

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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 THE**

- (I) **PROPOSED JOINT VENTURE BETWEEN CENTRAL GATEWAY DEVELOPMENT SDN BHD (FORMERLY KNOWN AS OASIS INNOVATION SDN BHD) ("CGDSB"), A 60%-OWNED SUBSIDIARY OF AME INDUSTRIAL PARK SDN BHD ("AMEIP"), WHICH IN TURN IS A WHOLLY-OWNED SUBSIDIARY OF AME ELITE CONSORTIUM BERHAD ("AME" OR THE "COMPANY"), TOGETHER WITH AMEIP AND KLK LAND SDN BHD ("KLKL"), A WHOLLY-OWNED SUBSIDIARY OF KUALA LUMPUR KEPONG BERHAD ("KLKB") TO JOINTLY ACQUIRE AND DEVELOP PART OF 2 PARCELS OF FREEHOLD AGRICULTURAL LAND WITH INDUSTRIAL POTENTIAL KNOWN AS LOT 48510 AND LOT 48511 CURRENTLY HELD UNDER GERAN NO. HAKMILIK 318597, LOT 33683 IN MUKIM IJOK, DAERAH KUALA SELANGOR, NEGERI SELANGOR, MEASURING APPROXIMATELY 61.193 HECTARES (EQUIVALENT TO APPROXIMATELY 151.211 ACRES OR 6,586,754 SQUARE FEET) ("LAND");**
- (II) **PROPOSED ACQUISITION BY CGDSB OF THE LAND FROM KLKB FOR A TOTAL PURCHASE CONSIDERATION OF RM230,536,390 TO BE SATISFIED FULLY IN CASH; AND**
- (III) **PROPOSED PROVISION OF FINANCIAL ASSISTANCE BY AME AND ITS SUBSIDIARIES, THROUGH AMEIP TO CGDSB**

**AND**

**NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

*Principal Adviser*



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

The Extraordinary General Meeting ("**EGM**") of AME will be conducted on a fully virtual basis via live streaming and online remote voting using Remote Participation and Electronic Voting ("**RPEV**") facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Friday, 14 February 2025 at 10.00 a.m. or at any adjournment thereof (as the case may be).

The Notice of EGM and Form of Proxy are enclosed in this Circular and can be downloaded from the Company's website at <https://www.ame-elite.com> or Bursa Securities' website at <https://www.bursamalaysia.com>. Shareholders are advised to refer to the Notice of EGM and the Administrative Guide for the EGM for the procedures as set out therein.

If you wish to appoint a proxy to attend, participate, speak (in the form of real-time submission of typed texts) and vote on your behalf at the EGM, you may complete, sign and deposit the Form of Proxy at the Share Registrar's office at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. The lodgement of the Form of Proxy will not preclude you from attending, participating, speaking (in the form of real-time submission of typed texts) and voting in person at the EGM should you subsequently decide to do so. For electronic lodgement of the Form of Proxy, please refer to the procedures as set out in the Administrative Guide for the EGM.

Last day, date and time for registration for RPEV at : Wednesday, 12 February 2025 at 10.00 a.m.  
the EGM and for lodging the Form of Proxy

Day, date and time of the EGM : Friday, 14 February 2025 at 10.00 a.m. or at any adjournment thereof (as the case may be)

This Circular is dated 24 January 2025

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## DEFINITIONS

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

|  |   |   |
|--|---|---|
| "1 <sup>st</sup> Tranche Shareholders' Loan" | : | First tranche of the Shareholders' Loan amounting to RM23,100,000 granted by AMEIP and KLKL to CGDSB pursuant to the Shareholders' Agreement  |
| "2 <sup>nd</sup> Tranche Shareholders' Loan" | : | Second tranche of the Shareholders' Loan amounting to RM207,440,000 to be granted by AMEIP and KLKL to CGDSB pursuant to the Shareholders' Agreement  |
| "10% Retention Sum"                          | : | 10% of the Purchase Consideration to be retained by CGDSB in the event any of the Works has not been completed 10 workings days before the last day of the Completion Period  |
| "Act"  | : | Companies Act, 2016   |
| "Agreed Proportions"                         | : | The agreed proportions to be held by AMEIP and KLKL for the total paid-up share capital in CGDSB pursuant to the Proposed Joint Venture as set out in Section 2.1.1 of this Circular  |
| "AME"  | : | AME Elite Consortium Berhad   |
| "AMED" or the "Project Manager"              | : | AME Development Sdn Bhd, a wholly-owned subsidiary of AME   |
| "AME Group" or the "Group"                   | : | Collectively, AME and its subsidiaries  |
| "AMEIP"                                      | : | AME Industrial Park Sdn Bhd, a wholly-owned subsidiary of AME   |
| "AME REIT"                                   | : | AME Real Estate Investment Trust  |
| "AME Share(s)" or the "Share(s)"             | : | Ordinary shares in AME  |
| "Board"                                      | : | Board of Directors of AME   |
| "Bursa Securities"                           | : | Bursa Malaysia Securities Berhad  |
| "CBRE" or the "Valuer"                       | : | CBRE WTW Valuation & Advisory Sdn Bhd ( <i>formerly known as C H Williams Talhar &amp; Wong Sdn Bhd</i> ), an independent registered valuer appointed for the valuation of the Land   |
| "CGDSB"                                      | : | Central Gateway Development Sdn Bhd ( <i>formerly known as Oasis Innovation Sdn Bhd</i> ), a 60%-owned subsidiary of AMEIP, which in turn is a wholly-owned subsidiary of the Company, who is also the purchaser of the Land in respect of the Proposed Acquisition |
| "CGDSB Share(s)"                             | : | Ordinary shares in CGDSB  |
| "Circular"                                   | : | This circular dated 24 January 2025 in relation to the Proposals comprising letter to shareholders of AME in relation to the Proposals, the appendices in relation to the Proposals, Notice of EGM and Form of Proxy  |
| "Completion Period"                          | : | 3 months from the date of which the last of the conditions precedent in the SPA has been fulfilled  |

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**DEFINITIONS (CONT'D)**

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|------------------------------|---|--|
| "Directors"                  | : | A natural person who holds a directorship in an executive or a non-executive capacity within the Company, within the meaning of Section 2(1) of the Act and has the meaning given in Section 2(1) of the Capital Markets and Services Act, 2007, which for the avoidance of doubt excludes an alternate director, and includes any person who is or was, within the preceding 6 months of the date on which the terms of the Proposed Acquisition was agreed upon, a director or chief executive of AME or its holding company as per Paragraph 10.02(c) of the Listing Requirements |
| "Document of Titles"         | : | A qualified issue documents of titles each for the 2 parcels on the Land issued by the relevant land registry  |
| "EGM"                        | : | Extraordinary general meeting  |
| "EPF"                        | : | Employees Provident Fund Board   |
| "EPS"                        | : | Earnings per share   |
| "FFB"                        | : | Fresh fruit bunches  |
| "FYE"                        | : | Financial year ended/ending, as the case may be  |
| "FPE"                        | : | Financial period ended/ending, as the case may be  |
| "GDV"                        | : | Gross development value  |
| "Initial Share Subscription" | : | An additional 1,199,994 and 799,996 CGDSB Shares, representing approximately 60.00% and 40.00% respectively, which were subscribed by AMEIP and KLKL respectively on 6 November 2024, being within 7 days from the date of the Shareholders' Agreement to increase the total paid-up capital of CGDSB to RM2,000,000   |
| "KLKB"                       | : | Kuala Lumpur Kepong Berhad, being the vendor of the Land in respect of the Proposed Acquisition  |
| "KLKB Share(s)"              | : | Ordinary shares in KLKB  |
| "KLKL"                       | : | KLK Land Sdn Bhd, a wholly-owned subsidiary of KLKB who owns the remaining 40% equity interest in CGDSB. CGDSB is an associate company of KLKL   |
| "LA 1960"                    | : | Land Acquisition Act, 1960   |
| "Land"                       | : | Part of 2 parcels of freehold agricultural land with industrial potential known as Lot 48510 and Lot 48511 currently held under Geran No. Hakmilik 318597, Lot 33683 in Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor, measuring approximately 61.193 hectares (equivalent to approximately 151.211 acres or 6,586,754 sq ft)   |
| "Listing Requirements"       | : | Main Market Listing Requirements of Bursa Securities   |
| "LPD"                        | : | 15 January 2025, being the latest practicable date prior to the printing and despatch of this Circular   |
| "Market Day"                 | : | A day on which the stock market of Bursa Securities is open for trading in securities, which may include a Surprise Holiday  |

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**DEFINITIONS (CONT'D)**

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| "NA"   | : | Net assets  |
| "Project"  | : | Development of the Land into a proposed industrial development together with any other ancillary facilities and buildings and may include workers' dormitory development and/or commercial development or component   |
| "Project Management Agreement"                   | : | A project management agreement dated 30 October 2024 entered into between CGDSB and AMED to exclusively engage and appoint AMED as a project manager to provide services for the Project  |
| "Proposals"                                      | : | Collectively, the Proposed Joint Venture, the Proposed Acquisition and the Proposed Provision of Financial Assistance   |
| "Proposed Acquisition"                           | : | Proposed Acquisition of the Land by CGDSB from KLKB for a total purchase consideration of RM230,536,390 to be satisfied fully in cash   |
| "Proposed Joint Venture"                         | : | Proposed joint venture between CGDSB together with AMEIP and KLKL for the purposes of the Proposed Acquisition and the Project  |
| "Proposed Provision of Financial Assistance"     | : | Proposed provision of financial assistance by AME Group, through AMEIP to CGDSB under the Proposed Acquisition and the Proposed Joint Venture   |
| "Purchase Consideration"                         | : | The purchase consideration for the Proposed Acquisition of RM230,536,390, to be satisfied fully in cash   |
| "RHB Investment Bank" or the "Principal Adviser" | : | RHB Investment Bank Berhad  |
| "RM" and "sen"                                   | : | Ringgit Malaysia and sen respectively, the lawful currency of Malaysia  |
| "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 5 flagship component areas, Johor Bahru city centre, Iskandar Puteri ( <i>formerly known as Nusajaya</i> ), Western Gate Development, Eastern Gate Development and Senai -Skudai |
| "Shareholders' Agreement"                        | : | Shareholders' agreement dated 30 October 2024 entered into between CGDSB, AMEIP and KLKL to govern and regulate their relationship as the shareholders of CGDSB and to govern the management of CGDSB for the purpose of the Proposed Acquisition and development of the Land, as amended and varied by the Supplemental Agreement  |
| "Shareholders' Loan"                             | : | Loans advanced and to be advanced by the shareholders of CGDSB, namely AMEIP and KLKL to CGDSB, subject to the terms as set out in the Shareholders' Agreement for the purposes of the Proposed Acquisition and the Project   |
| "SPA"  | : | Conditional sale and purchase agreement dated 30 October 2024 entered into between CGDSB and KLKB for the Proposed Acquisition, as amended and varied by the Supplemental Letter  |
| "sq ft"  | : | Square feet   |

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**DEFINITIONS (CONT'D)**

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|                          |  |
|--------------------------|--|
| "Supplemental Agreement" | : Supplemental agreement dated 23 January 2025 entered into between CGDSB, AMEIP and KLKL for the Proposed Joint Venture to amend and supplement the relevant terms of the Shareholders' Agreement as set out in Appendix I of this Circular |
| "Supplemental Letter"    | : Supplemental letter dated 26 December 2024 entered into between KLKB and CGDSB for the Proposed Acquisition to amend and vary certain terms of the SPA as set out in Appendix II of this Circular  |
| "Surprise Holiday"       | : A day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that had not been gazetted as a public holiday at the beginning of the calendar year   |
| "TNB"                    | : Tenaga Nasional Berhad   |
| "Unconditional Date"     | : The date of the last condition precedent of the SPA being fulfilled, and such date is to be notified in writing by the vendors' solicitors to the purchaser's solicitors   |
| "Valuation Certificate"  | : The valuation certificate dated 11 November 2024 prepared by the Valuer in respect of the Land   |
| "Valuation Report"       | : The valuation report dated 11 November 2024 prepared by the Valuer in respect of the Land  |
| "Warrant(s)"             | : 142,371,453 existing warrants issued by the Company on 23 September 2021 which have an exercise price of RM1.93 per Warrant and are expiring on 22 September 2026  |
| "Works"                  | : Removal of all identified structures (including the effluent pond and ancillary infrastructure) and/or the completion of the platform levelling and reasonable remedial works (if required) on the effluent pond area located on the Land  |

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

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.

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 annual reports or quarterly results, is due to rounding.

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**DEFINITIONS (CONT'D)**

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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 our Company's plans and objectives will be achieved.

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## EXECUTIVE SUMMARY

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*This Executive Summary highlights only the salient information of the Proposals 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 Proposals before voting at the forthcoming EGM.*

| <b>Salient information</b>   | <b>Description</b>   | <b>Reference to Circular</b>               |
|--|--|--|
| <b>Details of the Proposals</b>  | <b>(i) <u>Proposed Joint Venture</u></b><br><br>CGDSB together with AMEIP and KLKL had entered into the Shareholders' Agreement which sets out the terms governing the rights of AMEIP and KLKL as shareholders of CGDSB and the manner in which CGDSB is to be managed. The main purpose of the Proposed Joint Venture is for CGDSB to undertake the Proposed Acquisition and subsequently undertake the Project.<br><br>In conjunction with the Proposed Joint Venture, CGDSB had also entered into the SPA and the Project Management Agreement.                        | Sections 2.1, 2.2 and 2.3 of this Circular |
|  | <b>(ii) <u>Proposed Acquisition</u></b><br><br>The Proposed Acquisition entails the acquisition of the Land by CGDSB from KLKB for the total purchase consideration of RM230,536,390 on an 'as is where is' basis, free from all encumbrances, with vacant possession of the Land subject to the limitations and other improvement schemes whatsoever, present or future, as may be imposed by the relevant authorities, and upon the other terms and conditions contained in the SPA.<br><br>The Purchase Consideration of RM230,536,390 will be satisfied fully in cash. |  |
|  | <b>(iii) <u>Proposed Provision of Financial Assistance</u></b><br><br>AME Group is required to provide financial assistance to CGDSB, through AMEIP in accordance with the Agreed Proportions pursuant to the Proposed Joint Venture and the Proposed Acquisition. AME Group is expected to extend shareholders' loans in the Agreed Proportions as set out in Section 2.1.1 of this Circular when necessary to fund the Proposed Acquisition and future development cost over the duration of the Project.  |  |
| <b>Basis and justification of arriving at the Purchase Consideration</b> | The Purchase Consideration for the Proposed Acquisition was arrived at on a 'willing-buyer willing-seller' basis and after taking into consideration the following:<br><br>(i) the market value of the Land of RM231,000,000 as appraised by the Valuer vide its Valuation Certificate; and<br><br>(ii) the rationale for the Proposed Acquisition and prospects and development potential of the Land, further details of which are set out in Section 3.2 and Section 4.4 of this Circular, respectively.  | Section 2.2.3 of this Circular             |

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**EXECUTIVE SUMMARY (CONT'D)**

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| <b>Salient information</b>                     | <b>Description</b>   | <b>Reference to Circular</b> |
|--|--|------------------------------|
| <b>Rationale and benefits of the Proposals</b> | <p>(i) <b><u>Proposed Joint Venture</u></b></p> <p>The Proposed Joint Venture represents a strategic expansion for AME Group to expand its business model, which consists of the development of industrial parks and the sale and lease of industrial properties currently in Johor and Penang, to other states in Peninsular Malaysia.</p> <p>Furthermore, the Proposed Joint Venture would enable the Group to have greater financial flexibility in respect of financial allocation for its future operational requirements and also potentially free up its capital to pursue future business opportunities, as and when the Board considers suitable and to be in the best interest of the Company at the material point in time.</p> <p>(ii) <b><u>Proposed Acquisition</u></b></p> <p>The Proposed Acquisition forms part of the Group's ongoing effort to expand its property development business by acquiring additional land banks at strategic locations with growth potential for future development. As at the LPD, the Group has a total land bank of approximately 224.47 acres with a total estimated balance GDV of approximately RM2.50 billion.</p> <p>The Proposed Acquisition allows an opportunity for AME Group to replenish its existing land banks from approximately 224.47 acres to approximately 375.68 acres.</p> <p>(iii) <b><u>Proposed Provision of Financial Assistance</u></b></p> <p>The Proposed Provision of Financial Assistance will enable CGDSB to obtain guarantees and/or raise the necessary funding in connection with the Proposed Acquisition as well as for the Project. The availability of expedient funding would assist in avoiding unnecessary delays throughout the development period and ensure the timely completion of the Project.</p> | Section 3 of this Circular   |
| <b>Risk factors of the Proposals</b>           | <p>(i) <b><u>Delay or non-completion of the Proposed Acquisition</u></b></p> <p>Despite the execution of the SPA, there can be no assurance that all the conditions precedent and/or terms and conditions as set out in the SPA will be able to be fulfilled and/or complied with, and therefore, the Proposed Acquisition may not be able to complete. Further, there can also be no assurance that the Proposed Acquisition can be completed within the timeframe set. Any delay or non-completion of the Proposed Acquisition will deprive AME Group from realising the expected benefits of the Proposed Acquisition as set out in Section 3.2 of this Circular.</p>   | Section 5 of this Circular   |

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**EXECUTIVE SUMMARY (CONT'D)**

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| <b>Salient information</b>                    | <b>Description</b>   | <b>Reference to Circular</b> |
|---|--|------------------------------|
| <b>Risk factors of the Proposals (cont'd)</b> | <p><b>(ii) Business risk</b></p> <p>The Proposed Acquisition is subject to the risks inherent in the property development industry which the Group is already involved in. Such risks may include property overhang, adverse changes in real estate market prices, competition from other property developers, changes in economic, social and political conditions, delay in completion of the Group's 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.</p> | Section 5 of this Circular   |
|   | <p><b>(iii) Funding risk for the Proposed Acquisition and the Project</b></p> <p>The Group may be required to seek external financing to fund the Proposed Acquisition and the Project. There can be no assurance that the anticipated benefits of the Proposed Acquisition will be realised or that the Group will be able to generate the desired returns from the Project to repay the external 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.</p>   |                              |
|   | <p><b>(iv) Joint venture risks</b></p> <p>The Proposed Joint Venture may potentially expose AME Group to risks including those associated with the assimilation of new operations and personnel, the diversion of financial management resources from existing operations and the inability to successfully integrate the Proposed Joint Venture with its current business. There is also no assurance that the anticipated benefits from the Proposed Joint Venture will be realised, and that AME Group will be able to generate sufficient revenue to offset the associated costs from the Proposed Joint Venture.</p>  |                              |
|   | <p><b>(v) Compulsory acquisition by the Malaysian Government</b></p> <p>Pursuant to the LA 1960, the relevant state authority has the power to compulsorily acquire any land within the jurisdiction of such relevant state authority in Malaysia in accordance with the LA 1960. In the event of any compulsory acquisition of the Land or any part thereof, the amount of compensation to be awarded will be determined on the basis prescribed in the LA 1960 and other relevant laws. If all or any portion of the Land is compulsorily acquired by the relevant state authority at any point in time, the amount of such compensation may be less than the Purchase Consideration.</p>                                    |                              |
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**EXECUTIVE SUMMARY (CONT'D)**

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| <b>Salient information</b>   | <b>Description</b>   | <b>Reference to Circular</b> |
|--|--|------------------------------|
| <b>Risk factors of the Proposals (cont'd)</b>  | <p>(vi) <b>Political, economic and regulatory risk</b></p> <p>Adverse developments in general political, economic and regulatory conditions in Malaysia including changes in administration, methods of taxation and/or introduction of new regulations could materially and/or adversely affect the Proposals which may result in a delay in the implementation of the Proposed Joint Venture and the Proposed Acquisition or may also lead to the termination of the entire Proposals.</p>   | Section 5 of this Circular   |
| <b>Approvals required and conditionality</b>   | <p>The Proposals are subject to the following approvals being obtained:</p> <p>(i) the approvals of the shareholders of AME, for the Proposals at the forthcoming EGM by way of poll; and</p> <p>(ii) the relevant authorities/parties, which form part of the conditions precedent of the Shareholders' Agreement and the SPA as disclosed in Appendices I and II of this Circular.</p> <p>The Proposals are inter-conditional upon each other. However, the Proposals are not conditional upon any other corporate exercise undertaken or to be undertaken by AME Group.</p>   | Section 8 of this Circular   |
| <b>Interests of Directors, major shareholders, chief executives and/or persons connected with them</b> | <p>None of the Directors, major shareholders, chief executives of AME and/or persons connected with them have any interest, whether direct and/or indirect, in the Proposals.</p> <p>The Proposed Acquisition is regarded as a related party transaction and falls under Paragraph 10.08(9) of the Listing Requirements in view that KLKB is the holding company of KLKL, which in turn holds 40% equity interest in CGDSB. Accordingly, the Company is exempted from appointing an independent adviser and obtaining shareholders' approval for the related party transaction. However, as the highest percentage ratio is 26.52% pursuant to Section 7 of this Circular, the Proposed Acquisition is subject to the approval of shareholders of the Company pursuant to Paragraph 10.07 of the Listing Requirements.</p> | Section 9 of this Circular   |
| <b>Audit and risk management committee's statement</b>   | <p>The Audit and Risk Management Committee of AME, after having considered all aspects of the Proposals, including the basis and justification for arriving at the Purchase Consideration, market value of the Land, salient terms of the SPA, Shareholders' Agreement and Project Management Agreement, rationale and benefits of the Proposals as well as the effects of the Proposals, is of the opinion that the Proposals are:</p> <p>(i) in the best interest of the Company;</p> <p>(ii) fair, reasonable, and on normal commercial terms; and</p> <p>(iii) not detrimental to the interest of the minority shareholders of the Company.</p>  | Section 13 of this Circular  |

