase of the Bumi Plots shall be completed on the part of Greenhill upon:
- (i) the full payment of the Purchase Consideration 2 or Early Completion SPA 2 Balance Purchase Consideration; and
 - (ii) the receipt from UEML and NHSB the duly executed full power of attorney in favour of Greenhill and the Transfer Documents for SPA 2 of the relevant Bumi Plots.

5. Non-registration of transfer

If Transfer 2 is rejected for registration for any reason whatsoever, not due to any reasons attributed to either party, the parties shall use their best endeavours to rectify the situation within ten (10) business days (or such other period as the parties may mutually agree in writing) from the parties' receipt of the notice of such rejection, so that the Bumi Plots or relevant Bumi Plots could be registered in favour of Greenhill, the End Purchasers for SPA 2 or any third party as directed by Greenhill and where Greenhill obtains a loan or financing facility to assist with purchase of the Bumi Plots, the respective payment period (or the extended completion period) shall be automatically and correspondingly be extended, free of interest, by the number of days taken for the registration of Transfer 2 to be effected without prejudice to Greenhill's right to terminate the affected Bumi Plots and the consequences of termination as stipulated in accordance to item 8 of Appendix IV.

SALIENT TERMS OF THE SPA 2 (CONT'D)

6. Infrastructure

- (a) The Bumi Plots form part of Phase 3 of SiLC.
- (b) UEML represents that, the basic infrastructure works for the Phase 3 of SiLC set out in SPA 2 have been completed in accordance with the plans approved and endorsed by the appropriate authorities as attached to SPA 2 to serve Phase 3 of SiLC, save and except for remedial works to be carried out by UEML pursuant to the relevant clauses set out in SPA 2.
- (c) UEML shall at its own costs and expenses apply, construct and complete the enhanced infrastructure:
 - (i) water reticulation pipes sufficient for serving Bumi Plots and Non-Bumi Plots at a capacity of not less than 3,500,000 liter per day;
 - (ii) 33kV and 11kV Pipe Sleeve (2 full circuits for each pipe sleeve) PN10 pipe sleeve along the existing linked bridge; and
 - (iii) PPU No. 3 and PPU No.4, which after being energized, the total electricity supply serving the Non-Bumi Plots and Bumi Plots shall be at a capacity of not less than 55 mVA.in the manner stated in SPA 2.
- (d) UEML shall, at its own costs and expenses, provide further undertakings for the following items contained in SPA 2:
 - (i) carry out the land levelling as detailed in SPA 2;
 - (ii) carry out the necessary works for unwanted material as detailed in SPA 2;
 - (iii) furnish supporting documentary evidence to Greenhill that the open space as detailed in SPA 2 has been approved as green area or recreational park; and
 - (iv) procure relevant approvals from the appropriate authorities to amend, vary or modify the type of industries allowed to operate on the Bumi Plots as detailed in SPA 2.
- (e) Subject to items 6(b) to 6(d) of Appendix IV, UEML shall, at its own costs and expenses, surrender to the appropriate authorities, the basic infrastructure, common areas and common facilities (excluding the guardhouse, boundary fencing and CCTV equipment) in accordance with the manner and timeline provided in SPA 2 to be maintained by the appropriate authorities upon terms and conditions as may be imposed by the appropriate authorities.

7. Delivery of possession

UEML shall issue a notice to Greenhill to the effect that delivery of vacant possession of the Bumi Plots by UEML to Greenhill upon receipt by UEML of the balance purchase consideration for SPA 2 in accordance with and subject to the terms contained in SPA 2.

SALIENT TERMS OF THE SPA 2 (CONT'D)

8. Termination**8.1 Greenhill's Default**

- (a) In the event if Greenhill:
- (i) defaults in payment of any part of the Purchase Consideration 2 in accordance with the terms and conditions set out in SPA 2, and Greenhill fails to remedy such breach after ten (10) business days from the date of receipt of a written notice from UEML notifying Greenhill of such breach; or
 - (ii) fails to perform or observe any undertaking, obligation or agreement expressed in SPA 2, and fails to remedy such breach within thirty (30) days (or such longer period as may be determined by UEML at its absolute discretion) from the date of receipt of a written notice from UEML notifying Greenhill of such breach,

then in such event UEML shall be entitled to terminate SPA 2 in respect of the Bumi Plots where the respective purchase consideration have not been paid in full forthwith by giving a notice in writing to Greenhill ("**UEML's Notice of Termination for SPA 2**").

