

## **AME to dispose three i-Park industrial properties to AME REIT for RM69.3 million**

- *Cash proceeds raised to be primarily used for future industrial property development and investment projects, as well as working capital requirements*
- *Group to recognize approximately RM26.2 million in pro forma gain on disposals, net of tax and share of controlling interests*

**Johor Bahru, Malaysia, 5 December 2022** - Leading integrated industrial space solutions provider **AME Elite Consortium Berhad** (“AME”, “the Group”, “腾宇集团”) proposed to dispose three industrial properties located in its i-Park industrial parks to AME Real Estate Investment Trust (“AME REIT”) for a total cash consideration of RM69.3 million.

The proposed disposals involve two industrial properties in i-Park @ Indahpura in Kulai, namely Plot 15 Indahpura and Plot 16 Indahpura, as well as one industrial property in i-Park @ Senai Airport City (“SAC”) in Senai, namely Plot 43 SAC (collectively referred to as “**Subject Properties**”). The Subject Properties have a combined total agreed lettable area of more than 256,000 square feet, and are leased to renowned multinational companies operating in high-valued industries on a long term basis.

AME stands to recognize approximately RM26.2 million in pro forma gain on disposals of the Subject Properties, net of tax and share of controlling interests. Meanwhile, AME will continue to recognize earnings from the lease of Subject Properties in proportion to its indirect unitholdings of approximately 51.0% in AME REIT.

Of the total cash proceeds of RM69.3 million to be raised, the majority 93.8% or RM65.0 million will be used for future industrial property development and/or investment projects, as well as working capital to be utilised within an estimated 36 months from the completion of the respective disposals of the Subject Properties.

Meanwhile, 5.9% or RM4.1 million will go towards repayment of borrowings for Plot 43 SAC and the balance 0.3% or RM0.2 million will be used for estimated expenses for the proposed disposals. The repayment of borrowings and expenses for the proposal disposals is expected to be utilised within one month from the completion of the respective disposals of the Subject Properties.

“The proposed disposals will further unlock the value of our investment properties and bring synergy by enhancing our financial position for continued expansions.

We look forward to accelerating our growth amid increasing demand for high quality industrial parks and services in Malaysia. To this end, we are targeting landbank expansions in Peninsular Malaysia, not only to expand our i-Park brand of industrial parks, but also partner with asset owners and developers to build more successful industrial parks in Malaysia.”

**Kelvin Lee Chai (李志财)**  
**Group Managing Director, AME Elite Consortium Berhad**

Plot 15 Indahpura is currently leased to HID Global Sdn Bhd since October 2022, while Plot 16 Indahpura is under construction and expected to commence its lease to HQPack Sdn Bhd in 2023 upon the completion of the construction. Both leases have a tenure of up to 10 years with three-year renewal option. Plot 43 SAC commenced lease to SGS (Malaysia) Sdn Bhd in October 2022 with a tenure of up to 10 years with a five-year renewal option.

The proposed disposals enable the Group to partially realise its investment in the Subject Properties and is in line with its strategy to place its rental income generating properties under AME REIT. The Group is continuously evaluating growth opportunities in the industrial park development space, and the proceeds from the proposed disposals will be reinvested in strategic assets or opportunities.

The proposed disposals are subject to approvals from unitholders of AME REIT for the proposed acquisition of the Subject Properties at its extraordinary general meeting to be convened, as well as approval or consent from any other relevant authority or party, if required.

Barring any unforeseen circumstances and subject to approval and/or consent from any other relevant authorities and/or parties, the proposed disposals of Plot 15 Indahpura and Plot 43 SAC are expected to be completed in the first quarter of 2023, while the disposal of Plot 16 Indahpura is expected to be completed in the fourth quarter of 2023.

AME Elite has launched five industrial parks in Johor to date, 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 are the 12.3-acre i-Park@SiLC and 7.6-acre District 6@SiLC.

The Group's i-Parks have garnered investments from multi-national and local corporations across various sectors, including precision engineering, pharmaceutical manufacturing, trading, warehouse/storage, electrical and electronics manufacturing, research and development 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).

**Issued for and on behalf of AME Elite Consortium Berhad by Aquilas Advisory (Malaysia) Sdn Bhd**

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