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**EXECUTIVE SUMMARY (CONT'D)**

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| <b>Salient information</b>                     | <b>Description</b>  | <b>Reference to Circular</b> |
|--|---|------------------------------|
| <b>Directors' statement and recommendation</b> | <p>The Board, after having considered all aspects of the Proposals, including the basis and justification for arriving at the Purchase Consideration, salient terms of the SPA, Shareholders' Agreement and Project Management Agreement, rationale and benefits of the Proposals, the effects of the Proposals as well as the evaluation from the Valuer, is of the opinion that the Proposals are:</p> <ul style="list-style-type: none"><li>(i) in the best interest of the Company;</li><li>(ii) fair, reasonable and on normal commercial terms; and</li><li>(iii) not detrimental to the interest of the minority shareholders of the Company.</li></ul> <p>The Board shall also ensure that the Proposed Provision of Financial Assistance (i.e. provision of funding for the future development cost over the duration of the Project) pursuant to the Proposed Joint Venture is fair and reasonable to AME and is not detrimental to the interest of the Company and its shareholders.</p> <p>Accordingly, the Board recommends that you <b>VOTE IN FAVOUR</b> of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.</p> | Section 14 of this Circular  |

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

**Registered Office**

Suite 9D, Level 9  
Menara Ansar  
65, Jalan Trus  
80888 IIBD  
Johor Darul Takzim

24 January 2025

**Board of Directors:**

Tengku Azrina Binti Raja Abdul Aziz (*Independent Non-Executive Chairperson*)  
Lee Chai (*Deputy Chairman/Non-Independent Non-Executive Director*)  
Tan Teck Eng (*Executive Director and Group Chief Executive Officer*)  
Lim Khai Wen (*Executive Director*)  
Kang Koh Wei (*Executive Director*)  
Lee Sai Boon (*Non-Independent Non-Executive Director*)  
Tan Lay Beng (*Independent Non-Executive Director*)  
Chang Tian Kwang (*Independent Non-Executive Director*)  
Wee Soon Chit (*Independent Non-Executive Director*)  
Kang Ah Chee (*Alternate Director to Kang Koh Wei*)  
Lim Pei Shi (*Alternate Director to Lim Khai Wen*)  
Lee Ling Sien (*Alternate Director to Lee Chai*)  
Lee Chun Kiat (*Alternate Director to Lee Sai Boon*)

**To: Our shareholders**

Dear Sir/Madam,

- (I) PROPOSED JOINT VENTURE;**
- (II) PROPOSED ACQUISITION; AND**
- (III) PROPOSED PROVISION OF FINANCIAL ASSISTANCE**

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**1. INTRODUCTION**

On 30 October 2024, RHB Investment Bank had, on behalf of the Board, announced that CGDSB together with AMEIP and KLKL, had on even date entered into the Shareholders' Agreement for the Proposed Joint Venture.

Simultaneously, CGDSB had also on even date entered into the following agreements:

- (i) the SPA with KLKB to acquire the Land from KLKB for a total purchase consideration of RM230,536,390 to be satisfied fully in cash pursuant to the Proposed Acquisition; and
- (ii) the Project Management Agreement with AMED to exclusively engage and appoint AMED as a project manager to provide services for the Project.

In conjunction with the above, AME Group is proposing to provide financial assistance to CGDSB through AMEIP to facilitate the Proposed Joint Venture and the Proposed Acquisition.

On 26 December 2024, RHB Investment Bank had, on behalf of the Board, announced that CGDSB and KLKB had via the Supplemental Letter mutually agreed to amend and vary certain terms of the SPA to extend the conditional period of 2 months for the issuance of Document of Titles for a further period of 1 month from 31 December 2024 to 31 January 2025.

Subsequently on 23 January 2025, RHB Investment Bank had, on behalf of the Board, announced that CGDSB, AMEIP and KLKL had entered into the Supplemental Agreement to amend and supplement the relevant terms of the Shareholders' Agreement for the following:

- (i) the 1<sup>st</sup> Tranche Shareholders' Loan shall be used by CGDSB for the payment of the deposit of the Purchase Consideration whilst the remaining balance amounting to RM46,361 shall be used by CGDSB for the payment of the balance Purchase Consideration;
- (ii) the 2<sup>nd</sup> Tranche Shareholders' Loan shall be used by CGDSB for the payment of the balance Purchase Consideration whilst the remaining balance amounting to RM3,610 from the 1<sup>st</sup> Tranche Shareholders' Loan and the 2<sup>nd</sup> Tranche Shareholders' Loan after the payment of the balance Purchase Consideration shall be used by CGDSB for its working capital requirements; and
- (iii) the Shareholders' Loan interest rate shall be 6 months Kuala Lumpur Interbank Offered Rate (KLIBOR) plus one per cent (1.0%) calculated from the Unconditional Date of the SPA until the date of actual repayment of the Shareholders' Loan, or such other interest payable at rates and terms to be mutually agreed in writing by AMEIP and KLKL.

Further details of the salient terms of the Shareholders' Agreement, the SPA and the Project Management Agreement are set out in Appendices I, II and III of this Circular respectively.

For shareholders' information, the Proposed Acquisition is regarded as a related party transaction and falls under Paragraph 10.08(9) of the Listing Requirements, further details of which are set out in Section 9 of this Circular.

Further details of the Proposals are set out in the ensuing sections of this Circular.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.**

**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 PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.**

## **2. DETAILS OF THE PROPOSALS**

### **2.1 Proposed Joint Venture**

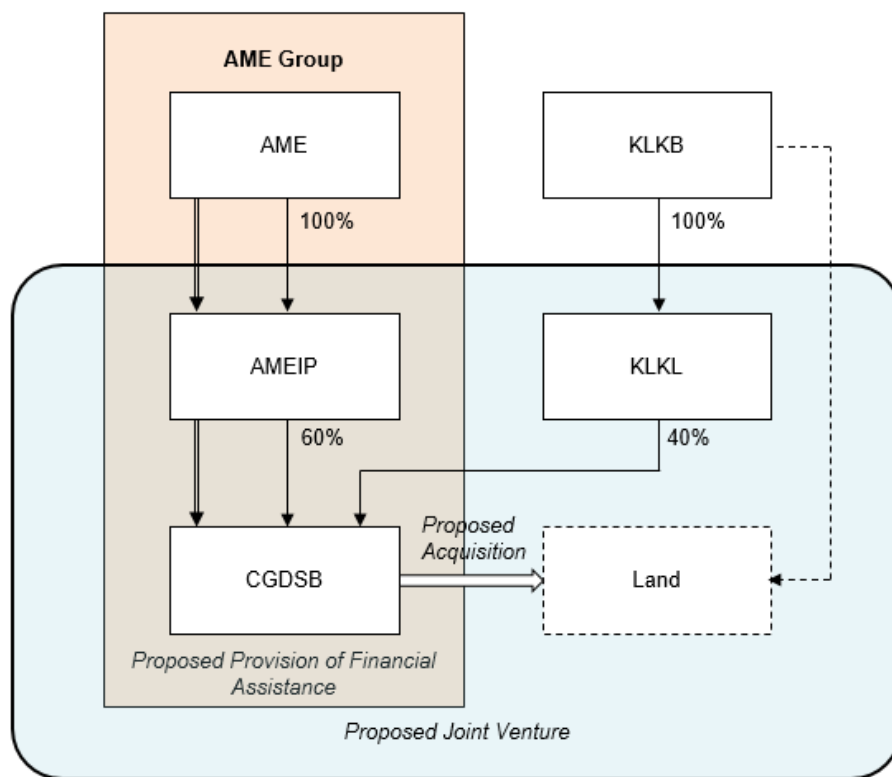
CGDSB, AMEIP and KLKL had entered into the Shareholders' Agreement which sets out the terms governing the rights of AMEIP and KLKL as shareholders of CGDSB and the manner in which CGDSB is to be managed. The main purpose of the Proposed Joint Venture is for CGDSB to undertake the Proposed Acquisition and subsequently undertake the Project.

In conjunction with the Proposed Joint Venture, CGDSB had also entered into the SPA, details of which are set out in Section 2.2 of this Circular and the Project Management Agreement. Pursuant to the Project Management Agreement, CGDSB agreed to engage and appoint AMED as the Project Manager to provide the relevant services pertaining to the Project in accordance with the terms and conditions as set out in the Project Management Agreement.

For the performance of the services, CGDSB shall pay to the Project Manager a fee equivalent to 2% of the gross construction cost, being all costs incurred in relation to the construction works of the Project (which shall include earthworks, sub-structures, piling works, infrastructure works, super-structure, landscape, mechanical and electrical, engineering and other building works and services) subject to the final completed works approved by CGDSB (such approval shall not be unreasonably withheld or delayed), and exclusive of taxes.

Please refer to Appendix III of this Circular for the salient terms of the Project Management Agreement.

The shareholdings structure of CGDSB, illustrating the Proposals is depicted as follows:



- > Shareholding
- > Ownership
- ====> Proposed Provision of Financial Assistance
- ====> Proposed Acquisition

### 2.1.1 Agreed Proportions

AMEIP and KLKL agree that the total paid-up share capital in CGDSB shall be held by them in the following agreed proportions at all times:

| <b>Shareholders</b> | <b>Agreed Proportions</b> |
|---------------------|---------------------------|
| AMEIP               | 60.00%                    |
| KLKL                | 40.00%                    |
| <b>Total</b>        | <b>100.00%</b>            |

### 2.1.2 Initial Share Subscription

In accordance with the Shareholders' Agreement, AMEIP and KLKL had on 6 November 2024, being within 7 days from the date of the Shareholders' Agreement, subscribed for an additional 1,199,994 and 799,996 CGDSB Shares, representing approximately 60.00% and 40.00% respectively to increase the total paid-up capital of CGDSB to RM2,000,000.

Pursuant thereto and taking into account the existing CGDSB Shares held by AMEIP and KLKL respectively, the shareholding structure of CGDSB as at the LPD is set out below:

| <b>Shareholders</b> | <b>Number of CGDSB Shares subscribed as at the date of the Shareholders' Agreement</b> | <b>Additional number of CGDSB Shares subscribed for</b> | <b>Total issue price</b> | <b>Percentage of CGDSB Shares held after the subscription</b> |
|---------------------|--|---|--------------------------|---|
| AMEIP               | 6  | 1,199,994   | RM1,200,000              | 60%   |
| KLKL                | 4  | 799,996   | RM800,000                | 40%   |
| <b>Total</b>        | <b>10</b>  | <b>1,999,990</b>  | <b>RM2,000,000</b>       | <b>100%</b>   |

The CGDSB Shares were allotted and issued to each of the shareholders as fully paid, free from any claims, liens, equities and encumbrances whatsoever and shall rank equally in all respects with the existing issued CGDSB Shares and shall carry all rights, benefits, advantages and full voting power in general meetings.

### 2.1.3 Shareholders' Loan

For the purpose of completing the SPA, AMEIP and KLKL has agreed to advance the Shareholders' Loan to CGDSB, subject to the terms as set out in the Shareholders' Agreement and compliance with all applicable laws in the following manners:

#### (a) 1<sup>st</sup> Tranche Shareholders' Loan

Simultaneously with the Initial Share Subscription, AMEIP and KLKL had concurrently granted the 1<sup>st</sup> Tranche Shareholders' Loan to CGDSB in the respective amount as set out below:

| Shareholders | Agreed Proportions | Shareholders' Loan Amount<br>RM |
|--------------|--------------------|---------------------------------|
| AMEIP        | 60.00%             | 13,860,000                      |
| KLKL         | 40.00%             | 9,240,000                       |
| <b>Total</b> |                    | <b><u>23,100,000</u></b>        |

The 1<sup>st</sup> Tranche Shareholders' Loan represents approximately 10.02% of the Purchase Consideration. For the avoidance of doubt, RM23,053,639 of the 1<sup>st</sup> Tranche Shareholders' Loan shall be used by CGDSB for the payment of the deposit of the Purchase Consideration whilst the remaining balance amounting to RM46,361 shall be used by the CGDSB for the payment of the balance of the Purchase Consideration.

#### (b) 2<sup>nd</sup> Tranche Shareholders' Loan

Subsequently, within 14 days before the expiry of the Completion Period, AMEIP and KLKL shall concurrently grant the 2<sup>nd</sup> Tranche Shareholders' Loan to CGDSB in the respective amounts as set out below:

| Shareholders | Agreed Proportions | Shareholders' Loan Amount<br>RM |
|--------------|--------------------|---------------------------------|
| AMEIP        | 60.00%             | 124,464,000                     |
| KLKL         | 40.00%             | 82,976,000                      |
| <b>Total</b> |                    | <b><u>207,440,000</u></b>       |

For avoidance of doubt, the 2<sup>nd</sup> Tranche Shareholders' Loan represents approximately 89.98% of the Purchase Consideration and shall be used by CGDSB for the payment of the balance of the Purchase Consideration whilst the remaining balance amounting to RM3,610 from the 1<sup>st</sup> Tranche Shareholders' Loan and the 2<sup>nd</sup> Tranche Shareholders' Loan after the payment of the balance of the Purchase Consideration shall be used by CGDSB for its working capital requirements.

## 2.1.4 Information on the parties

### (i) Information on CGDSB

CGDSB was incorporated in Malaysia on 2 September 2024 under the Act as a private limited company under the name of Oasis Innovation Sdn Bhd. Subsequently on 8 November 2024, CGDSB changed to its present name. CGDSB is principally involved in property development, investment holding and management of real estate.

As at the LPD, CGDSB has an issued share capital of RM2,000,000 comprising 2,000,000 CGDSB Shares. The shareholders of CGDSB and their respective direct shareholdings in CGDSB are set out below:

| Shareholders | Place of incorporation | No. of CGDSB Shares | %     |
|--------------|------------------------|---------------------|-------|
| AMEIP        | Malaysia               | 1,200,000           | 60.00 |
| KLKL         | Malaysia               | 800,000             | 40.00 |

As at the LPD, the directors of CGDSB (all of whom are Malaysians) are set out below:

- Tan Teck Eng (representative from AMEIP)
- Kang Koh Wei (representative from AMEIP)
- Lee Chun Kiat (representative from AMEIP)
- Lee Wen Ling (representative from KLKL)
- Dianne Chan Siew Kin (representative from KLKL)

### (ii) Information on AMEIP

AMEIP was incorporated in Malaysia on 29 August 2012 under the Companies Act, 1965 as a private limited company and is deemed registered under the Act. AMEIP is principally involved in investment holding and property development. AMEIP is a wholly-owned subsidiary of AME.

As at the LPD, AMEIP has an issued share capital of RM100 comprising 100 ordinary shares, all of which are held by AME.

As at the LPD, the directors of AMEIP (all of whom are Malaysians) are set out below:

- Tan Teck Eng
- Lim Pei Shi
- Lee Ling Sien
- Lim Khai Wen
- Kang Koh Wei

### (iii) Information on KLKL

KLKL was incorporated in Malaysia on 13 April 1991 under the Companies Act, 1965 as a private limited company under the name of Ezsway Sdn Bhd and is deemed registered under the Act. KLKL had changed its name from Ezsway Sdn Bhd to KL-Kepong Property Holdings Sdn Bhd on 14 June 1991. Subsequently on 22 November 2013, it has further changed its name from KL-Kepong Property Holdings Sdn Bhd to KLKL.

KLKL is principally involved in investment holding and is a wholly-owned subsidiary of KLKB.

As at the LPD, KLKL has an issued share capital of RM2,035,254,000 comprising 2,035,254,000 ordinary shares, all of which are held by KLKB.

As at the LPD, the directors of KLKL (all of whom are Malaysians) are set out below:

- Lee Wen Ling
- Har Wai Ming
- Yap Miow Kien

**(iv) Information on KLKB**

KLKB was incorporated in Malaysia on 6 July 1973 under the Companies Act, 1965 as a private limited company under the name of Kuala Lumpur Kepong Sendirian Berhad and is deemed registered under the Act. On 21 August 1973, it was converted into a public limited company and assumed the name of KLKB. KLKB was listed on Main Market of Bursa Securities on 6 February 1974.

The principal activities of KLKB are producing and processing palm products and natural rubber on its plantations while the subsidiaries of KLKB are involved in the business of plantation, manufacturing, property development and investment holding. KLKB is also the sole, legal, registered and beneficial owner of the Land.

As at the LPD, KLKB has an issued share capital of RM1,737,014,896.36 comprising 1,098,986,866 KLKB Shares (including 2,581,799 treasury shares).

The substantial shareholders of KLKB and their respective shareholdings in KLKB as at the LPD are set out below:

| Substantial<br>shareholders       | Shareholdings as at the LPD |                  |                            |                  |
|-----------------------------------|-----------------------------|------------------|----------------------------|------------------|
|                                   | <-----Direct----->          |                  | <-----Indirect----->       |                  |
|                                   | No. of KLKB<br>Shares       | % <sup>(a)</sup> | No. of KLKB<br>Shares      | % <sup>(a)</sup> |
| Batu Kawan Berhad                 | 526,302,000                 | 48.00            | -                          | -                |
| EPF                               | 172,622,390 <sup>(b)</sup>  | 15.74            | -                          | -                |
| Wan Hin Investments Sdn<br>Berhad | 464,663                     | 0.04             | 526,302,000 <sup>(c)</sup> | 48.00            |
| Tan Sri Dato' Seri Lee Oi<br>Hian | 154,175                     | 0.01             | 526,978,554 <sup>(d)</sup> | 48.06            |
| Dato' Lee Hau Hian                | 86,249                      | 0.01             | 526,789,454 <sup>(c)</sup> | 48.05            |
| Arusha Enterprise Sdn<br>Bhd      | -                           | -                | 526,302,000 <sup>(c)</sup> | 48.00            |
| Grateful Blessings<br>Foundation  | -                           | -                | 526,789,454 <sup>(c)</sup> | 48.05            |
| Grateful Blessings Inc            | -                           | -                | 526,789,454 <sup>(c)</sup> | 48.05            |
| Di-Yi Sdn Bhd                     | 22,791                      | *                | 526,766,663 <sup>(c)</sup> | 48.05            |

| Substantial<br>shareholders    | Shareholdings as at the LPD |                  |                            |                  |
|--------------------------------|-----------------------------|------------------|----------------------------|------------------|
|                                | <-----Direct----->          |                  | <-----Indirect----->       |                  |
|                                | No. of KLKB<br>Shares       | % <sup>(a)</sup> | No. of KLKB<br>Shares      | % <sup>(a)</sup> |
| High Quest Anstalt             | -                           | -                | 526,789,454 <sup>(c)</sup> | 48.04            |
| Cubic Crystal Corporation      | -                           | -                | 526,789,454 <sup>(c)</sup> | 48.05            |
| High Quest Holdings Sdn<br>Bhd | 22,791                      | *                | 526,766,663 <sup>(c)</sup> | 48.04            |

**Notes:**

\* Negligible.

(a) Based on the total of 1,096,405,067 KLKB Shares in issued (excluding 2,581,799 treasury shares) as at the LPD.

(b) Inclusive of those held through Citigroup Nominees (Tempatan) Sdn Bhd and based on notice received as at the LPD.

(c) Deemed interest by virtue of Section 8(4) of the Act.

(d) Deemed interest in the KLKB Shares held by his child and by virtue of Section 8(4). Nevertheless, he does not have any economic or beneficial interest in the KLKB Shares as his deemed interest is held via the interest of his family members as discretionary beneficiaries of Grateful Blessings Foundation (which said family members' interest is held subject to the discretion of Grateful Blessings Foundation Council).

As at the LPD, the directors of KLKB (all of whom are Malaysians) are set out below:

| Name                              | Designation                        |               |
|-----------------------------------|------------------------------------|---------------|
| Tan Sri Dato' Seri Lee Oi Hian    | Executive Chairman                 |               |
| Dato' Lee Hau Hian                | Non-Independent<br>Director        | Non-Executive |
| Dato' Yeoh Eng Khoon              | Non-Independent<br>Director        | Non-Executive |
| Quah Poh Keat                     | Senior Independent<br>Director     | Non-Executive |
| Anne Rodrigues                    | Independent Non-Executive Director |               |
| Cheryl Khor Hui Peng              | Independent Non-Executive Director |               |
| Tan Sri Shahril Ridza Bin Ridzuan | Independent Non-Executive Director |               |
| Lee Jia Zhang                     | Chief Operating Officer            |               |

**(v) Information on AMED**

AMED was incorporated in Malaysia on 12 February 2008 under the Companies Act, 1965 as a private limited company and is deemed registered under the Act. AMED is principally involved in property development, management services and investment holding and is a wholly-owned subsidiary of AME.

As at the LPD, AMED has an issued share capital of RM56,000,000 comprising 1,000,000 ordinary shares and 55,000,000 non-cumulative redeemable preference shares, all of which are held by AME.