- (b) Upon the termination due to Greenhill's default:
- (i) the Deposit for the Bumi Plots where the respective purchase consideration have not been paid in full shall be absolutely forfeited to UEML as agreed liquidated damages but all other payments by Greenhill towards purchase consideration in respect of the Bumi Plots where the respective purchase consideration have not been paid in full shall be refunded to the Greenhill free of interest within thirty (30) business days from the date of UEML's Notice of Termination for SPA 2 failing which UEML shall pay to Greenhill interest at the rate of eight per centum (8%) per annum on the amount to be refunded and paid by UEML to Greenhill as at the expiry date of thirty (30) business days until the date on which the said sum shall have been paid in full to Greenhill;
 - (ii) Upon Greenhill's receipt of UEML's refund under item 8.1(b)(i) of Appendix IV, in respect of Bumi Plots where the respective purchase consideration have not been paid in full:
 - (aa) each party shall return or caused to be returned to the other party all relevant documents furnished by the party (including Greenhill's solicitor, UEML's solicitors or the financier's solicitors prior to the termination of SPA 2);
 - (bb) Greenhill or Greenhill's solicitors shall return or caused to be returned to UEML's solicitors the Transfer Documents for SPA 2 with UEML's interest intact and free from all encumbrances lodged or caused to be lodged by Greenhill or the financier Provided Always that if Transfer 2 has been adjudicated and stamped, Greenhill's solicitors shall be entitled to surrender the same to the appropriate authority to obtain a refund of the stamp duty paid by Greenhill and for their cancellation thereafter;

SALIENT TERMS OF THE SPA 2 (CONT'D)

- (cc) where Greenhill has lodged a private caveat on the Bumi Plots or any Bumi Plots thereof, Greenhill shall, within ten (10) business days from the receipt of UEML's refund furnish UEML with the relevant document evidencing withdrawal of such private caveat in accordance with the terms set out in SPA 2;
- (dd) UEML's Solicitor is entitled to file the Revocation Deed for Bumi Plots in accordance with the terms set out in SPA 2;

and thereafter, SPA 2 shall be terminated, null and void and be of no further effect and neither party shall have any claim against the other hereunder save in respect of any antecedent breach of SPA 2 and UEML shall be entitled at its absolute discretion to resell or otherwise deal with the affected Bumi Plots and/or any affected Bumi Plots thereof in such manner as UEML shall think fit and keep any profit made on any resale.

- (c) For avoidance of doubt, in respect of any Bumi Plots where the respective purchase consideration shall have been paid in full by Greenhill to UEML including the Early Completion Plot for SPA 2:
 - (i) item 8.1(b) of Appendix IV shall not be applicable; and
 - (ii) UEML shall continue to indemnify and keep Greenhill fully indemnified against all claims, demands, costs, charges, loss and damages suffered by Greenhill arising strictly to the delay or non-issuance of the CCC on the building on each affected individual Bumi Plots which is attributed solely to the non-fulfillment of UEML's obligations under the relevant clauses in SPA 2, provided that the aggregate claims, demands, costs, charges, loss and damages for each affected individual Bumi Plots shall not exceed the sum equivalent to 5% of the purchase consideration and building construction consideration of the individual affected Bumi Plots as stated in the agreement with the End Purchaser for SPA 2 of that affected Bumi Plots.

8.2 UEML's and/or NHSB's Default in relation to SPA 2

- (a) If NHSB and/or UEML fails to perform or observe any undertaking, obligation, agreement, representations or warranties expressed in SPA 2, and where such failure is capable of being remedied, fails to remedy such breach after thirty (30) days (or such longer period as may be determined by Greenhill at its absolute discretion) from the date of receipt of a written notice from Greenhill notifying the NHSB and/or UEML of such breach and in such event, Greenhill shall be entitled to:
 - (i) specific performance of SPA 2 against NHSB and/or UEML and all damages following therefrom, in which case, NHSB and/or UEML shall be liable to all costs reasonably incurred by Greenhill (on solicitors-clients basis) in pursuing this remedy; or
 - (ii) terminate the SPA 2 in respect of the Bumi Plots where the respective purchase consideration have not been paid in full forthwith by notice in writing ("**Greenhill's Notice of Termination**") to NHSB and/or UEML.

SALIENT TERMS OF THE SPA 2 (CONT'D)

- (b) Upon the termination due to UEML's and/or NHSB's default:
- (i) UEML shall pay to Greenhill a sum equivalent to the Deposit for the Bumi Plots where the respective purchase consideration have not been paid in full as agreed liquidated damages without the need for Greenhill to prove its loss and damages; and
 - (ii) the Deposit, and all payments by Greenhill towards the Purchase Consideration 2 (in respect of the Bumi Plots where the respective purchase consideration have not been paid in full by Greenhill) shall be refunded and paid by UEML to Greenhill together with the agreed liquidated damages within thirty (30) business days from the date of Greenhill's Notice of Termination, failing which UEML shall pay to Greenhill interest at the rate of eight per centum (8%) per annum on the amount to be refunded and paid by UEML to Greenhill as at the expiry of the aforesaid thirty (30) business days period, until the date on which the said sum shall have been paid in full to Greenhill;
 - (iii) Upon receipt by Greenhill of payment under item 8.2(b)(i) and (ii) of Appendix IV, in respect of the affected Bumi Plots referred therein:
 - (aa) each party shall return or caused to be returned to the other party all relevant documents that may have been forwarded by the party, Greenhill's solicitors, UEML's solicitors or Greenhill's financier's solicitors prior to the termination of SPA 2;
 - (bb) Greenhill or Greenhill's solicitors shall return or cause to be returned to UEML's solicitors the Transfer Documents for SPA 2 with UEML's interest intact and free from all encumbrances lodged or caused to be lodged by Greenhill or the financier Provided Always that if Transfer 2 has been adjudicated and stamped, Greenhill's solicitors shall be entitled to surrender the same to the appropriate authority to obtain a refund of the stamp duty paid by Greenhill and for their cancellation thereafter;
 - (cc) where Greenhill has lodged a private caveat on the Bumi Plots or any Bumi Plots thereof, Greenhill shall, within ten (10) business days from the receipt of UEML's refund furnish UEML with the relevant document evidencing withdrawal of such private caveat in accordance with the terms set out in SPA 2; and
 - (dd) the limited power of attorneys (as described in item 9 of Appendix IV) for the Bumi Plots where the respective purchase consideration have not been paid in full shall be revoked in accordance with the terms set out in SPA 2.

