THIS CIRCULAR TO SHAREHOLDERS OF TWL HOLDINGS BERHAD ("TWL" OR THE "COMPANY") 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 advisers immediately.

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Registration No. 199401039944 (325631-V) (Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO:-

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO RM111,279,632 NOMINAL VALUE OF 5,563,981,607 5-YEAR 5% REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS IN THE COMPANY ("RCULS") AT 100% OF ITS NOMINAL VALUE OF RM0.02 EACH TOGETHER WITH UP TO 1,112,796,321 FREE DETACHABLE WARRANTS IN THE COMPANY ("WARRANTS E") ON THE BASIS OF 10 RCULS TOGETHER WITH 2 FREE WARRANTS E FOR EVERY 10 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("PROPOSED RIGHTS ISSUE")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



Kenanga Investment Bank Berhad Registration No.: 197301002193 (15678-H)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting of the Company ("**EGM**") will be conducted on a fully virtual basis via ShareWorks Sdn. Bhd. Online Meeting Platform hosted virtually at www.swsb.com.my.

If you decide to appoint a proxy or proxies for the EGM, you must complete, sign and return the Form of Proxy and deposit it at the registered office of the Company at T3-13A-20, Level 13A, Menara 3, 3 Towers, No. 296, Jalan Ampang, 50450 Kuala Lumpur on or before the date and time indicated below or at any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

Last date and time for lodging the Proxy Form : Wednesday, 8 March 2023 at 11.00 a.m. Date and time of the EGM : Friday, 10 March 2023 at 11.00 a.m.

DEFINITIONS

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

Acquiror Companies - Collectively, Tinta Kaca, Tinta Heights and Alma Land

Acquisitions - Collectively, the EN10 Acquisition, EN11 Acquisition and HT4

Acquisition

Act - Companies Act, 2016 of Malaysia, as amended from time to time and

any re-enactment thereof

Adjustment - Adjustment to the exercise price of the Warrants D as a result of the

Proposed Rights Issue in accordance with the provisions of the Deed

Poll D

Alma Land - Alma Land Development Sdn Bhd, a 70%-owned subsidiary of TWL

Commodity

Base Case Scenario - Assuming:-

(i) none of the outstanding Warrants D which may be exercisable

into new Shares as at the LPD are exercised into new Shares;

and

(ii) none of the Qaisar Acquisition Consideration Shares are issued

to the Qaisar Acquisition Vendors,

prior to the Entitlement Date and all the Entitled Shareholders and/or their renouncee(s) fully subscribe for their respective entitlements under

the Proposed Rights Issue

Bermont Development - Bermont Development Sdn Bhd, one of the Undertaking Shareholders

BNM - Bank Negara Malaysia

Board - Board of Directors of the Company

Bursa Depository - Bursa Malaysia Depository Sdn Bhd

Bursa Securities - Bursa Malaysia Securities Berhad

By-Laws - By-laws governing the ESOS

CDS - Central Depository System, the system established and operated by

Bursa Depository for the central handling of securities deposited with

Bursa Depository

CDS Account - Securities account established by Bursa Depository for a depositor

pursuant to the Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Depository for the recording of deposits of securities

and dealings in such securities by the depositor

Circular - This circular to Shareholders in relation to the Proposed Rights Issue

CMSA - Capital Markets and Services Act, 2007, as amended from time to time

and any re-enactment thereof

Code - Malaysian Code on Take-Overs and Mergers, 2016, as amended from

time to time and any re-enactment thereof

DEFINITIONS (CONT'D)	
Conversion Period	 Any Market Day after the issue date of the RCULS and up to 5 years from the issue date of the RCULS
Conversion Price	- the amount to be satisfied in order for an RCULS holder to convert his/her/its RCULS into 1 new Share
Conversion Ratio	- Number of RCULS to be surrendered by an RCULS holder to convert his/her/its RCULS into new Shares
Convertible Securities	- Collectively, the Warrants D and ESOS Options

COVID-19 - Coronavirus disease 2019

Deed Poll D - Deed poll constituting the Warrants D dated 11 August 2021

Deed Poll E Deed poll constituting the Warrants E and governing the rights of Warrant E holders to be executed by the Company

Directors Directors of the Company

EGM Extraordinary general meeting of the Company to be convened for the

Proposed Rights Issue

EN10 Acquisition Acquisition by Tinta Kaca of the EN10 Land from SDP Bukit Raja for the

EN10 Purchase Consideration

EN10 Land A parcel of freehold land measuring approximately 22,234 sqm held

under Geran 318160, Lot 77716, Mukim Damansara, Daerah Petaling,

Negeri Selangor Darul Ehsan

EN10 Novation Novation cum supplemental sale and purchase agreement dated 4 Agreement August 2022 between Tinta Kaca, INTA and SDP Bukit Raja for the

EN10 Acquisition

EN10 Project Development of 715 units of affordable housing under the Rumah

Selangorku scheme to be undertaken on the EN10 Land (as approved by LPHS vide its letters dated 13 February 2017, 29 March 2022, 21

April 2022, 26 May 2022, 20 June 2022 and 19 August 2022)

EN10 Purchase - Cash consideration of RM10.00 million for the EN10 Acquisition Consideration

- Acquisition by Tinta Heights of the EN11 Land from SDP Bukit Raja for **EN11 Acquisition**

the EN11 Purchase Consideration

EN11 Land 16 parcels of lands collectively measuring approximately 17,915 sqm

held under GRN 335734, Lot No. 92871 (previously H.S.(D) 318432, PT 35900) and H.S.(D) 318433 to H.S.(D) 318447, PT 35901 to PT 35915,

all in Mukim Damansara, Daerah Petaling, Negeri Selangor

EN11 Land Proprietor Sime Darby Property (USJ) Sdn Bhd (formerly known as Lengkap

Teratai Sdn Bhd)

EN11 Novation Novation cum supplemental sale and purchase agreement dated 4

> August 2022 between Tinta Heights, INTA and SDP Bukit Raja for the **EN11** Acquisition

Agreement

EN11 Project Development of 746 units of affordable housing under the Rumah

Selangorku scheme to be undertaken on the EN11 Land (as approved by LPHS vide its letters dated 13 February 2017, 29 March 2022, 21

April 2022, 26 May 2022, 20 June 2022 and 19 August 2022)

EN11 Purchase Consideration

Cash consideration of RM12.00 million for the EN11 Acquisition

Entitled Shareholders

Shareholders whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date in order to be entitled to participate in the Proposed Rights Issue

Entitlement Date

A date to be determined by the Board and announced later, on which the names of Shareholders must appear in the Record of Depositors of the Company as at the close of business on that date in order to be entitled to participate in the Proposed Rights Issue

EPS - Earnings per Share

Existing employees' share options scheme of the Company which took **ESOS** effect on 5 January 2022 for a period of 5 years

Options granted under the ESOS pursuant to the By-Laws, where each

ESOS Options holder of the ESOS Options can subscribe for 1 new Share for every 1

ESOS Option held

Exercise Period

A period of 3 years commencing from and including the date of issuance of the Warrants E to the close of business at 5.00 p.m. (Malaysia time) on the Market Day immediately preceding the date which is the 3rd anniversary from the date of issuance of the Warrants E

Foreign-Addressed **Shareholders**

Shareholders who have not provided to the Company a registered address or an address in Malaysia for the service of documents which will be issued in connection with the Proposed Rights Issue

FPE Financial period ended

FYE Financial year ended / ending, as the case may be

GDC Gross development cost

GDV Gross development value

GL **Gross loss**

GP Gross profit

HT4 Acquisition Acquisition by Alma Land Development Sdn Bhd of the HT4 Land from

SDP Bukit Raja for the HT4 Purchase Consideration

HT4 Land A parcel of freehold land measuring approximately 35,440 sqm held

under GRN 341627, Lot No. 92355 (previously H.S.(D) 315441, PT No. 35811), Mukim Damansara, Daerah Petaling, Negeri Selangor Darul

Ehsan

Sime Darby Putra Heights Development Sdn Bhd (formerly known as **HT4 Land Proprietor**

Sime UEP Heights Sdn Bhd)

HT4 Novation Agreement

Novation cum supplemental sale and purchase agreement dated 4 August 2022 between Alma Land Development Sdn Bhd, INTA and

SDP Bukit Raja for the HT4 Acquisition

DEFINITIONS (CONT'D)

HT4 Project

Development of 1,139 units of affordable housing under the Rumah Selangorku scheme to be undertaken on the HT4 Land (as approved by LPHS vide its letters dated 14 September 2017, 29 March 2022, 21 April 2022, 26 May 2022, 20 June 2022 and 19 August 2022)

HT4 Purchase Consideration

Cash consideration of RM23.00 million for HT4 Acquisition

INTA

Inta Development Sdn Bhd (now known as Samharris Development Sdn Bhd)

Kenanga IB or the Principal Adviser

Kenanga Investment Bank Berhad

Lands - Collectively, EN10 Land, EN11 Land and HT4 Land

LAT - Loss after taxation

LBT - Loss before taxation

Listing Requirements

Main Market Listing Requirements of Bursa Securities, as amended

from time to time

LPD - 10 February 2023, being the latest practicable date prior to the printing

of this Circular

LPHS - Lembaga Perumahan dan Hartanah Selangor

LPS - Loss per Share

Market Day
 Any day on which Bursa Securities is open for trading in securities

Maximum Scenario

MCO

Assuming:-

 all the outstanding Warrants D which may be exercisable into new Shares as at the LPD are exercised into new Shares; and

(ii) all the Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors,

prior to the Entitlement Date and all the Entitled Shareholders and/or their renouncee(s) fully subscribe for their respective entitlements under the Proposed Rights Issue

MBSJ - Majlis Bandaraya Subang Jaya

 Movement control order issued by the Government of Malaysia under the Prevention and Control of Infectious Diseases Act 1988 and the

Police Act 1967

Minimum Scenario - Assuming:-

(i) none of the outstanding Warrants D which may be exercisable into new Shares as at the LPD are exercised into new Shares;

and

(ii) none of the Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors,

prior to the Entitlement Date and the Proposed Rights Issue is undertaken on the Minimum Subscription Level

Minimum Subscription Level

Minimum subscription level to raise minimum proceeds of RM25.00 million which, based on an issue price of RM0.02 per RCULS (i.e. 100% of its nominal value), shall entail the subscription of an aggregate of 1,250,000,000 RCULS together with 250,000,000 Warrants E

NA

- Net assets

Novation Agreements

- Collectively, the EN10 Novation Agreement, EN11 Novation Agreement and HT4 Novation Agreement

Official List

- Official list of the Main Market of Bursa Securities

Previous Private Placement

 Private placement exercise previously undertaken by the Company which involved the issuance of 771,036,000 Shares, raising a total of approximately RM40.46 million and was completed on 15 April 2022

Previous Rights Issue with Warrants

 Rights issue with warrants exercise previously undertaken by the Company which involved the issuance of 1,101,479,634 Shares and 1,101,479,634 Warrants D, raising a total of approximately RM44.06 million and was completed on 11 October 2021

Principal SPAs

3 separate sale and purchase agreements dated 24 March 2022 between INTA and SDP Bukit Raja for the acquisition by INTA of the EN10 Land, EN11 Land and HT4 Land from SDP Bukit Raja for cash considerations of RM10.00 million, RM12.00 million and RM23.00 million respectively

Projects

- Collectively, the EN10 Project, EN11 Project and HT4 Project

Proposed Rights Issue

Proposed renounceable rights issue of up to 5,563,981,607 RCULS together with up to 1,112,796,321 free detachable Warrants E on the basis of 10 RCULS together with 2 free Warrants E for every 10 existing Shares held by the Entitled Shareholders on the Entitlement Date

Purchase Consideration

 The total purchase consideration for the Acquisitions of RM45.00 million comprising RM10.00 million for the EN10 Acquisition, RM12.00 million for the EN11 Acquisition and RM23.00 million for the HT4 Acquisition

Qaisar

Pembinaan Qaisar Sdn Bhd

Qaisar Acquisition

 Acquisition by TWL of 100% equity interest in Qaisar from the Qaisar Acquisition Vendors for a purchase consideration of RM35.00 million to be satisfied via RM10.00 million in cash and issuance of the Qaisar Acquisition Consideration Shares.

For information, Qaisar has a turnkey contract dated 10 January 2022 to construct the Sentul Project.

Qaisar Acquisition Consideration Shares

- 555,555,556 new Shares to be issued to the Qaisar Acquisition Vendors at the issue price of RM0.045 each pursuant to the Qaisar Acquisition

Qaisar Acquisition Vendors

- Muhammad Afandi Bin Amir, Mohammad Ramadhan Bin Othman and Rising Applause Sdn Bhd

RCULS

 Redeemable convertible unsecured loan stocks in the Company to be issued pursuant to the Proposed Rights Issue

Record of Depositors

A record of securities holders provided by Bursa Depository under the Rules of Bursa Depository

DEFINITIONS (CONT'D)

RM and sen - Ringgit Malaysia and sen respectively

Rules of Bursa Depository Rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991, as amended from time to time

Rules on Take-Overs, Mergers and Compulsory Acquisitions Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC pursuant to Section 377 of the CMSA, as amended from time to time

SC - Securities Commission Malaysia

SDPB - Sime Darby Property Berhad

SDP Bukit Raja - Sime Darby Property (Bukit Raja) Sdn Bhd, the vendor for the

Acquisitions

SDP USJ - Sime Darby Property (USJ) Sdn Bhd (formerly known as Lengkap

Teratai Sdn Bhd) being the previous registered owner of the EN10 Land. For information, the current registered owner of the EN10 Land is Tinta Kaca upon completion of the EN10 Acquisition on 29 November 2022 and the subsequent transfer of ownership of the EN10 Land to Tinta

Kaca on 9 February 2023.

Sentul Land A piece of freehold land held under Geran Mukim 2449, Lot 30195

(previously known as Geran Mukim 809, Lot 1132), Tempat Gombak Malay Reservation, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL measuring 12,080 sqm and gazetted as a

Malay reserve land

Sentul Project - Construction of a high-rise apartment complex building comprising

1,066 units of 3-bedroom apartments, multi-level car park podium and a podium floor of residence facilities as well as other ancillary works on

the Sentul Land

Shareholders - Registered holders of the Shares

sqm - Square meter

TEAP - Theoretical ex-all price

Tinta Heights - Tinta Heights Development Sdn Bhd, an 80%-owned subsidiary of TWL

Commodity

Commodity (previously an 80%-owned subsidiary of TWL Commodity)

Tinta Land Sdn Bhd

Trust Deed - Trust deed constituting the RCULS to be entered into by the Company

and a trustee to be appointed to act on behalf of the RCULS holders

TWL or the Company - TWL Holdings Berhad

TWL Commodity - TWL Commodity Sdn Bhd, a wholly-owned subsidiary of the Company

TWL Group or the

Group

- Collectively, the Company and its subsidiaries

TWL Shares or Shares - Ordinary shares in the Company

DEFINITIONS (CONT'D)

Undertakings

 The irrevocable and unconditional written undertakings from Dato' Tan Wei Lian dated 3 August 2022 and 25 October 2022 as well as from Bermont Development dated 23 February 2023, details of which are set out in Section 2.5 of this Circular

Undertaking Shareholders

- Dato' Tan Wei Lian (Executive Chairman of the Company) and Bermont Development (shareholder of the Company)

VPC Alliance or the Valuer

- VPC Alliance (PJ) Sdn Bhd, an independent property valuer

VWAP

Volume-weighted average market price

Warrants D

 Outstanding TWL warrants 2021 / 2024 issued by the Company pursuant to the Deed Poll D and expiring on 4 October 2024. Each Warrant D holder is entitled to subscribe for 1 new Share at the exercise price of RM0.04, subject to adjustments under circumstances prescribed in accordance with the terms and provisions of the Deed Poll D

Warrants E

 Free detachable warrants in the Company to be allotted and issued pursuant to the Proposed Rights Issue

All references to "you" in this Circular are to the Shareholders.

In this Circular, words referring to the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated. Any discrepancies in the tables included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding.

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

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Acquisitions and the Proposed Rights Issue. Shareholders are advised to read the Circular in its entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposed Rights Issue before voting at the EGM.

Key information	Description	Reference to Circular					
Summary of the Acquisitions and the Proposed Rights Issue	Acquisitions The Acquisitions involves the acquisitions of the EN10 Land, EN11 Land and HT4 Land from SDP Bukit Raja for a total purchase consideration of RM45.00 million to be satisfied entirely in cash. Proposed Rights Issue The Proposed Rights Issue involves the issuance of up to RM111,279,632 nominal value of 5,563,981,607 RCULS at 100% of its nominal value of RM0.02 each together with up to 1,112,796,321 free Warrants E on the basis of 10 RCULS together with 2 free Warrants E for every 10 existing Shares held by the Entitled Shareholders on the Entitlement Date.						
Indicative salient terms of the RCULS	Tenure : 5 years from the issue date of the RCULS Coupon rate : Fixed rate of 5% per annum calculated on the nominal value of the RCULS then outstanding Coupon payment frequency : Payable semi-annually in arrears starting 6 months from the issue date of the RCULS Conversion rights : RCULS holders have the right to convert, at any time during the Conversion Period, such amount of RCULS held into new Shares at the Conversion Price Conversion Price : To be determined and announced later Automatic : All the outstanding RCULS which have not been earlier conversion converted or redeemed on the maturity date of the RCULS, shall be automatically converted into new Shares at the Conversion Price on the maturity date of the RCULS Redemption : Redeemable via cash at 100% of its nominal value, in whole or in part, at any time during the tenure at the sole and absolute discretion of the Company Rights to participate in any distribution or offer of securities in the Company until and unless such RCULS holders convert their RCULS into new Shares. Listing : The RCULS will be listed and traded on the Main Market of Bursa Securities						
Undertakings from the Undertaking Shareholders for the Proposed Rights Issue	Undertaking Shareholders and undertaking amount : Dato' Tan Wei Lian (Executive Director of the Company): RM20.00 million Bermont Development (a shareholder of the Company): RM5.00 million Minimum RCULS to be subscribed for pursuant to the Undertakings : 1,250,000,000 RCULS (representing 31.38% of the total number of 3,983,289,517 RCULS available for subscription under the Base Case Scenario)	Section 2.5					

Key information	Description							
Utilisation of proceeds from the Proposed Rights Issue	Based on the issue price of RM0.02 per RCULS (i.e. 100% of its nominal value), the gross proceeds to be raised from the Proposed Rights Issue are intended to be utilised by the Group in the following manner:-							
g	Utilisation of proceeds	Expected timeframe for utilisation from completion of the Proposed Rights Issue	Minimum Scenario RM'000	Base Case Scenario RM'000	Maximum Scenario RM'000			
	(i) Purchase consideration for the Acquisitions	Within 24 months	2,550	36,850	36,850			
	(ii) Funding for the Projects	Within 36 months	22,450	41,596	73,210			
	(iii) Estimated expenses for the Proposed Rights Issue	Immediate	-	1,220	1,220			
	Total		25,000	79,666	111,280			
Acquisitions	with the Group's business development segments. The future earnings base and en	ough the Projects,	the Group wi					
Rationale for the Proposed Rights Issue	The Board is of the opinion of fund raising for the Comp			s the most su	itable means	Section 5.2		
10000	(i) the Proposed Rights Issue will allow the Group to secure funding at a fixed funding cost of 5% per annum which is lower compared to the average effective borrowing cost of the Group of approximately 7.22%. In addition, the fixed funding cost also reduces the Group's exposure to interest rate fluctuations, which will in turn enable the Group to manage its cash flows more efficiently;							
	(ii) the issuance of RCULS will not have an immediate dilution effect on the Group's EPS as the RCULS are expected to be converted over the Conversion Period as opposed to a fund raising exercise via rights issue of ordinary shares which will have an immediate upfront impact on the Group's EPS;							
	(iii) the RCULS will provide an opportunity for the Entitled Shareholders to increase their equity participation in the Company through the conversion of the RCULS into new Shares during the Conversion Period; and							
	(iv) the Entitled Shareh for the RCULS, wh conventional fixed the financial institu	ich are reasonably deposit rates betw	attractive as	compared to t	he prevailing			

Key information	Description	Reference to Circular
Risk factors in relation to the Acquisitions	Project risk There is no assurance that the Projects will complete in a timely manner and/or without any cost overruns. There is also no assurance that the Group will be able to achieve a high take-up rate for the Projects.	Section 8
	Non-completion risk There is a possibility that the Acquisitions may not be completed due to failure in fulfilling the conditions precedent within the prescribed timeframe.	
	Funding risk There is no assurance that the Group will be able to obtain or secure the necessary funding required to satisfy the balance Purchase Consideration in accordance with the payment milestones stipulated in the respective Principal SPAs and Novation Agreements.	
	Deposit forfeiture risk The Acquisitions are subject to the risk of forfeiture of 10% of the Purchase Consideration in the event of a breach of covenants and obligations by the Acquiror Companies under the respective Principal SPAs and Novation Agreements which may be due to negligence or otherwise	
Approvals required	The Proposed Rights Issue is subject to the following approvals being obtained:- (i) the SC, the approval of which was obtained on 12 December 2022, for the	Section 11.1
	application for the Proposed Rights Issue;	
	(ii) Bursa Securities, the approval of which was obtained on 16 February 2023, for the admission of the RCULS and Warrants E to the Official List of the Main Market of Bursa Securities, the listing and quotation of the RCULS and the Warrants E as well as the listing and quotation of the new Shares to be issued pursuant to the conversion of the RCULS and exercise of the Warrants E;	
	(iii) Shareholders at the forthcoming EGM; and	
	(iv) any other relevant authorities and/or parties, if required.	
	For avoidance of doubt, the Acquisitions do not require the approval of the Shareholders pursuant to the highest percentage ratio applicable to the Acquisitions as set out in Paragraph 10.02(g) of the Listing Requirements.	
Conditionality	The Proposed Rights Issue and the Acquisitions are not conditional upon each other. Save for the above, the Acquisitions and the Proposed Rights Issue are not conditional upon any other corporate exercise / scheme being or proposed to be undertaken by the Company.	Section 11.2
Interests of Directors, major Shareholders, chief executive of the Company and/or persons connected to them	None of the Directors and/or major Shareholders, chief executive of the Company and/or persons connected to them have any interest, direct or indirect, in the Acquisition and the Proposed Rights Issue apart from their respective entitlements under the Proposed Rights Issue (including the right to apply for additional RCULS via excess RCULS applications), to which all Entitled Shareholders are similarly entitled.	Section 14
Board's recommendation	The Board recommends that you vote in favour of the resolution pertaining to the Proposed Rights Issue to be tabled at the forthcoming EGM, the details of which are set out in the cover page of this Circular and the Notice of EGM as enclosed.	Section 15



Registration No. 199401039944 (325631-V) (Incorporated in Malaysia)

Registered Office

T3-13A-20, Level 13A Menara 3, 3 Towers No. 296 Jalan Ampang 50450 Kuala Lumpur

24 February 2023

Board of Directors

Dato' Tan Wei Lian (Executive Chairman)
Tan Lee Chin (Deputy Chairman / Managing Director)
Datin Sek Chian Nee (Executive Director)
Low Boon Chin (Independent Non-Executive Director)
Datin Sulizah binti A. Salam (Independent Non-Executive Director)
S Nagaraju A/L Sinniah (Independent Non-Executive Director)
Chua Eng Chin (Non-Independent Non-Executive Director)

To: The Shareholders

Dear Sir / Madam,

PROPOSED RIGHTS ISSUE

1. INTRODUCTION

On 16 August 2022, Kenanga IB had, on behalf of the Board, announced that the Company proposes to undertake a renounceable rights issue of up to 4,006,633,348 RCULS at 100% of its nominal value of RM0.03 each together with up to 1,144,752,385 Warrants E on the basis of 7 RCULS together with 2 Warrants E for every 10 existing Shares held by the Entitled Shareholders on the Entitlement Date ("First Announcement").