As at the LPD, the directors of AMED (all of whom are Malaysians) are set out below:

- Tan Teck Eng
- Lim Pei Shi
- Lee Ling Sien
- Lim Khai Wen
- Kang Koh Wei

#### 2.1.5 Salient terms of the Shareholders' Agreement

Please refer to Appendix I of this Circular for the salient terms of the Shareholders' Agreement.

#### 2.1.6 Source of funding in CGDSB

The subscription consideration amounting to RM1,200,000 paid by AMEIP pursuant to the Initial Share Subscription was funded through the internally generated funds of AME Group. For the avoidance of doubt, the subscription consideration amounting to RM1,200,000 shall be used by CGDSB for its working capital requirements.

The Shareholders' Loan amounting to a total of RM138,324,000, representing approximately 60.00% of the Purchase Consideration to be granted by AMEIP to CGDSB based on the Agreed Proportions as stated in the Shareholders' Agreement may be funded via a combination of external borrowings and internally generated funds of AME Group, the proportions of which is set out below:

| Source of funding                         | RM'000          | %             |
|---|-----------------|---------------|
| External borrowings from AME Group        | 124,464         | 89.98         |
| Internally generated funds from AME Group | 13,860          | 10.02         |
| <b>Total</b>                              | <b>138,324*</b> | <b>100.00</b> |

**Note:**

\* Represents 60% of the total Shareholders' Loan amounting to RM230,540,000, which shall be granted by AMEIP to CGDSB based on the Agreed Proportions in accordance with the Shareholders' Agreement. For the avoidance of doubt, the Shareholders' Loan of RM138,324,000 excludes the Initial Share Subscription amounting to RM1,200,000.

Further, AMEIP intends to fund its obligations under the Proposed Joint Venture for the Project via its internally generated funds and/or external borrowings, which shall be determined at a later stage, after taking into consideration the funding requirements of CGDSB and development cost of the Land.

For information purposes, the cash and bank balances of AME Group based on the latest unaudited consolidated quarterly results for the 6-month FPE 30 September 2024 amounts to approximately RM264.49 million.

#### 2.1.7 Liabilities to be assumed

Save for the obligations and liabilities arising from or in connection with the Shareholders' Agreement pursuant to the Proposed Joint Venture, there are no other liabilities, including any contingent liabilities, to be assumed by AME Group arising from the Proposed Joint Venture.

### 2.1.8 Estimated additional financial commitment

Save for the subscription consideration for the Initial Share Subscription, the Shareholders' Loan and the contribution of capital to be provided in accordance with the terms of the Shareholders' Agreement for all funding requirements of CGDSB including the future development costs of the Land, AME Group does not expect any additional financial commitment in connection with the Proposed Joint Venture. For the avoidance of doubt, AME Group shall fund its contribution of capital to CGDSB for among others, the development cost for the Land through its internally generated funds and/or external borrowings.

The development costs for the Land shall be funded by way of internally generated funds and/or external borrowings of CGDSB, the breakdown and manner of which is to be ascertained at a later date.

## 2.2 Proposed Acquisition

The Proposed Acquisition entails the acquisition of the Land by CGDSB from KLKB for the total purchase consideration of RM230,536,390 on an 'as is where is' basis, free from all encumbrances, with vacant possession of the Land subject to the limitations and other improvement schemes whatsoever, present or future, as may be imposed by the relevant authorities, and upon the other terms and conditions contained in the SPA.

### 2.2.1 Mode of settlement

In accordance with the terms of the SPA, the Purchase Consideration will be satisfied fully in cash and will be paid in the manner set out below:

| Details                                       | Timing   | Purchase Consideration    |                      |
|---|--|---------------------------|----------------------|
|   |  | RM                        | %                    |
| Deposit <sup>(a)</sup>                        | Paid by CGDSB to CGDSB's solicitors on 13 November 2024, of which RM6,916,091.70 representing 3% of the Purchase Consideration, has been retained by CGDSB's solicitors as the retention sum for payment to Director General of Inland Revenue as required under the Real Property Gains Tax Act, 1976 | 23,053,639                | 10.00                |
| Balance Purchase Consideration <sup>(b)</sup> | Being the remaining 90% of the Purchase Consideration to be paid to KLKB's solicitors as stakeholder within the Completion Period  | 207,482,751               | 90.00                |
| <b>Total</b>                                  |  | <b><u>230,536,390</u></b> | <b><u>100.00</u></b> |

#### Notes:

(a) *The deposit is refundable, free of interest, in the event any of the conditions precedent of the SPA are not obtained or fulfilled within the respective conditional period upon the terms and contained therein and the SPA is terminated.*

(b) *In the event any of the Works has not been completed 10 workings days before the last day of the Completion Period, CGDSB shall be entitled to retain the 10% Retention Sum and pay the balance of the Purchase Consideration less 10% Retention Sum to KLKB's solicitors as stakeholders before expiry of the Completion Period and the vacant possession of the Land shall be deemed delivered to CGDSB on the date of such payment. Please refer to Section 7 of Appendix II of this Circular for further details.*

## 2.2.2 Information on the Land

The Land consists of 2 parcels of agricultural land with industrial potential held under the Master Lot No. 33683, Mukim of Ijok, District of Kuala Selangor, Selangor located along Kuala Lumpur-Kuala Selangor Expressway (LATAR Expressway), Bandar Tasik Puteri/Tuan Mee Estate, Selangor.

Based on the Certified Plan Nos. PA 252347 & PA 252348, part of the Land (formerly Lot 33683) was acquired by the Land Administrator for the Bandar Tasik Puteri - LATAR Interchange ("**Compulsory Acquisition**"). Subsequent to the Compulsory Acquisition, the Land has been ascribed with new Lot Nos. 48510 and 48511, Mukim Ijok, District of Kuala Selangor, Selangor. As a result of the Compulsory Acquisition, a land area of approximately 5.76 hectares (equivalent to approximately 14.23 acres or 620,001 sq ft) has been surrendered to the Land Administrator for the Bandar Tasik Puteri – LATAR Interchange highway access on 24 July 2014.

For shareholders' information, save for the Bandar Tasik Puteri – LATAR Interchange which has been completed, there is no other current infrastructure development by the state/federal government project which is located nearby the Land at this juncture.

The Land is situated approximately 40 kilometers by road to the north-west of Kuala Lumpur City Centre (KLCC) and about 20 kilometers by road to the Rawang town centre. It is easily accessible from Kuala Lumpur City Centre (KLCC) via Lebuhraya Jalan Duta - Sungai Buloh, Lebuhraya Utara - Selatan, Lebuhraya Koridor Guthrie, Kuala Lumpur-Kuala Selangor Expressway (LATAR Expressway) and thereafter onto Bandar Tasik Puteri - LATAR Interchange leading to the Land. The Land is also accessible from Rawang town centre via Jalan Rawang, Jalan Duta - Sungai Buloh, Lebuhraya Utara - Selatan, Kuala Lumpur-Kuala Selangor Expressway (LATAR Expressway) and thereafter onto Bandar Tasik Puteri - LATAR Interchange leading to the Land.

The location of the Land, marked as the subject property is depicted in the location plan below:



The location of Lot 48510 and Lot 48511 edged in red, Bandar Tasik Puteri – LATAR Interchange and the reserved area for TNB are depicted in the location plan below:



The Land is adjacent to Bandar Tasik Puteri, Rawang, a township which comprises mainly vacant development lands, palm oil plantations and residential developments. Bandar Tasik Puteri is a development by Low Yat group of companies which consists of double-storey terraced houses, three-storey shop offices, Tasik Puteri Central Park and Tasik Puteri Golf & Country Club, is situated to the immediate north of the Land. Additionally, Acacia Park which is an on-going residential development mainly developed with terraced houses and shop houses is also located to the north of the Land.

The Land is generally undulating in terrain and lies higher than the existing frontage metalled road, Kuala Lumpur - Kuala Selangor Expressway (LATAR Expressway) and is not demarcated with any forms of fencing. The Land was planted with oil palm cultivation and there were no structures/squatters on the Land. For shareholders' information, in the event there is any structures/squatters on the Land to be removed, the cost of removal of the identified structures/squatters shall be borne by KLKB.

Further information on the Land is set out below:

|                                |  |
|--------------------------------|--|
| Description                    | : 2 parcels of agricultural land with industrial potential   |
| Location                       | : Along Kuala Lumpur-Kuala Selangor Expressway (LATAR Expressway), Bandar Tasik Puteri/Tuan Mee Estate, Selangor |
| Master Title No.               | : GRN318597  |
| Master Lot No.                 | : Lot 33683  |
| Mukim                          | : Ijok   |
| District                       | : Kuala Selangor   |
| State                          | : Selangor   |
| Titled land area of Master Lot | : 178.04 acres (equivalent to approximately 72.05 hectares/ 7,755,390 sq ft)                                     |

| Land area under the valuation <sup>(a)</sup> | PA Plan No. | New Lot No. | Surveyed Land Area (Hectares)  | (-) TNB Transmission Line Reserved Land Area <sup>(b)</sup> (Hectares)  | Net Land Area (Hectares)   |
|--|-------------|-------------|--|---|--|
|  | PA 252348   | 48510       | 28.580   | (1.842)   | 26.738   |
|  | PA 252347   | 48511       | 37.710   | (3.255)   | 34.455   |
| <b>Total</b>                                 |             |             | <b>66.290</b><br>hectares <sup>(c)</sup><br>(approx.<br>163.806 acres/<br>7,135,390 sq ft) | <b>5.097</b><br>hectares<br>(approx.<br>12.595 acres/<br>548,636 sq ft) | <b>61.193</b><br>hectares <sup>(a)</sup><br>(approx.<br>151.211 acres/<br>6,586,754 sq ft) |

Tenure : Term in Perpetuity (Freehold)

| Age profile of the oil palm | Age profile        | Hectares     | %             |
|-----------------------------|--------------------|--------------|---------------|
|                             | Immature           | -            | -             |
|                             | 4 – 9 years        | -            | -             |
|                             | 10 – 18 years      | -            | -             |
|                             | 19 years and above | 61.19        | 100.00        |
|                             | <b>Total</b>       | <b>61.19</b> | <b>100.00</b> |

| Annual FFB production for the past 3 years | FYE 30 September | FFB Metric tonne |
|--|------------------|------------------|
|  | 2022             | 1,372.99         |
|  | 2023             | 1,277.59         |
|  | 2024             | 1,383.68         |

| Contribution to KLKB group's net profit for the past 3 years | <-----FYE 30 September-----> |                |                |
|--|------------------------------|----------------|----------------|
|  | 2022<br>RM'000               | 2023<br>RM'000 | 2024<br>RM'000 |
| Plantations profits  | 922                          | 779            | 779            |
| KLKB group's net profits                                     | 2,438,257                    | 990,697        | 738,125        |
| Percentage of contribution to KLKB group's net profit        | 0.04%                        | 0.08%          | 0.11%          |

| Expenses incurred by KLKB group for the past 3 years | FYE 30 September | Expenses incurred RM'000 |
|--|------------------|--------------------------|
|  | 2022             | 543                      |
|  | 2023             | 601                      |
|  | 2024             | 611                      |

Registered proprietor : KLKB

Category of land use : *Tiada*

Express conditions : *Tiada*

Restrictions-in-interest : *Tiada*

Encumbrances : *Nil*

Other Endorsement : *Nil*

Existing use : Oil palm plantation

Proposed use : Industrial

Audited net book value of the Land as at 30 September 2024<sup>(d)</sup> : RM153,764

Valuer : CBRE

Date of valuation : 9 October 2024

Method of valuation : Comparison approach only

Market value ascribed by the Valuer : RM231,000,000

**Notes:**

- (a) *Based on the Certified Plan PA 252347 & PA 252348, the Valuer noted that after part of the Land (formerly Lot No. 33683) was acquired for the Bandar Tasik Puteri – LATAR Interchange, the Land has been ascribed with new Lot Nos of 48510 and 48511, Mukim Ijok, District of Kuala Selangor, Selangor. The Valuer has adopted net land area of 61.193 hectares (equivalent to approximately 151.211 acres or 6,586,754 sq ft), based on the pre-computation plan prepared by Jurukur Jitu Runding bearing plan no. 2472/2018/KLK/LOT 33683/PRE-1.*
- (b) *Being the land totalling approximately 5.097 hectares (equivalent to approximately 12.595 acres or 548,636 sq ft) earmarked to be surrendered to TNB.*
- (c) *The differences between the surveyed land area and the titled Land area of Master Lot 33683 of approximately 5.76 hectares (equivalent to approximately 14.23 acres or 620,001 sq ft) is mainly due to the titled Land area of Master Lot 33683 has yet to reflect the land area surrendered for LATAR highway access, which is the same with the Compulsory Acquisition as disclosed in page 11 of this Circular.*
- (d) *As extracted from the latest audited financial statements of KLKB as at 30 September 2024.*

As at the LPD, neither KLKB nor CGDSB has submitted any detailed development plan in relation to the Land to the relevant development authorities. Accordingly, it is still too preliminary for AME Group to determine the details of the Project, including among others, the name of the Project, type of the development and the total number of units to be developed, the expected commencement and completion dates for the development, estimated GDV and development costs, as well as the exact source of funding to finance the development costs of the Land at this juncture.

### **2.2.3 Basis and justification of arriving at the Purchase Consideration**

The Purchase Consideration for the Proposed Acquisition was arrived at on a 'willing-buyer willing-seller' basis and after taking into consideration the following:

- (i) the market value of the Land of RM231,000,000 as appraised by the Valuer vide its Valuation Certificate; and
- (ii) the rationale for the Proposed Acquisition and prospects and development potential of the Land, further details of which are set out in Section 3.2 and Section 4.4 of this Circular, respectively.

The Company had appointed the Valuer to undertake an independent valuation on the Land and vide its Valuation Certificate, the Valuer had ascribed a market value of RM231,000,000 for the Land using the Comparison Approach.

The Purchase Consideration of the Land of RM230,536,390 represents a discount of RM463,610 or 0.20% to the market value of the Land of RM231,000,000 as ascribed by the Valuer.

#### **2.2.4 Salient features of the Valuation Report**

The Company had appointed the Valuer to undertake an independent valuation on the Land on the basis stated in Section 2.2.3 of this Circular, and the Valuer had vide its Valuation Report and Valuation Certificate ascribed the market value for the Land as at the date of valuation of 9 October 2024 of RM231,000,000 using the Comparison Approach.

The Comparison Approach entails analysing recent transactions and asking prices of similar properties in the locality are analysed for comparison purposes with adjustments made for differences in location, surrounding, accessibility/road frontage, terrain, category of land use, size, tenure and other relevant characteristics to arrive at the market value.

The Valuer has adopted Comparison Approach as the only method of valuation as the Land has yet to obtain development order/ planning approval and there are adequate sales comparables located in the same locality for the Valuer to rely upon. Hence, the Valuer has not considered the Residual Method/Discounted Cash Flow Method in their valuation.

Please refer to Appendix IV of this Circular for the Valuation Certificate for the Land.

#### **2.2.5 Salient terms of the SPA**

Please refer to Appendix II of this Circular for the salient terms of the SPA.

#### **2.2.6 Source of funding**

The Purchase Consideration will be satisfied fully in cash and will be funded via the Shareholders' Loan, the proportions of which are set out below:

| <b>Source of funding</b>      | <b>RM'000</b>         | <b>%</b>             |
|-------------------------------|-----------------------|----------------------|
| Shareholders' loan from AMEIP | 138,324               | 60.00                |
| Shareholders' loan from KLKL  | 92,216                | 40.00                |
| <b>Total</b>                  | <b><u>230,540</u></b> | <b><u>100.00</u></b> |

#### **2.2.7 Liabilities and guarantees**

Save for the obligations and liabilities arising from or in connection with the SPA pursuant to the Proposed Acquisition (including the corporate guarantees to be extended by AME Group in relation to the financing to be obtained by CGDSB for the Proposed Acquisition, if required), there are no other liabilities, including any contingent liabilities to be assumed by AME Group upon completion of the Proposed Acquisition.

## 2.2.8 Estimated additional financial commitment

Save for the Purchase Consideration and the future development costs of the Land which cannot be ascertained at this juncture, AME Group does not expect to incur any additional financial commitment in connection with the Proposed Acquisition.

## 2.3 Proposed Provision of Financial Assistance

Pursuant to Paragraph 8.23(2)(c) of the Listing Requirements with regards to the provision of financial assistance, AME Group is required to provide financial assistance to CGDSB, through AMEIP in accordance with the Agreed Proportions pursuant to the Proposed Joint Venture and the Proposed Acquisition.

AME Group is expected to extend shareholders' loans in the Agreed Proportions as set out in Section 2.1.1 of this Circular when necessary to fund the Proposed Acquisition and future development cost over the duration of the Project. The quantum of such future shareholders' loans for the future development cost of the Land cannot be determined at this juncture as the amount would depend on, among others, the amount of external financing obtained by CGDSB and the actual development cost for the Land.

## 3. RATIONALE AND BENEFITS OF THE PROPOSALS

### 3.1 Proposed Joint Venture

The Proposed Joint Venture represents a strategic expansion for AME Group to expand its business model, which consists of the development of industrial parks and the sale and lease of industrial properties currently in Johor and Penang, to other states in Peninsular Malaysia.

Furthermore, the Proposed Joint Venture would enable the Group to have greater financial flexibility in respect of financial allocation for its future operational requirements and also potentially free up its capital to pursue future business opportunities, as and when the Board considers suitable and to be in the best interest of the Company at the material point in time.

### 3.2 Proposed Acquisition

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 and development of industrial parks, complemented by its offerings in engineering services and property investment and management services in Malaysia. Its business segments are summarised below:

| <b>Business segments</b>                    | <b>Segment activities</b>  |
|---|--|
| 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 and out of the Group's industrial parks to clients, management of real estate investment trust and the rental and management of workers' dormitories.   |

| <b>Business segments</b> | <b>Segment activities</b>   |
|--------------------------|---|
| Construction             | Construction services from planning to scoping, design, construction and management to post-construction maintenance.   |
| Engineering              | Mechanical and electrical engineering services and solar energy solutions as standalone services to external customers as well as to complement its property development and construction projects. |

As at the LPD, AME Group has successfully completed 4 industrial development projects and is currently developing 4 other industrial development projects, spanning a total land area of 839.4 acres with an estimated total GDV of approximately RM6.10 billion. Apart from 1 ongoing development project which located in Penang, near the Butterworth-Kulim Expressway, all other projects are located in Johor, strategically positioned near major highways and key checkpoints to Singapore. AME Group's latest ongoing flagship development in Johor, i-TechValley at SILC, is a newly developed managed industrial park with estimated GDV of approximately RM1.50 billion.

In addition to i-TechValley at SILC, AME Group's other flagship development projects in Johor include the managed industrial parks which carry the "i-Park" brand, namely i-Park @ SAC, i-Park @ Indahpura and i-Park @ SILC. Please refer to Appendix V of this Circular for the list of completed and on-going industrial development projects undertaken by the Group.

The Proposed Acquisition forms part of the Group's ongoing effort to expand its property development business by acquiring additional land banks at strategic locations with growth potential for future development. As at the LPD, the Group has a total land bank of approximately 224.47 acres with a total estimated balance GDV of approximately RM2.50 billion.

The Proposed Acquisition allows an opportunity for AME Group to replenish its existing land banks from approximately 224.47 acres to approximately 375.68 acres.

In addition, the Land is also strategically located along Kuala Lumpur-Kuala Selangor Expressway (LATAR Expressway), Bandar Tasik Puteri/Tuan Mee Estate, Selangor, which is easily accessible from Kuala Lumpur City Centre (KLCC) via Lebuhraya Jalan Duta - Sungai Buloh, Lebuhraya Utara-Selatan, Lebuhraya Koridor Guthrie, Kuala Lumpur-Kuala Selangor Expressway (LATAR Expressway) which is easily accessible and surrounded by township comprising, among others, Tasik Puteri Central Park, Tasik Puteri Golf & Country Club and Acacia Park. In view of its strategic location, the Land is expected to have good development potential moving forward.

The Board is of the view that the Proposed Acquisition comes at an opportune time given the prospects of the Land as set out in Section 4.4 of this Circular. Barring any unforeseen circumstances and premised on the above, the Board opines that the Proposed Acquisition is expected to contribute positively to AME Group in the future and the Group's profile would be enhanced upon successful completion of the development on the Land.

### 3.3 Proposed Provision of Financial Assistance

The Proposed Provision of Financial Assistance forms part of the salient terms of the Shareholders' Agreement for the Proposed Joint Venture, whereby both AMEIP and KLKL have agreed to provide the Shareholders' Loans in the Agreed Proportions for the purpose of the Proposed Acquisition and the Project. The Proposed Provision of Financial Assistance will enable CGDSB to obtain guarantees and/or raise the necessary funding in connection with the Proposed Acquisition as well as for the Project. The availability of expedient funding would assist in avoiding unnecessary delays throughout the development period and ensure the timely completion of the Project.

## 4. OVERVIEW, OUTLOOK AND PROSPECTS

### 4.1 Overview and outlook of the Malaysian economy

In 2024, Malaysia's economy is forecast to expand between 4.8% and 5.3%. During the first half of 2024, the economy posted a commendable growth of 5.1% driven by robust domestic demand, combined with further expansion in exports as well as positive growth in all economic sectors. Growth is forecast to continue its momentum in the second half of 2024, albeit at a moderate pace. Overall, real gross domestic product (GDP) in 2024 is revised upward, ranging between 4.8% and 5.3%, surpassing the initial target of 4% to 5%.