SALIENT TERMS OF THE SPA 2 (CONT'D)

- (iv) UEML shall indemnify and keep Greenhill fully indemnified against all claims, demands, costs, charges, loss and damages suffered by Greenhill arising strictly to the delay or non-issuance of the CCC on the building on the Bumi Plots which is attributed solely to the non-fulfilment of UEML's obligations under the relevant clauses in SPA 2, provided that the aggregate claims, demands, costs, charges, loss and damages for each individual affected Bumi Plots shall not exceed the rate of 5% of purchase consideration and building construction consideration of each individual affected Bumi Plots as stated in the agreement with the End Purchaser for SPA 2 of such affected Bumi Plot; and
- (v) SPA 2 in respect of the Bumi Plots where the respective purchase consideration have not been paid in full shall thereafter be null and void and of no further effect and neither party shall, subject to the terms set out in SPA 2, have any further claim whatsoever against the other and UEML shall be entitled at its absolute discretion to resell or otherwise deal with the affected Bumi Plots or any affected Bumi Plots, in such manner as UEML shall think fit and to keep any profit made on any resale.
- (vi) For avoidance of doubt, in respect of any Bumi Plots where the respective purchase consideration have been paid in full by Greenhill to UEML including the Early Completion Plot for SPA 2:
 - (aa) the consequences of termination under item 8.2(b) of Appendix IV shall not be applicable; and
 - (bb) UEML shall continue to indemnify and keep Greenhill fully indemnified against all claims, demands, costs, charges, loss and damages suffered by Greenhill arising strictly to the delay or non-issuance of the CCC on the building on each affected individual Bumi Plots which is attributed solely to the non-fulfilment of UEML's obligations under the relevant clauses in SPA 2, provided that the aggregate claims, demands, costs, charges, loss and damages for each affected individual Bumi Plots shall not exceed the sum equivalent to 5% of purchase consideration and building construction consideration of the individual affected Bumi Plots as stated in the agreement with the End-Purchaser for SPA 2 of that affected Bumi Plots.

8.3 Specific Consequences of UEML's Default in relation to SPA 2

- (a) Without prejudice to Greenhill's right under SPA 2, if UEML defaults in any part of its obligations under the relevant clauses in SPA 2, Greenhill shall be entitled to, among others:
 - (i) elect to continue with SPA 2 by giving notice in writing to UEML to request UEML to remedy such breach within a specified period as Greenhill shall deem fit; or

SALIENT TERMS OF THE SPA 2 (CONT'D)

- (ii) elect to continue with SPA 2 with UEML appointing Greenhill, as an independent service provider or contractor of UEML, to complete such work failed to be completed by UEML under items 6(c) and (d) of Appendix IV, as the case may be, and in such event:
 - (aa) UEML shall provide necessary assistance to Greenhill and pay Greenhill all cost and expenses incurred by Greenhill in completing such work;
 - (bb) UEML is still liable to pay for all fees and expenses due and payable to the appropriate authorities and its consultants and shall indemnify and keep Greenhill fully indemnified against such liabilities; and
 - (cc) notwithstanding the above, any works done or completed by Greenhill pursuant to this provision shall not absolve UEML of its duties, obligations and liabilities to Greenhill pursuant to and under SPA 2.
- (b) In addition to Item 8.3(a) of Appendix IV, UEML shall indemnify and keep Greenhill fully indemnified against all claims, demands, costs, charges, loss and damages suffered by Greenhill arising strictly to the delay or non-issuance of the CCC on the building on the Bumi Plots which is attributed solely to the non-fulfillment of UEML's obligations under the relevant clauses in SPA 2, provided that the aggregate claims, demands, costs, charges, loss and damage for each individual affected Bumi Plots shall not exceed the rate of 5% of purchase consideration and building construction consideration of the each individual affected Bumi Plots as in the agreement with the End Purchaser for SPA 2 of that affected Bumi Plots.

9. Limited power of attorney ("LPA for Bumi Plots")

- 9.1 NHSB and Greenhill have agreed to enter into separate limited powers of attorney for the respective Bumi Plots.
- 9.2 NHSB, with the consent of UEML, agree to appoint Greenhill to be the true and lawful attorney of NHSB and on behalf of NHSB to do, amongst others, the following acts and things in respect of the Bumi Plots and Phase 3 of SiLC, at Greenhill's cost and expense:
 - (a) Power to make applications in relation to the Bumi Plots;
 - (b) Power to conduct open cut on the existing road for the tapping of the utilities supply including power, water, sewerage and telephone from all relevant tapping points within and out of the Bumi Plots and Phase 3 of SiLC;
 - (c) Power to conduct soil tests and investigation on the Bumi Plots;
 - (d) Power to conduct land survey within Phase 3 of SiLC;
 - (e) Power to enter the Bumi Plots to carry out physical works on the Bumi Plots, namely earthwork, land clearing and site preparation for the construction and development on the Bumi Plots;
 - (f) Power to enter the Bumi Plots, Phase 3 of SiLC or any part thereof to carry out any improvement activities to the common areas and common facilities;

SALIENT TERMS OF THE SPA 2 (CONT'D)

- (g) Power to advocate, advertise, announce, disclose, exhibit, market, promote, the Bumi Plots and/or Phase 3 of SiLC;
 - (h) Power to circulate, distribute any form of materials including leaflets, brochures for the sale of the Bumi Plots and/or Phase 3 of SiLC;
 - (i) Power to remove, set up and erect any logo, billboard, banner, signage and bunting at any part of the Bumi Plots and/or Phase 3 of SiLC; and
 - (j) Power to execute booking contract or any form of contract, offering or accepting any interest or potential interest from any party of the Bumi Plots.
- 9.3 NHSB confirms and declares that the LPA for Bumi Plots created is given for valuable consideration and shall be valid and effectual until the same is being revoked upon occurrence of any of the following:
- (a) the lawful termination of the SPA 2; or
 - (b) upon exercise by Greenhill of the right of unilateral revocation of the LPA for Bumi Plots; or
 - (c) misuse by Greenhill of the powers exercised by Greenhill under and pursuant to the LPA for Bumi Plots,

provided that such revocation shall not affect all things, matters, acts and documents done and executed prior to such revocation and/or on the Bumi Plots.

10. Full power of attorney ("FPA for Bumi Plots")

- 10.1 NHSB and Greenhill have agreed to enter into separate full powers of attorney for the respective Bumi Plots upon full payment of the purchase consideration of such Bumi Plot.
- 10.2 NHSB, with the consent of UEML, agree to appoint Greenhill to be the true and lawful attorney of NHSB and on behalf of NHSB to do, amongst others, the following acts and things in respect of the Bumi Plots and Phase 3 of SiLC, at Greenhill's cost and expense:
- (a) To develop the Bumi Plots in accordance with the relevant approvals issued by the appropriate authorities (if any);
 - (b) To decide upon, effect and carry out all matters whatsoever relating to the development of the Bumi Plots;
 - (c) To sign and make all applications and submissions, obtain all licenses, permits, orders, approvals and certificates and prepare, enter into and execute all documents and instruments whatsoever in connection with the development of the Bumi Plots;
 - (d) To obtain all and any licenses, permissions and consents required from any appropriate authorities under any Acts of Parliament, order, statutory instrument, regulation, by-law or otherwise in connection with the management, improvement and development of the Bumi Plots;

SALIENT TERMS OF THE SPA 2 (CONT'D)

- (e) To communicate, deal, liaise with and to negotiate and/or arrive at such agreement, arrangement, settlement or compromise with all persons and authorities whomsoever and whatsoever in connection with the Bumi Plots and the development thereof;
- (f) To prepare the nature, extent, purpose, infrastructure, layout plans, building plans, designs and specifications of the development on the Bumi Plots;
- (g) To apply for and/or obtain the imposition or alteration of the category of land use or the imposition, rescission, removal or amendment of any condition or restriction affecting the Bumi Plots or any part thereof or the zoning of the Bumi Plots or any part thereof and to comply with and satisfy any conditions that may be imposed by the appropriate authorities in connection therewith;
- (h) To apply for and/or obtain amalgamation, partition, subdivision of the Bumi Plots and cause the issuance of document of title in respect of the Bumi Plots or any part thereof and to execute, sign, seal, deliver and/or surrender the document of title and other documents whatsoever to the appropriate authorities for the purpose thereof and to collect and receive from the appropriate authorities the documents of title upon issuance thereof, and comply with and satisfy any conditions that may be imposed by the appropriate authorities in connection therewith;
- (i) To accept and/or appeal against any requirement, instruction, condition, restriction, order or directive that may be imposed or issued by the appropriate authorities in connection with the Bumi Plots, the development of the Bumi Plots or any part thereof;
- (j) To execute, withdraw, authorise, permit, oppose and take all necessary action in connection with all such applications, notices, deposits, searches and other matters under or for the purposes of any act of Parliament, order, statutory instrument, regulation, by-law or otherwise in respect of or in connection with the Bumi Plots;
- (k) To conduct open cut on the existing road for the tapping of the utilities supply including power, water, sewerage and telephone from all relevant tapping points within and out of the Bumi Plots and/or Phase 3 of SiLC;
- (l) To conduct soil tests and investigation on the Bumi Plots;
- (m) To conduct land survey on the Bumi Plots and Phase 3 of SiLC;
- (n) To enter the Bumi Plots to carry out construction and other physical works, including earthworks, land clearing, site preparation, construction and development on the Bumi Plots;
- (o) To grant lease, option, license, easement or any other right whatsoever over or in respect of the Bumi Plots or any interest therein to any person firm or corporation and for that purpose to sign all necessary documents or instruments to give such effect;
- (p) To enter the Bumi Plots, Phase 3 of SiLC or any part thereof to carry out any improvement activities to the common areas and common facilities;
- (q) To advocate, advertise, announce, disclose, exhibit, market, promote the Bumi Plots and/or Phase 3 of SiLC;

SALIENT TERMS OF THE SPA 2 (CONT'D)

- (r) To circulate, distribute any form of materials including leaflets, brochures for the sale of the Bumi Plots and/or Phase 3 of SiLC;
- (s) To remove, set up and erect any logo, billboard, banner, signage and bunting at any part of the Bumi Plots and/or Phase 3 of SiLC;
- (t) To execute booking contract or any form or contract, offering or accepting any interest or potential interest from any party of the Bumi Plots;
- (u) To sell, transfer or assign to prospective purchasers (including to Greenhill itself) the legal interest in the Bumi Plots with or without premises constructed and for that purposes to sign and execute all the sale and purchase agreements, memorandum of transfer and other instruments necessary to give effect to the same;
- (v) To charge or mortgage or provide the Bumi Plots as collateral on such terms and conditions as Greenhill shall deem fit and for that purpose to sign all necessary memorandum of charge and other documents to give effect to the same, provided always that NHSB shall not in any manner, be liable for such charge, mortgage or security documents thereafter created;
- (w) To carry out and complete or cause to be carried out and completed all and every stage and aspect of development of the Bumi Plots in such manner, with such materials and furnishings and together with such amenities as Greenhill may in its absolute discretion think fit;
- (x) To use and occupy the Bumi Plots or any part thereof as fully and effectively as NHSB itself could have done as Greenhill shall in its absolute discretion think fit;
- (y) To appeal, oppose or otherwise deal with any proposal or order for compulsory acquisition of the Bumi Plots or any part thereof;
- (z) To give such notices make such claims and to institute any action or other legal proceedings in any court or to submit to tribunal or arbitration for any purpose necessary to preserve Greenhill's rights in relation to the Bumi Plots; and
- (aa) To defend all suits, actions and proceedings in connection with the Bumi Plots or appeal against any judgment, order or decision in any such suit, action or proceeding.

11. Deed of mutual covenants ("DMC for Bumi Plots")

11.1 NHSB, UEML and Greenhill have agreed to make further covenants and agreements supplemental to SPA 2 in respect of the management, maintenance, use and enjoyment of the common areas and common facilities for the benefit of:

- (i) Greenhill;
- (ii) purchasers of other plots within Phase 3 of SiLC (except the Bumi Plots); and
- (iii) all subsequent owners of the Bumi Plots and other plots within Phase 3 of SiLC,

for each of the respective Bumi Plots acquired under the SPA 2.

(persons mentioned in items (ii) and (iii) above shall be collectively known as "**Other Purchasers for DMC of Bumi Plots**").

SALIENT TERMS OF THE SPA 2 (CONT'D)

- 11.2 Greenhill agrees that the Management shall be empowered and have the absolute discretion to make rules and regulations in respect of Phase 3 of SiLC, the provisions of the Gated Development Services (as defined in item 12 of Appendix III), as more particularly set out in the DMC for Bumi Plots itself ("**Rules of Bumi Plots**"). Greenhill shall comply with, abide by and observe and shall cause and procure that the employees, workers, lessees, tenants, licensees, visitors, invitees, guests, agents, contractors or such other third party visiting the Bumi Plots and/or the industrial premises ("**Occupants for Bumi Plots**") to comply with, abide by and observe the Rules of Bumi Plots.
- 11.3 Management shall mean:
- (a) UEML;
 - (b) the incorporated or unincorporated entity set up under the DMC for Bumi Plots after the expiry of Fixed Period (as defined in item 12.2 of Appendix III) by UEML, Greenhill and Other Purchasers for DMC of Bumi Plots to carry out the management and maintenance of the Gated Development Services; or
 - (c) the Managing Agent for DMC.
- 11.4 Greenhill unreservedly agrees that
- (a) the basis of computation of the maintenance charges for the Bumi Plots is as follows:

<u>Cost of Maintenance + Sinking Fund</u>	x	Land Area Purchased
Total Land Area		(as per title)
 - (b) the determination by the Management as to the basis of computation and apportionment as between the purchasers (calculated based on respective land areas of the Bumi Plots) as well as the amount to be paid by Greenhill shall be final, conclusive and binding and shall not be questioned or challenged by Greenhill on any account whatsoever;
 - (c) the Management shall be at liberty to vary from time to time the basis of apportionment as well as the amount of the maintenance charges payable; and
 - (d) the maintenance charges shall be payable by Greenhill after the expiry of Fixed Period regardless of whether the Bumi Plots and the industrial premises are occupied or vacant.
- 11.5 Greenhill covenants and undertakes with the Management and each and every Other Purchasers for DMC of Bumi Plots to:
- (a) punctually pay the maintenance charges;
 - (b) notify the Management of Greenhill's sale, leasing or letting of the Bumi Plots and shall furnish the Management with details of the Occupants for Bumi Plots and such other information as the Management may require from time to time;
 - (c) inform the Management in writing whenever there is any change in the address or contact numbers of Greenhill;
 - (d) be fully bound by the terms and conditions of the DMC for Bumi Plots;

SALIENT TERMS OF THE SPA 2 (CONT'D)

- (e) comply with, conform to and observe -
 - (i) all by-laws, rules and regulations stipulated by the authorities; and
 - (ii) all rules and regulations made by the Management in respect of Phase 3 of SiLC;
- (f) be responsible for ensuring that the Occupants for Bumi Plots will comply with, abide by and observe the provisions of the DMC for Bumi Plots, the Rules of Bumi Plots imposed by the Management and shall be liable for any damage caused by the Occupants for Bumi Plots;
- (g) ensure that the Occupants for Bumi Plots will co-operate fully with the Management and/or Other Purchasers for DMC of Bumi Plots in promoting and preserving the spirit and intention of the DMC for Bumi Plots;
- (h) be liable and accountable to the relevant Other Purchasers for DMC of Bumi Plots for any default, breach or omission on the part of Greenhill of the provisions of the DMC for Bumi Plots as though the relevant Other Purchasers for DMC of Bumi Plots were parties to the DMC for Bumi Plots;
- (i) allow the relevant Other Purchasers for DMC of Bumi Plots to sue Greenhill for any default, breach or omission by Greenhill of the provisions of the DMC for Bumi Plots and to seek such appropriate remedies as they deem fit as though the relevant Other Purchasers for DMC of Bumi Plots were parties to the DMC for Bumi Plots; and
- (j) do such other things as the Management may at its absolute discretion decide from time to time.

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ADDITIONAL INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. CONSENTS AND CONFLICT OF INTERESTS**i. RHBIB**

RHBIB, being the Principal Adviser to AME for the Proposed Acquisitions, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

RHBIB, its subsidiaries and associated companies, as well as its holding company, RHB Bank Berhad ("**RHB Bank**"), and the subsidiaries and associated companies of RHB Bank ("**RHB Banking Group**") form a diversified financial group. RHB Banking Group may extend credit facilities or engage in private banking, commercial banking and investment banking transactions including, amongst others, brokerage, securities trading, asset and fund management and credit transaction service businesses. RHB Banking Group has engaged and may in the future, engage in transactions with and perform services for the Company and/or its affiliates, in addition to the role as set out in this Circular. RHB Banking Group, its directors and major shareholders may from time to time hold or deal in the securities of the Company and/or its affiliates for their own accounts or their proprietary accounts.

Furthermore, in the ordinary course of business, RHB Banking Group may at any time offer or provide its services or engage in any transactions (whether on its own account or otherwise) with the Company and/or affiliates and/or any other entity or person, hold long or short positions in the securities offered by the Company and/or its affiliates, make investments recommendations and/or publish or express independent research views on such securities and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of the Company and/or its affiliates.

The business of RHB Banking Group generally act independently of each other, and accordingly, there may be situations where parts of RHB Banking Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the said regulations issued by the relevant authorities governing its advisory business, which require, amongst others, segregation between dealing and advisory activities and Chinese Wall between different business divisions.

As at the LPD, RHB Banking Group had extended credit facilities amounting to RM124.23 million ("**Credit Facilities**") (with an amount of approximately RM100.84 million outstanding) to AME Group. The Credit Facilities represent approximately 0.46% of the audited consolidated NA of RHB Bank of approximately RM27.02 billion as at 31 December 2020.

ADDITIONAL INFORMATION (CONT'D)

Notwithstanding the above, RHBIB is of the opinion that concerns of any potential conflict of interest that exists or is likely to exist in relation to its capacity as the Principal Adviser to AME for the Proposed Acquisitions is mitigated by the following:

- (a) RHBIB is a licensed investment bank and its appointment as the Principal Adviser to AME for the Proposed Acquisitions is in the ordinary course of its business and RHBIB does not receive or derive any financial interest or benefits save for the professional fees received in relation to its appointment as the Principal Adviser to AME for the Proposed Acquisitions;
- (b) the Credit Facilities were approved by RHB Banking Group's relevant credit committee and granted on an arm's length basis and is not material when compared to the audited consolidated NA of RHB Bank of approximately RM27.02 billion as at 31 December 2020;
- (c) the Corporate Finance division of RHBIB is required under its investment banking license to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, amongst others, the establishment of Chinese Wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations; and
- (d) the conduct of RHB Banking Group in its banking business is strictly regulated by the Financial Services Act 2013, the Capital Markets and Services Act 2007 and RHB Banking Group's own internal controls which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