On 2 November 2022, Kenanga IB had, on behalf of the Board, announced that the Company has resolved to revise the entitlement ratio, nominal value of RCULS, illustrative conversion price of RCULS and illustrative exercise price of Warrants E in respect of the Proposed Rights Issue in the following manner ("**Second Announcement**"):-

Subject	Original	Revised
Entitlement ratio	7 RCULS together with 2 Warrants E for every 10 existing Shares held by the Entitled Shareholders on the Entitlement Date	10 RCULS together with 2 Warrants E for every 10 existing Shares held by the Entitled Shareholders on the Entitlement Date
Nominal value of RCULS	RM0.03	RM0.02

Subject	Original	Revised
Illustrative conversion price of RCULS	RM0.06	RM0.03
Illustrative exercise price of Warrants E	RM0.04	RM0.03

Pursuant to the Second Announcement, the Proposed Rights Issue had been revised to entail the issuance of up to 5,723,761,927 RCULS at 100% of its nominal value of RM0.02 each together with up to 1,144,752,385 Warrants E on the basis of 10 RCULS together with 2 Warrants E for every 10 existing Shares held by the Entitled Shareholders on the Entitlement Date.

On 12 December 2022, Kenanga IB had, on behalf of the Board, announced that the SC had, vide its letter dated 12 December 2022, granted its approval under Section 214(1) of the CMSA for the application for the proposed renounceable rights issue of up to RM114,475,239 in nominal value of 5-year 5% redeemable convertible unsecured loan stocks with free detachable warrants, subject to the compliance with the standard conditions and continuing obligations as stipulated in the Guidelines on Issuance of Corporate Bonds and Sukuk to Retail Investors issued by the SC.

On 17 February 2023, Kenanga IB had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 16 February 2023, granted its approval for the following:-

- (i) admission of the RCULS and Warrants E to the Official List of the Main Market of Bursa Securities:
- (ii) listing and quotation of the RCULS and Warrants E; and
- (iii) listing and quotation of the new Shares to be issued pursuant to the conversion of the RCULS and exercise of the Warrants E.

The approval of Bursa Securities is subject to the conditions as set out in Section 11 of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH RELEVANT INFORMATION ON THE PROPOSED RIGHTS ISSUE AND TO SET OUT THE VIEWS AND RECOMMENDATION OF THE BOARD AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED RIGHTS ISSUE WHICH WILL BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH ITS APPENDIX BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED RIGHTS ISSUE TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED RIGHTS ISSUE

2.1 Basis and number of RCULS and Warrants E to be issued

The Proposed Rights Issue involves the issuance of up to 5,563,981,607 RCULS together with up to 1,112,796,321 Warrants E and is to be implemented on a renounceable basis of 10 RCULS together with 2 Warrants E for every 10 existing Shares held by the Entitled Shareholders on the Entitlement Date at an issue price to be determined and announced by the Board at a later date.

The basis of 10 RCULS together with 2 Warrants E for every 10 existing Shares was arrived at after taking into consideration, amongst others, the following:-

- (i) amount of proceeds to be raised from the subscription of the RCULS which is to be channelled towards the purposes as set out in Section 4 of this Circular. The actual amount of proceeds to be raised is dependent on the level of subscription for the Proposed Rights Issue; and
- (ii) Paragraph 6.50 of the Listing Requirements which states that a listed issuer must ensure that the number of new shares which will arise from the exercise or conversion of all outstanding convertible equity securities (i.e. warrants and convertible preference shares), does not exceed 50% of the total number of issued shares of the listed issuer (excluding treasury shares and before the exercise of the convertible equity securities) at all times.

The actual number of RCULS and Warrants E to be issued will depend on the total number of issued Shares held by the Entitled Shareholders on the Entitlement Date after taking into consideration any new Shares that may be issued arising from the exercise of the Convertible Securities, the issuance of consideration shares pursuant to acquisitions being undertaken by the Company as well as the eventual subscription level for the Proposed Rights Issue.

As at the LPD, the Company has 3,983,289,517 Shares in issue as well as the following:-

- (i) 1,025,136,534 Warrants D, which have an exercise price of RM0.04 each and are expiring on 4 October 2024 (for information, the Warrants D are currently out-of-the-money based on the 5-day VWAP of the Shares and the Warrants D up to and including the LPD of RM0.0512 and RM0.0200 respectively); and
- (ii) 555,555,556 Qaisar Acquisition Consideration Shares which may be issued pursuant to the Qaisar Acquisition⁽¹⁾.

Note:-

(1) The Qaisar Acquisition entails the acquisition by TWL of 100% equity interest in Qaisar from the Qaisar Acquisition Vendors for a purchase consideration of RM35.00 million to be satisfied via RM10.00 million in cash and issuance of the Qaisar Acquisition Consideration Shares as announced by the Company on 10 January 2022. As at the LPD, the Qaisar Acquisition has become unconditional and the transfer of the sale shares will be effected in due course in accordance with the relevant terms of the shares sale agreement ("Qaisar SSA").

The Qaisar Acquisition Consideration Shares are to be issued upon completion of certain stages of the Sentul Project in accordance with the schedule of payment stipulated in the Qaisar SSA.

Whilst the approval for the development order and the building plan approval for the Sentul Project was obtained on 27 January 2022 and 14 September 2022 respectively, the Sentul Project still requires the Certificate of Share Unit Formula ("SiFUS") to be obtained. The application for SiFUS is expected to be submitted by the 2nd quarter of 2023. The Sentul Project is expected to commence in 3rd quarter of 2023 subject to the SiFUS being obtained and the indicative timeline for issuance of the Qaisar Acquisition Consideration Shares cannot be determined at this juncture but would likely be in 4th quarter of 2023.

In addition, the Company has also undertaken not to grant any further ESOS Options until the completion of the Proposed Rights Issue.

Further to the above, assuming that:-

- (i) all the 1,025,136,534 outstanding Warrants D which may be exercisable into new Shares as at the LPD are exercised into new Shares; and
- (ii) all the 555,555,556 Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors,

prior to the Entitlement Date, the Company would have an enlarged total number of 5,563,981,607 Shares in issue.

Hence, assuming all the Entitled Shareholders and/or their renouncee(s) fully subscribe for their respective entitlements of the RCULS, the Proposed Rights Issue would entail the issuance of up to 5,563,981,607 RCULS together with 1,112,796,321 Warrants E.

The total number of RCULS and Warrant E to be issued under the Proposed Rights Issue is illustrated below:-

		Minimum Scenario	Base Case Scenario	Maximum Scenario
	T	No. of Shares	No. of Shares	No. of Shares
Total number of Shares as at the LPD		3,983,289,517	3,983,289,517	3,983,289,517
New Shares to be issued assuming full exercise of the Warrants D		-	-	1,025,136,534
Qaisar Acquisition Consideration Shares to be issued		-	-	555,555,556
Enlarged total number of Shares	[A]	3,983,289,517	3,983,289,517	5,563,981,607
RCULS to be issued		⁽¹⁾ 1,250,000,000	3,983,289,517	5,563,981,607
Warrants E to be issued		250,000,000	796,657,903	1,112,796,321
Total number of Warrants D		1,025,136,534	1,025,136,534	-
Total number of new Shares to be issued arising from full exercise of the Warrants D and Warrants E	[B]	1,275,136,534	1,821,794,437	1,112,796,321
Percentage of [B] against [A]		32.01%	45.74%	20.00%

Note:-

 Based on the Minimum Subscription Level, further details of which are set out in Section 2.5 of this Circular.

The RCULS and Warrants E will be provisionally allotted and issued to the Entitled Shareholders. The Entitlement Date shall be determined by the Board after obtaining all approvals for the Proposed Rights Issue.

The Warrants E are attached to the RCULS without any cost and will be issued only to the Entitled Shareholders and/or their renouncee(s) who subscribe for the RCULS. Each Warrant E will entitle its holder to subscribe for 1 new Share at an exercise price to be determined by the Board at a later date. The Warrants E will be immediately detached from the RCULS upon issuance and will be traded separately on the Main Market of Bursa Securities. The Warrants E will be issued in registered form and constituted by the Deed Poll E.

The entitlements for the RCULS together with the Warrants E are renounceable in full or in part. Accordingly, the Entitled Shareholders may fully or partially renounce their entitlements under the Proposed Rights Issue.

However, the RCULS and Warrants E cannot be renounced separately and only the Entitled Shareholders and/or their renouncee(s) who successfully subscribe for the RCULS will be entitled to the Warrants E. As such, the Entitled Shareholders who renounce all of their RCULS entitlements shall be deemed to have renounced all the accompanying entitlements to the Warrants E to be issued together with the RCULS. If the Entitled Shareholders accept only part of their RCULS entitlements, they shall be entitled to the Warrants E in proportion to their acceptance of their RCULS entitlements.

Any RCULS which are not validly taken up shall be offered to other Entitled Shareholders and/or their renouncee(s) under excess RCULS applications. It is the intention of the Board to reduce the incidence of odd lots and to allocate excess RCULS in a fair and equitable manner and on a basis to be determined by the Board later.

Fractional entitlements arising from the Proposed Rights Issue, if any, shall be disregarded and/or dealt with by the Board in such manner and on such terms and conditions as the Board in its absolute discretion may deem fit or expedient and in the best interests of the Company.

2.2 Indicative salient terms of the RCULS

Issuer : TWL

Issue size : Up to RM111,279,632 nominal value of 5,563,981,607 RCULS at

100% of its nominal value of RM0.02 each.

Issue price of the RCULS

Each RCULS shall be issued at 100% of its nominal value of

RM0.02 each.

Form and denomination

The RCULS will be issued in registrable form and in denominations

and multiples of RM0.02 each.

Board lot : For the purpose of trading on Bursa Securities, a board lot of

RCULS shall be 100 units of RCULS, or such other number of units

as may be prescribed by Bursa Securities.

Rating : Not applicable.

Issue Date : The issue date of the RCULS ("Issue Date") shall be a Market Day

to be mutually agreed between the Company and the Principal

Adviser.

Tenure : 5 years from the Issue Date ("Maturity Date").

Conversion Period On any Market Day after the Issue Date and up to the Maturity

Date.

Coupon rate

Fixed rate of 5% per annum⁽¹⁾ calculated on the nominal value of the RCULS then outstanding.

Note:-

(1) The coupon rate of 5% is arrived at after taking into consideration, amongst others, the funding requirements of the Group, the prevailing conventional fixed deposit rates between 2.40% to 3.10% offered by some of the financial institutions as well as the average effective borrowing cost of the Group of

approximately 7.22%.

Coupon payment frequency

Semi-annually in arrears starting 6 months from the Issue Date.

Conversion Price

The Conversion Price shall be determined by the Board at a later date after obtaining the relevant approvals but prior to the announcement of the Entitlement Date.

Adjustments in the Conversion Price and/or the nominal value of the RCULS Subject to the provisions of the Trust Deed, the Conversion Price and/or the nominal value of the RCULS in issue may be subject to adjustments by the Board in consultation with an approved adviser appointed by the Company and/or the auditors in the event of any alteration in the share capital of the Company at any time during the Conversion Period, whether by way of, amongst others, rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction of capital, in accordance with the provisions of the Trust Deed.

For the avoidance of doubt, the Trust Deed does not include any provision for the extension or shortening of tenure of the RCULS, changes to the number of shares received for the conversion of each RCULS or changes to the pricing mechanism for the conversion of the RCULS, except where these changes are adjustments following capitalisation issues, rights issue, bonus issue, consolidation or subdivision of shares or capital reduction exercises, in compliance with Paragraph 6.54(3) and Paragraph 6.54(4) of the Listing Requirements.

Conversion rights

All RCULS holders have the right to convert, at any time during the Conversion Period, such amount of RCULS held into new Shares at the Conversion Price in the following manner:-

- by surrendering the RCULS with an aggregate nominal value of the RCULS equivalent to the Conversion Price, subject to a minimum of 3 RCULS for every 2 new Shares⁽¹⁾ (based on an illustrative Conversion Price of RM0.03); and/or
- (ii) by paying the difference between the aggregate nominal value of RCULS surrendered and the Conversion Price, if any, in cash, for every 1 new Share.

Conversion rights (cont'd)

Note:-(1)

The conversion ratio of 3 RCULS for every 2 new Shares represents the minimum number of RCULS that needs to be surrendered in order to receive new Shares without any cash payment ("Minimum Conversion Ratio").

For the avoidance of doubt, the Minimum Conversion Ratio is based on the illustrative Conversion Price of RM0.03. As such, the Minimum Conversion Ratio may change depending on the eventual Conversion Price.

Based on the above and assuming an illustrative Conversion Price of RM0.03, the various conversion modes are illustrated below:-

No. of RCULS surrendered	Aggregate nominal value of RCULS surrendered RM	Additional cash payment RM	Aggregate Conversion Price paid RM	No. of Share(s) to be issued
1	0.02	0.01	0.03	1
2	0.04	0.02	0.06	2
3	0.06	-	0.06	2

If any RCULS holder exercises his / her / its right to convert all or any part of the RCULS held by him / her / it into fully paid new Shares, no accrued and unpaid coupon shall be payable on such RCULS as from the Issue Date or the coupon payment date immediately before the conversion date, whichever is the later.

Any fractional new Shares arising from the conversion of the RCULS will be disregarded and shall be dealt with in such manner as the Board shall in its absolute discretion deem fit, expedient and in the best interests of the Company.

All RCULS which have been converted shall be cancelled and cannot be resold.

Automatic conversion at Maturity Date

All the outstanding RCULS which have not been earlier converted or redeemed on the Maturity Date shall be automatically converted into new Shares at the Conversion Price on the Maturity Date ("Automatic Conversion"). In the event of an Automatic Conversion, the RCULS holders shall be deemed to have submitted a valid conversion notice on the Maturity Date for the purpose of converting such outstanding RCULS into fully paid new Shares.

Any fractional new Shares arising from the Automatic Conversion shall be disregarded and be dealt with by the Board as it may deem fit and expedient and in the best interest of our Company.

Coupon on the RCULS outstanding as at the Maturity Date shall upon the automatic conversion of the RCULS on the Maturity Date remain payable by the Company notwithstanding the conversion as at the Maturity Date.

Redemption

The RCULS is redeemable via cash at 100% of its nominal value, in whole or in part, at any time during the tenure of the RCULS at the sole and absolute discretion of the Company subject to the Company giving a written notice to the RCULS holders of at least 30 days prior to intended redemption date.

During such notice period, but not later than the 8th market day before the Maturity Date, the RCULS holders will be entitled to exercise their conversion rights, subject to compliance with the conditions for conversion.

Any redemption of the RCULS shall not prejudice the rights of the RCULS holders whose RCULS were so redeemed to receive any accrued but unpaid coupon up to the date of redemption where the accrued but unpaid coupon shall be calculated based on a semi-annual basis and shall accrue from day to day based on a 365 days' calendar year.

For the avoidance of doubt, the RCULS holders shall have no rights to request the Company to redeem any RCULS throughout the tenure.

All RCULS which have been redeemed shall be cancelled and cannot be resold.

Status and ranking of RCULS

The RCULS shall constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and, subject to the provisions contained in the Trust Deed, rank equally without discrimination, preference or priority among themselves and rank at least equally with all present and future direct, unconditional, unsecured and unsubordinated debts and obligations of our Company from time to time (except for those which are preferred by law).

Ranking of new Shares arising from the conversion of the RCULS

The new Shares to be issued pursuant to the conversion of the RCULS in accordance with the provisions of the Trust Deed shall, upon allotment, issuance and full payment of the Conversion Price of the RCULS, rank equally in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new Shares to be issued pursuant to the conversion of the RCULS.

Rights to participate in any distribution or offer of further securities

The RCULS holders are not entitled to any voting rights and shall not have any participating rights in any distribution and/or offer of securities in the Company until and unless such RCULS holders convert their RCULS into new Shares.

Amendments to the RCULS holders' rights

Save as otherwise provided in the Trust Deed, approval of the RCULS holders by way of special resolution is required to sanction any modification, variation, abrogation or compromise of or arrangement in respect of the rights of the RCULS holders.

Rights of the RCULS holders on liquidation

If a resolution is passed for a voluntary winding-up of the Company while any of the RCULS remain capable of being converted, then:-

- (i) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the RCULS holders, or some person designated by them for such purpose, shall be a party, the terms of such scheme of arrangement if approved by a special resolution shall be binding on all the RCULS holders; and
- (ii) in any other case every RCULS holders shall be entitled to upon and, subject to the Trust Deed, at any time within 21 days ("Specified Period") after the passing of such resolution for a members' voluntary winding-up of the Company, deliver to the Company a duly completed conversion notice in relation to the RCULS to elect to be treated as if he had, on the last day of the month immediately before the commencement of such windingup, exercised the conversion rights to the extent specified in the conversion notice and be entitled to receive out of the assets of the Company which will be available in liquidation if he had on such date been the holder of the new Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon such election taking effect, all RCULS converted under such election shall cease to carry any coupon as from the last day of the month immediately before the month in which the RCULS are converted or deemed converted under this provision.

All conversion rights which have not been exercised at the expiry date of the Specified Period shall lapse and cease to be valid for any purpose.

Listing

The RCULS will be listed and traded on the Main Market of Bursa Securities. The listing and quotation of the RCULS on the Main Market of Bursa Securities is subject to a minimum of 100 holders of RCULS holding not less than 1 board lot each.

Trust Deed

The RCULS shall be constituted by a trust deed to be entered into by the Company and a trustee to be appointed to act on behalf of the RCULS holders.

Governing laws

The RCULS and the Trust Deed shall be governed by the laws and regulations of Malaysia.

2.3 Indicative salient terms of the Warrants E

Issuer : TWL

Issue size : Up to 1,112,796,321 Warrants E

Form and detachability

The Warrants E will be issued in registered form and constituted by the Deed Poll E. The Warrants E which are to be issued with the RCULS will immediately be detached from the RCULS upon allotment and issuance and will be traded separately on Bursa

Securities.

Board lot : For the purpose of trading on Bursa Securities, a board lot of

Warrants E shall be 100 units of Warrants E, or such other number

of units as may be prescribed by Bursa Securities.

Tenure of the Warrants E

The tenure of the Warrants E has been fixed at 3 years commencing on and including the date of issuance of the Warrants

Ε.

The tenure of the Warrants E has been fixed at 3 years mainly to reduce the time period where there may be potential dilution in the Company's EPS moving forward arising from the exercise of the

Warrants E.

Exercise Period The Warrants E may be exercised at any time within the Exercise Period i.e. a period of 3 years commencing from and including the date of issuance of the Warrants E to the close of business at 5.00 p.m. (Malaysia time) on the Market Day immediately preceding the date which is the 3rd anniversary from the date of issuance of the Warrants E. Any Warrants E not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.

Exercise Price

The exercise price of the Warrants E ("Exercise Price") shall be determined by the Board at a later date after obtaining the relevant approvals but prior to the announcement of the Entitlement Date.

Please refer to Section 2.4.2 of this Circular for information on the basis and justification of determining the Exercise Price.

The Exercise Price and/or the number of Warrants E in issue during the Exercise Period shall however be subject to adjustments under circumstances prescribed in accordance with the provisions of the Deed Poll E.

Subscription rights

Each Warrant E shall entitle its registered holder to subscribe for 1 new Share at any time during the Exercise Period at the Exercise Price, subject to adjustments under circumstances prescribed in accordance with the provisions of the Deed Poll E.

Adjustments to the Exercise Price and/or the number of Warrants E Subject to the provisions of the Deed Poll E, the Exercise Price and/or the number of unexercised Warrants E in issue may be subject to adjustments by the Board in consultation with an approved adviser appointed by the Company and/or the auditors in the event of any alteration in the share capital of the Company at any time during the Exercise Period, whether by way of, amongst others, rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction of capital, in accordance with the provisions of the Deed Poll E.

For the avoidance of doubt, the Deed Poll E does not include any provision for the extension or shortening of tenure of the Warrants E, changes to the number of shares received for the exercise of each Warrant E or changes to the pricing mechanism for the exercise of the Warrants E, except where these changes are adjustments following capitalisation issues, rights issue, bonus issue, consolidation or subdivision of shares or capital reduction exercises, in compliance with Paragraph 6.54(3) and Paragraph 6.54(4) of the Listing Requirements.

Rights of the Warrant E holders

The Warrants E do not confer on their holders any voting rights or any right to participate in any form of distribution and/or offer of further securities in the Company until and unless such holders of Warrants E exercise their Warrants E for new Shares in accordance with the provisions of the Deed Poll E and such new Shares have been allotted and issued to such holders.

Ranking of the new Shares to be issued pursuant to the exercise of the Warrants E The new Shares to be issued pursuant to the exercise of the Warrants E in accordance with the provisions of the Deed Poll E shall, upon allotment, issuance and full payment of the Exercise Price of the Warrants E, rank equally in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new Shares to be issued pursuant to the exercise of the Warrants E.

Rights of the Warrant E holders in the event of winding up, liquidation, compromise and/or arrangement

Where a resolution has been passed for a members' voluntary winding-up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with 1 or more companies, then:-

(i) for the purposes of such winding-up, compromise or arrangement (other than a compromise or arrangement in which the Company is the continuing corporation) to which the holders of the Warrants E (or some other persons designated by them for such purpose by special resolution) shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the holders of the Warrants E; and

Rights of the Warrant E holders in the event of winding up, liquidation, compromise and/or arrangement (ii)

every Warrant E holder shall be entitled to exercise his / her Warrants E at any time within 6 weeks after the passing of such resolution for a members' voluntary winding up of the Company or the granting of the court order approving the compromise or arrangement, whereupon the Company shall allot the relevant new Shares to the Warrant E holder credited as fully paid subject to the prevailing laws, and such Warrant E holder shall be entitled to receive out of the assets of the Company which would be available in liquidation if he / she had on such date been the holder of the new Shares to which he / she would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon the expiry of the above 6 weeks, all subscription rights of the Warrants E shall lapse and cease to be valid for any purpose.

Modification of rights of Warrant E holders

Save as otherwise provided in the Deed Poll E, a special resolution of the Warrant E holders is required to sanction any modification, alteration or abrogation in respect of the rights of the Warrant E holders.

Modification of Deed Poll E

Any modification to the terms and conditions of the Deed Poll E may be effected only by a further deed poll, executed by the Company and expressed to be supplemental to the Deed Poll E. Any of such modification shall however be subject to the approval of Bursa Securities (if so required).

No amendment or addition may be made to the provisions of the Deed Poll E without the sanction of a special resolution unless the amendments or additions are required to correct any typographical errors or relate purely to administrative matters or are required to comply with any provisions of the prevailing laws or regulations of Malaysia or in the opinion of the Company upon consultation with the approved advisor appointed by the Company, will not be materially prejudicial to the interests of the Warrant E holders.

Listing

The Warrants E will be listed and traded on the Main Market of Bursa Securities. The listing and quotation of the Warrants E on the Main Market of Bursa Securities is subject to a minimum of 100 holders of Warrants E holding not less than 1 board lot each.

Transferability

The Warrants E shall be transferable in the manner provided under the Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Depository.

Deed Poll E

The Warrants E shall be constituted by the Deed Poll E.

Governing laws

The Warrants E and the Deed Poll E shall be governed by the laws and regulations of Malaysia.

2.4 Basis and justification of determining the issue price of the RCULS and exercise price of the Warrants E

2.4.1 RCULS

The RCULS shall be issued at 100% of its nominal value. The nominal value was fixed after taking into consideration the total proceeds that may be raised to meet funding requirements of the Group as set out in Section 4 of this Circular.

The Conversion Price shall be determined and announced by the Board at a later date (before the announcement of the Entitlement Date) after taking into consideration, amongst others, the TEAP of the Shares based on the 5-day VWAP of the Shares up to and including the last trading day prior to the price-fixing date.

The Board intends to fix the Conversion Price such that it is at a discount of between 20% and 40% to the TEAP of the Shares.

The illustrative Conversion Price of RM0.03 represents a discount of 27.54% to the TEAP of the Shares of RM0.0414, calculated based on the 5-day VWAP of the Shares up to and including the LPD of RM0.0512 and an illustrative exercise price of RM0.03 per Warrant E.

2.4.2 Warrants E

The Warrants E will be issued at no cost to the Entitled Shareholders and/or their renouncee(s) who have successfully subscribed for the RCULS.

The exercise price of the Warrants E shall be determined and announced by the Board at a later date (before the announcement of the Entitlement Date) after taking into consideration, amongst others, the TEAP of the Shares based on the 5-day VWAP of the Shares up to and including the last trading day prior to the price-fixing date.

The Board intends to fix the exercise price of the Warrants E such that it is at a discount of between 20% and 40% to the TEAP of the Shares.

The illustrative exercise price of RM0.03 per Warrant E represents a discount of 27.54% to the TEAP of the Shares of RM0.0414, calculated based on the 5-day VWAP of the Shares up to and including the LPD of RM0.0512 and an illustrative Conversion Price of RM0.03.

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2.5 Minimum Subscription Level

The Company intends to raise a minimum of RM25.00 million from the Proposed Rights Issue to meet the funding requirements of the Group, which will be channelled towards the proposed utilisation as set out in Section 4 of this Circular.

In view of the above, the Board has determined to undertake the Proposed Rights Issue based on the Minimum Subscription Level which, based on the issue price of RM0.02 per RCULS (i.e. 100% of its nominal value), shall entail the subscription of an aggregate of 1,250,000,000 RCULS together with 250,000,000 Warrants E.

The Minimum Subscription Level shall be met via undertakings from undertaking Shareholders to apply and subscribe in full for their entitlement of RCULS and, if required, additional RCULS not taken up by other Entitled Shareholders by way of excess RCULS application, to the extent such that the aggregate subscription proceeds of the RCULS received by the Company arising from the subscription by all Entitled Shareholders and/or their renouncee(s) (including such undertaking Shareholders) amount to not less than RM25.00 million.

In respect of the above, the Company has obtained the Undertakings from the Undertaking Shareholders, namely Dato' Tan Wei Lian (Executive Chairman of the Company) and Bermont Development (a shareholder of the Company), for an amount of up to RM20.00 million and RM5.00 million respectively.

For the avoidance of doubt, the Company did not approach the other substantial Shareholders, namely Datin Sek Chian Nee, Tan Lee Chin and TWL Capital Berhad, for the undertakings as they are persons connected to Dato' Tan Wei Lian, who himself has already provided an undertaking for up to RM20.00 million. Datin Sek Chian Nee and Tan Lee Chin are the spouse and sister of Dato' Tan Wei Lian respectively whereas TWL Capital Berhad is a company owned by Dato' Tan Wei Lian and Datin Sek Chian Nee.

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Assuming the Minimum Subscription Level is met via the Undertakings, the details of the Undertakings under the Minimum Scenario are as follows:-

	Existing dir shareholding the LPD	as at	Minimum RCULS to be subscribed for pursuant to the Undertakings No. of Shares held after full conversion of the RCULS and assuming none of the other Entitled Shareholders subscribed for their RCULS						
Undertaking			Subscription based on	Subscription based on excess shares		Surrender 3 RCULS without additional cash payment to arrive at the illustrative aggregate Conversion Price of RM0.06 for every 2 new Shares ⁽⁴⁾		Surrender 1 RCULS additional cash payn RM0.01 to arrive a illustrative Conversio of RM0.03 for every Share ⁽⁵⁾	nent of t the on Price
Shareholders	No. of Shares	% ⁽¹⁾	entitlement	application	Total	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽³⁾
Dato' Tan Wei Lian Bermont Development	377,974,203 6,870,900	9.49 0.17	377,974,203 6,870,900	622,025,797 243,129,100	1,000,000,000	(4)1,044,640,869 (4)173,537,566	21.69 3.60	⁽⁵⁾ 1,377,974,203 ⁽⁵⁾ 256,870,900	26.33 4.91

Notes:-

- (1) Based on the issued share capital of 3,983,289,517 Shares as at the LPD.
- (2) Based on the enlarged issued share capital of 4,816,622,850 Shares after full conversion of the RCULS.
- (3) Based on the enlarged issued share capital of 5,233,289,517 Shares after full conversion of the RCULS.
- (4) This scenario illustrates the maximum potential shareholding of the Undertaking Shareholders should they decide to convert all of their RCULS without incurring any additional cash payment.

The maximum potential shareholding is computed as follows:-

(5) This scenario illustrates the maximum potential shareholding of the Undertaking Shareholders should they decide to convert all of theirRCULS with additional cash payment.

The maximum potential shareholding is computed as follows:-

Maximum potential shareholding of Dato' Tan Wei Lian
$$= 1,000,000,000 \\ RCULS \\ x \frac{1 \text{ new Share}}{1 \text{ RCULS}} + \frac{Existing \text{ shareholding}}{\text{as at the LPD}}$$

$$= 1,000,000,000 \\ + 377,974,203 \\ = 1,377,974,203$$

$$= 250,000,000 \\ RCULS \\ x \frac{1 \text{ new Share}}{1 \text{ RCULS}} + \frac{Existing \text{ shareholding}}{\text{as at the LPD}}$$

$$= 250,000,000 \\ = 250,000,000 \\ = 256,870,900$$

Pursuant to the Undertakings, the Undertaking Shareholders have confirmed that they have sufficient financial means and resources to fulfil their obligation under the Undertakings.

Kenanga IB has verified the sufficiency of financial resources of the Undertaking Shareholders for the purpose of subscribing for the RCULS and excess RCULS pursuant to the Undertakings.

For illustrative purposes, assuming none of the other Entitled Shareholders subscribe for their entitlement of the RCULS, the Undertaking Shareholders will be subscribing for a total of 1,250,000,000 RCULS based on the issue price of RM0.02 per RCULS (i.e. 100% of its nominal value).

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For avoidance of doubt, the Undertaking Shareholders are not obliged to subscribe for additional RCULS not taken up by other Entitled Shareholders by way of excess RCULS application pursuant to the Undertakings if the Minimum Subscription Level has been achieved via subscription by all other Entitled Shareholders (including the Undertaking Shareholders' own entitlement of the RCULS) and/or their renouncee(s). However, while the Undertaking Shareholders are not obliged to subscribe for the RCULS in such event, the Undertaking Shareholders may still choose to do so at their own discretion. At this juncture, the Undertaking Shareholders have not decided on whether they will subscribe for additional RCULS in the event that the Minimum Subscription Level has been achieved.

The Undertaking Shareholders' subscription for RCULS pursuant to the Undertakings are not expected to give rise to any consequence of mandatory take-over offer obligation under the Code and the Rules on Take-Overs, Mergers and Compulsory Acquisitions immediately after completion of the Proposed Rights Issue.

The Undertaking Shareholders has confirmed that they will observe and comply at all times with the provisions of the Code and the Rules on Take-Overs, Mergers and Compulsory Acquisitions and will seek from the SC the necessary exemptions from undertaking such mandatory take-over offer, if required.

As the Minimum Subscription Level will be fully satisfied via the Undertakings, the Company will not procure any underwriting arrangement for the remaining RCULS not subscribed for by other Entitled Shareholders.

The Undertakings are not expected to result in any breach in the public shareholding spread requirement by the Company under Paragraph 8.02(1) of the Listing Requirements, which stipulates that a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders. As at the LPD, the Company does not hold any treasury shares.

The pro forma public shareholding spread under the Minimum Scenario is illustrated as follows:-

	Existing dir shareholding as LPD		(I) After the Propose Issue and assun conversion of the	ning full
Particulars	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾
Issued share capital	3,983,289,517	100.00	5,233,289,517	100.00
Less: Directors ⁽⁴⁾ , substantial shareholders and their associates				
- Dato' Tan Wei Lian	377,974,203	9.49	⁽⁵⁾ 1,377,974,203	26.33
- Datin Sek Chian Nee	198,605,650	4.99	198,605,650	3.80
- Tan Lee Chin	7,431,675	0.19	7,431,675	0.14
 TWL Capital Berhad 	596,363,400	14.97	596,363,400	11.40
- Bermont Development	(6)_	(6)_	(6)_	(6)_
Public shareholding spread	2,802,914,589	70.36	3,052,914,589	58.33

	(II) After (I) and assuming fu exercise of the Warrants		
Particulars	No. of Shares	% ⁽³⁾	
Issued share capital	5,483,289,517	100.00	
Less: Directors ⁽⁴⁾ , substantial shareholders and their associates			
- Dato' Tan Wei Lian	1,577,974,203	28.78	
- Datin Sek Chian Nee	198,605,650	3.62	
- Tan Lee Chin	7,431,675	0.14	
- TWL Capital Berhad	596,363,400	10.88	
- Bermont Development	306,870,900	5.60	
Public shareholding spread	2,796,043,689	50.98	

Notes:-

- (1) Based on the issued share capital of 3,983,289,517 Shares as at the LPD.
- (2) Based on the enlarged issued share capital of 5,233,289,517 Shares under the Minimum Scenario.
- (3) Based on the enlarged issued share capital of 5,483,289,517 Shares under the Minimum Scenario and assuming full exercise of the Warrants E.
- (4) Includes directors of subsidiaries of the Company. For information, none of the directors of subsidiaries of the Company hold any Shares as at the LPD.
- (5) Assuming all the RCULS issued under the Minimum Scenario are fully converted into new Shares based on the conversion mode of surrendering 1 RCULS (which are issued at the issue price of RM0.02 each) with additional cash payment of RM0.01 to arrive at the illustrative Conversion Price of RM0.03 for every 1 new Share.
- (6) Bermont Development is not a substantial Shareholder as at the LPD and will not be a substantial Shareholder after the Proposed Rights Issue and assuming full conversion of the RCULS. As such, Bermont Development's shareholding was not deducted when computing the public shareholding spread under these scenarios.

2.6 Ranking of the new Shares to be issued arising from the conversion of the RCULS and exercise of the Warrants E

2.6.1 RCULS

The new Shares to be issued arising from the conversion of the RCULS shall, upon allotment, issuance and full payment of the conversion price of the RCULS, rank equally in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new Shares.

2.6.2 Warrants E

The new Shares to be issued arising from the exercise of the Warrants E shall, upon allotment, issuance and full payment of the exercise price of the Warrants E, rank equally in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new Shares.

2.7 Foreign-Addressed Shareholders

An abridged prospectus together with its accompanying documents or any other documents to be issued in connection with the Proposed Rights Issue are not intended to comply with the laws of any jurisdiction other than Malaysia and will not be lodged, registered or approved under applicable securities legislation of any jurisdiction other than Malaysia. Accordingly, the Proposed Rights Issue will not be offered for subscription in any countries or jurisdictions other than Malaysia.

The abridged prospectus together with its accompanying documents or any other documents relating to the Proposed Rights Issue will only be sent to the Entitled Shareholders who have a registered address or an address for service of documents in Malaysia as registered in the Record of Depositors on the Entitlement Date and will not be sent to Foreign-Addressed Shareholders as at the Entitlement Date.

Foreign-Addressed Shareholders who wish to provide Malaysian addresses should inform their respective stockbrokers to effect the change of address to send the documents to their address in Malaysia prior to the Entitlement Date.

Alternatively, such Foreign-Addressed Shareholders may collect the abridged prospectus from the Company's share registrar who shall be entitled to request for such evidence as they deem necessary to satisfy themselves as to the identity and authority of the person collecting the abridged prospectus.

The Company will not make or be bound to make any enquiry as to whether the Entitled Shareholders have a registered address other than as stated in the Company's Record of Depositors as at the Entitlement Date and will not accept or be deemed to accept any liability whether or not any enquiry or investigation is made in connection therewith.

Foreign-Addressed Shareholders may only exercise their rights in respect of the Proposed Rights Issue to the extent that it would be lawful to do so and the Company and/or any of its advisers would not, in connection with the Proposed Rights Issue, be in breach of the laws of any jurisdiction to which the Foreign-Addressed Shareholders may be subject to.

Foreign-Addressed Shareholders will be responsible for payment of any issue or transfer fees or costs, and any taxes or requisite payments due in such jurisdiction and the Company shall be entitled to be fully indemnified and held harmless by such foreign applicants for any issue, transfer or any other taxes or duties as such persons may be required to pay. They will have no claims whatsoever against the Company, its share registrar and/or any of its advisers in respect of their rights or entitlements under the Proposed Rights Issue. Such applicants should also consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to exercise their rights in respect of the Proposed Rights Issue.

The Foreign-Addressed Shareholders shall be solely responsible to seek advice as to the laws of any jurisdiction to which they may be subject, and participation by such applicants in the Proposed Rights Issue shall be on the basis of a warranty by such applicants that they are allowed to do so lawfully without the Company and/or the advisers being in breach of the laws of any jurisdiction.

Neither the Company nor any of its advisers to the Proposed Rights Issue shall accept any responsibility or liability in the event that any acceptance by a Foreign-Addressed Shareholder of his/her rights in respect of the Proposed Rights Issue is or shall become illegal, unenforceable, voidable or void in any country or jurisdiction.

Foreign-Addressed Shareholders who do not provide an address in Malaysia or who are not entitled to subscribe for the RCULS under the laws and jurisdiction to which they are subject, will have no claims whatsoever against the Company and/or any of its advisers in respect of their rights entitlements or any net proceeds arising from the Proposed Rights Issue.

The Company reserves the right in its absolute discretion to treat any subscription for the RCULS as being invalid if it believes or has reason to believe that such subscription for the RCULS may violate applicable legal or regulatory requirements.

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3. DETAILS OF THE ACQUISITIONS

3.1 Background information on the Acquisitions

On 24 March 2022, INTA entered into the Principal SPAs with SDP Bukit Raja to acquire the EN10 Land, EN11 Land and HT4 Land for cash considerations of RM10.00 million, RM12.00 million and RM23.00 million respectively.

Further to the above, the Company had on 4 August 2022 announced that the Acquiror Companies have subsequently entered into the respective Novation Agreements with INTA and SDP Bukit Raja whereby:-

- (i) INTA agrees to irrevocably novate and transfer all its rights, title, interest liabilities and obligations in and to the respective Principal SPAs (which includes the variations / amendments pursuant to the terms and conditions thereof) to the Acquiror Companies;
- (ii) the Acquiror Companies agree to accept such novation; and
- (iii) SDP Bukit Raja agrees to accept the Acquiror Companies as the new purchasers in replacement of INTA pursuant to and under the respective Principal SPAs.

In connection with the above, any payment of the respective Purchase Consideration by INTA under the respective Principal SPAs shall be assigned and transferred to the account of the respective Acquiror Companies. The ownership of the respective Lands will be transferred to the respective Acquiror Companies upon full payment of the respective Purchase Consideration pursuant to the respective Principal SPAs and Novation Agreements.

The Purchase Consideration shall be satisfied fully via cash payment based on the specified milestones pursuant to the terms of the respective Novation Agreements. Please refer to Section 1 of Appendix III of this Circular for further details.

Upon completion of the Acquisitions, the Group intends to undertake the EN10 Project, EN11 Project and the HT4 Project on the Lands.

In turn, the Acquisitions are expected to contribute positively to the future earnings of the Group via the profits to be derived from the Project. At this juncture, the GDV and GDC of the Projects are estimated to be as follows:-

	EN10 Land	EN11 Land	HT4 Land
	RM'million	RM'million	RM'million
GDV	171.7	179.0	273.3
GDC	144.9	148.3	230.3

Further details on the Lands and the Projects are set out in Section 3.2 as well as Sections 6 and 7 of Appendix III of this Circular.

The EN10 Acquisition has been completed following the full settlement of the EN10 Purchase Consideration on 29 November 2022 and registration of land title in favour of Tinta Kaca was completed on 9 February 2023. Meanwhile, the EN11 Principal SPA and HT4 Principal SPA have become unconditional on 5 September 2022 and 21 October 2022 respectively.

As at the LPD, the EN11 Acquisition and HT4 Acquisition have not been completed pending full payment of their respective Purchase Consideration under the EN11 Principal SPA and HT4 Principal SPA.

The EN11 Acquisition and HT4 Acquisition are expected to be completed by 31 December 2024 and 31 December 2025 respectively upon full payment of their respective Purchase Considerations in accordance with the payment milestones stipulated in the EN11 Principal SPA and HT4 Principal SPA respectively as well as the corresponding Novation Agreements.

3.2 Information on the Lands and the Projects

3.2.1 EN10 Land and EN10 Project

The EN10 Land is a parcel of vacant residential land measuring 22,234 sqm located within a residential development known as Taman Pinggiran USJ, Subang Jaya.

The EN10 Project comprises the development of 715 units of affordable housing under the Rumah Selangorku scheme as approved by LPHS with the following components:-

Component	Size (sq ft)	No. of units
Type C	800	70
(RM150,000.00)		
Type E	900	645
(RM250,000.00)		
Total		715

The EN10 Project has yet to commence as it is currently pending the development order to be obtained from MBSJ. The application for development order has been submitted by SDP USJ as the then registered owner of EN10 Land⁽¹⁾ and Tinta Kaca as the developer to MBSJ on 14 September 2022 and approval for the same is expected to be obtained by the first quarter of 2023.

Note:-

(1) SDP USJ was previously the registered owner of the EN10 Land. Upon completion of the EN10 Acquisition, the ownership of the EN10 Land has been transferred to Tinta Kaca on 9 February 2023.

The EN10 Project is expected to commence within 3 months from the approval for the development order being obtained and is expected to be completed in stages over a period of 3 years.

3.2.2 EN11 Land and EN11 Project

The EN11 Land comprises 16 parcels of vacant land collectively measuring approximately 17,915 sqm located within a residential development known as Taman Pinggiran USJ, Subang Jaya.

The EN11 Project comprises the development of 746 units of affordable housing under the Rumah Selangorku scheme as approved by LPHS with the following components:-

Component	Size (sq ft)	No. of units
Type C	800	75
(RM150,000.00)		
Type E	900	671
(RM250,000.00)		
Total		746

The EN11 Project has yet to commence as it is currently pending the development order to be obtained from MBSJ. The application for development order is expected to be submitted by EN11 Land Proprietor as the registered owner of EN11 Land and Tinta Heights as the developer to MBSJ in the first quarter of 2023 and approval for the same is expected to be obtained by the second quarter of 2023.

The EN11 Project is expected to commence in third quarter of 2023 and is expected to be completed in stages over a period of 3 years.

3.2.3 HT4 Land and HT4 Project

The HT4 Land is a parcel of vacant residential land measuring 35,440 sqm located within a residential development known as Putra Heights, Subang Jaya

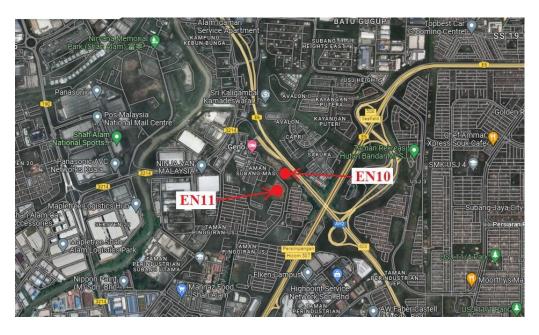
The HT4 Project comprises the development of 1,139 units of affordable housing under the Rumah Selangorku scheme as approved by LPHS with the following components:-

Component	Size (sq ft)	No. of units
Type C	800	114
(RM150,000.00)		
Type E	900	1,025
(RM250,000.00)		
Total		1,139

The HT4 Project has yet to commence as it is currently pending the development order to be obtained from MBSJ. The application for development order is expected to be submitted by HT4 Land Proprietor as the registered owner of HT4 Land and Alma Land as the developer to MBSJ in the first quarter of 2024 and approval for the same is expected to be obtained by the second quarter of 2024.

The HT4 Project is expected to commence in third quarter of 2024 and is expected to be completed in stages over a period of 3 years.

For information, the EN10 Land and EN11 Land are located within the same locality of a residential development known as Taman Pinggiran USJ, Subang Jaya as shown below:-



3.3 Percentage ratios

The highest percentage ratio applicable to the Acquisitions pursuant to Paragraph 10.02(g) of the Listing Requirements is 15.94%. As such, the Acquisitions are not subject to shareholders' approval.

For the avoidance of doubt, the highest percentage ratio applicable to the EN10 Acquisition, EN11 Acquisition and HT4 Acquisition individually pursuant to Paragraph 10.02(g) of the Listing Requirements are 3.54%, 4.25% and 8.15% respectively.

3.4 Interests of directors and/or major Shareholders and/or persons connected to them

None of the Directors and/or major Shareholders and/or persons connected to them have any interest, direct or indirect, in the Acquisitions.

Further details on the Acquisitions (e.g. details of the Lands, details of the Projects, salient terms of the Principal SPAs etc.) are set out in Appendix III of this Circular.

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4. UTILISATION OF PROCEEDS FROM THE PROPOSED RIGHTS ISSUE

Based on the issue price of RM0.02 per RCULS (i.e. 100% of its nominal value), the gross proceeds to be raised from the Proposed Rights Issue are intended to be utilised in the following manner:-

Utili	sation of proceeds	Intended timeframe for utilisation from completion of the Proposed Rights Issue ⁽⁴⁾	Minimum Scenario RM'000	Base Case Scenario RM'000	Maximum Scenario RM'000
(i)	Purchase consideration for the Acquisitions	Within 36 months ⁽⁵⁾	2,550	36,850	36,850
(ii)	Funding for the Projects	Within 36 months	22,450	41,596	73,210
(iii)	Estimated expenses for the Proposed Rights Issue	Immediate	(2)_	⁽³⁾ 1,220	⁽³⁾ 1,220
Tota	I		⁽¹⁾ 25,000	79,666	⁽⁶⁾ 111,280

Notes:-

- (1) Any additional proceeds raised in excess of this amount beyond the Minimum Scenario will be allocated up to its respective maximum allocation under the Base Case Scenario and Maximum Scenario in the following order:-
 - (i) estimated expenses for the Proposed Rights Issue;
 - (ii) purchase consideration for the Acquisitions; and
 - (iii) funding for the Projects.
- (2) Under the Minimum Scenario, the estimated expenses for the Proposed Rights Issue of RM1.22 million shall be funded via internally generated funds.
- (3) If the actual expenses incurred are higher than this budgeted amount, the deficit will be funded via the amount earmarked for funding for the Projects. Conversely, any surplus of funds following payment of expenses will be utilised as funding for the Projects.
- (4) If the Company is unable to fully utilise the proceeds raised from the Proposed Rights Issue in accordance with the intended timeframes set out herein, the timeframe for utilisation of proceeds that has been allocated for the respective purposes will be extended and announced as well as disclosed in the Company's quarterly financial results announcements and annual reports until the Company has fully utilised the proceeds.

In the event of the following:-

- (i) delay in the Projects which result in changes to the utilisation of proceeds; or
- (ii) any of the condition precedents of the Principal SPAs is unable to be fulfilled or waived, resulting in the Company not being able to proceed with the Projects pursuant to the Acquisitions;

the Company would seek its shareholders' approval for changes to the utilisation of proceeds raised from the Proposed Rights Issue and will comply with the relevant requirements under Paragraph 8.22 of the Listing Requirements, Section 268 of the CMSA by notifying the SC and giving notice in writing to the holders (the notice of which is to be approved by the SC), and Section 8.01 of the Guidelines on Issuance of Corporate Bonds and Sukuk to Retail Investors.

(5) Based on the timeline for milestone payments for the Acquisitions in accordance with the terms of the respective Novation Agreements. The salient terms of the Novation Agreements are set out in Section 8 of Appendix III of this Circular. In the event that the proceeds pursuant to the Proposed Rights Issue are not received prior to any milestone payments for the Acquisitions, such milestone payments will be funded via internally generated funds, bank borrowings and/or future fund raising exercises to be undertaken (if required). Any surplus from the utilisation of proceeds intended for the milestone payments for the Acquisitions will be utilised as funding for the Projects.

(6) The Board wishes to highlight that this illustrative amount that would be raised under the Maximum Scenario is based on the assumption that, amongst others, all the outstanding Warrants D which may be exercisable into new Shares as at the LPD are exercised into new Shares prior to the Entitlement Date and all the Entitled Shareholders and/or their renouncee(s) fully subscribe for their respective entitlements of the RCULS.

The Board is of the view that based on the estimated timeline for implementation of the Proposed Rights Issue, the remaining tenure of the Warrants D and the current total number of Warrants D, it is unlikely for all the outstanding Warrants D to be exercised into new Shares prior to the Entitlement Date. Moreover, the Warrants D are currently out-of-the-money based on the 5-day VWAP of the Shares and the Warrants D up to and including the LPD of RM0.0512 and RM0.0200 respectively.

Pending the utilisation of proceeds for the earmarked purposes, the unutilised proceeds shall be placed in interest-bearing deposits and/or short-term money market financial instruments as the Board, in its absolute discretion, deems fit and in the best interest of the Group. The resulting interest income derived from such short-term placements and gains from money market financial instruments will be used as additional working capital for the Group (e.g. staff salaries as well as operating and administrative expenses such as purchase of raw materials, utilities, rental costs, transportation costs, marketing costs, audit fees, consultancy fees, professional fees, secretarial fees, legal fees and fees to regulatory authorities).

(i) Purchase consideration for the Acquisitions

The Purchase Consideration shall be satisfied fully via cash based on the payment milestones as stipulated in the Novation Agreements as set out in Section 1 of Appendix III of this Circular.

(a) As at the LPD, a total of RM10.70 million has been paid to SDP Bukit Raja (out of which RM9.80 million has been paid by the Group and RM0.90 million⁽¹⁾ has been paid by INTA earlier). The remaining balance of RM34.30 million will be funded through the proceeds raised from the Proposed Rights Issue.

Note:-

Out of this RM0.90 million which has been paid by INTA earlier, the Group has reimbursed to INTA a total of RM0.352 million (after deducting the portion attributable to TWL Commodity based on its percentage shareholding in Tinta Kaca and Tinta Heights respectively as at the date of the Novation Agreements) on 14 November 2022 and 23 December 2022 respectively. Further to that, the Group shall reimburse to INTA a total of RM0.322 million (after deducting the portion attributable to TWL Commodity based on its percentage shareholding in Alma Land as at the date of the Novation Agreements). This reimbursement is expected to be made in March 2023.

For information:-

- (i) As at the date of the EN10 Novation Agreement, Tinta Kaca was 80% owned by TWL Commodity and 20% owned by INTA. Subsequently, INTA's 20% equity interest in Tinta Kaca was acquired by TWL Commodity on 27 December 2022 after full settlement of the EN10 Purchase Consideration on 29 November 2022. Pursuant thereto, Tinta Kaca is now a wholly-owned subsidiary of TWL Commodity;
- (ii) Tinta Heights is 80% owned by TWL Commodity and 20% owned by INTA; and
- (iii) Alma Land is 70% owned by TWL Commodity and 30% owned by INTA.
- (b) Subsequent to the First Announcement dated 16 August 2022, the Group had on 31 October 2022 and 25 November 2022 made payments totaling RM2.55 million to SDP Bukit Raja in respect of payment milestones that was due for the EN10 Acquisition, which was funded via internally generated funds. It is the intention of the Group to replenish such internally generated funds through the proceeds raised from the Proposed Rights Issue.

Following the above, a total of RM36.85 million will be allocated towards payment of the Purchase Consideration for the Acquisitions in the following manner:-

	Minimum	Base Case	Maximum
	Scenario	Scenario	Scenario
	RM'000	RM'000	RM'000
EN10 Land	2,550	2,550	2,550
EN11 Land		11,760	11,760
HT4 Land	2,550	22,540 36,850	22,540 36,850

Under the Minimum Scenario, the Group intends to allocate proceeds of RM2.55 million in respect of the EN10 Purchase Consideration in view that the deadlines for such payment milestones are the closest from the date of the First Announcement (on or before 31 October 2022 and 31 December 2022) as compared to the EN11 Purchase Consideration (on or before 30 April 2024 up to 31 December 2024) and HT4 Purchase Consideration (on or before 31 December 2024 up to 31 December 2025).

Any shortfall amount for the balance payment milestones in respect of the EN11 Purchase Consideration and HT4 Purchase Consideration is expected to be funded via internally generated funds, bank borrowings and/or future fund raising exercises to be undertaken (if required).

(ii) Funding for the Projects

The Group intends to utilise the proceeds to be raised from the Proposed Rights Issue mainly to fund the construction of the Projects which is expected to include, amongst others, payments to suppliers for construction materials, payments to contractors for building and external works as well as payments to consultants and relevant authorities as set out below:-

	Minimum	Base Case	Maximum
	Scenario	Scenario	Scenario
	RM'000	RM'000	RM'000
Contractors for building and external works including suppliers for construction materials - EN10 Project - EN11 Project - HT4 Project	5,593	11,185	13,422
	12,692	24,217	51,565
	1,741	1,741	1,741
Consultants and relevant authorities - EN10 Project - EN11 Project - HT4 Project	1,002	2,003	3,005
	1,027	2,055	3,082
	395	395	395
Total	22,450	41,596	73,210

Any shortfall in the Group's funding requirement for the Projects is expected to be met via internally generated funds, bank borrowings and/or future fund raising exercises to be undertaken (if required).

(iii) Estimated expenses for the Proposed Rights Issue

The breakdown of the estimated expenses for the Proposed Rights Issue is illustrated below:-

Estimated expenses	RM'000
Professional fees ⁽¹⁾	1,035
Fees to relevant authorities	170
Printing, despatch, advertising and meeting expenses	10
Miscellaneous expenses and contingencies	5
Total	1,220

Note:-

(1) These include advisory fees payable to the Principal Adviser and other professional fees payable to the solicitors, valuer and reporting accountants.

The actual gross proceeds to be raised from the Proposed Rights Issue will depend on the actual number of RCULS that will be issued which in turn is dependent on the final subscription level of the RCULS.

The exact quantum of proceeds that may be raised by the Company from the conversion of the RCULS and/or exercise of the Warrants E would depend on the actual number of RCULS converted during the Conversion Period and the conversion mode chosen by the RCULS holders, the actual number of Warrants E exercised during the Exercise Period as well as the Conversion Price and exercise price of the Warrants E, both of which shall be determined by the Board at a later date. The proceeds from the conversion of the RCULS and/or exercise of the Warrants E will be received on an "as and when basis" over the Conversion Period and Exercise Period respectively.

Strictly for illustrative purposes, based on an illustrative Conversion Price of RM0.03 and assuming all the RCULS are converted into new Shares based on the conversion mode of surrendering 1 RCULS (which has a nominal value of RM0.02 each) with additional cash payment of RM0.01, the Company will raise gross proceeds of approximately RM55.64 million upon full conversion of the RCULS under the Maximum Scenario.

Strictly for illustrative purposes, based on the illustrative exercise price of RM0.03 per Warrant E, the Company will raise gross proceeds of up to RM33.38 million upon full exercise of the Warrants E under the Maximum Scenario.

Any proceeds arising from the conversion of the RCULS (based on the conversion mode of surrendering 1 RCULS with additional cash payment to arrive at the Conversion Price) and/or exercise of the Warrants E in the future will be used to finance the working capital requirements of the Group (e.g. staff salaries as well as operating and administrative expenses such as purchase of raw materials, utilities, rental costs, transportation costs, marketing costs, audit fees, consultancy fees, professional fees, secretarial fees, legal fees and fees to regulatory authorities). The exact breakdown of the utilisation of proceeds for each component of working capital are subject to the actual requirements of the Group at the relevant time and the timeframe for full utilisation from the date of receipt of the proceeds cannot be determined at this juncture.

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5. RATIONALE FOR THE ACQUISITIONS AND THE PROPOSED RIGHTS ISSUE

5.1 Acquisitions

The Acquisitions will allow the Group to undertake the Projects and is therefore in line with the Group's business strategy of focusing on the construction and property development segments.

In turn, the Projects are expected to contribute positively to the future earnings of the Group, premised on their strategic location in the established townships of UEP Subang Jaya (commonly known as USJ) for the EN10 Project and EN11 Project as well as Putra Heights for the HT4 Project. Further to that, the availability of various amenities as well as convenient accessibility via the established major roads and highways are expected to augur well for the take-up rates of the Projects.

The total estimated GDV and GDC of the Projects are RM624.1 million and RM523.5 million respectively. Subject to all relevant approvals being obtained and the availability of funding, the EN10 Project, EN11 Project and HT4 Project are expected to commence in the first quarter of 2023, third quarter of 2023 and third quarter of 2024 respectively and be completed in the first quarter of 2026, second quarter of 2026 and second quarter of 2027 respectively.

As set out in Section 1 of Appendix III of this Circular, the mode of satisfaction of the Purchase Consideration pursuant to the terms of the Principal SPAs and Novation Agreements provides the Acquiror Companies with the option satisfy the relevant balance Purchase Consideration earlier than the relevant stipulated payment deadlines, thereby completing the Acquisitions earlier. This payment flexibility allows the Group to decide on the exact timing for completion of the Acquisitions as well as the subsequent commencement of the Projects. In this regard, if the Group is able to obtain the requisite funding for the Projects earlier, the Group may choose to proceed with completing the Acquisitions and commencing the Projects earlier.

5.2 Proposed Rights Issue

The Proposed Rights Issue will enable the Company to raise funds and channel them towards the proposed utilisation as set out in Section 4 of this Circular.

After due consideration of the various options available, the Board is of the opinion that the Proposed Rights Issue is the most suitable means of fund raising for the Company for the following reasons:-

- (i) the Proposed Rights Issue will allow the Group to secure funding at a fixed funding cost of 5% per annum which is lower compared to the average effective borrowing cost of the Group of approximately 7.22%. In addition, the fixed funding cost also reduces the Group's exposure to interest rate fluctuations, which will in turn enable the Group to manage its cash flows more efficiently;
- (ii) the issuance of RCULS will not have an immediate dilution effect on the Group's EPS as the RCULS are expected to be converted over the Conversion Period as opposed to a fund raising exercise via rights issue of ordinary shares which will have an immediate upfront impact on the Group's EPS;
- (iii) the RCULS will provide an opportunity for the Entitled Shareholders to increase their equity participation in the Company through the conversion of the RCULS into new Shares during the Conversion Period; and
- (iv) the Entitled Shareholders stand to benefit from the periodic coupon payments for the RCULS, which are reasonably attractive as compared to the prevailing conventional fixed deposit rates between 2.40% to 3.10% offered by some of the financial institutions.

The free Warrants E which are attached to the RCULS are intended to provide an added incentive to the Entitled Shareholders to subscribe for the RCULS. In addition, the free Warrants E will provide the Entitled Shareholders with an opportunity to increase their equity participation in the Company at a pre-determined exercise price during the tenure of the Warrants E and will allow Entitled Shareholders to further participate in the future growth of the Company as and when the Warrants E are exercised.

The conversion of the RCULS (via the conversion mode of surrendering 1 RCULS with additional cash payment to arrive at the Conversion Price) and exercise of the Warrants E in the future will allow the Company to obtain additional funds without incurring additional interest expenses from borrowings. Furthermore, the exercise of Warrants E will increase Shareholders' funds, thereby strengthening the financial position of the Company and providing the Company with flexibility in terms of the options available to meet its funding requirements.

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6. EQUITY FUND-RAISING EXERCISES UNDERTAKEN BY THE GROUP IN THE PAST 5 YEARS

For information, the Group has undertaken the following equity fund-raising exercises in the past 5 years before the first announcement of the Proposed Rights Issue:-

(i) Previous Private Placement

On 15 April 2022, the Company completed a private placement exercise involving the issuance of 771,036,000 new Shares, raising a total of approximately RM40.46 million.

As at the LPD, the said proceeds had been utilised as follows:-

		Intended timeframe for utilisation from 15	Actual pro		Amount uti at the I		Balance av for utilisa	
Utili	sation of proceeds	April 2022	RM'000	%	RM'000	%	RM'000	%
(i)	Funding for construction of the Sentul Project ⁽¹⁾	Within 24 months	39,519	97.7	421	36.6	39,098	99.5
(ii)	Estimated expenses for the Previous Private Placement	Immediate	940	2.3	730	63.4	210	0.5
Tota	al	<u> </u>	40,459	100.0	1,151	100.0	39,308	100.0

Note:-

(1) The development order and the building plan for the Sentul Project has been obtained on 27 January 2022 and 14 September 2022 respectively. The Sentul Project is expected to commence construction in 3rd quarter of 2023 subject to the SiFUS being obtained.

(ii) Previous Rights Issue with Warrants

On 11 October 2021, the Company completed a rights issue exercise involving the issuance of 1,101,479,634 new Shares and 1,101,479,634 Warrants D, raising a total of approximately RM44.06 million.

As at the LPD, the said proceeds had been utilised as follows:-

		Intended timeframe for utilisation from 11	Actual proceeds raised		Amount uti at the I		Balance available for utilisation	
Utili	sation of proceeds	October 2021	RM'000	%	RM'000	%	RM'000	%
(i)	Funding for existing property development projects	Within 36 months	(1)30,000	68.1	⁽²⁾ 961	19.4	29,039	74.3
(ii)	Repayment of borrowings	Within 6 months	11,171	25.4	⁽³⁾ 1,105	22.3	10,066	25.7
(iii)	Working capital	Within 24 months	2,067	4.7	2,067	41.7	-	-
(iv)	Estimated expenses for the Previous Rights Issue with Warrants	Immediate	821	1.8	821	16.6	-	-
Tota	ıl	1	44,059	100.0	4,954	100.0	⁽⁴⁾ 39,105	100.0

Notes:-

(1) The proceeds of RM30.00 million have been earmarked to fund the following existing property development projects:-

No.	Project name / location	Estimated GDV	Estimated GDC	Expected commence-ment date	Percentage of completion as at the LPD (%)	Estimated completion year
1.	Aster Residence in Cheras, Selangor	117.3	89.3	2 nd quarter of 2023	5.0	2026
2.	Alam Impian Affordable Housing Project in Shah Alam, Selangor	330.0	260.9	2 nd quarter of 2023	5.0	2026
3.	Bangsar South Luxury Condominium Project in Kuala Lumpur	450.0	322.5	1 st half of 2024	5.0	2027

Due to current market conditions, the progress of the Bangsar South Luxury Condominium Project has been delayed as the Group is in the midst of concentrating on the Alam Impian Affordable Housing Project which is expected to garner better market reception at this juncture.

For the Alam Impian Affordable Housing Project, the Group is currently in the process of applying for an amended development order to, amongst others, merge this project with the Alam Impian Commercial Development Project and modify their configuration. For information, the Alam Impian Commercial Development Project is an existing joint-development project between Pembinaan Terasia Sdn Bhd (now known as Kejuruteraan TWL Sdn Bhd) (a wholly-owned subsidiary of the Company) and a landowner (namely Harapan Handal Sdn Bhd) with an estimated GDV and GDC of approximately RM52.4 million and RM41.1 million respectively (after excluding landowner's entitlement).

Upon approval, the merged project would comprise 1,000 units of affordable apartments and have an estimated GDV and GDC of RM330.0 million and RM260.9 million respectively (after including landowner's entitlement). The approval for the said amended development order is expected to be obtained by 1st quarter of 2023.

For the Aster Residence, the Group had on 21 July 2022 submitted an application for an amended development order to increase the scale of the project by incorporating additional land from an adjacent plot via a potential joint venture arrangement with the landowner. Upon approval, the Aster Residence would comprise 259 units of apartment and car park podium. This project will have an estimated GDV of RM117.3 million and conditional approval of the development order has been obtained on 20 January 2023.

- (2) The proceeds have been utilised for the Aster Residence and Alam Impian Affordable Housing Project.
- (3) The proceeds have not been utilised fully as the Company is in the midst of negotiating with the banks on the rescheduling of its payments as well as to convert part of the existing loan to overdraft. This process includes negotiation on the terms of the rescheduling and restructuring of the loan as well as submission of documents and information pertaining to the Company (including its property development projects) to the banks for their perusal. As at the LPD, the rescheduling and restructuring is pending the approvals being obtained from the various banks.
- (4) The balance proceeds are currently placed as fixed deposits with a licensed bank.

7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS

7.1 Malaysian economy

The Malaysian economy grew slower in the fourth quarter of ("4Q") 2022 (7.0%; third quarter of ("3Q") 2022: 14.2%) as support from the stimulus measures and low base effect waned. At 7.0%, the growth was still above the long-term average of 5.1%. Private sector activity remained the key driver of growth, supported by private consumption and investment. The continued growth in private consumption was mainly driven by improving labour market conditions. Meanwhile, overall export growth moderated in line with the weaker external demand. This was partly offset by the resilient performance in exports of electrical and electronic ("E&E") products and higher tourism activities. The services and manufacturing sectors continued to drive growth. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a decline of 2.6% (3Q 2022: +1.9%). Overall, the Malaysian economy expanded by 8.7% in 2022.

(Source: Economic and Financial Developments in Malaysia in the Fourth Quarter of 2022, Bank Negara Malaysia, 10 February 2023)

During the quarter, domestic demand grew by 6.8% (3Q 2022: 13.1%), mainly supported by private sector expenditure. Private consumption expanded by 7.4% (3Q 2022: 15.1%), supported by improving labour market conditions and policy measures. Spending was driven by consumption of necessities, particularly for transport as well as housing and utilities, and selected discretionary components such as recreational services and culture. Public consumption grew by 2.4% (3Q 2022: 4.5%), reflecting continued support from Government spending on emolument and supplies and services.

The manufacturing sector grew by 3.9% (3Q 2022: 13.2%). Despite experiencing slower global semiconductor sales, the E&E cluster remained in expansion amid fulfilment of existing backlog in orders. Meanwhile, the primary segment continued to grow driven by higher output at a major oil refinery in Johor which resumed operations in the previous quarter. Sustained production in the consumer segment was driven by the food and beverage segment ahead of the festive season, as well as the motor vehicle and transport equipment segment to meet backlog in orders.

Labour market conditions steadily improved during the quarter, albeit at a more moderate pace. Unemployment and underemployment rates continued their gradual decline to 3.6% and 1.0% of the labour force, respectively (3Q 2022: 3.7% and 1.1%, respectively). This was supported by sustained employment gains, amid continued expansion of the labour force. The labour force participation rate rose to 69.5% (3Q 2022 69.4%; 4Q 2019: 69.1%). Meanwhile, the Employment Insurance System ("EIS") data indicated the pace of hiring is normalising while jobless claims remained low during the quarter and below the pre-pandemic averages (2019 average: 10,021 persons per quarter).

(Source: BNM Quarterly Bulletin 4Q 2022, Bank Negara Malaysia)

Headline inflation has averaged 3.4% for the period January - November 2022. As projected, headline inflation peaked in 3Q 2022, while underlying inflation, as measured by core inflation, has averaged 2.9% up to November 2022. Over the course of 2023, headline and core inflation are expected to moderate but remain at elevated levels amid lingering demand and cost pressures. Existing price controls and fuel subsidies, and the remaining spare capacity in the economy, will continue to partly contain the extent of upward pressures to inflation. The balance of risk to the inflation outlook is tilted to the upside and remains highly subject to any changes to domestic policy on subsidies and price controls, as well as global commodity price developments.

On 19 January 2023, the Monetary Policy Committee ("MPC") of Bank Negara Malaysia decided to maintain the Overnight Policy Rate ("OPR") at 2.75 percent.

(Source: Monetary Policy Statement, Bank Negara Malaysia, 19 January 2023)

7.2 Property market in Malaysia

Property market activity recorded better performance in first half of 2022 (H1 2022) with more than 188,000 transactions recorded worth RM84.40 billion, showing an increase of more than 30% in volume and value compared to the same period last year, as all property sectors recorded year-on-year growth.

Residential property sector recorded 116,178 transactions worth RM45.62 billion in the review period, increased by 26.3% in volume and 32.2% in value year-on-year. The four major states namely Pulau Pinang, WP Kuala Lumpur, Johor and Selangor formed about 47% of the total national residential volume.

Commercial property segment recorded 15,169 transactions worth RM14.02 billion recorded, up by 45.4% in volume and 28.3% in value compared to the same period last year. Selangor contributed the highest volume and value to the national market share, with 26.5% in volume (4,025 transactions) and 33.5% in value (RM4.70 billion).

Residential new launches has softened with more than 10,000 units of newly launched recorded, down by 66.7% against 31,687 units (revised) in H1 2021. Against H2 2021, the new launches were lower by 13.3% (H2 2021: 12,173 units). Sales performance for new launches recorded at 20.3%, slightly lower compared to H1 2021 (revised 20.6%) and H2 2021 (28.1%).

The overhang situation improved amidst market recovery. A total of 34,092 overhang units worth RM21.73 billion was recorded, down by 7.5% and 4.6% in volume and value respectively against H2 2021. Most of the overhang is in Johor with 6,040 units worth RM4.73 billion. Likewise, the unsold under construction residential units saw a decrease of 11.1% to 62,404 units compared to H2 2021 (70,231 units).

The property market performance recorded a rebound in the H1 2022, a reflective of normalizing economic activity as the country moved towards endemicity. With the positive projection on economic growth by Bank Negara Malaysia, expected between 5.3% to 6.3% in 2022, supported by the implementation of various government initiatives and assistance, the property market performance is expected to be on track.

(Source: Malaysia Property Market Report First Half 2022, Valuation and Property Services Department, Ministry of Finance Malaysia)

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7.3 Construction industry in Malaysia

The value of work done in the fourth quarter 2022 continue to increase by 15.7% (Q3 2022: 23.2%) year-on-year basis, amounting to RM32.0 billion (Q3 2022: RM30.5 billion). Meanwhile, a quarter-on-quarter comparison showed the value of work done grew 4.8% in the fourth quarter 2022.

The Civil engineering sub-sector recorded the highest growth at 20.8% in the fourth quarter 2022 as compared to the same quarter last year. Meanwhile, the other three sub-sectors, namely Non-residential buildings, Special trade activities sub-sector and Residential buildings showed a growth of 19.0%, 12.7% and 5.3% respectively, as compared with the same guarter 2021.

All construction sub-sectors recorded positive growth on a quarter-on-quarter basis. The value of construction work in the Special trade activities sub-sector increased 10.7%, Civil engineering sub-sector (4.8%), Non-residential buildings sub-sector (3.9%) and the Residential buildings sub-sector (2.3%).

Civil engineering remained as the main contributor to the value of construction work done with a share of 37.9%, followed by Non-residential buildings (30.1%), Residential buildings (21.8%) and Special trade activities (10.2%)

Private sector grew 23.5% (Q3 2022: 31.8%) with 62.6% share of total value of work done (RM20.0 billion) and the public sector also registered a growth at 4.7% (Q3 2022: 12.6%) with 37.4% share of total value of work done (RM11.9 billion).

(Source: Quarterly Construction Statistics, Fourth Quarter 2022, Department of Statistics Malaysia)

The construction sector contracted by 2.1% in the first half of 2022, mainly due to lower construction activities in civil engineering and residential buildings subsectors. In contrast, non-residential buildings and specialised construction activities subsectors registered a growth during the same period, in line with expansion in business activities, albeit rising prices of construction-related materials. The sector is expected to turn around in the second half with an expansion rate of 6.9%, supported by positive growth in all subsectors. Improvement in private investment and robust domestic economic activities are anticipated to increase demand for more industrial buildings. In addition, the acceleration of major infrastructure projects will continue to drive the sector's performance.

The construction sector is forecast to expand by 4.7% in 2023 following a better performance in all subsectors. Civil engineering subsector is anticipated to rebound buoyed by implementation of new projects such as Mass Rapid Transit Line 3 ("MRT3") Circle Line and acceleration of ongoing infrastructure projects which include, Rapid Transit System ("RTS") Link, East Coast Rail Link ("ECRL") and Light Rail Transit Line 3 ("LRT3").

In addition, the approved investment projects in the manufacturing sector are anticipated to come onstream and subsequently creating a greater demand for industrial buildings. Hence, the non-residential buildings subsector is projected to expand further. Meanwhile, the residential buildings subsector is expected to grow steadily supported by more construction of affordable houses, in line with the strategy under the 12th Malaysia Plan ("**12MP**"). In addition, incentive offered by the Government to encourage home ownership through the i-MILIKI programme is expected to spur demand for residential buildings while addressing the property overhang issue.

(Source: Economic Outlook 2023, Ministry of Finance Malaysia, 7 October 2022)

7.4 Prospects and future plans of the Group

The Group is principally involved in construction and property development. As at the LPD, the Group is involved in 10 ongoing property development projects with an estimated total GDV of RM2.58 billion, as follows:-

No.	Project name / location	Estimated GDV RM'million	Details	Expected launch year ⁽¹⁾	Estimated completion year ⁽²⁾	Percentage of completion ⁽³⁾
1.	Seri Kembangan Project in Seri Kembangan, Selangor ⁽⁴⁾	449.9	Residential development project comprising 3 tower blocks with 618 condominium units	2024	2027	2.5
2.	Bukit Serdang Project in Seri Kembangan, Selangor ⁽⁵⁾	249.9	Residential development project comprising 300 units of condominium	2024	2027	2.5
3.	Alam Impian Residential Development Project in Shah Alam, Selangor ⁽⁶⁾	196.8	Joint-development residential project comprising 224 units of double-storey link house	2023	2025	10.0
4.	Bukit Sri Putra Project in Gombak, Selangor ⁽⁷⁾	160.2	Residential project comprising 571 units of affordable apartments	2025	2028	2.5
5.	Aster Residence in Cheras, Selangor ⁽⁸⁾	117.3	Residential development project comprising 1 tower block with 259 executive condominium units	2023	2026	5.0
6.	Alam Impian Affordable Housing Project in Shah Alam, Selangor ⁽⁹⁾	330.0	Joint-development residential project comprising 1,000 units of affordable apartments.	2023	2026	5.0
7.	Bangsar South Luxury Condominium Project in Kuala Lumpur ⁽¹⁰⁾	450.0	Joint-development residential project comprising 206 units of luxury condominium	2024	2027	5.0

No.	Project name / location	Estimated GDV RM'million	Details	Expected launch year ⁽¹⁾	Estimated completion year ⁽²⁾	Percentage of completion ⁽³⁾
8.	EN10 Project	171.7	Development of 715 units of affordable housing under the Rumah Selangorku scheme to be undertaken on the EN10 Land	2023	2026	-
9.	EN11 Project	179.0	Development of 746 units of affordable housing under the Rumah Selangorku scheme to be undertaken on the EN11 Land	2023	2026	-
10.	HT4 Project	273.3	Development of 1,139 units of affordable housing under the Rumah Selangorku scheme to be undertaken on the HT4 Land	2024	2027	-

Notes:-

- (1) This represents the expected timeframe for launching of the projects in the event that the approvals for the development orders and building plans are obtained. However, the timeframe for launching of the projects may be delayed in the event of a recalibration of the development plans and/or lack of funding.
- (2) This represents the estimated timeframe for completion of construction in the event that the approvals for the development orders and building plans are obtained. However, the timeframe for completion of construction may be delayed in the event of a recalibration of the development plans and/or lack of funding.
- (3) The percentage of completion disclosed above is based on the Group's estimate of the work done, which include preliminary works (e.g. site clearance, drainage to prevent flooding, retaining walls and earthworks) for projects that have yet to obtain the development order.
- (4) The Seri Kembangan Project is a project undertaken by Myharmony Development Sdn Bhd (a wholly-owned subsidiary of the Company) with an estimated GDV and GDC of approximately RM449.9 million and RM351.7 million respectively. The expected profits to be derived from this project is approximately RM98.2 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the building plan approval is obtained.

The proposed development project is still in the planning and design stage and the Group will be applying for the development order from the relevant authorities at a later stage. Once the development order has been obtained, the Group will apply for the building plan approval.

(5) The Bukit Serdang Project is a project undertaken by Tiger Synergy Land Sdn Bhd (a wholly-owned subsidiary of the Company) with an estimated GDV and GDC of approximately RM249.9 million and RM189.8 million respectively. The expected profits to be derived from this project is approximately RM60.1 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the building plan approval is obtained.

The proposed development project is still in the planning and design stage and the Group will be applying for the development order from the relevant authorities at a later stage. Once the development order has been obtained, the Group will apply for the building plan approval.

The Alam Impian Residential Development Project is a joint-development project between Tiger Synergy Development Sdn Bhd (now known as TWL Builders Sdn Bhd) (a wholly-owned subsidiary of the Company) and 3 landowners (namely Pentas Irama Sdn Bhd, Elitprop Sdn Bhd and Greatprop Development Sdn Bhd) with an estimated GDV and GDC of approximately RM196.8 million and RM182.6 million respectively (including estimated landowners' entitlement). The expected profits to be derived from this project is approximately RM14.2 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the building plan approval is obtained.

The development orders for the 3 parcels of land have been obtained on 22 October 2020 and 23 October 2020. The development orders are currently valid until 22 October 2021 and 23 October 2021 respectively. Notwithstanding that, the Group postponed its plan to submit the application for building plan approval due to lack of funding as well as the slower market conditions in the property sector. As such, the Group plans to apply for an extension of the development orders' validity period or resubmit the development order by 2nd Quarter 2023.

Once the extension for the development order has been obtained, the Group will apply for the building plan approval. The Alam Impian Residential Development Project is expected to be launched and commence construction in 2023 and be completed within 3 years.

(7) The Bukit Sri Putra Project is a project undertaken by Teladan Bina Sdn Bhd (a wholly-owned subsidiary of the Company) for the development of 571 units of affordable apartments with an estimated GDV and GDC of approximately RM160.2 million and RM123.6 million respectively. The expected profits to be derived from this project is approximately RM36.6 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the building plan approval is obtained.

The proposed development project is still in the planning and design stage and the Group will be applying for the development order from the relevant authorities at a later stage. Once the development order has been obtained, the Group will apply for the building plan approval.

(8) The Aster Residence is a project undertaken by Promosi Juara Sdn Bhd (a wholly-owned subsidiary of the Company) with an estimated GDV and GDC of approximately RM72.1 million and RM58.5 million respectively. The expected profits to be derived from this project is approximately RM13.6 million.

Nevertheless, the Group had on 21 July 2022 submitted an application for an amended development order to increase the scale of the project by incorporating additional land from an adjacent plot via a potential joint venture arrangement with the landowner. Upon approval, the Aster Residence would comprise 259 condominium units and car park podium. This project will have an estimated GDV and GDC of approximately RM117.3 million and RM89.3 million respectively and the conditional approval for the development order has been obtained on 20 January 2023.

The Alam Impian Affordable Housing Project is a joint-development project between Pembinaan Terasia Sdn Bhd (now known as Kejuruteraan TWL Sdn Bhd) (a wholly-owned subsidiary of the Company) and 2 landowners (namely Credence Property Management Sdn Bhd and LJ Development (KL) Sdn Bhd, who is a related party by virtue of its directors being family members of Dato' Tan Wei Lian (Executive Chairman of the Company), Tan Lee Chin (Deputy Chairman / Managing Director of the Company) and Datin Sek Chian Nee (Executive Director of the Company)) with an estimated GDV and GDC of approximately RM176.0 million and RM144.0 million (including estimated landowners' entitlement) respectively. The expected profits to be derived from this project is approximately RM32.0 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the approval for the building plan is obtained.

Nevertheless, the Group is currently in the process of applying for an amended development order to, amongst others, merge this project with the Alam Impian Commercial Development Project and modify their configuration. For information, the Alam Impian Commercial Development Project is a joint-development project between Pembinaan Terasia Sdn Bhd (now known as Kejuruteraan TWL Sdn Bhd) (a wholly-owned subsidiary of the Company) and a landowner (namely Harapan Handal Sdn Bhd) with an estimated GDV and GDC of approximately RM52.4 million and RM41.1 million respectively (after excluding landowner's entitlement).

Upon approval of the amended development order, the merged project would comprise 1,000 units of affordable apartments and have an estimated GDV and GDC of approximately RM330.0 million and RM260.9 million respectively (after including landowner's entitlement). The approval for the said amended development order is expected to be obtained by 1st quarter of 2023.

(10) The Bangsar South Luxury Condominium Project is a joint-development project between Tiger Synergy Housing Development Sdn Bhd (now known as TWL Housing Development Sdn Bhd) (a wholly-owned subsidiary of the Company) and 4 landowners (namely Tristar Frontier Sdn Bhd, Nujade Garden Sdn Bhd, MHB Property Development Sdn Bhd and Credence Property Management Sdn Bhd) with an estimated GDV and GDC of approximately RM450.0 million and RM322.5 million (including estimated landowners' entitlement) respectively. The expected profits to be derived from this project is approximately RM127.5 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the approval for the building plan is obtained.

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During the 18-month FPE 30 June 2021, the Group was unable to progress with its property development projects due to the temporary suspension of construction activities during the MCO as a result of the COVID-19 pandemic as well as lack of funding.

Since then, the Group has restructured and rescheduled the payment schedule for its bank borrowings to allow the Group to preserve its cash flow for the Group's existing operations pending the resumption of construction activities once the current MCO restrictions are gradually eased / lifted.

On 11 October 2021, the Company completed the Previous Rights Issue with Warrants which raised a total of approximately RM44.06 million. The proceeds raised from the Previous Rights Issue with Warrants are intended to be utilised mainly to fund the Group's existing property development projects, repay borrowings and fund the Group's working capital.

On 10 January 2022, the Group entered into a shares sale agreement to acquire 100% equity interest in Qaisar. Qaisar had been awarded a turnkey contract by Qaiser Harta PMC Sdn Bhd for the Sentul Project i.e. the construction of a high-rise apartment complex building comprising 1,066 units of 3-bedroom apartments, multi-level car park podium and a podium floor of residence facilities as well as other ancillary works on a piece of freehold land measuring 12,080 sqm in Sentul, Kuala Lumpur for a total contract sum of RM235.24 million ("Turnkey Contract").

The Sentul Project is expected to contribute positively to the future earnings of the Group via the contract sum to be derived from the Turnkey Contract. As at the LPD, the Qaisar Acquisition has become unconditional and the transfer of the sale shares will be effected in due course in accordance with the relevant terms of the Qaisar SSA. Whilst the approval for the development order and the building plan approval for the Sentul Project was obtained on 27 January 2022 and 14 September 2022 respectively, the Sentul Project still requires the Certificate of Share Unit Formula ("SiFUS") to be obtained. The application for SiFUs is expected to be submitted by the 2nd quarter of 2023. The Sentul Project is expected to commence in 3rd quarter of 2023 subject to the SiFUS being obtained.

On 15 April 2022, the Group completed the Previous Private Placement which raised a total of approximately RM40.46 million. The proceeds raised from the private placement are intended to be utilised mainly to fund the Sentul Project.

Moving forward, in view of the transition to the endemic phase since 1 April 2022, the Group will aim to expedite the progress of some its current projects i.e. the EN10 Project, Aster Residence Project and Alam Impian Affordable Housing Project in order to generate revenue and cash flows to the Group. As for the other projects, notwithstanding that their progress was stalled following the temporary suspension of construction activities during the MCO as a result of the COVID-19 pandemic, these projects are currently still put on hold due to slower market conditions in the property sector.

Apart from the property development projects mentioned above as well as the EN10 Project, EN11 Project and HT4 Project (to be undertaken after completion of the Acquisitions), the Group will continue to explore opportunities for new property development projects with priority on the affordable housing segment as well as for the acquisition of landbank in strategic locations at attractive prices in view of the anticipated softer property market following the COVID-19 outbreak.

Premised on the above, the Board is optimistic of the future prospects of the Group moving forward.

7.5 Value creation to the Company and its securities holders

The Proposed Rights Issue will allow the Group to provide immediate funding for the EN10 Project. The development order for the EN10 Project is expected to be obtained by the first quarter of 2023 and the EN10 Project is expected to commence within 3 months from the approval for the development order being obtained. Meanwhile, the Proposed Rights Issue is expected to be completed in the second quarter of 2023. Thus, the receipt of funds from the Proposed Rights Issue is expected to tie in with the expected commencement date of the EN10 Project.

Moving forward, the EN10 Project is expected to be completed in stages over a period of 3 years and contribute positively to the future earnings of the Group via the profits to be derived from the sale of the affordable housing units. At this juncture, the GDV and GDC of the EN10 Project are estimated to be RM171.7 million and RM144.9 million respectively. In this regard, the benefits that will accrue to the Company from the utilisation of funds raised from the Proposed Rights Issue is expected to create value for the Company and its securities holders.

In the medium term, the proceeds to be raised from the Proposed Rights Issue will be utilised to pay the balance Purchase Consideration for the EN11 Acquisition and HT4 Acquisition as well as to fund the EN11 Project and HT4 Project respectively. The EN11 Acquisition and HT4 Acquisition are expected to be completed by 31 December 2024 and 31 December 2025 respectively upon full payment of their respective Purchase Considerations in accordance with the payment milestones stipulated in the EN11 Principal SPA and HT4 Principal SPA respectively as well as the corresponding Novation Agreements. Meanwhile, the EN11 Project and HT4 Project are expected to commence in the third quarter of 2023 and third quarter of 2024 respectively⁽¹⁾. Thereafter, the EN11 Project and HT4 Project are expected to be completed in stages over a period of 3 years.

Note:-

This is subject to the Group securing the requisite funding for the EN11 Project and HT4 Project. Once such funding is secured, the Group would proceed to complete the EN11 Acquisition and HT4 Acquisition earlier than the payment milestones deadlines of 31 December 2024 and 31 December 2025 and commence the EN11 Project and HT4 Project.

In turn, the EN11 Project and HT4 Project are expected to contribute positively to the future earnings of the Group via the profits to be derived from the sale of the affordable housing units. At this juncture, the GDV and GDC of the EN11 Project are estimated to be RM179.0 million and RM148.3 million respectively while the GDV and GDC of the HT4 Project are estimated to be RM273.3 million and RM230.3 million respectively. In this regard, the Proposed Rights Issue is expected to create value for the Company and its securities holders.

7.6 Adequacy of the Proposed Rights Issue in addressing the Company's financial concerns

After taking into consideration the utilisation of proceeds from the Proposed Rights Issue as set out in Section 4 of this Circular, the prospects and outlook of the property market and construction industry in Malaysia as set out in Sections 7.2 and 7.3 of this Circular, the prospects and future plans of the Group as set out in Section 7.4 of this Circular, the value creation to the Company and its securities holders as set out in Section 7.5 of this Circular as well as the effects of the Proposed Rights Issue in Section 9 of this Circular, the Proposed Rights Issue is adequate to address the Group's financial concerns at this juncture.

8. RISK FACTORS IN RELATION TO THE ACQUISITIONS

8.1 Project risk

As the Acquisitions are being undertaken with the intention of undertaking the Projects, the benefits to be derived from the Acquisitions are therefore dependent on the successful completion of the Projects.

In this regard, there is no assurance that the Projects will complete in a timely manner and/or without any cost overruns. In the event that all or any of the Projects are unexpectedly delayed for whatever reason, or if there are cost overruns due to, amongst others, unexpected increase in costs of building materials and labour, the Group may not be able to realise the full benefits of the Projects. Any delay in the Projects may also result in compensation to be paid by the Group to end-purchasers for liquidated damages.

There is also no assurance that the Group will be able to achieve a high take-up rate for the Projects. In the event of a softer property market due to, amongst others, economic slowdown or change in government policies, the take-up rate for the Projects may be negatively affected.

Notwithstanding the above, TWL will leverage on its experience as a property development and construction company to ensure that Projects will be undertaken as smoothly as possible.

8.2 Non-completion risk

The Acquisitions are subject to the risk of non-completion of the Principal SPAs and Novation Agreements for whatsoever reason. Although the conditions precedent as set out in Sections 9.1(ii), 9.2(ii) and 9.3(ii) of Appendix III of this Circular has been obtained / fulfilled within the respective conditional periods of the Principal SPAs, there is a possibility that the Acquisitions may not be completed due to, amongst others, failure to effect due and punctual payment of any sum of the Purchase Consideration as stipulated under the payment milestones of the Novation Agreements within the prescribed timeframe.

In the event that any sum of the Purchase Consideration is not paid within the prescribed timeframe, the Acquisitions may be terminated and the Acquisitions may not be completed. In turn, the Group will not be able to achieve the intended benefits of the Acquisitions i.e. undertaking the Projects on the Lands. In addition, the Group will not be able to recover the transaction costs and other associated costs that it has incurred in relation to the Acquisitions.

Notwithstanding the above, the Company will take reasonable steps to ensure the completion of the Acquisitions.

8.3 Funding risk

As set out in Section 1 of Appendix III of this Circular, the balance Purchase Consideration shall be satisfied in several payment milestones over a period of up to 3 years from the date of this Circular. At this juncture, the Group plans to satisfy the balance Purchase Consideration via the proceeds to be raised from the Proposed Rights Issue as set out in Section 4 of this Circular, internally generated funds, bank borrowings and/or future fund raising exercises to be undertaken (if required).

Notwithstanding the above, there is no assurance that the Group will be able to obtain or secure the necessary funding required to satisfy the balance Purchase Consideration in accordance with the payment milestones stipulated in the respective Principal SPAs and Novation Agreements.

In the event that the Group is unable to obtain the necessary funding to pay the balance Purchase Consideration in accordance with the payment milestones stipulated in the respective Principal SPAs and Novation Agreements, SDP Bukit Raja is entitled to, amongst others, terminate the Principal SPAs and Novation Agreements and claim back the Lands and/or forfeit 10% of the Purchase Consideration pursuant to the terms and conditions of the Principal SPAs.

8.4 Deposit forfeiture risk

The Acquisitions are subject to the risk of forfeiture of 10% of the Purchase Consideration in the event of a breach of covenants and obligations by the Acquiror Companies under the respective Principal SPAs and Novation Agreements which may be due to negligence or otherwise.

In the event that the Acquiror Companies are unable to rectify any breach of its covenants and obligations under the respective Principal SPAs and Novation Agreements within the stipulated time period, SDP Bukit Raja is entitled to, amongst others, terminate the Principal SPAs and Novation Agreements and claim back the Lands and/or forfeit 10% of the Purchase Consideration.

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9. EFFECTS OF THE ACQUISITIONS AND THE PROPOSED RIGHTS ISSUE

9.1 Share capital

The Acquisitions will not have any effect on the share capital of the Company as the Acquisitions do not involve the issuance of new Shares in view that Purchase Consideration shall be fully satisfied in cash.

The pro forma effects of the Proposed Rights Issue on the share capital of the Company are as follows:-

	Minimum	Scenario	Base Case	Scenario	Maximum	Scenario
		Share capital		Share capital		Share capital
	No. of shares	RM	No. of shares	RM	No. of shares	RM
Issued share capital as at LPD	3,983,289,517	353,282,770	3,983,289,517	353,282,770	3,983,289,517	353,282,770
New Shares to be issued assuming full exercise of the Warrants D	-	-	-	-	1,025,136,534	⁽¹⁾ 41,005,461
Qaisar Acquisition Consideration Shares to be issued	-	-	-	-	555,555,556	⁽²⁾ 25,000,000
	3,983,289,517	353,282,770	3,983,289,517	353,282,770	5,563,981,607	419,288,231
New Shares to be issued assuming full conversion of the RCULS	833,333,333	(3)25,000,000	2,655,526,344	(4)79,665,790	5,563,981,607	⁽⁵⁾ 166,919,448
New Shares to be issued assuming full exercise of the Warrants E	250,000,000	⁽⁶⁾ 7,500,000	796,657,903	⁽⁶⁾ 23,899,737	1,112,796,321	⁽⁶⁾ 33,383,890
Enlarged issued share capital	5,066,622,850	385,782,770	7,435,473,764	456,848,297	12,240,759,535	619,591,569

- (1) Based on the exercise price of RM0.04 per Warrant D.
- (2) Based on the issue price of RM0.045 per Qaisar Acquisition Consideration Share.
- Assuming all the 1,250,000,000 RCULS issued under the Minimum Scenario are fully converted into 833,333,333 new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the illustrative aggregate Conversion Price of RM0.06 for every 2 new Shares.
- (4) Assuming all the 3,983,289,517 RCULS issued under the Base Case Scenario are fully converted into 2,655,526,344 new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the illustrative aggregate Conversion Price of RM0.06 for every 2 new Shares.
- (5) Assuming all the 5,563,981,607 RCULS issued under the Maximum Scenario are fully converted into 5,563,981,607 new Shares based on the conversion mode of surrendering 1 RCULS (which are issued at the issue price of RM0.02 each) with additional cash payment of RM0.01 to arrive at the illustrative Conversion Price of RM0.03 for every 1 new Share.
- (6) Based on an illustrative exercise price of RM0.03 per Warrant E.

9.2 NA and gearing

The Acquisitions are not expected to have any immediate material effect on the NA and gearing of the Group.

The pro forma effects of the Proposed Rights Issue on the NA and gearing of the Group are as follows:-

Minimum Scenario

	Audited as at 30 June 2022 RM'000	(I) After subsequent events ⁽¹⁾ RM'000	(II) After (I) and the Proposed Rights Issue ⁽²⁾⁽³⁾ RM'000	(III) After (II) and assuming full conversion of the RCULS ⁽⁴⁾ RM'000	(IV) After (III) and assuming full exercise of the Warrants E ⁽⁵⁾ RM'000
Share capital	319,808	353,283	343,508	368,508	385,783
Warrant reserve	16,522	15,377	25,152	25,152	15,377
ESOS reserve	10,339	-	-	-	-
RCULS – equity element	-	-	21,059	-	-
Retained earnings	31,462	31,462	30,242	23,992	23,992
Shareholders' equity / NA	378,131	400,122	419,961	417,652	425,152
Non-controlling interests	5	5	5	5	5
Total equity	378,136	400,127	419,966	417,657	425,157
No. of Shares in issue ('000) NA per Share (RM)	3,550,156 0.11	3,983,290 0.10	3,983,290 0.11	4,816,623 0.09	5,066,623 0.08
Total borrowings (RM'000) Gearing (times)	11,455 0.03	11,455 0.03	16,641 0.04	11,455 0.03	11,455 0.03

- (1) After accounting for:-
 - (i) the granting of 176,790,296 ESOS Options from 1 July 2022 up to the LPD;
 - (ii) the issuance of 356,790,200 new Shares pursuant to the exercise of ESOS Options from 1 July 2022 up to the LPD; and
 - (iii) the issuance of 76,343,100 new Shares pursuant to the exercise of Warrants D from 1 July 2022 up to the LPD.
- (2) Based on the following:-
 - (i) issuance of 1,250,000,000 RCULS at the issue price of RM0.02 each together with 250,000,000 Warrants E; and
 - the estimated equity component of the RCULS arising from the Proposed Rights Issue is determined by deducting the fair value of the liability component of the RCULS of RM5.19 million, which is estimated by deducting the discounted coupon payments (discounted over the tenure of 5 years at an effective annual interest rate of 7.22% based on the average effective borrowing cost of the Group) from the gross proceeds to be raised under the Proposed Rights Issue. The equity component of the RCULS also includes the resulting deferred tax asset arising from the initial recognition of the liability component of the RCULS of RM1.24 million, which is recognised based on the Malaysian statutory tax rate of 24%.
- (3) After accounting for the creation of warrant reserve based on the issuance of 250,000,000 Warrants E at an allocated fair value of RM0.0391 per Warrant E and estimated expenses incidental to the Proposed Rights Issue of RM1.22 million.
- (4) Assuming all the 1,250,000,000 RCULS issued under the Minimum Scenario are fully converted into 833,333,333 new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the illustrative aggregate Conversion Price of RM0.06 for every 2 new Shares.

(5) Based on an illustrative exercise price of RM0.03 per Warrant E and after accounting for the reversal of warrant reserve.

Base Case Scenario

	Audited as at 30 June 2022 RM'000	(I) After subsequent events ⁽¹⁾ RM'000	(II) After (I) and the Proposed Rights Issue ⁽²⁾⁽³⁾ RM'000	(III) After (II) and assuming full conversion of the RCULS ⁽⁴⁾ RM'000	(IV) After (III) and assuming full exercise of the Warrants E ⁽⁵⁾ RM'000
Share capital Warrant reserve ESOS reserve RCULS – equity element Retained earnings Shareholders' equity / NA Non-controlling interests Total equity	319,808 16,522 10,339 - 31,462 378,131 5	353,283 15,377 - 31,462 400,122 5	322,133 46,526 67,107 30,242 466,008 5	401,799 46,526 - 10,326 458,651 5	456,848 15,377 - 10,326 482,551 5 482,556
No. of Shares in issue ('000) NA per Share (RM) Total borrowings (RM'000) Gearing (times)	3,550,156 0.11 11,455 0.03	3,983,290 0.10 11,455 0.03	3,983,290 0.12 27,980 0.06	6,638,816 0.07 11,455 0.03	7,435,474 0.06 11,455 0.02

- (1) After accounting for:
 - the granting of 176,790,296 ESOS Options from 1 July 2022 up to the LPD;
 - (ii) the issuance of 356,790,200 new Shares pursuant to the exercise of ESOS Options from 1 July 2022 up to the LPD; and
 - iii) the issuance of 76,343,100 new Shares pursuant to the exercise of Warrants D from 1 July 2022 up to the LPD.
- (2) Based on the following:-
 - (i) issuance of 3,983,289,517 RCULS at the issue price of RM0.02 each together with 796,657,903 Warrants E; and
 - the estimated equity component of the RCULS arising from the Proposed Rights Issue is determined by deducting the fair value of the liability component of the RCULS of RM16.52 million, which is estimated by deducting the discounted coupon payments (discounted over the tenure of 5 years at an effective annual interest rate of 7.22% based on the average effective borrowing cost of the Group) from the gross proceeds to be raised under the Proposed Rights Issue. The equity component of the RCULS also includes the resulting deferred tax asset arising from the initial recognition of the liability component of the RCULS of RM3.97 million, which is recognised based on the Malaysian statutory tax rate of 24%.
- (3) After accounting for the creation of warrant reserve based on the issuance of 796,657,903 Warrants E at an allocated fair value of RM0.0391 per Warrant E and estimated expenses incidental to the Proposed Rights Issue of RM1.22 million.
- (4) Assuming all the 3,983,289,517 RCULS issued under the Base Case Scenario are fully converted into 2,655,526,344 new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the illustrative aggregate Conversion Price of RM0.06 for every 2 new Shares.
- (5) Based on an illustrative exercise price of RM0.03 per Warrant E and after accounting for the reversal of warrant reserve.

Maximum Scenario

	Audited as at 30 June 2022 RM'000	(I) After subsequent events ⁽¹⁾ RM'000	(II) After (I) and assuming full exercise of the Warrants D and issuance of the Qaisar Acquisition Consideration Shares(2)	(III) After (II) and the Proposed Rights Issue ⁽³⁾⁽⁴⁾ RM'000	(IV) After (III) and assuming full conversion of the RCULS ⁽⁵⁾ RM'000	(V) After (IV) and assuming full exercise of the Warrants E ⁽⁶⁾ RM'000
Share capital	319,808	353,283	434,665	391,155	558,074	634,969
Warrant reserve	16,522	15,377	-	43,510	43,510	-
ESOS reserve	10,339	-	-	-	-	-
RCULS – equity element	-	-	-	93,737	-	-
Retained earnings	31,462	31,462	31,462	30,242	2,422	2,422
Shareholders' equity / NA	378,131	400,122	466,127	558,644	604,006	637,391
Non-controlling interests	5	5	5	5	5	5
Total equity	378,136	400,127	466,132	558,649	604,011	637,396
No. of Shares in issue ('000)	3,550,156	3,983,290	5,563,982	5,563,982	11,127,963	12,240,760
NA per Share (RM)	0.11	0.10	0.08	0.10	0.05	0.05
Total borrowings (RM'000)	11,455	11,455	11,455	34,537	11,455	11,455
Gearing (times)	0.03	0.03	0.02	0.06	0.02	0.02

- (1) After accounting for:
 - the granting of 176,790,296 ESOS Options from 1 July 2022 up to the LPD;
 - (ii) the issuance of 356,790,200 new Shares pursuant to the exercise of ESOS Options from 1 July 2022 up to the LPD; and
 - (iii) the issuance of 76,343,100 new Shares pursuant to the exercise of Warrants D from 1 July 2022 up to the LPD.
- (2) After assuming:-
 - (i) all the 1,025,136,534 outstanding Warrants D as at the LPD are exercised into new Shares at the exercise price of RM0.04 each; and
 - (ii) all the 555,555,556 Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors.
- (3) Based on the following:-
 - (i) issuance of 5,563,981,607 RCULS at the issue price of RM0.02 each together with 1,112,796,321 Warrants E; and
 - the estimated equity component of the RCULS arising from the Proposed Rights Issue is determined by deducting the fair value of the liability component of the RCULS of RM23.08 million, which is estimated by deducting the discounted coupon payments (discounted over the tenure of 5 years at an effective annual interest rate of 7.22% based on the average effective borrowing cost of the Group) from the gross proceeds to be raised under the Proposed Rights Issue. The equity component of the RCULS also includes the resulting deferred tax asset arising from the initial recognition of the liability component of the RCULS of RM5.54 million, which is recognised based on the Malaysian statutory tax rate of 24%.
- (4) After accounting for the creation of warrant reserve based on the issuance of 1,112,796,321 Warrants E at an allocated fair value of RM0.0391 per Warrant E and estimated expenses incidental to the Proposed Rights Issue of RM1.22 million.

- (5) Assuming all the 5,563,981,607 RCULS issued under the Maximum Scenario are fully converted into 5,563,981,607 new Shares based on the conversion mode of surrendering 1 RCULS (which are issued at the issue price of RM0.02 each) with additional cash payment of RM0.01 to arrive at the illustrative Conversion Price of RM0.03 for every 1 new Share.
- (6) Based on an illustrative exercise price of RM0.03 per Warrant E and after accounting for the reversal of warrant reserve.

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9.3 Substantial shareholders' shareholdings

The Acquisitions will not have any effect on the substantial Shareholders' shareholdings in the Company as the Acquisitions do not involve the issuance of new Shares in view that Purchase Consideration shall be fully satisfied in cash.

The pro forma effects of the Proposed Rights Issue on the substantial Shareholders' shareholdings in the Company as at the LPD are as follows:-

Minimum Scenario

		As at the LPD					l) version of the RCU	JLS ⁽⁷⁾
	Direct		Indirect		Direct		Indirect	
Substantial Shareholders	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %	No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %
Dato' Tan Wei Lian	377,974,203	9.49	(4)802,400,725	20.14	1,044,640,869	21.69	⁽⁴⁾ 802,400,725	16.66
Datin Sek Chian Nee	198,605,650	4.99	⁽⁵⁾ 981,769,278	24.65	198,605,650	4.12	⁽⁵⁾ 1,648,435,944	34.22
Tan Lee Chin	7,431,675	0.19	⁽⁶⁾ 1,172,943,253	29.45	7,431,675	0.15	⁽⁶⁾ 1,839,609,919	38.19
TWL Capital Berhad	596,363,400	14.97	-	-	596,363,400	12.38	-	-

	(II) After (I) and assuming full exercise of the Warrants E							
	Direct		Indirect					
Substantial Shareholders	No. of Shares	⁽³⁾ %	No. of Shares	(3)%				
Dato' Tan Wei Lian	1,244,640,869	24.57	⁽⁴⁾ 802,400,725	15.84				
Datin Sek Chian Nee	198,605,650	3.92	⁽⁵⁾ 1,848,435,944	36.48				
Tan Lee Chin	7,431,675	0.15	⁽⁶⁾ 2,039,609,919	40.26				
TWL Capital Berhad	596,363,400	11.77	-	-				

- (1) Based on the issued share capital of 3,983,289,517 Shares.
- (2) Based on the enlarged issued share capital of 4,816,622,850 Shares.
- 3) Based on the enlarged issued share capital of 5,066,622,850 Shares.
- 4) Deemed interest by virtue of his spouse's (Datin Sek Chian Nee) and sister's (Tan Lee Chin) shareholding in the Company as well as his interest in TWL Capital Berhad.
- (5) Deemed interest by virtue of her spouse's (Dato' Tan Wei Lian) and sister-in-law's (Tan Lee Chin) shareholding in the Company as well as her interest in TWL Capital Berhad.
- (6) Deemed interest by virtue of her brother's (Dato' Tan Wei Lian) and sister-in-law's (Datin Sek Chian Nee) shareholding in the Company as well as her brother's (Dato' Tan Wei Lian) interest in TWL Capital Berhad.

(7) Assuming all the RCULS issued under the Minimum Scenario are fully converted into new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the illustrative aggregate Conversion Price of RM0.06 for every 2 new Shares.

Base Case Scenario

		As at tl	he LPD	After assuming	() full con	l) version of the RCL	JLS ⁽⁷⁾		
	Direct		Indirect		Direct		Indirect	Indirect	
Substantial Shareholders	No. of Shares	⁽¹⁾ %	No. of Shares	(1)%	No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %	
Dato' Tan Wei Lian	377,974,203	9.49	⁽⁴⁾ 802,400,725	20.14	629,957,005	9.49	⁽⁴⁾ 1,337,334,541	20.14	
Datin Sek Chian Nee	198,605,650	4.99	(5)981,769,278	24.65	331,009,416	4.99	⁽⁵⁾ 1,636,282,130	24.65	
Tan Lee Chin	7,431,675	0.19	⁽⁶⁾ 1,172,943,253	29.45	12,386,125	0.19	⁽⁶⁾ 1,954,905,421	29.45	
TWL Capital Berhad	596,363,400	14.97	-	-	993,939,000	14.97	-	-	

	(II) After (I) and assuming full exercise of the Warrants E							
	Direct		Indirect					
Substantial Shareholders	No. of Shares	⁽³⁾ %	No. of Shares	(3)%				
Dato' Tan Wei Lian	705,551,845	9.49	⁽⁴⁾ 1,497,814,686	20.14				
Datin Sek Chian Nee	370,730,546	4.99	⁽⁵⁾ 1,832,635,985	24.65				
Tan Lee Chin	13,872,460	0.19	⁽⁶⁾ 2,189,494,071	29.45				
TWL Capital Berhad	1,113,211,680	14.97	-	-				

- (1) Based on the issued share capital of 3,983,289,517 Shares.
- (2) Based on the enlarged issued share capital of 6,638,815,861 Shares.
- (3) Based on the enlarged issued share capital of 7,435,473,764 Shares.
- Deemed interest by virtue of his spouse's (Datin Sek Chian Nee) and sister's (Tan Lee Chin) shareholding in the Company as well as his interest in TWL Capital Berhad.
- (5) Deemed interest by virtue of her spouse's (Dato' Tan Wei Lian) and sister-in-law's (Tan Lee Chin) shareholding in the Company as well as her spouse's (Datin Sek Chian Nee) interest in TWL Capital Berhad.
- (6) Deemed interest by virtue of her brother's (Dato' Tan Wei Lian) and sister-in-law's (Datin Sek Chian Nee) shareholding in the Company as well as her brother's (Dato' Tan Wei Lian) interest in TWL Capital Berhad.
- (7) Assuming all the RCULS issued under the Base Case Scenario are fully converted into new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the illustrative aggregate Conversion Price of RM0.06 for every 2 new Shares.

Maximum Scenario

	Direct	ne LPD Indirect		(I) After assuming full exercise of the Warrants D ar issuance of the Qaisar Acquisition Consideration Shares Direct Indirect				
Substantial Shareholders	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Tan Wei Lian	377,974,203	9.49	(5)802,400,725	20.14	377,974,203	6.79	⁽⁵⁾ 802,400,725	14.42
Datin Sek Chian Nee	198,605,650	4.99	⁽⁶⁾ 981,769,278	24.65	198,605,650	3.57	⁽⁶⁾ 981,769,278	17.65
Tan Lee Chin	7,431,675	0.19	⁽⁷⁾ 1,172,943,253	29.45	7,431,675	0.13	⁽⁷⁾ 1,172,943,253	21.08
TWL Capital Berhad	596,363,400	14.97	-	-	596,363,400	10.72	-	-

	(II) After (I) and assuming full conversion of the RCULS ⁽⁸⁾ (III) After (II) and assuming full exercise of the Warrants E					he		
	Direct		Indirect		Direct		Indirect	
Substantial Shareholders	No. of Shares	(3)%	No. of Shares	⁽³⁾ %	No. of Shares	⁽⁴⁾ %	No. of Shares	⁽⁴⁾ %
Dato' Tan Wei Lian	755,948,406	6.79	⁽⁵⁾ 1,604,801,450	14.42	831,543,246	6.79	⁽⁵⁾ 1,765,281,595	14.42
Datin Sek Chian Nee	397,211,300	3.57	⁽⁶⁾ 1,963,538,556	17.65	436,932,430	3.57	⁽⁶⁾ 2,159,892,411	17.65
Tan Lee Chin	14,863,350	0.13	⁽⁷⁾ 2,345,886,506	21.08	16,349,685	0.13	⁽⁷⁾ 2,580,475,156	21.08
TWL Capital Berhad	1,192,726,800	10.72	-	-	1,311,999,480	10.72	-	-

- (1) Based on the issued share capital of 3,983,289,517 Shares.
- (2) Based on the enlarged issued share capital of 5,563,981,607 Shares.
- (3) Based on the enlarged issued share capital of 11,127,963,214 Shares.
- 4) Based on the enlarged issued share capital of 12,240,759,535 Shares.
- (5) Deemed interest by virtue of his spouse's (Datin Sek Chian Nee) and sister's (Tan Lee Chin) shareholding in the Company as well as his interest in TWL Capital Berhad.
- (6) Deemed interest by virtue of her spouse's (Dato' Tan Wei Lian) and sister-in-law's (Tan Lee Chin) shareholding in the Company as well as her spouse's (Datin Sek Chian Nee) interest in TWL Capital Berhad.
- (7) Deemed interest by virtue of her brother's (Dato' Tan Wei Lian) and sister-in-law's (Datin Sek Chian Nee) shareholding in the Company as well as her brother's (Dato' Tan Wei Lian) interest in TWL Capital Berhad.
- In order to show the maximum potential enlarged total number of issued Shares arising from the conversion of the RCULS, this has been illustrated on the assumption that all the RCULS issued under the Maximum Scenario are fully converted into new Shares based on the conversion mode of surrendering 1 RCULS (which are issued at the issue price of RM0.02 each) with additional cash payment of RM0.01 to arrive at the illustrative Conversion Price of RM0.03 for every 1 new Share.

9.4 Earnings and EPS

While the Acquisitions are not expected to have any immediate material effect on the earnings of the Group, the Acquisitions are expected to contribute positively to the future earnings of the Group via the returns to be generated from the Projects.

The Proposed Rights Issue may result in dilution in the consolidated EPS / LPS arising from the increase in the number of Shares in issue as and when the RCULS are converted and/or the Warrants E are exercised into new Shares during the Conversion Period and Exercise Period respectively. However, the extent of this dilution cannot be determined at this juncture as it will depend on, amongst others, the number of RCULS converted and the conversion mode chosen by the RCULS holders when converting their RCULS, the number of Warrants E exercised as well as any additional contributions to earnings that may be derived from the utilisation of proceeds received from the conversion of the RCULS and exercise of the Warrants E.

For illustration, assuming the Proposed Rights Issue had been completed at the beginning of the FYE 30 June 2023, the pro forma effects of the Proposed Rights Issue on the consolidated losses and LPS of the Group would be as follows:-

		(I) (II) (III) (III) After (I) and assuming full conversion of the RCULS Warrants E			After (I) and assuming full conversion of			xercise of the
	Audited FYE 30 June 2022	After subsequent events ⁽¹⁾	Minimum Scenario	Base Case Scenario	Maximum Scenario	Minimum Scenario	Base Case Scenario	Maximum Scenario
LAT attributable to owners of the Company (RM'000)	(17,716)	(17,716)	⁽²⁾ (18,936)	⁽²⁾ (18,936)	⁽²⁾ (18,936)	⁽²⁾ (18,936)	⁽²⁾ (18,936)	⁽²⁾ (18,936)
Weighted average no. of Shares ('000)	2,535,075	2,968,209	3,801,542	5,623,735	⁽³⁾ 10,112,882	4,051,542	6,420,393	⁽³⁾ 11,225,679
LPS (sen)	(0.70)	(0.60)	(0.50)	(0.34)	(0.19)	(0.47)	(0.29)	(0.17)

Notes:-

- (1) After accounting for the issuance of 356,790,200 new Shares pursuant to the exercise of ESOS Options and 76,343,100 new Shares pursuant to the exercise of Warrants D from 1 July 2022 up to the LPD. For the purposes of illustration, we have assumed that these Shares were issued at the beginning of the FYE 30 June 2023.
- (2) After accounting for estimated expenses incidental to the Proposed Rights Issue of RM1.22 million.
- (3) After assuming:-
 - (i) all the 1,025,136,534 outstanding Warrants D as at the LPD are exercised into new Shares at the exercise price of RM0.04 each; and
 - (ii) all the 555,555,556 Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors, prior to the Entitlement Date.

The pro forma effects above have not taken into consideration any returns which may be generated from the utilisation of the proceeds to be raised from the Proposed Rights Issue.

9.5 Convertible securities

Save for the following, the Company does not have any other outstanding convertible securities as at the LPD:-

9.5.1 Warrants D

As at the LPD, there are 1,025,136,534 Warrants D, which have an exercise price of RM0.04 each and are expiring on 4 October 2024.

Pursuant to the provisions of the Deed Poll D, there shall be no adjustment to the number of Warrants D arising from the Proposed Rights Issue.

Consequential to the Proposed Rights Issue, the exercise price of Warrants D may be adjusted in accordance with the provisions of the Deed Poll D to ensure that the status of the Warrant D holders is not prejudiced as a result of the Proposed Rights Issue.

For illustrative purposes, the adjustment to the exercise price of Warrants D arising from the Proposed Rights Issue are illustrated below based on the following parameters:-

- (i) the Entitlement Date have been fixed on the LPD;
- (ii) the 5-day VWAP of the Shares up to and including the last Market Day immediately preceding the date of first announcement of the Proposed Rights Issue, of RM0.0644;
- (iii) the issue price of RM0.02 per RCULS; and
- (iv) the following formulae as provided for in the Deed Poll D:-

Adjusted exercise price of Warrants D =
$$\frac{C - D}{C} \times P$$

where:-

- C = the 5-day VWAP of each Share up to and including the Market Day immediately preceding the date on which the capital distribution or as the case may be, the offer or invitation is publicly announced to Bursa Securities or (failing such announcement), immediately preceding the date of the announcement of the Entitlement Date of the capital distribution or, as the case may be, of the offer or invitation or (where appropriate), any relevant date as may be determined by the issuer in consultation with the approved adviser;
- D = (aa) in the case of an offer or invitation to acquire or subscribe for Shares by way of rights or acquire or subscribe for securities convertible into or with rights to acquire or subscribe for Shares, the value of rights attributable to 1 Share (as defined below); or
 - (bb) in the case of any other transaction, the fair market value, as determined by the issuer in consultation with the approved adviser, of that portion of the capital distribution attributable to 1 Share; and
- P = existing exercise price of the Warrants D.

For the purpose of definition of D above, the "value of the rights attributable to 1 Share" shall be calculated in accordance with the following formula:-

where:-

C = as set out above;

E = the subscription consideration for 1 new Share under the terms of such offer or invitation to acquire or subscribe for Shares or subscription price of 1 Share upon conversion of the convertible securities or exercise of such rights to acquire or subscribe for 1 Share under the offer or invitation; and

F = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for 1 additional Share or to acquire or subscribe for securities convertible into 1 additional Share or rights to acquire or subscribe for 1 additional Share.

Based on the above, the adjustment to the exercise price of the Warrants D would be as follows:-

Adjusted exercise price of Warrants D =
$$\frac{0.0644 - \frac{0.0644 - 0.03}{1.5 + 1}}{0.0644} \times 0.04$$

$$= RM0.0314$$

$$= RM0.04^{(1)}$$

Note:-

(1) Rounded up to the nearest Sen in accordance to the provisions of the Deed

Based on the above, the exercise price of the Warrants D would retain at RM0.04.

9.5.2 ESOS Options

As at the LPD, there are no ESOS Options which have been granted but have not been exercised.

The Company has also undertaken not to grant any further ESOS Options until the completion of the Proposed Rights Issue.

10. TENTATIVE TIMELINE

Subject to all relevant approvals being obtained, the Proposed Rights Issue is expected to be completed by the 2nd quarter of 2023. The tentative timetable for the Proposed Rights Issue is as follows:-

Date	Events
10 March 2023	EGM for the Proposed Rights Issue
End of March 2023	Announcement of the Entitlement Date
April 2023	 Entitlement Date Despatch of the abridged prospectus, notices of provisional allotment and rights subscription forms Closing date of application for the RCULS with Warrants E
May 2023	 Listing and quotation of the RCULS with Warrants E Completion of the Proposed Rights Issue

11. APPROVALS REQUIRED AND CONDITIONALITY

11.1 Approvals required

The Acquisitions are not subject to shareholders' approval based on the highest percentage ratio applicable to the Acquisitions pursuant to Paragraph 10.02(g) of the Listing Requirements as set out in Section 12 of this Circular.

The Proposed Rights Issue is subject to approvals being obtained from the following:-

(i) the SC for the application for the Proposed Rights Issue.

The approval of the SC for the above was obtained via its letter dated 12 December 2022, subject to the compliance with the standard conditions and continuing obligations as stipulated in the Guidelines on Issuance of Corporate Bonds and Sukuk to Retail Investors.

- (ii) Bursa Securities for the following:-
 - (a) admission of the RCULS and Warrants E to the Official List of the Main Market of Bursa Securities;
 - (b) listing and quotation of the RCULS and Warrants E; and
 - (c) listing and quotation of the new Shares to be issued pursuant to the conversion of the RCULS and exercise of the Warrants E.

The approval of Bursa Securities for the above was obtained via its letter dated 16 February 2023, subject to the following conditions:-

	Conditions	Status of compliance
(i)	TWL and Kenanga IB to ensure there are no circumstances or facts which have the effect of preventing or prohibiting the implementation of the Proposed Rights Issue including any order, injunction or any other directive by any court of law;	To be complied

	Conditions	Status of compliance
(ii)	TWL and Kenanga IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Rights Issue;	To be complied
(iii)	Kenanga IB to inform Bursa Securities upon the completion of the Proposed Rights Issue;	To be complied
(iv)	Kenanga IB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Rights Issue is completed;	To be complied
(v)	TWL to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the conversion of the RCULS and exercise of Warrants E, respectively as at the end of each quarter together with a detailed computation of listing fees payable;	To be complied
(vi)	If applicable, payment of additional listing fee based on the final issue price together with a copy of the details of the computation of the amount of listing fees payable; and	To be complied
(vii)	To incorporate Bursa Securities' comments as provided in its approval letter in respect of the draft Circular.	Complied

- (iii) Shareholders at the forthcoming EGM for the Proposed Rights Issue; and
- (iv) any other relevant authorities and/or parties, if required.

11.2 Conditionality

The EN10 Acquisition, EN11 Acquisition and HT4 Acquisition are not conditional upon each other.

The Proposed Rights Issue and the Acquisitions⁽¹⁾ are not conditional upon each other.

Save for the above, the Acquisitions and the Proposed Rights Issue are not conditional upon any other corporate exercise / scheme being or proposed to be undertaken by the Company.

Note:-

(1) The EN10 Acquisition has been completed following the full settlement of the EN10 Purchase Consideration on 29 November 2022 whereas the EN11 Acquisition and HT4 Acquisition are expected to be completed by 31 December 2024 and 31 December 2025 respectively upon full payment of their respective Purchase Considerations in accordance with the payment milestones stipulated in the EN11 Principal SPA and HT4 Principal SPA respectively as well as the corresponding Novation Agreements.

Meanwhile, the Proposed Rights Issue is expected to be completed by the 2nd quarter of 2023.

As set out in Section 4 of this Circular, proceeds of up to RM36.85 million have been earmarked to fund the purchase consideration for the Acquisitions.

In the event that the Acquisitions are terminated before the implementation of the Proposed Rights Issue, this would trigger the need to vary the utilisation of proceeds as the earmarked proceeds of up to RM36.85 million under the Base Case Scenario and Maximum Scenario would have to be reallocated to other purposes. As this amount would be more than 25% of the total proceeds to be raised under the Base Case Scenario and Maximum Scenario, a variation of utilisation of proceeds for such amount would be deemed as a material variation pursuant to Paragraph 8.22 of the Listing Requirements. In turn, shareholders' approval will be obtained accordingly for such variation.

12. PERCENTAGE RATIO

The highest percentage ratio applicable to the Acquisitions pursuant to Paragraph 10.02(g) of the Listing Requirements is 15.94%.

13. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Qaisar Acquisition, the EN11 Acquisition, the HT4 Acquisition and the Proposed Rights Issue, there are no other corporate exercises which have been announced by the Company and are pending completion before the printing of this Circular.

14. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE OF THE COMPANY AND/OR PERSONS CONNECTED TO THEM

None of the Directors and/or major Shareholders, chief executive of the Company and/or persons connected to them have any interest, direct or indirect, in the Acquisitions and the Proposed Rights Issue apart from their respective entitlements under the Proposed Rights Issue (including the right to apply for additional RCULS via excess RCULS applications), to which all Entitled Shareholders are similarly entitled.

15. BOARD'S STATEMENT AND RECOMMENDATION

15.1 Acquisitions

The Board, having considered all aspects of the Acquisitions, including the salient terms of the Novation Agreements and the Principal SPAs, the basis and justifications for the Purchase Consideration, the rationale and all other aspects of the Acquisitions, is of the opinion that the Acquisitions are in the best interest of the Company.

15.2 Proposed Rights Issue

The Board, having considered the current and prospective financial position, needs and capacity of the Group, and after careful deliberation as well as taking into consideration the rationale, utilisation of proceeds and all other aspects of the Proposed Rights Issue, is of the opinion that the Proposed Rights Issue is in the best interests of the Company.

Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Rights Issue to be tabled at the forthcoming EGM.

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16. EGM

The EGM, the notice of which is enclosed in this Circular, will be on a fully virtual basis via ShareWorks Sdn Bhd Online Meeting Platform hosted virtually at www.swsb.com.my on the date and time indicated below or at any adjournment thereof for the purpose of considering and, if thought fit, passing the resolution, with or without modifications, to give effect to the Proposed Rights Issue.

Date and time of the EGM : Friday, 10 March 2023 at 11.00 a.m.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf by completing, signing and returning the enclosed Proxy Form in accordance with the instructions contained therein as soon as possible, so as to arrive at the registered office of the Company at T3-13A-20, Level 13A, Menara 3, 3 Towers, No. 296, Jalan Ampang, 50450 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, should you be unable to attend the fully virtual EGM or vote in person at the EGM via RPV platform.

Alternatively, you may deposit your Form of Proxy by electronic means through the Company's email at twl@twlholdings.com.my, also not less than 48 hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, should you be unable to attend the fully virtual EGM or vote in person at the EGM via RPV platform. The lodgement of the Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

Shareholders are advised to refer to the Administrative Notes for the EGM on the registration and voting process for the EGM.

17. FURTHER INFORMATION

You are requested to refer to the enclosed appendices for further information.

Yours faithfully, For and on behalf of the Board of TWL HOLDINGS BERHAD

TAN LEE CHIN

Deputy Chairman / Managing Director

APPENDIX I - HISTORICAL FINANCIAL INFORMATION OF THE GROUP

The following table sets out a summary of the historical financial information of the Group:-

		Audited		Unau	dited
	18-month FPE 31 December 2019	18-month FPE 30 June 2021	FYE 30 June 2022	3-month FPE 30 September 2021	3-month FPE 30 September 2022
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue Cost of sales GP / (GL)	19,849 (16,150) 3,699	12,542 (26,225) (13,683)	35,100 (28,211) 6,888	2,369 (2,192) 177	3,107 (1,972) 1,135
Other income Net gain on impairment of financial instruments	91	734 346	965 454	265	48
Administrative and operating expenses	(11,686)	(9,010)	(25,265)	(715)	(853)
Finance costs (LBT)	(1,369) (9,265)	(1,053) (22,666)	(718) (17,675)	(48) (321)	(151) 179
Taxation (LAT)	(39) (9,304)	(22,614)	(41) (17,716)	(321)	179
(LAI)	(9,304)	(22,014)	(17,710)	(321)	179
(LAT) attributable to: owners of the Company - minority interest	(9,304)	(22,614)	(17,716) -	(321)	179 -
GP / (GL) margin (%) (LAT) margin (%)	18.63 (46.87)	(109.10) (180.31)	19.62 (50.47)	7.47 (13.55)	36.53 5.76
Weighted average no. of Shares in issue ('000)	1,023,483	1,464,333	2,535,075	2,570,120	3,730,156
EPS/ (LPS) - basic (sen) - diluted (sen)	(0.91) (0.90)	(1.54) (1.54)	(0.70) (0.60)	(0.01) (0.01)	0.01 0.01
Dividend (sen)	-	-	-	-	-
Current ratio	13.75	9.49	21.30	6.08	31.68

(i) 3-month FPE 30 September 2022 vs 3-month FPE 30 September 2021

The Group's revenue for 3-month FPE 30 September 2022 increased by RM0.74 million or 31.15% as compared to 3-month FPE 30 September 2021. The higher revenue was mainly contributed by higher billings for construction works but was offset by lower contribution of revenue from the trading of gloves.

In line with the higher revenue, the Group recorded a GP of RM1.13 million (GP margin of 36.53%) in 3-month FPE 30 September 2022 as compared to a GP of RM0.18 million (GP margin of 7.47%) in the previous 3-month FPE 30 September 2021, representing an increase of RM0.96 million or 541.24%. The higher GP was mainly contributed by the higher margin from construction works.

In line with the higher GP, the Group recorded a PAT of RM0.18 million in 3-month FPE 30 September 2022 as compared to a LAT of RM0.32 million in 3-month FPE 30 September 2021. The higher PAT was mainly contributed by the GP as explained above.

(ii) FYE 30 June 2022 vs 18-month FPE 30 June 2021

The Group's revenue for FYE 30 June 2022 increased by RM22.56 million or 179.86% to RM35.10 million as compared to 18-month FPE 30 June 2021 (the annualised revenue for 18-month FPE 30 June 2021 was RM8.36 million, representing an increase of RM26.74 million or 319.79% on an annualised basis). The higher revenue on an annualised basis was mainly contributed by the following:-

- (a) revenue contribution of RM12.25 million from the trading of gloves that was undertaken temporarily since January 2021 to generate cash flow for the Group during the pandemic; and
- (b) higher revenue contribution of RM17.44 million from construction works from property and construction segment.

In line with the higher revenue, the Group recorded a GP of RM6.89 million (GP margin of 19.62%) in FYE 30 June 2022 as compared to a GL of RM13.68 million (GL margin of 109.10%) in the previous 18-month FPE 30 June 2021 (the annualised GL for 18-month FPE 30 June 2021 was RM9.12 million). Apart from the higher revenue, the GP was also contributed by increased amount of construction works which attract higher profit margin. For information, the GL in the previous 18-month FPE 30 June 2021 was contributed by a one-off loss on disposal of a parcel of land held for development as set out in Section (iii) below.

The Group recorded a lower LAT of RM17.72 million in FYE 30 June 2022 as compared to RM22.61 million in 18-month FPE 30 June 2021 (the annualised LAT for 18-month FPE 30 June 2021 was RM15.08 million, representing an increase of RM2.64 million or 17.51% on an annualised basis). The higher LAT on an annualised basis was mainly attributed to the following:-

- (a) higher expenses of RM1.50 million for various corporate proposals during the year; and
- (b) higher share-based payment expenses of RM18.86 million arising from the exercise of ESOS Options (18-month FPE 30 June 2021: RM1.81 million).

(iii) 18-month FPE 30 June 2021 vs 18-month FPE 31 December 2019

The Group's revenue for 18-month FPE 30 June 2021 decreased by RM7.31 million or 36.81% as compared to the previous corresponding financial period. The lower revenue was mainly due to lower sales volume from the timber services segment and delay in launching of new projects which were both affected by the COVID-19 pandemic as well as the impact of the various MCO restrictions imposed by the Government on the Group's operations. However, this was partly offset by the revenue from the trading of gloves that was undertaken temporarily to generate cash flow for the Group.

The Group recorded a GL of RM13.68 million (GL margin of 109.10%) as compared to a GP of RM3.70 million (GP margin of 18.63%) in the previous corresponding financial period. Apart from the lower revenue, the GL was also contributed by the following:-

- (a) lower GP margin as a result of the completion of timber contract works which attract higher profit margin; and
- (b) loss on disposal of a parcel of land held for development in Gombak (i.e. the Telaris Gombak Project) to an unrelated third party amounting to RM14.24 million. The disposal was undertaken to raise funds for the Group's working capital.

In line with the GL, the Group recorded a higher LAT of RM22.61 million as compared to RM9.30 million in the previous corresponding financial period. Apart from the GL, the higher LAT was also contributed by the one-off share-based payment expenses of RM1.81 million arising from the exercise of ESOS Options. However, this was partly offset by lower share issuance expenses of RM0.17 million (18-month FPE 31 December 2019: RM3.43 million) as a result of lower issuance of redeemable convertible notes by the Company.

APPENDIX I - HISTORICAL FINANCIAL INFORMATION OF THE GROUP (CONT'D)

(iv) 18-month FPE 31 December 2019 vs FYE 30 June 2018

The Group's revenue for 18-month FPE 31 December 2019 increased by 87.71% to RM19.85 million as compared to the previous FYE 30 June 2018 (the annualised revenue for 18-month FPE 31 December 2019 was RM13.23 million, representing an increase of RM2.66 million or 25.14% on an annualised basis). The increase in revenue on an annualised basis was mainly due to higher contribution from the timber services segment which in turn was contributed by increased amount of timber contract works.

The Group recorded a GP of RM3.70 million (GP margin of 18.63%) in 18-month FPE 31 December 2019 as compared to a GP of RM2.38 million (GP margin of 22.46%) in the previous FYE 30 June 2018 (the annualised GP for 18-month FPE 31 December 2019 was RM2.47 million, representing an increase of RM0.09 million or 3.79% on an annualised basis). Despite the higher revenue on an annualised basis, this was offset by lower GP margin as the timber contract works that were undertaken during the 18-month FPE 31 December 2019 incurred lower profit margins. As a result, GP growth on an annualised basis remained flat.

The Group recorded a lower LAT of RM9.30 million in 18-month FPE 31 December 2019 as compared to a LAT of RM13.89 million in the previous FYE 30 June 2018 (the annualised LAT for 18-month FPE 31 December 2019 RM6.20 million, representing a decrease of RM7.69 million or 55.36% on an annualised basis). Apart from the higher GP, the lower LAT was mainly due to the absence of a one-off allowance for impairment loss on trade receivables of RM9.78 million that was recorded in the previous FYE 30 June 2018. However, this was partly offset by higher share-based payment for staffs amounting to RM6.08 million (FYE 30 June 2018: RM1.92 million) as the Company issued more ESOS Options.

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1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and the Directors collectively and individually accept full responsibility for the completeness and accuracy of the information contained in this Circular and confirm that after making 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.

2. CONSENT AND CONFLICT OF INTEREST

2.1 Kenanga IB

The written consent of Kenanga IB, being the Principal Adviser for the Proposed Rights Issue, for the inclusion of its name and all references thereto in the form and context in which it appears in this Circular has been given and has not been subsequently withdrawn before the issuance of this Circular.

Kenanga IB, its subsidiaries and associated companies ("Kenanga IB Group") form a diversified financial group and are engaged in a wide range of investment banking, brokerage, securities trading, and asset and funds management services businesses. The Kenanga IB Group may engage in transactions with and perform services for the Company and/or its affiliates, in addition to the roles as set out in this Circular. In addition, in the ordinary course of business, any member of the Kenanga IB Group may at any time offer or provide its services to or engage in any transactions with the Company and/or its affiliates or any other person(s). This is a result of the businesses of the Kenanga IB Group generally acting independently of each other and accordingly, there may be situations where parts of the Kenanga IB Group and/or its customers now have or in the future, may have interest in or take actions that may conflict with the interests of the Company and/or its affiliates.

Kenanga IB has confirmed that there is no conflict of interest which exists or is likely to exist in relation to its role as the Principal Adviser for the Proposed Rights Issue.

2.2 VPC Alliance

The written consent of VPC Alliance, being the independent property valuer for the Lands, for the inclusion of its name and all references thereto in the form and context in which it appears in this Circular has been given and has not been subsequently withdrawn before the issuance of this Circular.

VPC Alliance has confirmed that there is no conflict of interest which exists or is likely to exist in relation to its role as the independent property valuer for the Lands.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

Material commitments

As at the LPD, the Board confirmed that there are no material commitments incurred or known to be incurred by the Group.

Contingent liabilities

As at the LPD, the Board confirmed that there are no contingent liabilities incurred or known to be incurred by the Group which, upon becoming due or enforceable, may have a material impact on the financial results or position of the Group.

4. MATERIAL LITIGATION

As at the LPD, the Board confirmed that neither the Company nor its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has or would have a material and adverse effect on the financial position or business of the Group and the Board confirmed that there are no proceedings pending or threatened against the Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of the Shares as transacted on Bursa Securities for the past 12 months preceding the date of this Circular are as follows:-

	High	Low
	RM	RM
2022		
February	0.070	0.055
March	0.075	0.050
April	0.095	0.070
May	0.085	0.065
June	0.080	0.060
July	0.075	0.040
August	0.070	0.045
September	0.055	0.045
October	0.050	0.035
November	0.040	0.025
December	0.040	0.035
2023		
January	0.050	0.035
Last transport of an artist arises and 5 August 2000 hairs at the last Market Day	0.0	200
Last transacted market price on 15 August 2022, being the last Market Day immediately prior to the first announcement of the Proposed Rights Issue	0.0)60
The state of the s		
Last transacted market price on the LPD	0.050	
·		

(Source: Bloomberg)

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at T3-13A-20, Level 13A, Menara 3, 3 Towers, No. 296, Jalan Ampang, 50450 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the EGM:-

- (i) Constitution of the Company;
- (ii) audited consolidated financial statements of the Company for the 18-month FPE 30 June 2021 and FYE 30 June 2022:
- (iii) unaudited consolidated financial statements of the Company for the 3-month FPE 30 September 2022;
- (iv) letter of consent and conflict of interest referred to in Section 2 of this Appendix II;

APPENDIX II - FURTHER INFORMATION (CONT'D)

- (v) Novation Agreements and Principal SPAs referred to in Appendix III of this Circular as well as the extension letters referred to in Sections 9.1(iv), 9.2(iv) and 9.3(iv) of Appendix III of this Circular;
- (vi) Undertakings referred to in Section 2.5 of this Circular;
- (vii) draft Trust Deed; and
- (viii) draft Deed Poll E.

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1. Mode of satisfaction

The Purchase Consideration shall be satisfied fully via cash payment based on the following milestones pursuant to the terms of the respective Novation Agreements:-

(i) EN10 Acquisition

Timing of payment	RM	Status of payment
Prior to the execution of the Principal SPA	200,000	Paid ⁽¹⁾
for the EN10 Land	•	
On or before 28 February 2022	6,150,000	Paid ⁽²⁾
On or before 30 April 2022	600,000	Paid ⁽²⁾
On or before 31 July 2022	500,000	Paid ⁽³⁾
On or before 31 October 2022	1,100,000	Paid ⁽⁴⁾
On or before 31 December 2022	1,450,000	Paid ⁽⁵⁾
	40.000.000	
Total	10,000,000	

Notes:-

- (1) Paid by INTA prior to the execution of the Principal SPA for the EN10 Land. As at the date of the EN10 Novation Agreement, Tinta Kaca was 80% owned by TWL Commodity and 20% owned by INTA. As such, 80% of this sum has been reimbursed by TWL Commodity to INTA on 14 November 2022. For information, INTA's 20% equity interest in Tinta Kaca was subsequently acquired by TWL Commodity on 27 December 2022 after full settlement of the EN10 Purchase Consideration on 29 November 2022. Pursuant thereto, Tinta Kaca is now a wholly-owned subsidiary of TWL Commodity.
- (2) Paid by Tinta Kaca upon execution of the EN10 Novation Agreement.
- (3) Paid by Tinta Kaca on 12 August 2022.
- (4) Paid by Tinta Kaca on 31 October 2022.
- (5) Paid by Tinta Kaca on 25 November 2022.

(ii) EN11 Acquisition

Timing of payment	RM	Status of payment
B: (0.40.000	D : 1(1)
Prior to the execution of the Principal SPA for the EN11 Land	240,000	Paid ⁽¹⁾
On or before 30 April 2024	1,500,000	To be paid
On or before 31 May 2024	1,150,000	To be paid
On or before 31 July 2024	1,500,000	To be paid
On or before 30 August 2024	4,150,000	To be paid
On or before 31 December 2024	3,460,000	To be paid
Total	12,000,000	

Note:-

(1) Paid by INTA prior to the execution of the Principal SPA for the EN11 Land. As Tinta Heights is 80% owned by TWL Commodity and 20% owned by INTA, 80% of this sum has been reimbursed by TWL Commodity to INTA on 23 December 2022.

(iii) HT4 Acquisition

Timing of payment	RM	Status of payment
Prior to the execution of the Principal SPA for the HT4 Land	460,000	Paid ⁽¹⁾
On or before 31 December 2024 On or before 30 April 2025	940,000 2,500,000	To be paid To be paid
On or before 30 June 2025 On or before 30 August 2025	3,450,000 3,000,000	To be paid To be paid To be paid
On or before 31 October 2025 On or before 31 December 2025	5,750,000 6,900,000	To be paid To be paid
Total	23,000,000	

Note:-

(1)

Paid by INTA prior to the execution of the Principal SPA for the HT4 Land. As Alma Land is 70% owned by TWL Commodity and 30% owned by INTA, 70% of this sum shall be reimbursed by TWL Commodity to INTA. This reimbursement is expected to be made in March 2023.

For avoidance of doubt, the Acquiror Companies may elect at their own discretion to satisfy the relevant balance Purchase Consideration earlier than the relevant payment deadlines set out above, thereby completing the Acquisitions earlier.

This payment flexibility allows the Group to decide on the exact timing for completion of the Acquisitions as well as the subsequent commencement of the Projects based on the Group's prevailing financial needs and capacity at the relevant point in time.

In this regard, the Group shall take into consideration, amongst others, the availability of funding for the balance Purchase Consideration and the Projects as well as the prevailing market conditions when deciding on the timing for satisfaction of the relevant balance Purchase Consideration and completion of the Acquisitions.

2. Source of funding

The balance Purchase Consideration which have not been paid as at the LPD are expected to be funded via the proceeds to be raised from the Proposed Rights Issue as set out in Section 4 of this Circular, internally generated funds, bank borrowings and/or future fund raising exercises to be undertaken (if required).

3. Basis and justification for the Purchase Consideration

The Purchase Consideration was agreed upon after taking into consideration the total market value of the Lands of RM49.70 million (on as is basis) and RM52.68 million (assuming the development orders for the Projects have been obtained from MBSJ⁽¹⁾) based on the valuation reports on the Lands prepared by the Valuer.

The summary of the valuations are set out below:-

Market value	EN10 Land RM'000	EN11 Land RM'000	HT4 Land RM'000
Assuming the development orders for the respective Projects have been obtained from MBSJ	13,310	14,430	24,940
As is basis	13,000	13,500	23,200

Note:-

(1)

We wish to highlight that the Projects' components have already been approved by LPHS via its letters dated 13 February 2017, 14 September 2017, 29 March 2022 and 21 April 2022, 26 May 2022, 20 June 2022 and 19 August 2022.

Moreover, it is one of the conditions imposed by MBSJ vide its letter dated 18 November 2020 ("MBSJ's Letter") that SDPB (being the sole shareholder of SDP Bukit Raja which in turn is the current beneficial owner of the Lands) construct or develop statutory low cost housing accommodations which now forms part of the "Rumah Selangorku" low cost and/or affordable homes or housing scheme in Selangor Darul Ehsan as regulated by LPHS ("RSKU Scheme") ("RSKU Condition").

Further to the above, the Principal SPAs are conditional upon, amongst others, the respective Acquiror Companies having obtained approval from LPHS and Majlis Mesyuarat Kerajaan Negeri ("MMKN") to (a) discharge and release SDPB and/or SDP Bukit Raja from any responsibilities and obligations and (b) approve the respective Acquiror Companies to take over the responsibility to fulfill the RSKU Condition including to develop the RSKU Scheme or accommodation as mandated by LPHS and/or the appropriate authorities vide the MBSJ's Letter, in replacement or substitution of SDPB and/or SDP Bukit Raja, in respect of the respective Lands (which terms and conditions of such approval shall be acceptable to SDP Bukit Raja) being obtained by the respective Acquiror Companies at their own cost and expense before the expiry of 6 months from the date of the Principal SPAs (or such other extension of time as may be granted / mutually agreed by the parties in writing).

The Purchase Consideration represents a discount of 9.46% to the total market value of the Lands on as is basis, and 14.58% to the total market value of the Lands assuming the development orders for the Projects have been obtained from MBSJ.

4. Liabilities to be assumed

The Company will not assume any other liabilities, including contingent liabilities and guarantees, pursuant to the Acquisitions.

5. Additional financial commitment

Apart from the estimated total GDC of the Projects totalling RM523.5 million, which is expected to be incurred over the development period of 3 years for each project, the Company does not foresee any additional financial commitment required to put the Land on-stream after the completion of the Acquisitions.

The GDC is expected to be funded via the proceeds to be raised from the Proposed Rights Issue as set out in Section 4 of this Circular, internally generated funds (including those to be generated from the sale of the residential units of the Projects), bank borrowings and/or future fund raising exercises to be undertaken (if required).

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6. Information on the Lands

6.1 **EN10 Land**

As at the LPD, the details of the EN10 Land are set out below:-

Description A vacant parcel of residential land

Fronts onto Jalan Subang Mas, Taman Pinggiran USJ Location

Title particulars Geran 318160, Lot 77716, Mukim Damansara, Daerah Petaling,

Negeri Selangor Darul Ehsan

Registered owner⁽¹⁾ Tinta Kaca

Beneficial owner(1) Tinta Kaca

Land area 22,234 sqm

Tenure Freehold

Category of land use "Bangunan"

Express condition "Bangunan Kediaman"

Restriction in

interest

None

Encumbrances None

Market value Based on the valuation report prepared by the Valuer (date of

valuation: 14 June 2022):-

Assuming the development order for the EN10 Project is obtained from MBSJ: RM13.31 million (residual method)

(ii) As is basis: RM13.00 million (comparison method)

Note:-

(1) Tinta Kaca became the registered and beneficial owner of the EN10 Land upon completion of the EN10 Acquisition following the full settlement of the EN10 Purchase Consideration on 29 November 2022 and the transfer of the ownership of the EN10 Land to Tinta Kaca on 9 February 2023.

6.2 EN11 Land

As at the LPD, details of the EN11 Land are set out below:-

		Land Area		Category of land		
Title No.	Lot No.	(sqm)	Express condition	use	Tenure	Restriction-in-interest
GRN 335734	92871	15,626.00	"Bangunan Kediaman"	"Bangunan"	Freehold	None
HSD 318433	PT 35901	156.92	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318434	PT 35902	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318435	PT 35903	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318436	PT 35904	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318437	PT 35905	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318438	PT 35906	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318439	PT 35907	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318440	PT 35908	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318441	PT 35909	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318442	PT 35910	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318443	PT 35911	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318444	PT 35912	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318445	PT 35913	144.11	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318446	PT 35914	156.92	"Bangunan Perniagaan"	"Bangunan"	Freehold	None
HSD 318447	PT 35915	246.26	"Perusahaan Berat"	"Perusahaan" /	Leasehold	"Tanah ini boleh dipindah milik,
				"Industri"	interest for 99	dipajak atau digadai setelah
					years expiring	mendapat kebenaran Pihak
					on 12	Berkuasa Negeri."
					December	-
					2116	"Tanah ini hendaklah digunakan
						semata-mata untuk tujuan tapak
						pencawang elektrik sahaja."

Description : a) 1 vacant parcel of residential land held under Lot No. 92871

(previously held under Lot No. PT 35900);

b) 14 vacant parcels of commercial land held under Lot No. PT 35901 to PT 35914; and

c) 1 vacant parcel of industrial land held under Lot No. PT 35915

Location : Fronts onto Jalan Subang Mas, Taman Pinggiran USJ

Title particulars : Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan

Registered owner⁽¹⁾ : Sime Darby Property (USJ) Sdn Bhd (formerly known as Lengkap

Teratai Sdn Bhd)

Beneficial owner⁽¹⁾ : SDP Bukit Raja

Encumbrances : None

Market value : Based on the valuation report prepared by the Valuer (date of

valuation: 14 June 2022):-

(i) Assuming the development order for the EN11 Project is obtained from MBSJ: RM14.43 million (residual method)

(ii) As is basis: RM13.50 million (comparison method)

Note:-

(1) Sime Darby Property (USJ) Sdn Bhd (formerly known as Lengkap Teratai Sdn Bhd) ("EN11 Land Proprietor") is the registered owner of the EN11 Land.

By a sale and purchase agreement dated 1 July 2008, the EN11 Land Proprietor had sold the EN11 Land to SDP Bukit Raja. SDP Bukit Raja has since fully settled the purchase price contemplated in the said sale and purchase agreement and as at the date hereof, the EN11 Land remains registered in the name of the EN11 Land Proprietor notwithstanding that SDP Bukit Raja has become the beneficial owner of EN11 Land.

After the completion of the EN11 Acquisition, SDP Bukit Raja shall procure the EN11 Land Proprietor to execute the relevant memorandum of transfer to effect the change in ownership of the EN11 Land to Tinta Heights.

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6.3 HT4 Land

As at the LPD, details of the HT4 Land are set out below:-

Description : A vacant parcel of residential land

Location : Fronts onto Persiaran Putra Perdana, Putra Heights, Subang Jaya

Title particulars : GRN 341627, Lot No. 92355 (previously H.S.(D) 315441, PT No.

35811), Mukim Damansara, Daerah Petaling, Negeri Selangor

Darul Ehsan

Registered owner⁽¹⁾ : Sime Darby Putra Heights Development Sdn Bhd (formerly known

as Sime UEP Heights Sdn Bhd)

Beneficial owner⁽¹⁾ : SDP Bukit Raja

Land area : 35,440 sqm

Tenure : Freehold

Category of land use : "Bangunan"

Express condition : "Bangunan Kediaman"

Restriction in interest

None

Encumbrances : None

Market value : Based on the valuation report prepared by the Valuer (date of

valuation: 14 June 2022):-

(i) Assuming the development order for the HT4 Project is obtained from MBSJ: RM24.94 million (residual method)

(ii) As is basis: RM23.20 million (comparison method)

Note:-

(1) Sime Darby Putra Heights Development Sdn Bhd (formerly known as Sime UEP Heights Sdn Bhd) ("**HT4 Land Proprietor**") is the registered owner of the HT4 Land.

By a sale and purchase agreement dated 1 July 2008, the HT4 Land Proprietor had sold the HT4 Land to SDP Bukit Raja. SDP Bukit Raja has since fully settled the purchase price contemplated in the said sale and purchase agreement and as at the date hereof, the HT4 Land remains registered in the name of the HT4 Land Proprietor notwithstanding that SDP Bukit Raja has become the beneficial owner of HT4 Land.

After the completion of the HT4 Acquisition, SDP Bukit Raja shall procure the HT4 Land Proprietor to execute the relevant memorandum of transfer to effect the change in ownership of the HT4 Land to Alma Land.

7. Information of the Projects

7.1 EN10 Project

EN10 Project comprises the development of 715 units of affordable housing under the Rumah Selangorku scheme as approved by LPHS⁽¹⁾ with the following components:-

Component	Size (sq ft)	No. of units
Type C	800	70
(RM150,000.00)		
Type E	900	645
(RM250,000.00)		
Total		715

Note:-

(1)

The original development scheme was initially approved by LPHS via its letter to Sime Darby USJ Development Sdn Bhd (now known as SDP Bukit Raja) (being the beneficial owner of the EN10 Land) dated 13 February 2017. Subsequently, the development scheme of the EN10 Project had undergone several revisions which were approved by LPHS via its letters to INTA dated 29 March 2022, 21 April 2022, 26 May 2022, 20 June 2022 and 19 August 2022. The revisions were mainly to account for the change in layout and number of units under the development scheme.

For information, notwithstanding that the LPHS's approval letters were issued to INTA, Tinta Kaca will, upon completion of the Principal SPA for the EN10 Land and the EN10 Novation Agreement, write in to LPHS to procure that fresh approval letters are issued to Tinta Kaca for it to undertake the EN10 Project on the same terms and specifications as set out in the LPHS's approval letters issued in relation to the EN10 Project, and will seek the cooperation and assistance of INTA where necessary. This would mainly be procedural in nature and is not expected to have significant impact on the estimated timeline for the EN10 Project.

The EN10 Project has yet to commence as it is currently pending the development order to be obtained from MBSJ. The application for development order has been submitted by SDP USJ as the then registered owner of EN10 Land⁽¹⁾ and Tinta Kaca as the developer to MBSJ on 14 September 2022 and approval for the same is expected to be obtained by the first quarter of 2023.

Note:-

(1)

SDP USJ was previously the registered owner of the EN10 Land. After the completion of the EN10 Acquisition following full settlement of the EN10 Purchase Consideration on 29 November 2022, the ownership of the EN10 Land was transferred to Tinta Kaca on 9 February 2023.

The EN10 Project is expected to commence within 3 months from the approval for the development order being obtained and is expected to be completed in stages over a period of 3 years.

The EN10 Project is located within a residential development known as Taman Pinggiran USJ, Subang Jaya. It is situated approximately 9 kilometres to the north-west of MBSJ and about 23 kilometres to the south-west of Kuala Lumpur City Centre respectively.

The surrounding developments comprise terrace houses, apartments, service apartments, shop / apartments and shop / offices such as Pangsapuri Seri Nipah, Pangsapuri Seri Kayan, Menara Geno and Menara Suria. Notable commercial development which are located within the vicinity of the EN10 Project include AEON Mall Shah Alam, Giant Hypermarket Shah Alam Stadium and Hap Seng Business Park.

7.2 EN11 Project

EN11 Project comprises the development of 746 units of affordable housing under the Rumah Selangorku scheme as approved by LPHS⁽¹⁾ with the following components:-

Component	Size (sq ft)	No. of units
Type C	800	75
(RM150,000.00)		
Type E	900	671
(RM250,000.00)		
Total		746

Note:-

(1)

The original development scheme was initially approved by LPHS via its letter to Sime Darby USJ Development Sdn Bhd (now known as SDP Bukit Raja) (being the beneficial owner of the EN11 Land) dated 13 February 2017. Subsequently, the development scheme of the EN11 Project had undergone several revisions which were approved by LPHS via its letters to INTA dated 29 March 2022, 21 April 2022, 26 May 2022, 20 June 2022 and 19 August 2022. The revisions were mainly to account for the change in layout and number of units under the development scheme.

For information, notwithstanding that the LPHS's approval letters were issued to INTA, Tinta Heights will, upon completion of the Principal SPA for the EN11 Land and the EN11 Novation Agreement, write in to LPHS to procure that fresh approval letters are issued to Tinta Heights for it to undertake the EN11 Project on the same terms and specifications as set out in the LPHS's approval letters issued in relation to the EN11 Project, and will seek the cooperation and assistance of INTA where necessary. This would mainly be procedural in nature and is not expected to have significant impact on the estimated timeline for the EN11 Project.

The EN11 Project has yet to commence as it is currently pending the development order to be obtained from MBSJ. The application for development order is expected to be submitted by EN11 Land Proprietor as the registered owner of EN11 Land and Tinta Heights as the developer to MBSJ in the first quarter of 2023 and approval for the same is expected to be obtained by the second guarter of 2023.

The EN11 Project is expected to commence in third quarter of 2023 and is expected to be completed in stages over a period of 3 years.

The EN11 Project is located within a residential development known as Taman Pinggiran USJ, Subang Jaya. It is situated approximately 9 kilometres to the north-west of MBSJ and about 23 kilometres to the south-west of Kuala Lumpur City Centre respectively.

The surrounding developments comprise terrace houses, apartments, service apartments, shop/apartments and shop/offices such as Pangsapuri Seri Nipah and Pangsapuri Seri Kayan, Menara Geno and Menara Suria. Notable commercial development which are located within the vicinity of the EN11 Land include AEON Mall Shah Alam, Giant Hypermarket Shah Alam Stadium and Hap Seng Business Park.

7.3 HT4 Project

HT4 Project comprises the development of 1,139 units of affordable housing under the Rumah Selangorku scheme as approved by LPHS⁽¹⁾ with the following components:-

Component	Size (sq ft)	No. of units
Type C	800	114
(RM150,000.00)		
Type E	900	1,025
(RM250,000.00)		
Total		1,139

Note:-

(1)

The original development scheme was initially approved by LPHS via its letter to HT4 Land Proprietor dated 14 September 2017. Subsequently, the development scheme of the HT4 Project had undergone several revisions which were approved by LPHS via its letters to INTA dated 29 March 2022, 21 April 2022, 26 May 2022, 20 June 2022 and 19 August 2022. The revisions were mainly to account for the change in layout and number of units under the development scheme.

For information, notwithstanding that the LPHS's approval letters were issued to INTA, Alma Land will, upon completion of the Principal SPA for the HT4 Land and the HT4 Novation Agreement, write in to LPHS to procure that fresh approval letters are issued to Alma Land for it to undertake the HT4 Project on the same terms and specifications as set out in the LPHS's approval letters issued in relation to the HT4 Project, and will seek the cooperation and assistance of INTA where necessary. This would mainly be procedural in nature and is not expected to have significant impact on the estimated timeline for the HT4 Project.

The HT4 Project has yet to commence as it is currently pending the development order to be obtained from MBSJ. The application for development order is expected to be submitted by HT4 Land Proprietor as the registered owner of HT4 Land and Alma Land as the developer to MBSJ in the first quarter of 2023 and approval for the same is expected to be obtained by the second quarter of 2023.

The HT4 Project is expected to commence in third quarter of 2024 and is expected to be completed in stages over a period of 3 years.

The HT4 Project is located within a residential development known as Putra Heights, Subang Jaya. It is situated approximately 11 kilometres to the south-west of MBSJ and about 31 kilometres to the south-west of Kuala Lumpur City Centre respectively.

The surrounding developments comprise terrace houses, apartments and shop/offices such as Pangsapuri Seri Mutiara and Pangsapuri Harmoni 1. Notable commercial development which are located within the vicinity of the HT4 Project include Giant Hypermarket Putra Heights and Putra Point Commercial Centre.

8. Salient terms of the Novation Agreements

8.1 EN10 Novation Agreement

(i) Novation

With effect from the date of the EN10 Novation Agreement ("EN10 Novation Effective Date"):-

- (a) INTA irrevocably novates and transfers all its rights, title, interest liabilities and obligations in and to the Principal SPA for the EN10 Land ("EN10 Principal SPA") (which includes the variations / amendments pursuant to the terms and conditions thereof) ("EN10 Rights & Obligations") to Tinta Kaca and in connection thereto, any payment of the Purchase Price under the EN10 Principal SPA which has been paid by INTA ("EN10 Sums Paid") shall be assigned and transferred to the account of Tinta Kaca;
- (b) Tinta Kaca accepts the novation and transfer of the EN10 Rights & Obligations from INTA; and
- (c) INTA releases and discharges SDP Bukit Raja from all its obligations and liabilities pursuant to and under the EN10 Principal SPA and it shall not have any claim whatsoever and howsoever arising against SDP Bukit Raja including but without limitation to the EN10 Sums Paid,

upon the terms and conditions contained in the EN10 Novation Agreement.

In consideration of the novation and transfer of all EN10 Rights and Obligations by INTA to Tinta Kaca and further to the acceptance of the SDP Bukit Raja of such novation and transfer, Tinta Kaca represents, covenants with and undertakes to INTA and SDP Bukit Raja that it shall comply with all stipulations, terms and covenants and meet all payments and perform all obligations required on the part of INTA to be performed in the EN10 Principal SPA as if Tinta Kaca had been the party thereto in place of INTA.

Tinta Kaca undertakes to at all times hereafter indemnify and keep INTA and the SDP Bukit Raja indemnified against all losses, expenses, claims, costs and/or damages of any nature whatsoever including but not limited to legal costs which may be suffered or incurred by INTA and the SDP Bukit Raja in connection with/arising from/in respect of any breach of the terms, covenants and stipulations in the EN10 Principal SPA to be performed and observed by Tinta Kaca, from the Effective Date.

(ii) