

AME Elite to develop first industrial park in Penang with GDV of RM1.0 billion

- *Signs Shareholders Agreement with Majestic Builders Sdn Bhd (Majestic Builders) to jointly develop integrated industrial park in Seberang Perai Tengah, Penang*
- *Signs Sale and Purchase Agreement with Waz Lian Holdings Sdn Bhd to acquire 175.98-acre development land for a total consideration of RM130.0 million*

Kuala Lumpur, Malaysia, 18 August 2022 - Industrial space solutions provider AME Elite Consortium Berhad (AME Elite, the Group, 腾宇集团, *Bloomberg: AME:MK; Reuters: AMEE.KL*) together with Majestic Builders, are jointly developing an integrated industrial park in Seberang Perai Tengah, Penang with gross development value (GDV) of RM1.0 billion.

AME Elite's wholly-owned subsidiary Northern Industrial Park Sdn Bhd and Majestic Builders had jointly formed a special purpose vehicle (SPV) to undertake the industrial park development. Meanwhile, the SPV, Suling Hill Development Sdn Bhd, had today entered into a sale and purchase agreement with landowner Waz Lian Holdings Sdn Bhd to acquire the 175.98-acre freehold development land for a total purchase consideration of RM130.0 million.

The acquisition will be satisfied partly via cash amounting to RM80.0 million, while the remaining consideration of RM50.0 million is anticipated to be settled in-kind via industrial properties from the intended industrial park development within 24 months upon fulfilment of conditions of the sale and purchase agreement.

AME Elite intends to replicate its proven fully-integrated industrial park model in Penang, with custom-built industrial properties amply supported by fit-for-purpose workers' dormitories.

AME Elite's vast expertise includes developing integrated industrial parks of i-Park@Senai Airport City (SAC) and i-Park@Indahpura which have garnered substantial investments from domestic and foreign investors the likes of Nasdaq-listed Insulet Corporation and HQPack Sdn Bhd, subsidiary of Netherlands-based high-tech packaging manufacturer HQ Pack B.V..

Majestic Builders is a significant division of Majestic Group, with diversified businesses across property development, hospitality, leisure, and food & beverage (F&B) sectors in Malaysia as well as overseas. The Group has recently completed the Annex @ Cheras, Residensi Medan @ PJS4 and Bukit Rampai Industry Park @ Melaka. Its ongoing development projects include D'Cendana @ Bandar Tasik Kesuma, Selangor, as well as two serviced apartments developments located in Jalan Old Klang Road and off Jalan Tunku Abdul Rahman in Kuala Lumpur.

“We are thrilled to find in Majestic Group an equally visionary partner that yearns to bring the tested concept of our fully-integrated industrial parks to Penang, to attract even more high-quality investments. The tremendous job-creation and economic multiplier effects from the proposed industrial park will certainly position Malaysia as an advanced industrial hub, conducive to propel the expansion of growth-focused multinational and domestic corporations.

This strategic acquisition is consistent with AME Elite’s strategy of expanding our i-Parks beyond Johor. We anticipate the next seven years to be very exciting for us as this project with potential GDV of RM1.0 billion comes into fruition.

Beyond just customising industrial buildings, AME Elite has also successfully incorporated green building criteria to satisfy Environmental, Social and Governance (ESG) principles within our present developments, and will continue to spearhead ESG principles in the proposed Penang industrial park. Our vision is to always be a forward-thinking sustainable developer, to benefit all stakeholders.”

Kelvin Lee Chai (李志财)

Group Managing Director, AME Elite Consortium Berhad

The prime land is strategically located in Seberang Perai Tengah, Penang, and is easily accessible via the Butterworth-Kulim Expressway, first and second Penang bridges, as well as the North-South Expressway. It is also in close proximity of 15.5 kilometres to Penang Port. This is set to be a high-tech industrial park, with targeted clientele from the logistics solutions, semiconductor, electrical & electronics and medical device manufacturing industries.

The newly acquired land will be financed via a combination of internally generated funds and bank borrowings.

The proposed acquisition is targeted to be completed by the third quarter of 2023.

The Malaysian Investment Development Authority reported that it had approved a total of RM83.5 billion and RM7.2 billion investments in Penang for the financial year ended 2021 and first quarter of 2022 respectively, inclusive of foreign and domestic investments in the manufacturing and services sectors.

To date, AME Elite has launched five industrial parks in Johor, with the largest being the 205.2-acre i-Park@Indahpura, 195.0-acre i-Park@Senai Airport City, and 169.8-acre i-TechValley in SiLC. Other industrial parks include the 12.3-acre i-Park@SiLC and 7.6-acre District 6@SiLC.

The Group’s i-Park@SiLC, i-Park@Indahpura and i-Park@Senai Airport City have garnered major investments from multi-national and local corporations across various sectors, including precision engineering, pharmaceutical manufacturing, trading, warehouse/storage, electrical and electronics (E&E) manufacturing, research and development (R&D) and assemblies.

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About AME Elite Consortium Berhad (<https://ame-elite.com>)

Established since 1995, AME is an integrated and comprehensive industrial space solutions provider: encompassing the development of gated and guarded industrial parks, the design and construction of large manufacturing plants, the sale and lease of industrial factory units, as well as rental and management of workers' dormitories.

AME possesses in-house construction and engineering expertise, including mechanical and electrical (M&E) engineering, industrialised building system (IBS) involving steel structure and pre-cast concrete fabrication, and solar energy solutions.

AME has completed i-Park@SiLC, i-Park@Indahpura (Phase 1 and 2) and District 6 in Johor and is currently constructing i-Park@Senai Airport City and i-TechValley in Johor.

AME received multiple awards including World Silver Winner in Industrial Category (i-Park@Indahpura) at the 2019 FIABCI World Prix d'Excellence Awards, Malaysia Property Award™ 2018 (Industrial Category) by FIABCI-Malaysia, Malaysia's Responsible Developer: Building Sustainable Development Award 2018 by Edge Property and The Iskandar Malaysia Accolades (TIMA) 2016/17: Platinum Winner for "Most Conducive Workplace" (i-Park@Indahpura).

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