As at the LPD, save as disclosed above, RHBIB confirms that it is not aware of any conflict of interest that exists or is likely to exist in relation to its capacity as the Principal Adviser to AME for the Proposed Acquisitions.

ii. CBRE|WTW

CBRE|WTW, being the Valuer to AME for the Lands in respect of the Proposed Acquisitions, has given and has not subsequently withdrawn its written consent to the inclusion of its name as well as the Valuation Certificates and the extract of the Valuation Reports and all references thereto in the form and context in which they appear in this Circular.

CBRE|WTW confirms that it is not aware of any conflict of interest that exists or is likely to exist in relation to its capacity as the Valuer to AME for the Lands in respect of the Proposed Acquisitions.

3. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, there is no material commitment incurred or known to be incurred by the Group which may have a material impact on the financial results/position of the Group:

Capital commitments	RM'000
Contracted but not provided for:	
• Property, plant and equipment	<u>20,955</u>

ADDITIONAL INFORMATION (CONT'D)

4. CONTINGENT LIABILITIES

As at the LPD, there is no contingent liability incurred or known to be incurred by the Group which, upon becoming enforceable, may have a material impact on the financial results/position of the Group.

5. MATERIAL LITIGATIONS, CLAIMS OR ARBITRATIONS

As at the LPD, there is no material litigation, claims or arbitration involving the Lands.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company's Registered Office at Suite 9D, Level 9, Menara Ansar, 65, Jalan Trus, 80000 Johor Bahru, Johor Darul Takzim, during normal business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:

- i. Constitution of AME;
- ii. audited consolidated financial statements of AME Group for the past two (2) financial years up to the FYE 31 March 2020 and the latest unaudited consolidated quarterly results of AME Group for the nine (9)-month FPE 31 December 2020;
- iii. Valuation Certificates and Valuation Reports;
- iv. SPAs; and
- v. letters of consent and declaration of conflict of interest referred to in Section 2 above.

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AME ELITE CONSORTIUM BERHAD
(Registration No. 201801030789 (1292815-W))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("EGM") of AME Elite Consortium Berhad ("**AME**" or the "**Company**") will be held at i-Park@Senai Airport City Sales Gallery, No. 1, Jalan I-Park SAC 1, Taman Perindustrian I-Park SAC, 81400 Senai, Johor Darul Takzim on Thursday, 8 April 2021 at 10.00 a.m. for the purpose of considering and if thought fit, passing the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ACQUISITION OF THIRTY EIGHT (38) PLOTS OF FREEHOLD INDUSTRIAL LAND IN MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, STATE OF JOHOR ALL LOCATED WITHIN PHASE 3 OF THE SOUTHERN INDUSTRIAL AND LOGISTICS CLUSTERS IN ISKANDAR PUTERI OF ISKANDAR MALAYSIA, JOHOR DARUL TAKZIM ("SiLC"), MEASURING APPROXIMATELY 37.09 HECTARES OR APPROXIMATELY 91.64 ACRES IN TOTAL LAND AREA ("NON-BUMI PLOTS") BY PENTAGON LAND SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF AME, FROM UEM LAND BERHAD ("UEML") AND NUSAJAYA HEIGHTS SDN BHD ("NHSB") FOR AN INDICATIVE TOTAL CASH CONSIDERATION OF APPROXIMATELY RM233.53 MILLION ("PROPOSED ACQUISITION 1")

"**THAT** subject to and conditional upon the approvals and consents of all relevant authorities and/or parties being obtained, approval be and is hereby given to Pentagon to acquire the Non-Bumi Plots for an indicative total cash consideration of RM233,532,994.50 and upon the terms and conditions set out in the conditional sale and purchase agreement dated 30 December 2020 entered into between Pentagon, UEML and NHSB in respect of the Proposed Acquisition 1;

AND THAT the Board be and is hereby empowered and authorised to take all such steps do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary or expedient in order to implement, finalise, give effect and complete the Proposed Acquisition 1 with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company."

ORDINARY RESOLUTION 2

PROPOSED ACQUISITION OF THIRTY FOUR (34) PLOTS OF FREEHOLD INDUSTRIAL LAND IN MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, STATE OF JOHOR ALL LOCATED WITHIN PHASE 3 OF SiLC, MEASURING APPROXIMATELY 31.61 HECTARES OR APPROXIMATELY 78.11 ACRES IN TOTAL LAND AREA ("BUMI PLOTS") BY GREENHILL SiLC SDN BHD ("GREENHILL"), A WHOLLY-OWNED SUBSIDIARY OF AME, FROM UEML AND NHSB FOR AN INDICATIVE TOTAL CASH CONSIDERATION OF APPROXIMATELY RM200.76 MILLION ("PROPOSED ACQUISITION 2")

"**THAT** subject to and conditional upon the approvals and consents of all relevant authorities and/or parties being obtained, approval be and is hereby given to Greenhill to acquire the Bumi Plots for an indicative total cash consideration of RM200,755,642.00 and upon the terms and conditions set out in the conditional sale and purchase agreement dated 30 December 2020 entered into between Greenhill, UEML and NHSB in respect of the Proposed Acquisition 2;

AND THAT the Board be and is hereby empowered and authorised to take all such steps do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary or expedient in order to implement, finalise, give effect and complete the Proposed Acquisition 2 with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company."

By Order of the Board

LEONG SIEW FOONG (MAICSA 7007572) (SSM PC. No.: 202008001117)
SANTHI A/P SAMINATHAN (MAICSA 7069709) (SSM PC. No.: 201908002933)
Company Secretaries

Johor Bahru
24 March 2021

Notes:

1. *A member entitled to attend, participate, speak and vote at the EGM of the Company shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote for him. A proxy may but need not be a member of the Company.*
2. *Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 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.*
3. *Where a member, an authorised nominee or an exempt authorised nominee appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holding to be represented by each proxy in the Form of Proxy.*
4. *The duly completed Form of Proxy must be deposited at the Registered Office of the Company of not less than forty-eight (48) hours before the time for holding the EGM of the Company PROVIDED that in the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the Form of Proxy, other than the particulars of the proxy have been duly completed by the member(s).*
5. *If the appointor is a corporation, the Form of Proxy must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.*
6. *In respect of deposited securities, only members whose names appear on the Record of Depositors on 1 April 2021 (General Meeting Record of Depositors) shall be eligible to attend, participate, speak and vote at the EGM of the Company or appoint proxy(ies) to attend, participate, speak and vote on his behalf.*
7. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of EGM will be put to vote by way of poll.*



AME ELITE CONSORTIUM BERHAD

(Registration No. 201801030789 (1292815-W))

(Incorporated in Malaysia)

FORM OF PROXY

No. of shares held	
CDS account no.	

I/ We _____ *NRIC/ Passport / Company No. _____
(FULL NAME IN BLOCK CAPITAL)

of _____
(FULL ADDRESS)

and telephone no./ email address _____ being *a member/ members

of **AME Elite Consortium Berhad (201801030789 (1292815-W))** hereby appoint _____

_____ *NRIC/ Passport No. _____
(FULL NAME IN BLOCK CAPITAL)

of _____
(FULL ADDRESS)

or failing *him/ her _____ *NRIC/ Passport No. _____
(FULL NAME IN BLOCK CAPITAL)

of _____
(FULL ADDRESS)

or failing *him/ her the Chairman of the Meeting as *my/ our proxy/ proxies to attend, participate, speak and vote for *me/ us on *my/ our behalf at the Extraordinary General Meeting of AME Elite Consortium Berhad ("**Company**") which will be held at i-Park@Senai Airport City Sales Gallery, No. 1, Jalan I-Park SAC 1, Taman Perindustrian I-Park SAC, 81400 Senai, Johor Darul Takzim on Thursday, 8 April 2021 at 10.00 a.m.

*My/ our proxy is to vote as indicated below:-

RESOLUTIONS	FOR	AGAINST
ORDINARY RESOLUTION 1 – PROPOSED ACQUISITION 1		
ORDINARY RESOLUTION 2 – PROPOSED ACQUISITION 2		

Please mark with "X" in either box if you wish to direct the proxy how to vote. If no mark is made the proxy may vote on the resolutions or abstain from voting as the proxy thinks fit.

* *Strike out whichever is not desired*

Signature of Member(s)/ Common Seal _____

Date: _____

The proportion of *my/our shareholdings to be represented by the proxies are as follows:	
First proxy	%
Second proxy	%
Total	100%

Notes:

1. A member entitled to attend, participate, speak and vote at the EGM of the Company shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote for him. A proxy may but need not be a member of the Company.
2. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 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.
3. Where a member, an authorised nominee or an exempt authorised nominee appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holding to be represented by each proxy in the Form of Proxy.
4. The duly completed Form of Proxy must be deposited at the Registered Office of the Company of not less than forty-eight (48) hours before the time for holding the EGM of the Company PROVIDED that in the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the Form of Proxy, other than the particulars of the proxy have been duly completed by the member(s).
5. If the appointor is a corporation, the Form of Proxy must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 1 April 2021 (General Meeting Record of Depositors) shall be eligible to attend, participate, speak and vote at the EGM of the Company or appoint proxy(ies) to attend, participate, speak and vote on his behalf.
7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of EGM will be put to vote by way of poll.



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AFFIX
STAMP

The Company Secretaries
AME ELITE CONSORTIUM BERHAD
(Registration No. 201801030789 (1292815-W))
Suite 9D, Level 9
Menara Ansar
65, Jalan Trus
80000 Johor Bahru
Johor Darul Takzim

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