For 2025, the economy is projected to grow between 4.5% and 5.5%. On the supply side, the services sector continues to uphold its position as the main driver of growth contributed by tourism activities, sustained exports and acceleration of information and communication technology ("ICT") related activities. Tourism-related industries, particularly food & beverages, accommodation and retail trade segments, are expected to increase further, while the wholesale trade as well as air and water transportations segments will benefit from sustained trade-related activities. Industries such as the utilities and professional services are anticipated to rise in tandem with the acceleration of ICT development, particularly in data centres. The manufacturing sector is projected to expand further attributed to better performance in export-oriented industries, primarily the electrical and electronics segment, as external demand for semiconductors continues to increase. Additionally, the domestic-oriented industries is anticipated to remain favourable in line with higher domestic consumption and investment. The construction sector is expected to rise attributed to growth in all subsectors. Prospects for the agriculture sector remain positive supported by higher production of crude palm oil (CPO) and demand from food-related industries. On the contrary, the mining sector is forecast to decline marginally due to scheduled plants shut down for maintenance purposes.

On the demand side, growth will be buoyed by strong private sector expenditure and stable global trade. Accounting for about 60% of the economy, private consumption is projected to continue spearheading growth, backed by firm labour market conditions and income growth amid manageable inflation. Gross fixed capital formation or total investment remains high, underpinned by the realisation of private investment, acceleration of public sector strategic projects and initiatives under the Government-Linked Enterprises Activation and Reform Programme ("**GEAR-UP**") as well as new and ongoing multi-year projects in the services and manufacturing sectors.

The recent implementation of strategic policies by Malaysian Government has significantly contributed to Malaysia's economic growth, surpassing market expectations for the first half of 2024. This upward trajectory is expected to continue for the rest of 2024, reflecting the effectiveness of the measures adopted and underscores the resilience of economic fundamentals. Looking ahead, the targeted growth rate between 4.8% and 5.3% for 2024 is achievable, anchored by the Ekonomi Madani framework and strategies under the Budget 2024. By maintaining focus on sustainable development and continuous improvement, the economy will remain resilient amid global challenges, ultimately strengthening economic growth and elevating the rakyat's standards of living.

The global economy is expected to grow steadily in 2025. This positive outlook is also anticipated to indirectly help boost trade and local demand for goods and services. Malaysia's inbound tourists are expected to surpass pre-COVID-19 levels, supported by various regional and international programmes as well as in preparation for Visit Malaysia 2026. Additionally, domestic economic development is expected to be more vigorous with robust domestic private investment, particularly the implementation of GEAR-UP, to support ongoing projects and programmes under the National Energy Transition Roadmap (neTR), New Industrial Master Plan 2030 (NIMP 2030) and National Semiconductor Strategy. Therefore, Malaysia's economy is poised to expand between 4.5% and 5.5% in 2025, anchored by the implementation of the outlined strategic initiatives in Economy Outlook 2025 issued by Ministry of Finance, Malaysia.

*(Source: Economy Outlook 2025, Ministry of Finance, Malaysia)*

## **4.2 Overview and outlook of the property market in Malaysia**

The Malaysian economy advanced by 5.9% in the second quarter of 2024 ("**Q2 2024**") (first quarter of 2024 ("**Q1 2024**"): 4.2%), driven by stronger domestic demand and further expansion in exports. Other factors that acted as catalysts to the growth were robust expansion in investment activities and higher tourist arrivals as well as improvement in manufacturing and services sector. On a quarter-on-quarter seasonally adjusted basis, the economy expanded by 2.9% as compared with Q1 2024 (1.5%).

The property market performance recorded an increase in the first half of 2024 ("**H1 2024**"). A total of 198,906 transactions worth RM105.65 billion were recorded, showing an increase of 8.0% in volume and 23.8% in value compared to first half of 2023 ("**H1 2023**"), which recorded 184,140 transactions worth RM85.37 billion. Of the total transactions, 63.9% (127,043 transactions) and 32.5% (64,725 transactions) were transfers dated in 2024 and 2023, respectively while the remaining percentage share was for prior years' transfers.

Sectoral market activity performance showed upward movements. All subsectors recorded year-on-year growths in volume of transactions; residential (6.1%), commercial (22.4%), industrial (2.3%), agricultural (6.5%), and development land and others (12.1%).

Value of transactions recorded higher increase for all sub-sectors i.e. residential, commercial, industrial, agriculture and development land and others, each at 10.4%, 41.5%, 23.4%, 37.8% and 59.3% respectively.

The residential sub-sector dominated the overall property market, with 61.3% contribution in volume. This was followed by agriculture (19.5%), commercial (10.9%), development land and others (6.4%) and industrial (1.9%). Similarly, in value, residential took the lead with 46.8% share, followed by commercial (22.4%), industrial (12.8%), agriculture (9.2%) and development land and others (8.8%).

The performance of the property market in the H1 2024 continue to improve, driven by stronger market activity, an improvement in market status, and encouraging construction activity. The strengthening of market activity was driven by a positive performance of transactions in all subsectors, supported by various initiatives outlined by the government under Budget 2024, including providing guarantees of up to RM10 billion under Skim Jaminan Kredit Perumahan (SJKP) and the extension of the stamp duty exemption period for property transfer documents for the purchase of first time home buyers valued at RM500,000 and below until December 2025.

*(Source: Property Market Report First Half 2024, Valuation and Property Services Department, Ministry of Finance Malaysia)*

#### **4.3 Overview and outlook of the property market in central region**

The Central Region property market performance improved in the H1 2024, as indicated by the increase in market activities. The region registered 47,763 transactions worth RM46.09 billion, which increased by 11.6% and 35.8% in volume and value, respectively as compared to H1 2023. Combined, Selangor, Kuala Lumpur and Putrajaya formed 24.0% and 43.6% of the national volume and value of transactions.

In terms of transaction volume, all three states showed an upward trend. Putrajaya increased by 45.7%, followed by Kuala Lumpur (22.7%) and Selangor (8.8%). In terms of transaction value, Kuala Lumpur and Selangor increased by 73.4% and 24.6%, respectively, whereas Putrajaya declined by 43.3%. By state, Selangor dominated the region's overall property transactions, with 78.0% in volume (37,261 transactions) and 68.6% in value (RM31.64 billion) of the total transactions in the Central Region.

The residential overhang situation saw mixed movements in the review period. Kuala Lumpur and Selangor charted 3,051 units and 2,328 units, respectively, reduced by 13.7% and 31.6% compared to second half of 2023 ("**H2 2023**") (Kuala Lumpur 3,535 units; Selangor 3,405 units). Meanwhile, overhang units in Putrajaya increased 120.4% to 302 units, compared to H2 2023 (137 units).

Meanwhile for commercial property, more market activity was recorded as the transaction volume in Kuala Lumpur, Selangor, and Putrajaya increased by 46.7%, 16.5% and 14.3%, respectively. The shop overhang situation improved in Selangor and Kuala Lumpur, except for Putrajaya, where no movement was recorded. Selangor (355 units) decreased by 5.1% (H2 2023: 374 units), and Kuala Lumpur (13 units) decreased by 43.5% (H2 2023: 23 units). Meanwhile, Putrajaya stagnated at 9 units. In terms of value, Kuala Lumpur and Selangor decreased by 43.5% (H2 2023: RM8.05 million), and 1.1% (H2 2023: RM439.14 million) respectively, while Putrajaya remained at RM34.33 million.

The industrial sub-sector contributed a marginal portion of 2.9% to the overall market activity in the Central Region. The region's market performance recorded an increase of 13.4% in volume to 1,392 transactions (H1 2023: 1,228 transactions) and 27.9% in value to RM7.20 billion (H1 2023: RM5.63 billion).

*(Source: Central Region Property Market Report First Half 2024, Valuation and Property Services Department, Ministry of Finance Malaysia)*

#### **4.4 Prospect of the Land**

The Land is expected to further enhance the Group's land bank. AME Group intends to develop the Land via the Project and to provide the Group with an additional income in addition to its existing property development projects. This is in line with the Group's direction of expanding its property business and the management is confident that the Project will contribute satisfactorily to the Group's performance.

The Group is positive of the prospect of the Land after taking into consideration the strategic location of the Land which is easily accessible and given the township surrounding the Land comprising, among others, Tasik Puteri Central Park, Tasik Puteri Golf & Country Club and Acacia Park.

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

*(Source: Management of AME)*

### **5. RISK FACTORS OF THE PROPOSALS**

The risk factors relating to the Proposals are set out below:

#### **(i) Delay or non-completion of the Proposed Acquisition**

Despite the execution of the SPA, there can be no assurance that all the conditions precedent and/or terms and conditions as set out in the SPA will be able to be fulfilled and/or complied with, and therefore, the Proposed Acquisition may not be able to complete. Further, there can also be no assurance that the Proposed Acquisition can be completed within the timeframe set. Any delay or non-completion of the Proposed Acquisition will deprive AME Group from realising the expected benefits of the Proposed Acquisition as set out in Section 3.2 of this Circular.

Notwithstanding the above, the management and the Board will endeavour to take all reasonable steps to ensure that the conditions precedent and terms and conditions of the SPA which are within the Group's control are fulfilled and met on a timely basis to facilitate the Proposed Acquisition. Nonetheless, there can be no assurance that the SPA will not be terminated as a result of any breach or default attributable to any of the parties.

#### **(ii) Business risk**

The Proposed Acquisition is subject to the risks inherent in the property development industry which the Group is already involved in. Such risks may include property overhang, adverse changes in real estate market prices, competition from other property developers, changes in economic, social and political conditions, delay in completion of the Group's 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.

Nevertheless, the Group will endeavour to closely monitor the prevailing developments in the property market and property development industry in formulating the relevant business strategies for the Land. In addition, as the Group is already involved in the property development industry, AME Group will continue to leverage on the expertise and experience of its existing key management personnel whom possesses the relevant expertise and experience in property development and management activities in managing the development business of the Project.

**(iii) Funding risk for the Proposed Acquisition and the Project**

The Group may be required to seek external financing to fund the Proposed Acquisition and the Project. There can be no assurance that the anticipated benefits of the Proposed Acquisition will be realised or that the Group will be able to generate the desired returns from the Project to repay the external 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.

Nevertheless, the Board will endeavour to seek appropriate external borrowings to partially finance the Proposed Acquisition and the Project, where required, and will continue to closely monitor the Group's debt portfolio and financial gearing in order to ensure that the Group's financial obligations are well managed from time to time.

**(iv) Joint venture risks**

The Proposed Joint Venture may potentially expose AME Group to risks including those associated with the assimilation of new operations and personnel, the diversion of financial management resources from existing operations and the inability to successfully integrate the Proposed Joint Venture with its current business. There is also no assurance that the anticipated benefits from the Proposed Joint Venture will be realised, and that AME Group will be able to generate sufficient revenue to offset the associated costs from the Proposed Joint Venture.

Nevertheless, the Board has and will continue to exercise due care in considering the risks and benefits associated with the Proposed Joint Venture and is committed towards the close monitoring of the Project in order to minimise any implementation issues or delays. It is pertinent to note that AME Group's exposure to the joint venture is limited to its 60% equity participation in the joint venture.

**(v) Compulsory acquisition by the Malaysian Government**

Pursuant to the LA 1960, the relevant state authority has the power to compulsorily acquire any land within the jurisdiction of such relevant state authority in Malaysia in accordance with the LA 1960. In the event of any compulsory acquisition of the Land or any part thereof, the amount of compensation to be awarded will be determined on the basis prescribed in the LA 1960 and other relevant laws. If all or any portion of the Land is compulsorily acquired by the relevant state authority at any point in time, the amount of such compensation may be less than the Purchase Consideration.

For avoidance of doubt, save for the Bandar Tasik Puteri - LATAR Interchange which has been completed, there is no other infrastructure development by the state/federal government project which is located near to the Land at this juncture. In the event of any compulsory acquisition of the Land or any part thereof, the Group may seek to minimise any potential losses from such transactions by invoking the relevant provisions in the LA 1960 in relation to its rights to submit an objection in respect of the amount of compensation, where necessary.

**(vi) Political, economic and regulatory risk**

Adverse developments in general political, economic and regulatory conditions in Malaysia including changes in administration, methods of taxation and/or introduction of new regulations could materially and/or adversely affect the Proposals which may result in a delay in the implementation of the Proposed Joint Venture and the Proposed Acquisition or may also lead to the termination of the entire Proposals.

Although measures will be taken to address and/or mitigate such developments, no assurance can be given that such measures will be sufficient or effective in the circumstances.

## 6. EFFECTS OF THE PROPOSALS

The Proposed Joint Venture and the Proposed Provision of Financial Assistance will not have any immediate effect on the Company's issued share capital, consolidated NA per Share, substantial shareholders' shareholdings in the Company, consolidated EPS and convertible securities of the Company. However, the gearing of the Group may increase in the future depending on, among others, the eventual manner and amount of funding for the Project (which will only be determined at a later stage and in accordance with the Shareholders' Agreement). The gearing of the Group may increase accordingly pursuant to the Proposed Joint Venture and the Proposed Provision of Financial Assistance on the assumption that the Group will fund the Project via external borrowings.

### 6.1 Share capital and substantial shareholders' shareholdings

The Proposed Acquisition is not expected to have any effect on the issued and paid-up share capital of AME and the substantial shareholders' shareholdings of the Company as the Proposed Acquisition will not involve the issuance of any new AME Shares.

### 6.2 NA per AME Share and gearing

Based on the latest audited consolidated statements of financial position of AME Group as at 31 March 2024 and assuming that the Proposed Acquisition had been effected on that date, the pro forma effects of the Proposed Acquisition on the NA per AME Share and gearing of AME Group are set out below:

|  | Audited as at<br>31 March 2024<br>RM'000 | I<br>After<br>adjustments for<br>subsequent<br>events <sup>(a)</sup><br>RM'000 | II<br>After I and the<br>Proposed<br>Acquisition<br>RM'000 |
|--|--|--|--|
| Share capital  | 620,140                                  | 620,140  | 620,140  |
| Retained earnings  | 708,125                                  | 663,388  | 662,388 <sup>(b)</sup>                                     |
| Merger reserve   | (452,311)                                | (452,311)  | (452,311)  |
| Treasury shares  | (2,056)                                  | (2,056)  | (2,056)  |
| <b>Shareholders' funds/NA</b>                                    | <b>873,898</b>                           | <b>829,161</b>   | <b>828,161</b>   |
| Non-controlling interests  | 318,530                                  | 318,530  | 318,530  |
| <b>Total equity</b>  | <b>1,192,428</b>                         | <b>1,147,691</b>   | <b>1,146,691</b>   |
| No. of AME Shares in issue<br>(excluding treasury shares) ('000) | 639,093 <sup>(c)</sup>                   | 639,093 <sup>(c)</sup>   | 639,093 <sup>(c)</sup>                                     |
| NA per AME Share (RM) <sup>(e)</sup>                             | 1.37                                     | 1.30   | 1.30   |
| Total interest-bearing borrowings<br>(RM'000)                    | 174,706                                  | 174,706  | 299,170 <sup>(d)</sup>                                     |
| Gearing ratio (times) <sup>(f)</sup>                             | 0.15                                     | 0.15   | 0.26   |

**Notes:**

(a) After adjusting for the following:

- (i) interim single tier dividend of 4.0 sen per AME Share amounting to RM25,563,706 in respect of the FYE 31 March 2024, which was paid on 12 July 2024; and
- (ii) interim single tier dividend of 3.0 sen per AME Share amounting to RM19,172,779 in respect of the FYE 31 March 2025, which was paid on 30 December 2024.

- (b) After deducting the estimated expenses for the Proposals amounting to RM1,000,000 which comprises the following:

|   | <b>RM'000</b>              |
|---|----------------------------|
| Professional fees   | 868                        |
| Fees payable to regulatory authorities  | 33                         |
| Printing and despatch of circular to shareholders, costs to convene the EGM and other incidental expenses relating to the Proposals | 99                         |
| <b>Total</b>  | <b><u><u>1,000</u></u></b> |

- (c) Excluding 1,580,000 treasury shares held by the Company.
- (d) Assuming AME Group borrows RM124,464,000 to finance the 2<sup>nd</sup> Tranche Shareholders' Loan based on the Agreed Proportions as stated in the Shareholders' Agreement. For the avoidance of doubt, AME Group had used its internally generated funds to finance its portion of the Initial Share Subscription as well as the 1<sup>st</sup> Tranche Shareholders' Loan, amounting to RM1,200,000 and RM13,860,000, respectively as disclosed in Sections 2.1.2, 2.1.3 and 2.1.6 of this Circular.
- (e) Calculated based on shareholders' funds/NA over the number of Shares in issue.
- (f) Calculated based on total interest-bearing borrowings over total equity.

### 6.3 Earnings and EPS

The Proposed Acquisition is not expected to have an immediate or material effect on the Group's earnings and EPS for the FYE 31 March 2025. Nevertheless, the Proposed Acquisition may contribute positively to the Group's future earnings as and when the Land is developed.

For illustrative purposes, the pro forma effects of the Proposed Acquisition on the consolidated earnings and EPS of AME assuming the Proposed Acquisition had been effected at the beginning of the FYE 31 March 2024, is set out below:

|   | <b>Audited for the FYE<br/>31 March 2024</b> | <b>After the Proposed<br/>Acquisition</b> |
|---|--|---|
| Profit after tax attributable to the owners of the Company (RM'000) | 93,100                                       | 85,068 <sup>(a)</sup>                     |
| Number of AME Shares in issue (excluding treasury shares) ('000)    | 639,093 <sup>(b)</sup>                       | 639,093 <sup>(b)</sup>                    |
| Basic EPS (sen)   | 14.57  | 13.31                                     |

**Notes:**

- (a) After deducting the interest cost to be incurred arising from the borrowings by AME Group to finance the 2<sup>nd</sup> Tranche Shareholders' Loan of RM124,464,000 at an estimated interest rate of 5.65% per annum, amounting to RM7,032,216 and the estimated expenses for the Proposals amounting to RM1,000,000.
- (b) Excluding 1,580,000 treasury shares held by the Company.

### 6.4 Convertible securities

As at the LPD, save for the 142,371,453 Warrants, the Company does not have any other convertible securities in issue.

No adjustment is expected to be made to the exercise price and/or number of outstanding Warrants which remain unexercised pursuant to the Proposals.

## 7. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposals pursuant to Paragraph 10.02(g) of the Listing Requirements is approximately 26.52% based on the Purchase Consideration of RM230,536,390 and the subscription consideration of RM1,200,000 pursuant to the Initial Share Subscription over the audited consolidated NA of AME Group as at 31 March 2024 of RM873.90 million.

## 8. APPROVALS REQUIRED AND CONDITIONALITY

The Proposals are subject to the following approvals being obtained:

- (i) the approvals of the shareholders of AME, for the Proposals at the forthcoming EGM by way of poll; and
- (ii) the relevant authorities/parties, which form part of the conditions precedent of the Shareholders' Agreement and the SPA as disclosed in Appendices I and II of this Circular.

The Proposals are inter-conditional upon each other. However, the Proposals are not conditional upon any other corporate exercise undertaken or to be undertaken by AME Group.

## 9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVES AND/OR PERSONS CONNECTED WITH THEM

None of the Directors, major shareholders, chief executives of AME and/or persons connected with them have any interest, whether direct and/or indirect, in the Proposals.

The Proposed Acquisition is regarded as a related party transaction and falls under Paragraph 10.08(9) of the Listing Requirements in view that KLKB is the holding company of KLKL, which in turn holds 40% equity interest in CGDSB. Accordingly, the Company is exempted from appointing an independent adviser and obtaining shareholders' approval for the related party transaction. However, as the highest percentage ratio is 26.52% pursuant to Section 7 of this Circular, the Proposed Acquisition is subject to the approval of shareholders of the Company pursuant to Paragraph 10.07 of the Listing Requirements.

## 10. CORPORATE EXERCISE/SCHEME ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals and as disclosed below, there are no other corporate exercises which have been announced by the Company but have yet to be completed as at the LPD:

- (i) On 30 September 2024, AME Capital Sdn Bhd, a wholly-owned subsidiary of the Company ("**AME Capital**"), had made lodgements with the Securities Commission Malaysia ("**SC**") for the establishment of an Islamic medium term notes ("**IMTNs**") programme of up to RM1,500.00 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar ("**IMTN Programme**") and a separate Islamic commercial papers ("**ICPs**") programme of up to RM300.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar ("**ICP Programme**") (collectively, the IMTN Programme and the ICP Programme shall be referred to as "**Sukuk Wakalah Programmes**") pursuant to the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework (issued by the SC on 9 March 2015 and revised on 5 February 2024, as amended from time to time). The Company is the obligor for the Sukuk Wakalah Programmes. Further details are as set out in the Company's announcement dated 30 September 2024.

Subsequently on 27 December 2024, the Board announced that AME Capital has successfully issued the IMTNs of RM1.00 million under the IMTN Programme and ICPs of RM9.00 million under the ICP Programme.

- (ii) On 24 July 2024, Pentagon Land Sdn Bhd ("**Pentagon Land**"), a wholly-owned subsidiary of the Company and Ipark Development Sdn Bhd ("**Ipark Development**"), an 80.0%-owned subsidiary of AME Integrated Sdn Bhd ("**AME Integrated**"), which in turn is a 99.9%-owned subsidiary of the Company, had entered into the following agreements for the disposals of 4 industrial properties to RHB Trustees Berhad ("**Trustee**"), being the trustee of AME REIT, for a total cash consideration of RM119.45 million:
- (a) a conditional sale and purchase agreement between Pentagon Land and the Trustee for the disposal of a proposed single storey detached factory with mezzanine office and other ancillary buildings, to be erected on a parcel of freehold land held under GRN 587959, Lot 169211, Mukim of Pulai, District of Johor Bahru, State of Johor, located within a gated and guarded development known as i-TechValley at SILC ("**i-TechValley 34**") for a cash consideration of RM27.00 million ("**i-TechValley 34 SPA**") ("**i-TechValley 34 Disposal**");
  - (b) a conditional sale and purchase agreement between Pentagon Land and the Trustee for the disposal of a single storey detached factory with mezzanine office and other ancillary buildings, erected on a parcel of freehold land held under GRN 587971, Lot 169223, Mukim of Pulai, District of Johor Bahru, State of Johor, located within a gated and guarded development known as iTechValley at SILC ("**i-TechValley 46**") for a cash consideration of approximately RM27.45 million ("**i-TechValley 46 SPA**") ("**i-TechValley 46 Disposal**");
  - (c) a conditional sale and purchase agreement between Ipark Development and the Trustee for the disposal of a single storey detached factory with mezzanine office and other ancillary buildings, erected on a parcel of freehold land held under HSD 80929, PTD 114240, Mukim of Senai, District of Kulai, State of Johor, located within a gated and guarded development known as i-Park @ Senai Airport City ("**i-Park SAC 23 & 24**") for a cash consideration of RM45.00 million ("**i-Park SAC 23 & 24 SPA**") ("**i-Park SAC 23 & 24 Disposal**"); and
  - (d) a conditional sale and purchase agreement between Ipark Development and the Trustee for the disposal of a proposed single storey detached factory with mezzanine office and other ancillary buildings, to be erected on 2 parcels of freehold land held under HSD 596308, PTD 196194 and HSD 596309, PTD 196195, Mukim of Tebrau, District of Johor Bahru, State of Johor, located within a gated and guarded development known as i-Park @ Senai Airport City ("**i-Park SAC 60 & 61**") for a cash consideration of RM20.00 million ("**i-Park SAC 60 & 61 SPA**") ("**i-Park SAC 60 & 61 Disposal**").

The i-TechValley 34 SPA, i-TechValley 46 SPA, i-Park SAC 23 & 24 SPA and i-Park SAC 60 & 61 SPA are collectively referred to as the "**Disposal SPAs**".

The i-TechValley 34 Disposal, i-TechValley 46 Disposal, i-Park SAC 23 & 24 Disposal and i-Park SAC 60 & 61 Disposal are collectively referred to as the "**Disposals to AME REIT**".

The Company had on 7 November 2024 obtained its non-interested shareholders' approvals for the Disposals to AME REIT. As at the LPD, the conditions precedents of the Disposal SPAs are still yet to be fulfilled.

- (iii) On 13 May 2024, Pentagon Land and Greenhill SILC Sdn Bhd ("**Greenhill**"), the wholly-owned subsidiaries of the Company, had entered into the following agreements respectively for the sale of 11 plots of freehold industrial land in Mukim of Pulai, District of Johor Bahru, State of Johor, measuring approximately 34.91 acres in total land area, for a total cash consideration of approximately RM209.84 million ("**Digital Hyperspace SPAs**"):
- (a) a conditional sale and purchase agreement between Pentagon Land and Digital Hyperspace Malaysia Sdn Bhd ("**Digital Hyperspace**"), for the sale by Pentagon Land of 7 plots of freehold industrial land in Mukim of Pulai, District of Johor Bahru, State of Johor, all located in i-TechValley within Phase 3 of SILC, measuring approximately 22.42 acres in total land area, to Digital Hyperspace for a total cash consideration of approximately RM134.79 million; and
  - (b) a conditional sale and purchase agreement between Greenhill and Digital Hyperspace, for the sale of 4 plots of freehold industrial land in Mukim of Pulai, District of Johor Bahru, State of Johor, all located in i-TechValley within Phase 3 of SILC, measuring approximately 12.49 acres in total land area, for a total cash consideration of approximately RM75.05 million.

As at the LPD, the final condition precedent of the respective Digital Hyperspace SPAs has been fulfilled and the Digital Hyperspace SPAs have become unconditional on 22 October 2024.

- (iv) On 9 October 2020, Pentagon Land and Greenhill had entered into 2 heads of agreement ("**HOA**") with UEM Land Berhad ("**UEML**") and Nusajaya Heights Sdn Bhd ("**NHSB**") in the following manner:
- (a) the first HOA was entered into between Pentagon Land, Greenhill, UEML and NHSB in relation to the 35 plots of the 38 plots 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 ("**Non-Bumi Plots**") under the acquisition of Non-Bumi Plots by Pentagon Land from UEML and NHSB for the indicative cash purchase consideration of approximately RM233.53 million ("**Acquisition of Non-Bumi Plots**") and the 34 plots of freehold industrial land in 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**") under the acquisition of Bumi Plots by Greenhill from UEML and NHSB for the total indicative cash purchase consideration of approximately RM200.76 million ("**Acquisition of Bumi Plots**"); and
  - (b) the second HOA was entered into between Pentagon, UEML and NHSB in relation to the 3 plots of the Non-Bumi Plots under the Acquisition of Non-Bumi Plots.

Subsequently on 30 December 2020, Pentagon Land and Greenhill had entered into the following agreements respectively:

- (a) a conditional sale and purchase agreement entered into between Pentagon Land, UEML and NHSB for the Acquisition of Non-Bumi Plots ("**Non-Bumi Plots SPA**"); and
- (b) a conditional sale and purchase agreement entered into between Greenhill, UEML and NHSB for the Acquisition of Bumi Plots ("**Bumi Plots SPA**").

The Company had on 8 April 2021 obtained its shareholders' approval for the Acquisition of Non-Bumi Plots and Acquisition of Bumi Plots. As at the LPD, the last condition precedent of the Bumi Plots SPA has been obtained and the Acquisition of Bumi Plots had become unconditional meanwhile the Acquisition of Non-Bumi Plots had been completed on the part of Pentagon Land on 20 December 2024.

**11. AMOUNT TRANACTED WITH THE RELATED PARTIES FOR THE PRECEDING 12 MONTHS**

Save for the Proposed Acquisition, there were no other transactions entered into by the Company with the interested Directors and major shareholders and persons connected with them for the preceding 12 months from the date of this Circular.

**12. ADVISERS**

RHB Investment Bank has been appointed as the Principal Adviser to AME for the Proposals.

CBRE has been appointed as the Valuer in respect of the Land.

**13. AUDIT AND RISK MANAGEMENT COMMITTEE'S STATEMENT**

The Audit and Risk Management Committee of AME, after having considered all aspects of the Proposals, including the basis and justification for arriving at the Purchase Consideration, market value of the Land, salient terms of the SPA, Shareholders' Agreement and Project Management Agreement, rationale and benefits of the Proposals as well as the effects of the Proposals, is of the opinion that the Proposals are:

- (i) in the best interest of the Company;
- (ii) fair, reasonable, and on normal commercial terms; and
- (iii) not detrimental to the interest of the minority shareholders of the Company.

**14. DIRECTORS' STATEMENT AND RECOMMENDATION**

The Board, after having considered all aspects of the Proposals, including the basis and justification for arriving at the Purchase Consideration, salient terms of the SPA, Shareholders' Agreement and Project Management Agreement, rationale and benefits of the Proposals, the effects of the Proposals as well as the evaluation from the Valuer, is of the opinion that the Proposals are:

- (i) in the best interest of the Company;
- (ii) fair, reasonable and on normal commercial terms; and
- (iii) not detrimental to the interest of the minority shareholders of the Company.

The Board shall also ensure that the Proposed Provision of Financial Assistance (i.e. provision of funding for the future development cost over the duration of the Project) pursuant to the Proposed Joint Venture is fair and reasonable to AME and is not detrimental to the interest of the Company and its shareholders.

Accordingly, the Board recommends that you **VOTE IN FAVOUR** of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

## 15. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all requisite approvals being obtained, the Proposed Acquisition is expected to be completed by the 3rd quarter of 2025. Meanwhile, the Proposed Joint Venture is expected to be ongoing and the Proposed Provision of Financial Assistance shall be for the entire duration of the Project.

The tentative timetable in relation to the implementation of the Proposed Acquisition is set out below:

| <b>Date/Month</b>   | <b>Events</b>   |
|---------------------|---|
| 14 February 2025    | <ul style="list-style-type: none"><li>• EGM for the Proposals</li></ul>   |
| 2nd quarter of 2025 | <ul style="list-style-type: none"><li>• Fulfilment of all the Conditions Precedent for the Proposed Acquisition</li></ul> |
| 3rd quarter of 2025 | <ul style="list-style-type: none"><li>• Completion of the Proposed Acquisition</li></ul>                                  |

## 16. EGM

The EGM of AME will be conducted on a fully virtual basis via live streaming and online remote voting using Remote Participation and Electronic Voting facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Friday, 14 February 2025 at 10.00 a.m. or at any adjournment thereof (as the case may be).

If you wish to appoint a proxy to attend, participate, speak (in the form of real-time submission of typed texts) and vote on your behalf at the EGM, you may complete, sign and deposit the Form of Proxy at the Share Registrar's office at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. The lodgement of the Form of Proxy will not preclude you from attending, participating, speaking (in the form of real-time submission of typed texts) and voting in person at the EGM should you subsequently decide to do so. For electronic lodgement of the Form of Proxy, please refer to the procedures as set out in the Administrative Guide for the EGM.

## 17. 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**

**TENGGU AZRINA BINTI RAJA ABDUL AZIZ**  
Independent Non-Executive Chairperson

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**SALIENT TERMS OF THE SHAREHOLDERS' AGREEMENT**


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The salient terms of the Shareholders' Agreement are set out below:

**1. Name and description of the Parties to the Shareholders' Agreement**

- (a) **AMEIP** (Registration No. 201201030747 (1015234-A));
- (b) **KLKL** (Registration No. 199101005389 (215699-H));
- (collectively, AMEIP and KLKL shall be referred to as "**Shareholders**" and "**Shareholder**" shall refer to any one of them); and
- (c) **CGDSB** (Registration No. 202401036687 (1582534-T)),
- (collectively, CGDSB and the Shareholders are referred to as "**Parties**").

**2. Agreed Proportions of shareholding in CGDSB**

AMEIP and KLKL shall hold shares in CGDSB in accordance with the following agreed shareholding proportions at all times:

| AMEIP | KLKL |
|-------|------|
| 60%   | 40%  |

**3. Change of name of CGDSB**

The Parties agree that the name of Oasis Innovation Sdn Bhd shall be changed to "**CENTRAL GATEWAY DEVELOPMENT SDN BHD**" or any such other names as may be mutually agreed by the Parties in writing and the Parties agree to take all necessary steps to ensure the change of Oasis Innovation Sdn Bhd, including passing the necessary resolutions and filing the relevant documents with the Companies Commission of Malaysia.

**4. Business and objectives of CGDSB**

The sole business of CGDSB shall be:

- (a) to invest in and fund CGDSB for the Project;
- (b) to acquire the Land (excluding the Future TNB Reserved Land Area (as defined in Section 1(d) of Appendix II of this Circular)) for the purpose of the Project;
- (c) to undertake the development of the Project on the Land (excluding the Future TNB Reserved Land Area) pursuant to and in accordance with the provisions of the Shareholders' Agreement including the development of the standard units which may comprise of land, building, structure constructed or to be constructed on the Land (excluding the Future TNB Reserved Land Area) pursuant to the Project ("**Units**") and customised Units/built-to-suit Units, and the permitted business model in the Business Plan and Budget;
- (d) subject to prevailing market conditions, to undertake the sale, lease and tenancies of the Units;
- (e) to manage and upkeep the industrial park with ancillary facilities on the Project; and

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**SALIENT TERMS OF THE SHAREHOLDERS' AGREEMENT (CONT'D)**


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- (f) to perform and fulfil all acts, matters and things as may be consistent with, necessary for, ancillary to and incidental to the attainment of paragraphs (a), (b), (c), (d) and (e) herein and all other provisions of the Shareholders' Agreement.

**5. Constitution of CGDSB**

- (a) As at the date of the Shareholders' Agreement, CGDSB does not have a Constitution. In the absence of a Constitution, CGDSB shall be governed by the statutory provisions as prescribed in the Act.
- (b) As soon as practicable after the execution of the Shareholders' Agreement, CGDSB shall adopt a Constitution that reflects the provisions of the Shareholders' Agreement and complies with the requirements of the Act. The Parties agree to take all necessary steps to ensure the adoption of the Constitution, including passing the necessary resolutions and filing the relevant documents with the Companies Commission of Malaysia within 14 business days of the execution of the Shareholders' Agreement.

**6. Initial Share Subscription**

Within 7 days from the date of the Shareholders' Agreement, CGDSB shall take all the necessary steps:

- (a) to increase the paid-up share capital of CGDSB to RM2,000,000.00; and
- (b) AMEIP and KLKL shall simultaneously subscribe for such number of CGDSB Shares, in cash, to ensure that their shareholding will result in the respective amounts as set out below:

| Shareholders | Number of CGDSB Shares subscribed as at the date of the Shareholders' Agreement | Number of CGDSB Shares to be subscribed for | Total issue price  | Percentage of CGDSB Shares held after the subscription |
|--------------|---|---|--------------------|--|
| KLKL         | 4   | 799,996                                     | RM800,000          | 40%  |
| AMEIP        | 6   | 1,199,994                                   | RM1,200,000        | 60%  |
| <b>Total</b> | <b>10</b>   | <b>1,999,990</b>                            | <b>RM2,000,000</b> | <b>100%</b>  |

**7. Subsequent Share Subscriptions**

For the purpose to invest in and fund CGDSB for the Project, the paid-up share capital of CGDSB may be increased or altered at any time and from time to time by mutual agreement of the Parties.

Unless otherwise agreed in writing by the Shareholders, all new shares of CGDSB to be issued shall first be offered to the Shareholders in the Agreed Proportions.

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**SALIENT TERMS OF THE SHAREHOLDERS' AGREEMENT (CONT'D)**


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**8. Shareholders' Loan**

(a) For the purpose of completing the SPA, the Parties hereby agree that the Shareholders shall, subject to compliance with all applicable laws, advance loans to CGDSB, as follows:

(i) 1<sup>st</sup> Tranche Shareholder' Loan:

(aa) Simultaneously with the Initial Share Subscription, each Shareholder shall concurrently grant the 1<sup>st</sup> Tranche Shareholders' Loan to CGDSB in the respective amount as set out below:

| Shareholders | Agreed Proportions | Shareholders' Loan Amount |
|--------------|--------------------|---------------------------|
| KLKL         | 40%                | RM9,240,000.00            |
| AMEIP        | 60%                | RM13,860,000.00           |
| <b>Total</b> |                    | <b>RM23,100,000.00</b>    |

(bb) The 1<sup>st</sup> Tranche Shareholders' Loan shall be used by CGDSB for the purposes of payment of the Deposit (as defined below). Any excess amounts after the payment of the Deposit shall be used by CGDSB for the payment of the Balance Purchase Price (as defined below).

(ii) 2<sup>nd</sup> Tranche Shareholders' Loan:

(aa) Within 14 days before the expiry of the Completion Period, each Shareholder shall concurrently grant the 2<sup>nd</sup> Tranche Shareholders' Loan to CGDSB in the respective amounts as set out below:

| Shareholders | Agreed Proportions | Shareholders' Loan Amount |
|--------------|--------------------|---------------------------|
| KLKL         | 40%                | RM82,976,000.00           |
| AMEIP        | 60%                | RM124,464,000.00          |
| <b>Total</b> |                    | <b>RM207,440,000.00</b>   |

(bb) The 2<sup>nd</sup> Tranche Shareholders' Loan shall be used by CGDSB for the purposes of payment of the Balance Purchase Price (as defined below). Any excess amounts from the 1<sup>st</sup> Tranche Shareholders' Loan and the 2<sup>nd</sup> Tranche Shareholders' Loan after the payment of the Balance Purchase Price shall be used by CGDSB for its working capital purposes.

(b) Notwithstanding the amounts stated above, the Shareholders may discuss and agree on any additional amounts to be loaned by the Shareholders in the Agreed Proportions for the purposes of the working capital, costs or expenses (including but not limited to stamp duty payable to the appropriate authorities in respect of the Land) of CGDSB within the Completion Period.

**9. Interest rate of Shareholders' Loan and repayment of Shareholders' Loan**

(a) Any Shareholders' Loan granted shall be subject to interest at the rate being 6 months Kuala Lumpur Interbank Offered Rate (KLIBOR) *plus* one point five per cent (1.0%) calculated from the Unconditional Date of the SPA until the date of actual repayment of the Shareholders' Loan, or such other interest payable at rates and terms to be mutually agreed in writing by both Shareholders ("**Shareholders' Loan Interest Rate**").

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**SALIENT TERMS OF THE SHAREHOLDERS' AGREEMENT (CONT'D)**


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- (b) The Parties agree that CGDSB shall repay the Shareholders' Loans or part thereof together with all interest accrued, as and when the Shareholders mutually agree that the financial position of CGDSB indicates that CGDSB has sufficient positive operating cash flow to repay the Shareholders' Loan or part thereof together with all interest accrued to the Shareholders, after taking into consideration the following:
- (i) due provisions have been made for all applicable taxes;
  - (ii) sufficient amount to be set aside towards the settlement of the sum payable to KLKB under the SPA and the principal and interest payments payable in respect of the advances and any banks borrowings, due and payable for the next 6 months, to be accumulated within a period of 24 months from the date of the Shareholders' Agreement;
  - (iii) due provisions have been made for the capital expenditures, working capital and cash flow requirements of CGDSB for the next 12 months, which shall be determined based on the respective amounts in the business plan and budget of CGDSB as approved by the Board of Directors of CGDSB ("**CGDSB Board**"); and
  - (iv) CGDSB being in compliance in all material respects with applicable laws and regulations, as well as applicable financial and reporting accounting standards and guidelines and any restrictive covenants/undertakings applicable to CGDSB contained in any documentation entered into by CGDSB, in connection with any bank financing obtained by CGDSB.
- (c) Any credit facilities obtained by CGDSB from any licensed financial institutions shall not be a substitute to the 1<sup>st</sup> Tranche Shareholders' Loan and/or the 2<sup>nd</sup> Tranche Shareholders' Loan unless otherwise agreed in writing by both Shareholders.

#### **10. Financing requirements of CGDSB**

Subject to unanimous consent from the Shareholders, in the event that the CGDSB Board after due commercial consideration and in good faith determines that additional working capital is required by CGDSB other than as set out in Section 8 of this Appendix I, such additional working capital shall, be met (in no order of priority) in the following manner:

- (a) within the existing equity capital, profits or reserves of CGDSB;
- (b) through further Shareholders' Loans to be made by the Shareholders to CGDSB in proportion to their respective Agreed Proportions based on arm's length interest rates and on such terms as to the manner of repayment thereof as may be determined by the Shareholders and CGDSB;
- (c) by way of equity through the subscription of increased registered capital by the Shareholders, following the approval of the Shareholders as a members' reserved matter to such increase, in proportion to their respective Agreed Proportions;
- (d) through the use of credit facilities on a non-recourse basis (if not possible, on limited recourse basis) from such licensed financial institutions ("**External Financing**") with the credit support from CGDSB, if necessary and without any additional corporate or individual security, indemnity or guarantee being provided by the Shareholders and/or Shareholders' related corporations and/or its respective directors; or
- (e) any other funding method as agreed in writing between the Shareholders.

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**SALIENT TERMS OF THE SHAREHOLDERS' AGREEMENT (CONT'D)**

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**11. CGDSB Board**(a) CGDSB Board

CGDSB shall have 5 directors comprising of the following:

- (i) 3 directors shall be nominated and appointed by AMEIP ("**AMEIP Director**");  
and
- (ii) 2 directors shall be nominated and appointed by KLKL ("**KLKL Director**").

(b) Chairman

The Chairman of the CGDSB Board shall at all times, be a director nominated by AMEIP. The Chairman shall not have a casting vote.

(c) Changes in shareholding and number of directors

In the event of change of shareholding structure of CGDSB, the number of directors that each Shareholder is entitled to nominate shall be adjusted to reflect as closely as possible the proportionate shareholding structure of the Shareholders accordingly.

(d) Quorum for CGDSB Board meeting

The quorum for any CGDSB Board meeting shall be 2 directors comprising 1 director appointed by AMEIP and 1 director appointed by KLKL, present in person or by his duly appointed alternate director.

(e) Decisions in CGDSB Board meetings

Subject to the Constitution and save as otherwise a board reserved matter, all questions arising at any CGDSB Board meeting shall be decided by a majority of the directors present and voting at that meeting.

(f) CGDSB Board reserved matter

Subject to applicable laws, any resolution to be passed in relation to any board reserved matter shall be passed only if it receives an unanimous approval from the directors present, with at least 1 director appointed by AMEIP and 1 director appointed by KLKL, present in person or by his duly appointed alternate and voting at that meeting.

**12. Dealings in respect of the Future TNB Reserved Land Area**

- (a) In the event that the Future TNB Reserved Land Area is not required to be transferred or surrendered to the appropriate authority:
  - (i) the Parties agree and acknowledge that CGDSB shall transfer the Future TNB Reserved Land Area to KLKB (or such other nominee as appointed by KLKB) at a nominal value at Ringgit Malaysia Ten (RM10). KLKL shall procure that KLKB (or such other nominee as appointed by KLKB) to execute all requisite documents to effect the transfer as soon as practicable after the issuance of the separate document of title for the Future TNB Reserved Land Area ("**Future TNB Reserved Land Area Title**");

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**SALIENT TERMS OF THE SHAREHOLDERS' AGREEMENT (CONT'D)**


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- (ii) for the avoidance of doubt, KLKL shall procure KLKB to solely bear and pay all costs and expenses incurred in respect of the Future TNB Reserved Land Area (including but not limited to for the purposes to obtain the issuance of the Future TNB Reserved Land Area Title such as survey fees and all payment to the relevant land registry/office, and for the purposes to complete the transfer of the Future TNB Reserved Land Area to KLKB (or such other nominee as appointed by KLKB) such as stamp duties and registration fees, and all costs incidental thereto); and
  - (iii) in the event that KLKB does not pay any of such expenses and costs within the stipulated time or when requested to do so, KLKL shall reimburse CGDSB all such payments made by CGDSB on behalf of KLKB but CGDSB shall not be obliged to make such payments on behalf of KLKB.
- (b) In the event of the transfer and/or surrender of the Future TNB Reserved Land Area to the appropriate authority:
  - (i) the Parties agree and acknowledge that KLKL shall procure KLKB to solely bear and pay all costs and expenses incurred in respect of the Future TNB Reserved Land Area (including but not limited to obtain issuance of the Future TNB Reserved Land Area Title such as survey fees and all payment to the relevant land registry/office, and to complete the transfer and/or surrender of the Future TNB Reserved Land Area to the appropriate authority such as stamp duties and registration fees, and all costs incidental thereto); and
  - (ii) in the event that KLKB does not pay any of such expenses and costs within the stipulated time or when requested to do so, KLKL shall reimburse CGDSB all such payments made by CGDSB on behalf of KLKB but CGDSB shall not be obliged to make such payments on behalf of KLKB.
- (c) Prior to the transfer and/or surrender (as applicable) of the Future TNB Reserved Land Area from CGDSB to KLKB (or such other nominee as appointed by KLKB) or to the appropriate authority, KLKL shall:
  - (i) procure KLKB to be solely responsible at its own costs for the maintenance and security of the Future TNB Reserved Land Area at all times, and to ensure that the Future TNB Reserved Land Area is maintained in accordance with the applicable laws, and KLKB shall solely bear and pay in a timely manner all expenses and costs incidental in respect thereto including all fines, penalties and sums payable to the appropriate authority;
  - (ii) procure KLKB to solely bear and pay punctually all outgoings of the Future TNB Reserved Land Area such as quit rent and assessment; and
  - (iii) in the event that KLKB does not pay any of such expenses and costs within the stipulated time or when requested to do so, KLKL shall reimburse CGDSB all such payments made by CGDSB on behalf of KLKB but CGDSB shall not be obliged to make such payments on behalf of KLKB.

**13. Development committee**
**(a) Establishment of Development Committee ("DC")**

A DC shall be established to oversee, guide and manage the development activities related to the Project which is within the ordinary course of business of CGDSB. The DC shall be led by the CGDSB Board. For the avoidance of doubt, the establishment and management of the DC shall be a board reserved matter.

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**SALIENT TERMS OF THE SHAREHOLDERS' AGREEMENT (CONT'D)**

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(b) Nomination of DC members

The Parties shall procure that the DC shall consist of 5 members comprising of the following:

- (i) 3 representatives from AMEIP; and
- (ii) 2 representatives from KLKL.

(c) Changes in the DC members

In the event of change of shareholding structure of CGDSB, the Parties shall procure that the number of representatives that each Shareholder is entitled to nominate onto the DC shall be adjusted to reflect as closely as possible the proportionate member structure at that time of the respective Shareholders.

(d) Quorum for DC meeting

The quorum for any DC meeting shall be two (2) members of whom at least 1 representative representing each Shareholder respectively shall be present at the time when the relevant business is transacted.

(e) Chairperson

The chairman of the DC shall at all times be a representative nominated by AMEIP ("**DC Chairman**"). The DC Chairman shall not have a casting vote.

(f) Meeting and decisions in DC meeting

The DC shall meet on a monthly basis or as required, with meetings convened by the DC Chairman.

All questions arising at any DC meeting shall be decided by way of simple majority of the members present and voting at the meeting. For the avoidance of doubt, any matters arising at any DC meeting which relates to the board reserved matters shall be referred to the CGDSB Board.

(g) Responsibilities of DC

Without prejudice to the generality of Section 12(a) of this Appendix I, the DC shall:

- (i) determine the implementation of the Project including the award of the construction works for the Project ("**Construction Works**");
- (ii) engage the services of any external and independent architect, quantity surveyor, engineer and/or other consultant as required in connection with the Project;
- (iii) report to the CGDSB Board and keep proper records relating to the business for inspection;
- (iv) prepare and submit the proposed annual business plan and budget (including Project timetable and budget) to the CGDSB Board for approval as a board reserve matter, not later than 30 days prior to the beginning of each financial year of CGDSB;
- (v) shall cause the planning permission to be applied within 12 months from the Unconditional Date of the SPA or any other timeline as agreed between the Parties in writing;

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**SALIENT TERMS OF THE SHAREHOLDERS' AGREEMENT (CONT'D)**


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- (vi) shall cause CGDSB to appoint and enter into new project management agreement with another party (who may include AMEIP's related corporation), as deemed fit by CGDSB, in accordance with Clause 8.5 of the Shareholders' Agreement in the event the Project Management Agreement is terminated;
- (vii) shall act and operate within the scope of the business plan and budget approved by the CGDSB Board; and
- (viii) perform any additional duties, undertake tasks in accordance with any assigned work scope, and exercise any further authority as may be determined from time to time as a board reserved matter.

(h) Amendments and termination

Any amendments to the composition, roles, or responsibilities of DC shall be agreed in writing by the Shareholders. The DC shall be dissolved upon mutual agreement of the Shareholders.

**14. Management and operations**

- (a) The business and affairs of CGDSB shall be managed by, or under the direction of the CGDSB Board who shall have all necessary powers to manage, direct and supervise the management of the business and affairs of CGDSB, subject to any modification, exception or limitation contained in the Act or the Constitution. The CGDSB Board may exercise all powers of CGDSB as are not, by law or the Act or the Constitution, required to be exercised by CGDSB in general meeting.
- (b) Subject always to applicable laws and save for the Project Management Agreement and any matters related thereto, all related party transactions between CGDSB and the Shareholders or its respective related corporation, shall be fully disclosed to the CGDSB Board and if such transaction is not within the ordinary course of business of CGDSB, the interested Shareholder shall not vote.
- (c) CGDSB is required to recruit and employ such staff as deemed necessary by the DC from time to time, for the implementation of the Project, with the salaries and benefits for such staff as approved by the DC to be borne and paid by CGDSB.
- (d) In the event that the Project Management Agreement is terminated, the Shareholders agree that CGDSB, upon the recommendation from the DC, shall appoint and enter into a new project management agreement with another party (who may include AMEIP's related corporation), as deemed fit by CGDSB.

**15. General meetings**

(a) Quorum for general meeting

The quorum for every general meeting (including an adjourned meeting) shall be 2 Shareholders of whom 1 shall be AMEIP and the other 1 shall be KLKL, each present in person or by their respective proxies or attorney or corporate representatives.

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**SALIENT TERMS OF THE SHAREHOLDERS' AGREEMENT (CONT'D)**

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(b) Decisions in general meetings

Except where a greater majority is required by the Act and save as otherwise a members' reserved matter, any resolution to be passed at a general meeting of CGDSB shall be passed by the votes of holders of more than fifty per cent (50%) of the issued and paid-up capital for the time being of CGDSB.

(c) Members' reserved matter

Any resolution to be passed in respect of a members' reserved matter shall be passed only if it receives the unanimous approval of the Shareholders.

**16. Dividend policy**

- (a) Subject to applicable laws, the Shareholders shall procure that CGDSB's profit available for distribution in respect of each financial year are distributed by CGDSB to the Shareholders by way of dividend in accordance with the provisions of the Shareholders' Agreement, provided always that CGDSB shall remain solvent immediately after the distribution.
- (b) The Parties recognise the importance of a sound capital structure, consistent with applicable laws and as may be required by CGDSB for its operation and growth and the need to maintain appropriate reserves from profits at any time and from time to time is therefore recognised by the Parties.
- (c) The amount of dividend to be recommended by the CGDSB Board shall be approved by the Shareholders and shall make due provision for tax and take into consideration the working capital requirements of CGDSB as well as the Shareholders' needs for appropriate returns on their investment in CGDSB and/or repayment of the Shareholders' Loans, as the case may be.
- (d) The Parties further agree that the priority shall be the return of and/or repayment of Shareholders' Loans subject to approval of the secured creditors of CGDSB and other restrictive covenants that CGDSB or the Shareholders may be subject to and thereafter.
- (e) As far as practicable, the Parties shall procure that any dividend recommended by the CGDSB Board and approved by the Shareholders shall be distributable by CGDSB within thirty (30) days of such approval by the Shareholders to each Shareholder in accordance with the Agreed Proportions of their shareholding in CGDSB.
- (f) It is the intention of the Shareholders that subject to appropriation of proper and prudent reserves, the remaining profits of CGDSB shall be distributed as dividends.

**17. Governing law and jurisdiction**

The Shareholders' Agreement is governed by and construed in accordance with the laws of Malaysia. Each Party irrevocably submits to the exclusive jurisdiction of the Courts of Malaysia.

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**SALIENT TERMS OF THE SPA**


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The salient terms of the SPA are set out below:

**1. Basis of sale and purchase of the Land**

- (a) on as is where is basis as at the date of the SPA, subject to KLKB's removal of all Identified Structures (as defined in the SPA which includes an effluent pond and ancillary infrastructure) and the completion of the platform levelling and reasonable remedial works (if required) on the effluent pond area, all in accordance with the method statement prepared by KLKB at their own costs and in the manner agreed by CGDSB;
- (b) free from all the Encumbrances (defined in the SPA);
- (c) with vacant possession of the Land on the date on which the balance of the Purchase Consideration or the balance of the Purchase Consideration less the 10% Retention Sum and any late payment interest is paid by CGDSB to KLKB's solicitors as stakeholders in clear funds ("**Completion Date**");
- (d) a portion of Lot 48510 measuring approximately 1.8420 hectares or 4.552 acres or 198,271 sq ft and a portion of Lot 48511 measuring approximately 3.2550 hectares or 8.043 acres or 350,365 sq ft, both as shaded in red in the Layout Plan annexed as Annexure 3 in the SPA and totaling approximately 5.097 hectares or 12.595 acres or 548,636 sq ft ("**Future TNB Reserved Land Area**") have been earmarked to be surrendered to TNB, at KLKB's sole costs and by coordinating with CGDSB;
- (e) KLKB shall grant to CGDSB, and its consultants, contractors, advisors, agents, workmen, employees and representatives, access to the Land prior to the Completion Date, upon CGDSB giving to KLKB at least 3 working days written request, for site assessment, investigation, tests, sampling, measurement, survey and due diligence; and
- (f) KLKB shall at its own cost and expense withdraw (or cause to be withdrawn) or remove all encumbrances (if any) before the Completion Date.

**2. Conditions precedent**

- (a) Following surrender of the Geran No. Hakmilik 318597, Lot 33683, in Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor ("**Master Title**"), issuance by the relevant land registry of a Document of Titles, free from all encumbrances and on the following conditions, having been obtained by KLKB at their own costs and expenses (including payment of all premium, fees, levy, contribution and charges), and CGDSB's receipt from KLKB's solicitors of a certified true copy of the Document of Titles, within 2 months from the date of the SPA, which is on 31 December 2024:

|                         |  |
|-------------------------|--|
| Tenure                  | Freehold   |
| Category of land use    | Tiada  |
| Express Condition       | Tiada  |
| Restriction in Interest | Tiada  |
| Area                    | Lot 48510: measuring approximately 28.58 hectares or 70.623 acres or 3,076,323 sq ft<br><br>Lot 48511: measuring approximately 37.71 hectares or 93.183 acres or 4,059,067 sq ft |

Pursuant to the Supplemental Letter, KLKB's solicitors have requested for a further extension of 1 month from 31 December 2024 to 31 January 2025 for KLKB to obtain the Document of Titles and CGDSB has agreed to grant the extension.

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**SALIENT TERMS OF THE SPA (CONT'D)**


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- (b) KLKB having obtained the unconditional written approval of the Estate Land Board for the transfer of the Document of Titles by KLKB to CGDSB pursuant to Section 214A of the National Land Code (Act 828), or if issued with any condition(s), as acceptable by CGDSB or fulfilled by KLKB ("**ELB Approval**"), and CGDSB's receipt from KLKB's solicitors of a certified true copy of the ELB Approval, all at KLKB's own costs and expenses, within 6 months from the date of the SPA with an automatic extension period of 2 months;
- (c) KLKB having obtained the written approval of the appropriate authority to convert the zoning of the Land from "residential" to "industry" evidenced by the Majlis Perbandaran Kuala Selangor's written confirmation of the rezoning plan approval by the Selangor State Government addressed to KLKB ("**Rezoning Approval**"), and CGDSB's receipt from KLKB's solicitors of a certified true copy of the Rezoning Approval, all at KLKB's own costs and expenses, within 6 months from the date of the SPA with an automatic extension period of 2 months; and
- (d) the approval of the shareholders of AME, for the Proposed Acquisition and the Shareholders' Loan to CGDSB within 6 months from the date of the SPA with an automatic extension period of 2 months.

As at the LPD, all the conditions precedent have yet to be fulfilled.

In the event that any condition precedent is not fulfilled upon expiry of the stipulated period, KLKB and CGDSB shall discuss the way forward in respect of the development of the Land into the Project and if no agreement is reached within 30 days from CGDSB's receipt of the relevant notification of such non-fulfilment of the condition precedent, or the affected Party's receipt of the notification of the appeal rejection, either party may terminate the SPA by written notice to the other party, whereupon all monies paid by CGDSB will be returned to CGDSB, and CGDSB shall return to KLKB the original instrument of transfer (if received) and withdraw any private caveat entered by CGDSB over the Master Title or the Document of Titles.

### 3. **Payment of the Purchase Consideration by CGDSB**

- (a) Within 14 days from the date of SPA, pay 10% of the Purchase Consideration ("**Deposit**") as follows:
  - (i) three percent (3%) of the Purchase Consideration ("**RPGT Retention Sum**") to CGDSB's solicitors, to be dealt with in accordance with the SPA; and
  - (ii) seven percent (7%) of the Purchase Consideration to KLKB.
- (b) 90% of the Purchase Consideration ("**Balance Purchase Price**") to KLKB's solicitors as stakeholders within the Completion Period, with 1 month automatic extension subject to CGDSB's payment of interest on the unpaid sum at 8% per annum calculated on a daily basis ("**Late Payment Interest**").

KLKB's solicitors shall only release to KLKB the Balance Purchase Price together with any Late Payment Interest, after 7 working days from presentation of the instrument of transfer at the relevant land registry for registration, provided that (i) CGDSB's solicitors shall have first received all documents set out in the SPA as to be delivered or caused to be delivered by KLKB prior to the Completion Date, and the original Document of Titles (ii) vacant possession of the Land shall have first been received by CGDSB in accordance with the SPA, (iii) CGDSB's solicitors have not received any notice of non-acceptance or rejection or non-registration of the instrument of transfer from the relevant land registry; and (iv) there is no new encumbrance on the Land.

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**SALIENT TERMS OF THE SPA (CONT'D)**

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**4. Limited power of attorney**

Upon issuance of the Document of Titles, at CGDSB's own costs and expenses, KLKB shall execute and deliver to CGDSB, a limited power of attorney in respect of the Document of Titles, in favour of CGDSB, to enable CGDSB to inter alia execute and submit the development applications, plans, drawings and documents relating to the Project.

**5. Delivery of instrument of transfer**

Upon issuance of the Document of Titles, KLKB shall execute and deliver to CGDSB the instrument of transfer of the Document of Titles in favour of CGDSB.

**6. Release of Document of Titles**

KLKB shall, upon issuance of the Document of Titles, deposit the Document of Titles with their solicitors, who shall immediately release the original Document of Titles to CGDSB's solicitors on the same day of the Completion Date.

**7. Delivery of vacant possession**

- (a) On the Completion Date, vacant possession of the Land free from all encumbrances, Identified Structures, squatters, occupants, trespassers and encroachment, and with the Works completed, shall be deemed delivered to CGDSB.
- (b) KLKB shall, prior to the Completion Date and at its own costs, ensure that the Land is free from all encumbrances, squatters, occupants, trespassers and encroachment, and shall remove all Identified Structures and complete the Works. At least five (5) working days prior to the Completion Date (as intended by CGDSB and notified to KLKB), both parties will conduct a joint inspection to ascertain that the Works have been completed.
- (c) In the event 10 working days before the last day of the Completion Period, the Works has not been completed:
  - (i) CGDSB shall be entitled to retain the 10% Retention Sum and pay the Balance Purchase Price less the 10% Retention Sum to KLKB's solicitors as stakeholders before expiry of the Completion Period or the period of 1 month commencing from the day immediately after the last day of the Completion Period ("**Extended Completion Period**"), as the case may be, and vacant possession of the Land free from all encumbrances, squatters, occupants, trespassers and encroachment, shall be deemed delivered to CGDSB on the Completion Date;
  - (ii) KLKB shall be provided with a further 3 months from expiry of the Completion Period or the Extended Completion Period, as the case may be ("**Further 3 Months**") to, at its own costs, complete the Works. If vacant possession has been delivered to CGDSB on the Completion Date, KLKB shall give to CGDSB at least 3 working days written notice prior to the entry by KLKB and/or its consultants, contractors, workmen, employees and representatives to the Land at their own risks to complete the Works, and KLKB shall be responsible to CGDSB against any loss, damages, claims, compensation, penalties and fines solely caused by KLKB to the Land when carrying out the Works. Upon completion of the Works, KLKB shall notify CGDSB in writing, and both parties will conduct a joint inspection to ascertain the completion of the Works. After confirmation of the completion the Works, the 10% Retention Sum will be paid as follows:

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**SALIENT TERMS OF THE SPA (CONT'D)**


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- (aa) to KLKB, if the remaining Balance Purchase Price has been released by KLKB's solicitors to KLKB in accordance with the SPA; or
- (bb) to KLKB's solicitors, if the remaining Balance Purchase Price has not been released by KLKB's solicitors to KLKB in accordance with the SPA, for release to KLKB in accordance with the SPA;
- (iii) if the Works has not been completed upon expiry of the Further 3 Months, CGDSB shall be authorised by both parties to complete the Works by utilising the 10% Retention Sum, and if after completion of such removal and/or the Works, there is any remaining amount from the 10% Retention Sum, such remainder will be paid to KLKB within 14 days after the completion of the Works.

**8. CGDSB's default**

- (a) KLKB shall be entitled to terminate the SPA by written notice to CGDSB if:
  - (i) CGDSB does not pay the Purchase Consideration within the time period stipulated in the SPA; and/or
  - (ii) CGDSB commits a breach of any of its representations, warranties, covenants, undertakings or obligations which is:
    - not capable of remedy; or
    - capable of remedy but is not remedied or caused to be remedied by CGDSB within 14 days from the date of KLKB's written notice requiring the same to be remedied or such further period as may be mutually agreed by both parties in writing.
- (b) Upon CGDSB's receipt of KLKB's termination notice, a sum equivalent to the Deposit shall be immediately forfeited to KLKB as agreed liquidated damages and the RPGT Retention Sum comprised in the Deposit shall be dealt with as follows:
  - (i) if the RPGT Retention Sum has not been remitted in accordance with the SPA, CGDSB's solicitors shall release the RPGT Retention Sum together with the accrued interest to KLKB's solicitors within 14 days of CGDSB's receipt of such termination notice for KLKB's solicitors' onward release to KLKB; or
  - (ii) if the RPGT Retention Sum has been remitted in accordance with the SPA, KLKB will request for the RPGT Retention Sum refund from the Director General of Inland Revenue and be entitled to retain the amount so refunded;

Within 14 days from CGDSB's receipt of such termination notice, CGDSB shall:

- (i) return or cause to be returned to KLKB the original Document of Titles and the original instrument of transfer;
- (ii) withdraw any private caveat entered by CGDSB over the Master Title or the Document of Titles; and
- (iii) return vacant possession of the Land to KLKB as is where is;

Subject to CGDSB's compliance above, if there are still monies paid by CGDSB towards the Purchase Consideration, such monies will be refunded to CGDSB free from all interests.

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**SALIENT TERMS OF THE SPA (CONT'D)**

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**9. KLKB's default**

- (a) CGDSB shall be entitled either (I) to seek the remedy of specific performance against and at the expense of KLKB of any term of the SPA and/or all reliefs flowing therefrom, or (II) to terminate the SPA by written notice to KLKB, if:
- (i) KLKB defaults, fails, refuses, is not able to or does not complete the sale and/or transfer of the Land to CGDSB in accordance with the SPA; and/or
  - (ii) KLKB commits a breach of any of its representations, warranties, covenants, undertakings or obligations which is:
    - not capable of remedy; or
    - capable of remedy but is not remedied or caused to be remedied by KLKB within 14 days from the date of CGDSB's written notice requiring the same to be remedied or such further period as may be mutually agreed by both parties in writing.
- (b) Upon KLKB's receipt of CGDSB's termination notice:
- (i) KLKB shall within 14 days from receipt of such termination notice pay to CGDSB a sum equivalent to the Deposit as agreed liquidated damages, and refund and cause to be refunded to CGDSB all sums paid by CGDSB towards the Purchase Consideration with all interests accrued;
  - (ii) the RPGT Retention Sum shall be dealt with as follows:
    - if the RPGT Retention Sum has not been remitted in accordance with the SPA, CGDSB's solicitors shall immediately release the RPGT Retention Sum to CGDSB together with the accrued interest; or
    - if the RPGT Retention Sum has been remitted in accordance with the SPA, KLKB shall refund the RPGT Retention Sum to CGDSB within 14 days from receipt of such termination notice, free from all interests, and KLKB shall be solely responsible to recover the RPGT Retention Sum from the Director General of Inland Revenue at its own costs;
  - (iii) within 14 days from KLKB's compliance with the above and CGDSB's receipt of the RPGT Retention Sum, CGDSB shall:
    - return or cause to be returned to KLKB the original Document of Titles and the original instrument of transfer;
    - withdraw any private caveat entered by CGDSB over the Master Title or the Document of Titles; and
    - return vacant possession of the Land to KLKB as is where is.

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**SALIENT TERMS OF THE PROJECT MANAGEMENT AGREEMENT**

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The salient terms of the Project Management Agreement are set out below:

**1. Name and description of the Parties to the Project Management Agreement**

(a) **CGDSB** (Registration No. 202401036687 (1582534-T)); and

(b) **AMED** (Registration No. 200801002418 (803702-H)),

(collectively, CGDSB and the Project Manager are referred to as the "**Parties**" and each, a "**Party**" for purpose of this Appendix III).

**2. Fee for services**

Equivalent to 2% of the gross construction cost ("**Fee**"), being all costs incurred in relation to the construction works of the Project (which shall include earthworks, sub-structures, piling works, infrastructure works, super-structure, landscape, mechanical and electrical, engineering and other building works and services) subject to the final completed works approved by CGDSB (such approval shall not be unreasonably withheld or delayed), and exclusive of taxes.

**3. Payment of Fee**

Subject to the terms of the Project Management Agreement, the Fee will be billed monthly to CGDSB by enclosing the relevant payment certificate(s) of the construction over the Term (as defined below), and the Fee payable to the Project Manager will be 2% of such payment certificate(s) and shall be paid to the Project Manager within 30 days from the date of CGDSB's receipt of the monthly invoice from the Project Manager.

**4. Term of services**

Such period commencing from the date of the Project Management Agreement until the date the Project Management is terminated by either Party in accordance with the provisions thereof.

**5. Scope of services**

The Project Manager's scope of services under the Project Management Agreement includes managing the bid evaluation process, overseeing the design phase of the Project, and monitoring and managing the relevant consultants and contractors on their performance in accordance with the letter of award or other relevant appointment document as entered into by them with CGDSB.

**6. Governing law and jurisdiction**

The Project Management Agreement shall be governed by and construed in accordance with the laws of Malaysia, and the Parties irrevocably submit to the exclusive jurisdictions of the Courts of Malaysia.

## VALUATION CERTIFICATE FOR THE LAND

**Report and Valuation**

Our Ref: WTW/01/V/003103/24/LKC

11 November 2024

**PRIVATE & CONFIDENTIAL****AME INDUSTRIAL PARK SDN BHD &  
AME ELITE CONSORTIUM BERHAD**No. 2, Jalan I-Park SAC 1/1  
Taman Perindustrian I-Park SAC  
81400 Senai, Johor

Dear Sirs,

**CERTIFICATE OF VALUATION**

**TWO (2) PARCELS OF AGRICULTURAL LAND WITH INDUSTRIAL POTENTIAL  
KNOWN AS PLOT 1 & 2 SITUATED ON PART OF PARENT LOT NO. 33683  
MUKIM OF IJOK, DISTRICT OF KUALA SELANGOR, SELANGOR  
(Along Kuala Lumpur–Kuala Selangor Expressway (Latar Expressway),  
Bandar Tasik Puteri/Tuan Mee Estate, Selangor)**

We thank you for your instructions to carry out a formal valuation on the above-mentioned property in providing our opinion of the Market Value of the subject property for the purpose of submission to Bursa Malaysia Securities Berhad and for inclusion in the circular to shareholders of AME Elite Consortium Berhad ("**AME**") in relation to the proposed acquisition by Oasis Innovation Sdn Bhd ("**Oasis**"), a 60%-owned subsidiary of AME Industrial Park Sdn Bhd ("**AMEIP**"), which in turn is a wholly-owned subsidiary of AME, of part of 2 (two) parcels of freehold agricultural land with industrial potential known as Lot 48510 and Lot 48511 currently held under Geran No. Hakmilik 318597, Lot 33683 in Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor, measuring approximately 61.193 hectares (equivalent to approximately 151.211 acres or 6,586,754 square feet) ("**Land**"), from Kuala Lumpur Kepong Berhad ("**KLKB**") for a total purchase consideration of RM230,536,390 to be satisfied fully in cash ("**Proposed Acquisition**")

Having inspected the 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 **BASED ON THE BASIS AND PROVISIO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** and free from all encumbrances is **RM231,000,000/- (Ringgit Malaysia: Two Hundred And Thirty 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.

For all intents and purposes, this Certificate of Valuation should be read in conjunction with the full Report and Valuation.

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".

We have inspected the subject property on 9 October 2024 and the material date of valuation is taken as at the date of inspection.

## VALUATION CERTIFICATE FOR THE LAND (CONT'D)



CBRE WTW VALUATION &amp; ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/003103/24/LKC

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**TERMS OF REFERENCE**The valuation is carried out based on the following **BASIS**:-

- i) The subject property comprises two (2) parcels of agricultural land with industrial potential;
- ii) Based on the pre-computation plan prepared by JURUKUR JITU RUNDING bearing plan no. 2472/2018/KLK/LOT 33683/PRE-1, the subject property (Plot 1 & Plot 2) has a total net land area of approximately 61.193 hectares (approximately 151.211 acres and 6,586,754 square feet); and
- iii) The subject property is valued on its highest and best use and therefore no value is attributed to all the existing site improvement, buildings, oil palm trees and structures erected thereon.

**IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASIS IS INVALID/INCORRECT.**

**PROPERTY IDENTIFICATION**

The property : Two (2) parcels of agricultural land with industrial potential

Location : Along Kuala Lumpur-Kuala Selangor Expressway (LATAR Expressway), Bandar Tasik Puteri/Tuan Mee Estate, Selangor

Parent Title No. : GRN 318597

Parent Lot No. : Lot 33683

Titled Land Area of Parent Lot : 72.05 hectares (approximately 178.04 acres/ 7,755,390 square feet)

Land Area under valuation <sup>\*Note</sup> :

| Plot No.     | PA Plan No. | New Lot No. | Surveyed Land Area (hectares)  | (-) TNB Transmission Line Reserved Area (hectares)                | Net Land Area as per Pre-computation Plan (hectares)                  |
|--------------|-------------|-------------|--|---|---|
| Plot 1       | PA 252348   | 48510       | 28.58  | 1.842   | 26.738  |
| Plot 2       | PA 252347   | 48511       | 37.71  | 3.255   | 34.455  |
| <b>Total</b> |             |             | <b>66.29 hectares (approx. 163.806 acres/ 7,135,390 square feet)</b> | <b>5.097 hectares (approx. 12.595 acres/ 548,636 square feet)</b> | <b>61.193 hectares (approx. 151.211 acres/ 6,586,754 square feet)</b> |

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**VALUATION CERTIFICATE FOR THE LAND (CONT'D)**


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CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/003103/24/LKC

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**PROPERTY IDENTIFICATION (Cont'd)**

Mukim : Ijok

District : Kuala Selangor

State : Selangor

Tenure : Term in Perpetuity (Freehold)

Registered Owner of Parent Lot : KUALA LUMPUR KEPONG BERHAD

Category of Land Use : Tiada

Express Condition : Tiada

Encumbrances : Nil

Other Endorsement : Nil

Method of Valuation : Comparison Approach only

Date of Valuation : 9 October 2024

**Note: -**

Based on the Certified Plan Nos. PA 252347 & PA 252348, we noted that after part of the land (formerly Lot 33683) was acquired for the Bandar Tasik Puteri – LATAR Interchange, the subject property has been ascribed with a new Lot Nos. 48510 and 48511 Mukim Ijok, District of Kuala Selangor, Selangor. In our valuation, we have adopted net land area of 61.193 hectares, as per the pre-computation plan prepared by JURUKUR JITU RUNDING bearing plan no. 2472/2018/KLK/LOT 33683/PRE-1.

## VALUATION CERTIFICATE FOR THE LAND (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/003103/24/LKC

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**GENERAL DESCRIPTION**

The subject property is two (2) parcels of agricultural land with industrial potential held under parent Lot No. 33683, Mukim of Ijok, District of Kuala Selangor, Selangor. It is located along Kuala Lumpur-Kuala Selangor Expressway (LATAR Expressway), Bandar Tasik Puteri/Tuan Mee Estate, Selangor.

The parent lot is elongated in shape with a titled land area of 72.05 hectares (approximately 178.04 acres/ 7,755,390 square feet).

Based on the Certified Plan Nos. PA 252347 & PA 252348, we noted that after part of the land (formerly Lot 33683) was acquired for the Bandar Tasik Puteri – LATAR Interchange, the subject property has been ascribed with a new Lot Nos. 48510 and 48511 Mukim Ijok, District of Kuala Selangor, Selangor. In our valuation, we have adopted net land area of 61.193 hectares, as per the pre-computation plan prepared by JURUKUR JITU RUNDING bearing plan no. 2472/2018/KLK/LOT 33683/PRE-1.

A summary of the land area under valuation are as follows:

| Plot No.     | PA Plan No. | New Lot No. | Surveyed Land Area (hectares)  | (-) TNB Transmission Line Reserved Area (hectares)                | Net Land Area as per Pre-computation Plan (Hectares)                  |
|--------------|-------------|-------------|--|---|---|
| Plot 1       | PA 252348   | 48510       | 28.58  | 1.842   | 26.738  |
| Plot 2       | PA 252347   | 48511       | 37.71  | 3.255   | 34.455  |
| <b>Total</b> |             |             | <b>66.29 hectares (approx. 163.806 acres/ 7,135,390 square feet)</b> | <b>5.097 hectares (approx. 12.595 acres/ 548,636 square feet)</b> | <b>61.193 hectares (approx. 151.211 acres/ 6,586,754 square feet)</b> |

The land is generally undulating in terrain and lies higher than the existing frontage metalled road, Kuala Lumpur-Kuala Selangor Expressway (LATAR Expressway).

At the time of our inspection, we noted that generally the boundaries of the subject property were not demarcated with any forms of fencing and we observed that the subject property was planted with oil palm cultivation.

**We were unable to ascertain the exact site boundaries of the subject property. It is assumed that the land area and site dimensions of the subject property correspond with the pre-computation plan reference no. 2472/2018/KLK/LOT 33683/PRE-1.**

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**VALUATION CERTIFICATE FOR THE LAND (CONT'D)**

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CBRE WTW VALUATION &amp; ADVISORY SDN BHD (197401001098)

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**PLANNING PROVISION**

The subject property is designated for "Tiada" as per the Express Condition in the document of parent title.

Based on Rancangan Tempatan Majlis Daerah Kuala Selangor (Penggubahan 1) 2025 gazetted on 14 February 2019 and the local plan issued by Majlis Daerah Kuala Selangor, the subject property is zoned for residential use.

Subsequently, based on final draft of Rancangan Tempatan Majlis Perbandaran Kuala Selangor 2035 (Penggantian), we noted that the subject property is zoned for industrial use.

An application has been submitted to Majlis Daerah Kuala Selangor (MDKS) for the proposed change of zoning of the subject property from residential to industrial development, vide a letter bearing reference no. KLK/PLN/MPKS/086-23 dated 7 June 2023 by KLK Land Sdn Bhd.

In addition, we noted that under clause 3.1.2(b) of the Sale and Purchase Agreement dated 30 October 2024 between KUALA LUMPUR KEPONG BERHAD (the Vendor) and OASIS INNOVATION SDN BHD (the Purchaser), the vendor shall convert the zoning of the subject property from "residential" to "industry". This conversion must be evidenced by the Majlis Perbandaran Kuala Selangor's written confirmation of the rezoning plan approval by the Selangor State Government addressed to the Vendor ("Rezoning Approval"), and the Purchaser's receipt from the Vendor's Solicitors of a certified true copy of the Rezoning Approval, all at the Vendor's own costs and expenses.

Therefore in our valuation, we have assumed the zoning under industry use and all fees and development charges have been fully paid by the Vendor.

**METHOD OF VALUATION**

The subject property is valued using the Comparison Approach. The Comparison Approach entails analysing recent transactions and asking prices of similar properties in the locality are analysed for comparison purposes with adjustments made for differences in location, surrounding, accessibility/road frontage, terrain, category of land use, size, tenure and other relevant characteristics to arrive at the market value.

We have adopted Comparison Approach as the only method of valuation as the subject property has yet to obtain development order / planning approval and there are adequate sales comparables located within the locality for us to rely upon. Hence, we have not considered the Residual Method / Discounted Cash Flow Method in this valuation.

## VALUATION CERTIFICATE FOR THE LAND (CONT'D)



**CBRE WTW VALUATION & ADVISORY SDN BHD** (197401001098)

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### VALUE CONSIDERATION

We have analysed the transactions of agricultural land with development potential within a larger locality are as follows:

| Details                 | Comparable 1   | Comparable 2   | Comparable 3  |
|-------------------------|--|--|---|
| Source                  | Bursa Securities Announcement dated 22 April 2022 & Valuation and Property Services Department (JPPH)                                  | Valuation and Property Services Department (JPPH)                            | Bursa Securities Announcement dated 27 January 2021 & Valuation and Property Services Department (JPPH) |
| Title No.               | H.S.(D) 5732   | HS(D) 164344   | Geran Mukim 3734, 4035, 4036, 3418, 23462   |
| Lot No.                 | PT 10568   | PT 83892   | Lot Nos. 648, 650, 651, 652 & 1301  |
| Mukim                   | Ijok   | Kapar  | Serendah  |
| District                | Kuala Selangor   | Klang  | Hulu Selangor or Ulu Selangor   |
| State                   | Selangor   |  |   |
| Type                    | Vacant agricultural land zoned for industrial  | Vacant agricultural land zoned for industrial                                | Vacant agricultural land zoned for residential  |
| Locality                | Off Persiaran Alam Perdana, Bandar Puncak Alam, Selangor   | Along Jalan Mahligai 2C, Bandar Bukit Raja, Selangor                         | Sandwiched between Rawang Bypass & Jalan Ipoh – Kuala Lumpur, Rawang, Selangor                          |
| Land Area               | 246,090.00 square metres (Approximately 2,648,888 square feet / 60.81 acres)   | 361,300.00 square metres (Approximately 3,888,997 square feet / 89.28 acres) | 215,544.53 square metres (Approximately 2,320,100 square feet / 53.26 acres)                            |
| Tenure                  | Leasehold 99 years expiring on 13 January 2101 (unexpired term of approximately 79 years)  | Term in perpetuity (Freehold)  |   |
| Date                    | 22/04/2022   | 16/03/2021   | 27/01/2021  |
| Vendor                  | SUPERJET REVENUE SDN BHD   | CEBUR MEGAH DEVELOPMENT SDN BHD  | FRAZEL ICON SDN BHD & FRAZEL WORLD SDN BHD  |
| Purchaser               | SUNSURIA RESIDENCE SDN BHD (wholly owned subsidiary of SUNSURIA BERHAD)  | SERI YAKIN LOGISTICS SDN BHD   | STELLAR TRINITY SDN BHD (wholly owned by CHIN HIN GROUP PROPERTY BERHAD)                                |
| Consideration           | RM74,168,740.80/-  | RM147,785,054.00/-   | RM54,522,345.02/-   |
| Analysis (RM psf)       | RM28.00psf   | RM38.00psf   | RM23.50psf  |
| Adjustments             | Adjustments had been made on the time factor, location-general, accessibility/visibility, tenure, terrain, zoning and quantum discount |  |   |
| Adjusted Value (RM psf) | RM36.12psf   | RM37.62psf   | RM36.19psf  |

Note: "psf" denotes per square foot

Vide a Sale and Purchase Agreement dated 30 October 2024, the subject property was transacted at a total consideration of RM230,536,390/-.

## VALUATION CERTIFICATE FOR THE LAND (CONT'D)

CBRE | WTW

CBRE WTW VALUATION &amp; ADVISORY SDN BHD (197401001098)

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**VALUE CONSIDERATION** (Cont'd)

From the above analysis, the adjusted values range from RM36.12 per square foot to RM37.62 per square foot.

Having regard to the foregoing, we have adopted Comparable 1 as the best comparable taking into consideration the similarity in terms of zoning, locality and being the latest transaction.

We have adopted Lot No. 48510 (Plot 1) as a base and adopted a rounded land value of RM35.00 per square foot for the land. No further adjustment has been made to Lot No. 48511 (Plot 2) since it is similar in terms of accessibility/visibility, land area, land use and terrain.

In arriving to our market value, we have adopted the net land area based as per the pre-computation plan prepared by JURUKUR JITU RUNDING bearing plan no. 2472/2018/KLK/LOT 33683/PRE-1.

| Plot No.           | Lot No. | Net Land Area<br>(hectares) | Net Land Area<br>(square feet) | Land Value<br>(RM per square<br>foot) | Market Value           |
|--------------------|---------|-----------------------------|--------------------------------|---------------------------------------|------------------------|
| Plot 1             | 48510   | 26.738                      | 2,878,052                      | RM35.00 psf                           | RM100,731,820/-        |
| Plot 2             | 48511   | 34.455                      | 3,708,702                      | RM35.00 psf                           | RM129,804,570/-        |
| Total Market Value |         |                             |                                |                                       | RM230,536,390/-        |
| <b>Say</b>         |         |                             |                                |                                       | <b>RM231,000,000/-</b> |

The total market value derived from Comparison Approach is at RM230,536,390/-, say RM231,000,000/-.

**VALUATION**

Taking into consideration the above factors, we therefore assess market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER TERM OF REFERENCE HEREIN** and free from all encumbrances at **RM231,000,000/- (Ringgit Malaysia: Two Hundred And Thirty One Million Only)**.

Yours faithfully

for and on behalf of

**CBRE WTW Valuation & Advisory Sdn Bhd***(formerly known as C H Williams Talhar & Wong Sdn Bhd)*

**Sr UNGKU MOHD ISKANDAR UNGKU ISMAIL**

B.Sc (Hons) Property Management

MRICS, MRISM, MPEPS, MMIPFM

Registered Valuer (V-855)

**DETAILS OF AME GROUP'S COMPLETED AND ON-GOING INDUSTRIAL DEVELOPMENT PROJECTS**

The details of AME Group's completed and on-going industrial development projects are set out below:

| No.               | Name of Project                            | Description and location  | Size of land | Total GDV/<br>Total estimated<br>GDV | Commencement date               | Completion date                 | Percentage of completion as at the LPD <sup>(a)</sup> |
|-------------------|--|---|--------------|--------------------------------------|---------------------------------|---------------------------------|---|
|                   |  |   | Acres        |                                      |                                 |                                 |   |
| <b>Completed:</b> |  |   |              |                                      |                                 |                                 |   |
| 1.                | i-Park @ SILC                              | Industrial park development project located within Iskandar Puteri, Johor, comprising 18 units of 1½ storey semi-detached factories and one unit of 1½ storey detached factory. | 12.3         | 80                                   | 4 <sup>th</sup> quarter of 2011 | 4 <sup>th</sup> quarter of 2013 | 100%  |
| 2.                | District 6                                 | Industrial development project located within Iskandar Puteri, Johor, comprising 6 units of single-storey detached factories with three-storey offices.                         | 7.6          | 86                                   | 2 <sup>nd</sup> quarter of 2014 | 3 <sup>rd</sup> quarter of 2015 | 100%  |
| 3.                | i-Park @ Indahpura (Phase 1 & 2)           | Industrial park development project located in Bandar Indahpura, Kulai, Johor, comprising 64 saleable units under Phase 1 & 2.  | 104.8        | 600                                  | 4 <sup>th</sup> quarter of 2011 | 4 <sup>th</sup> quarter of 2016 | 100%  |
| 4.                | SME City                                   | Industrial park development project located adjacent to i-Park @ Indahpura and situated in Bandar Indahpura, Kulai, Johor, comprising 86 saleable units.                        | 40.0         | 192                                  | 1 <sup>st</sup> quarter of 2013 | 2 <sup>nd</sup> quarter of 2015 | 100%  |
| 5.                | i-Park @ Indahpura (Plot 108)              | Industrial park development project located within i-Park @ Indahpura, comprising 2 saleable units.   | 15.0         | 120                                  | 2 <sup>nd</sup> quarter of 2020 | 4 <sup>th</sup> quarter of 2021 | 100%  |
| 6.                | i-Park @ Senai Airport City (Phase 3 Plus) | Industrial park development project located in Senai Airport City, Senai, Johor, comprising 10 saleable units under Phase 3 Plus.   | 2.8          | 29                                   | 1 <sup>st</sup> quarter of 2021 | 1 <sup>st</sup> quarter of 2024 | 100%  |
| 7.                | The Jacaranda                              | Commercial development adjacent to i-Park @ Senai Airport City, comprising 48 retail shops.   | 13.9         | 68                                   | 1 <sup>st</sup> quarter of 2019 | 1 <sup>st</sup> quarter of 2021 | 100%  |

**DETAILS OF AME GROUP'S COMPLETED AND ON-GOING INDUSTRIAL DEVELOPMENT PROJECTS (CONT'D)**

| No.                     | Name of Project                                     | Description and location  | Size of land<br>Acres | Total estimated<br>GDV<br>RM'million | Commencement<br>date            | Completion<br>date  | Percentage of<br>completion as<br>at the LPD <sup>(a)</sup> |
|-------------------------|---|---|-----------------------|--------------------------------------|---------------------------------|---|---|
| <b><u>On-going:</u></b> |   |   |                       |                                      |                                 |   |   |
| 8.                      | i-Park @ Indahpura<br>(Phase 3)                     | Industrial park development project located in Bandar Indahpura, within Iskandar Puteri, Johor, comprising 35 saleable units under Phase 3.   | 85.4                  | 456                                  | 1 <sup>st</sup> quarter of 2013 | Expected to be completed in 4 <sup>th</sup> quarter of 2025 | 97%   |
| 9.                      | i-Park @ Senai Airport<br>City (Phase 1 & 2)        | Industrial park development project located in Senai Airport City, Senai, Johor, comprising 51 saleable units under Phase 1 & 2.  | 98.1                  | 717                                  | 1 <sup>st</sup> quarter of 2017 | Expected to be completed in 2 <sup>th</sup> quarter of 2025 | 98%   |
| 10.                     | i-Park @ Senai Airport<br>City (Phase 3)            | Industrial park development project located in Senai Airport City, Senai, Johor, comprising 36 saleable units under Phase 3.  | 76.6                  | 555                                  | 1 <sup>st</sup> quarter of 2020 | Expected to be completed in 4 <sup>th</sup> quarter of 2025 | 92%   |
| 11.                     | i-TechValley at SILC                                | Industrial park development project located within Iskandar Puteri, Johor, comprising 72 saleable units.  | 169.8                 | 1,464                                | 4 <sup>th</sup> quarter of 2022 | Expected to be completed in year 2028                       | 18%   |
| 12.                     | Northern TechValley at<br>BKE                       | Industrial park development project located Seberang Perai Tengah, Penang, planned to comprise 46 saleable industrial units, 2 commercial units, affordable homes and a workers' dormitory. | 175.6                 | 1,300                                | 4 <sup>th</sup> quarter of 2024 | Expected to be completed in year 2030                       | -   |
| 13.                     | 37.5-acre lands within<br>Taman Teknologi,<br>Johor | Industrial development project located within Taman Teknologi, Johor.   | 37.5                  | 400                                  | 3 <sup>rd</sup> quarter of 2024 | Expected to be completed in year 2029                       | -   |

**Note:**

(a) Computed based on the total number of certificate of completion and compliance obtained for the plots.

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**ADDITIONAL INFORMATION**

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**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 having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements contained in this Circular or other facts, the omission of which would make any statement in this Circular false or misleading.

All information relating to KLKB and KLKL in this Circular have been obtained from publicly available sources and/or provided by the management of KLKB and KLKL. The responsibility of the Board with respect to such information is limited to ensuring that such information has been accurately reproduced in this Circular.

**2. CONSENT AND CONFLICT OF INTEREST****2.1 Principal Adviser**

RHB Investment Bank, being the Principal Adviser to AME for the Proposals, 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.

RHB Investment Bank, 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, among 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.

EPF is the substantial shareholder of RHB Bank and the Company. However, EPF is not involved in the day-to-day operations of RHB Banking Group and the Company.

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 its 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 businesses 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, among others, segregation between dealing and advisory activities and Chinese Wall between different business divisions.

As at the LPD, RHB Banking Group has extended credit facilities amounting to approximately RM257.00 million ("**Credit Facilities**") (with an amount of approximately RM156.63 million outstanding) to the Group. The Credit Facilities represent approximately 0.83% of the audited consolidated NA of RHB Bank of approximately RM30.87 billion as at 31 December 2023.

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**ADDITIONAL INFORMATION (CONT'D)**


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In addition, as at the LPD, RHB Investment Bank is the Principal Adviser, Lead Arranger, Lead Manager and Facility Agent in relation to the IMTN Programme of up to RM1,500.00 million in nominal value and the ICP Programme of up to RM300.00 million in nominal value. The Sukuk Wakalah Programmes represents approximately 1,030.28% of the total borrowings of the AME Group as at 31 March 2024. As at the LPD, RHB Islamic Bank Berhad holds RM1.00 million in nominal value of the IMTN Programme and RM9.00 million in nominal value of the ICP Programme. The above transaction is in the ordinary course of RHB Investment Bank's investment banking and related financial services.

Notwithstanding the above, RHB Investment Bank is of the view that the abovementioned does not give rise to a conflict of interest situation in its capacity as the Principal Adviser to AME for the Proposals due to the following reasons:

- (a) RHB Investment Bank is a licensed investment bank and its appointment as the Principal Adviser to AME for the Proposals is in the ordinary course of its business and RHB Investment Bank 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 Proposals;
- (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 RM30.87 billion as at 31 December 2023;
- (c) the Corporate Finance division of RHB Investment Bank is required under its investment banking license to comply with strict policies and guidelines issued by the SC, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, among 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, RHB Investment Bank is not aware of any other conflict of interest that exists or is likely to exist in relation to its capacity as the Principal Adviser to AME for the Proposals.

## **2.2 Valuer**

CBRE, being the Valuer for the Land, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, the Valuation Certificate as set out in Appendix IV of this Circular and all references thereto in the form and context in which they appear in this Circular.

CBRE confirms that it is not aware of any conflict of interest that exist or is likely to exist in relation to its role as the Valuer for the Land.

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**ADDITIONAL INFORMATION (CONT'D)**


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**3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES****3.1 Material commitments**

As at the LPD, save as disclosed below, there is no other material commitment incurred or known to be incurred by the Group, which upon becoming enforceable, may have a material and adverse impact on the financial results/position of the Group:

**As at the latest unaudited  
financial statements for the  
6-month FPE 30 September 2024  
RM'000**

Contracted but not provided for:

|  |        |
|--|--------|
| Property, plant and equipment (2 new blocks of workers' dormitories in i-TechValley at SILC) | 26,738 |
|--|--------|

|              |               |
|--------------|---------------|
| <b>Total</b> | <b>26,738</b> |
|--------------|---------------|

**3.2 Contingent liabilities**

As at the LPD, save as disclosed in Section 4 of this Appendix VI, there is no other contingent liabilities incurred or known to be incurred by the Group, which upon becoming enforceable, may have a material and adverse impact on the financial results/position of the Group.

**4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

Save as disclosed below, as at the LPD, the Group is not involved in any other material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and does not have any knowledge of any proceedings pending or threatened against the Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of the Group:

- (i) on 5 July 2021, the Company had announced, that AMED had been served with a Notice of Additional Assessment dated 30 June 2021 by the Inland Revenue Board of Malaysia ("**IRB**"), for additional income tax and penalty in the amount of approximately RM7.20 million for the year of assessment 2018 ("**Notice of Additional Assessment**"). The issue in dispute is whether the Director General Inland Revenue ("**DGIR**") is entitled to withdraw stock pursuant to Section 24(2) of the Income Tax Act, 1967 in relation to the 5 plots of lands.

After consulting its tax agent and tax solicitors, the Company is of the view that there are reasonable grounds to challenge the findings by IRB. On 14 July 2021, AMED filed an application for judicial review to the High Court of Malaya at Kuala Lumpur against the Notice of Additional Assessment by IRB, via its solicitors, Messrs Rosli Dahlan Saravana Partnership ("**RDS**"). A formal stay application was also filed before the High Court and the hearing has been fixed on 28 May 2025. An interim stay of the Notice of Additional Assessment has been granted until the disposal of the formal stay application.

There will not be any imminent financial effects on our Company pending the outcome of the appeal. RDS is of the view that AMED has an arguable case to contend that there is no legal and factual basis for the Minister of Finance to refuse to exercise its statutory powers under Section 135 and/or Section 127(3A) of the Income Tax Act, 1967 in light of DGIR's error in contending that the 5 plots of land were stock in trade.

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**ADDITIONAL INFORMATION (CONT'D)**

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**5. MATERIAL CONTRACTS**

Save as disclosed below, the Group has not entered into any other material contracts (not being contracts entered into in the ordinary course of business) within the past 2 years immediately preceding the date of this Circular:

- (a) the Shareholders' Agreement;
- (b) the SPA;
- (c) the Project Management Agreement;
- (d) the Disposal SPAs;
- (e) the supplemental sale and purchase agreement dated 16 October 2024 entered into between Pentagon Land and the Trustee (acting on behalf of AME REIT) in respect of the variation of the i-TechValley 34 SPA in relation to the request of the lessee of i-TechValley 34 for a 1-month rent free period from the lease commencement date, and thereby varying certain terms relating to the revision of lease term from fixed 5 years to fixed 5 years and 1 month under the lease of i-TechValley 34 which is to be novated to the Trustee (acting on behalf of AME REIT) upon the completion of the i-TechValley 34 SPA;
- (f) the Digital Hyperspace SPAs; and
- (g) the sale and purchase agreement dated 31 May 2024 entered into between Golden Symphony Sdn Bhd, a wholly-owned subsidiary of the Company and Dahlia Utama Sdn Bhd for the acquisition of 3 parcels of freehold lands in Mukim of Kulai, District of Kulai, State of Johor, measuring approximately 37.50 acres in total land area for a total cash consideration of approximately RM106.17 million ("**Dahlia Utama SPA**"). As at the LPD, the Dahlia Utama SPA has been completed in accordance with its terms on 5 July 2024.

**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, 80888 IIBD, 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 for past 2 financial years, i.e. FYE 31 March 2023 and FYE 31 March 2024 and the latest unaudited financial statements of AME for the 6-month FPE 30 September 2024;
- (iii) Valuation Report and the Valuation Certificate issued by the Valuer;
- (iv) the relevant cause papers in respect of the material litigation referred to in Section 4 of this Appendix VI;
- (v) the material contracts referred to in Section 5 of this Appendix VI; and
- (vi) letter of consent and declaration of conflict of interest referred to in Section 2 of this Appendix VI.



**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 conducted on a fully virtual basis via live streaming and online remote voting using Remote Participation and Electronic Voting ("**RPEV**") facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Friday, 14 February 2025 at 10.00 a.m. or at any adjournment thereof (as the case may be), whichever is later, for the purpose of considering and, if thought fit, passing the following ordinary resolutions with or without modifications:

### **ORDINARY RESOLUTION 1**

**PROPOSED JOINT VENTURE BETWEEN CENTRAL GATEWAY DEVELOPMENT SDN BHD (FORMERLY KNOWN AS OASIS INNOVATION SDN BHD) ("CGDSB"), A 60%-OWNED SUBSIDIARY OF AME INDUSTRIAL PARK SDN BHD ("AMEIP"), WHICH IN TURN IS A WHOLLY-OWNED SUBSIDIARY OF AME, TOGETHER WITH AMEIP AND KLK LAND SDN BHD ("KLKL"), A WHOLLY-OWNED SUBSIDIARY OF KUALA LUMPUR KEPONG BERHAD ("KLKB") TO JOINTLY ACQUIRE AND DEVELOP PART OF 2 PARCELS OF FREEHOLD AGRICULTURAL LAND WITH INDUSTRIAL POTENTIAL KNOWN AS LOT 48510 AND LOT 48511 CURRENTLY HELD UNDER GERAN NO. HAKMILIK 318597, LOT 33683 IN MUKIM IJOK, DAERAH KUALA SELANGOR, NEGERI SELANGOR, MEASURING APPROXIMATELY 61.193 HECTARES (EQUIVALENT TO APPROXIMATELY 151.211 ACRES OR 6,586,754 SQUARE FEET) ("LAND") ("PROPOSED JOINT VENTURE")**

**"THAT** subject to the passing of Ordinary Resolution 2 in respect of the Proposed Acquisition (as defined herein) and Ordinary Resolution 3 in respect of the Proposed Provision of Financial Assistance (as defined herein), and conditional upon the approvals and consents of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Company to undertake the Proposed Joint Venture in accordance with the terms and conditions of the shareholders' agreement dated 30 October 2024 ("**Shareholders' Agreement**") entered into between CGDSB, AMEIP and KLKL in respect of the Proposed Joint Venture (as amended and varied by a supplemental agreement dated 23 January 2025 entered into between CGDSB, AMEIP and KLKL);

**AND THAT** the Board of Directors of AME ("**Board**") be and is hereby empowered and authorised to take all such steps, to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents, agreements, arrangements, undertakings, declarations and/or guarantees to or with any party or parties (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 and give effect to the Proposed Joint Venture 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 BY CGDSB OF THE LAND FROM KLKB FOR A TOTAL PURCHASE CONSIDERATION OF RM230,536,390 TO BE SATISFIED FULLY IN CASH ("PROPOSED ACQUISITION")**

"**THAT**, subject to the passing of Ordinary Resolution 1 in respect of the Proposed Joint Venture and the Ordinary Resolution 3 in respect of the Proposed Provision of Financial Assistance (as defined herein) and the approvals from all relevant authorities and/or parties being obtained in respect of the Proposed Acquisition and the conditions precedent in the conditional sale and purchase agreement dated 30 October 2024 entered into between CGDSB and KLKB in respect of the Proposed Acquisition (as amended and varied by a supplemental letter dated 26 December 2024 entered into between KLKB and CGDSB) ("**SPA**") are being fulfilled and/or waived (as the case may be), approval be and is hereby given for the Company and CGDSB to acquire the Land from KLKB at the purchase consideration of RM230,536,390, to be satisfied fully in cash.

**AND THAT** the Board be and is hereby empowered and authorised to 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 agreements (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary to give effect and complete the Proposed Acquisition 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 and/or parties and/or as the Board may deem necessary or expedient in the best interest of the Company."

## **ORDINARY RESOLUTION 3**

### **PROPOSED PROVISION OF FINANCIAL ASSISTANCE BY AME AND ITS SUBSIDIARIES ("AME GROUP"), THROUGH AMEIP TO CGDSB ("PROPOSED PROVISION OF FINANCIAL ASSISTANCE")**

"**THAT**, subject to the passing of Ordinary Resolution 1 in respect of the Proposed Joint Venture and the Ordinary Resolution 2 in respect of the Proposed Acquisition and conditional upon the approvals and consents of all relevant authorities and/or parties being obtained, approval be and is hereby given to AME Group to provide financial assistance to CGDSB, through AMEIP in the form of shareholders' loan in the agreed proportions as stipulated in the Shareholders' Agreement to fund the Proposed Acquisition and future development cost over the duration of the development of the Land into a proposed industrial development together with any other ancillary facilities and buildings and may include workers' dormitory development and/or commercial development or component.

**AND THAT** the Board be and is hereby empowered and authorised to take all such steps, to 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 agreements (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary to give effect to the Proposed Provision of Financial Assistance 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 and/or parties and/or as the Board may deem necessary or expedient in the best interest of the Company."

## **BY ORDER OF THE BOARD**

**SANTHI A/P SAMINATHAN (MAICSA NO. 7069709) (SSM PC NO. 201908002933)**

**TAI YIT CHAN (MAICSA NO. 7009143) (SSM PC NO. 202008001023)**

Company Secretaries

Johor Bahru

24 January 2025

## Notes:

1. The EGM will be conducted on a fully virtual basis where shareholders are only allowed to attend, participate, speak (in the form of real-time submission of typed texts) and vote remotely through live streaming and online remote voting using RPEV facilities via online meeting platform available at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657). Please follow the procedures provided in the Administrative Guide for the EGM in order to register, attend, participate, speak (in the form of real-time submission of typed texts) and vote remotely via RPEV facilities.
2. Every shareholder including authorised nominees as defined under the Securities Industry (Central Depositories) Act, 1991 ("**SICDA**"), and exempt authorised nominees which hold ordinary shares in AME ("**AME Shares**") for multiple owners in one securities account ("**omnibus account**"), is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak (in the form of real-time submission of typed texts) and vote instead of him/her at the EGM, and that such proxy need not be a shareholder.
3. Where a shareholder appoints more than 1 proxy (subject always to a maximum of 2 proxies at each meeting), the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
4. Where a shareholder is an exempt authorised nominee as defined under the SICDA which holds AME Shares for multiple beneficial owners in an 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. Where a shareholder is an authorised nominee as defined under SICDA, it may appoint 1 proxy in respect of each securities account which holds AME Shares standing to the credit of the said securities account.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its officer or attorney.
6. The instrument appointing a proxy must be deposited with the Share Registrar of AME situated at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or deposit the Form(s) of Proxy by electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than 48 hours before the time set for holding the EGM. Last day, date and time for lodging the Form of Proxy is Wednesday, 12 February 2025 at 10.00 a.m.
7. If you have submitted your Form of Proxy and subsequently decide to appoint another person or wish to attend, participate, speak (in the form of real-time submission of typed texts) and vote in the EGM by yourself, please write to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) to revoke the earlier appointed proxy(ies) at least 48 hours before the time set for holding the EGM.
8. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), the resolutions set out in the Notice of EGM will be put to vote on a poll.
9. Only a depositor whose name appears in the Record of Depositors as at 6 February 2025 shall be entitled to attend, participate, speak (in the form of real-time submission of typed texts) and vote at this EGM or appoints a proxy or proxies to attend, participate, speak (in the form of real-time submission of typed texts) and vote on his/her behalf.
10. Kindly check Bursa Securities' website and the website of AME at <https://www.ame-elite.com> for the latest updates on the status of the EGM.

## **PERSONAL DATA PRIVACY**

*By registering for the RPEV meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the shareholder has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The shareholder agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the shareholder's breach of warranty.*



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

**FORM OF PROXY**

|                           |  |
|---------------------------|--|
| <b>No. of shares held</b> |  |
| <b>CDS account no.</b>    |  |

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

of \_\_\_\_\_  
(FULL ADDRESS)

and telephone no./email address \_\_\_\_\_

being \*a shareholder(s) of **AME ELITE CONSORTIUM BERHAD ("AME")**, hereby appoint:

| Full Name and Address (in Block Letters)<br>(First Proxy) |              | NRIC/<br>Passport No. | No. of Shares | % of<br>shareholding |
|---|--------------|-----------------------|---------------|----------------------|
|   |              |                       |               |                      |
| Email:  | Contact No.: |                       |               |                      |

\*and/or

| Full Name and Address (in Block Letters)<br>(Second Proxy) |              | NRIC/<br>Passport No. | No. of Shares | % of<br>shareholding |
|--|--------------|-----------------------|---------------|----------------------|
|  |              |                       |               |                      |
| Email:   | Contact No.: |                       |               |                      |

or failing \*him/her the Chairperson of the Meeting as \*my/our \*proxy/proxies to attend, participate, speak (in the form of real-time submission of typed texts) and vote for \*me/us on \*my/our behalf at the Extraordinary General Meeting of AME ("**EGM**") which will be conducted on a fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("**RPEV**") facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Friday, 14 February 2025 at 10.00 a.m. or at any adjournment thereof (as the case may be).

\*My/our proxy(ies) \*is/are to vote as indicated by an "X" in the appropriate spaces below:

| <b>Ordinary Resolutions</b> |  | <b>First Proxy</b> |                | <b>Second Proxy</b> |                |
|-----------------------------|--|--------------------|----------------|---------------------|----------------|
|                             |  | <b>For</b>         | <b>Against</b> | <b>For</b>          | <b>Against</b> |
| 1                           | Proposed Joint Venture                     |                    |                |                     |                |
| 2                           | Proposed Acquisition                       |                    |                |                     |                |
| 3                           | Proposed Provision of Financial Assistance |                    |                |                     |                |

Subject to the above stated voting instructions, the proxy(ies) may vote on the resolutions or abstain from voting as the proxy(ies) thinks fit.

*\*Strike out whichever is not desired.*

\_\_\_\_\_  
Signature of shareholder(s)/Common Seal  
Date:



## Notes:

1. The EGM will be conducted on a fully virtual basis where shareholders are only allowed to attend, participate, speak (in the form of real-time submission of typed texts) and vote remotely through live streaming and online remote voting using RPEV facilities via online meeting platform available at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657). Please follow the procedures provided in the Administrative Guide for the EGM in order to register, attend, participate, speak (in the form of real-time submission of typed texts) and vote remotely via RPEV facilities.
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*Then fold here*

AFFIX  
STAMP

The Share Registrar  
**AME ELITE CONSORTIUM BERHAD**  
(Registration No. 201801030789 (1292815-W))  
c/o Boardroom Share Registrars Sdn Bhd  
11th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

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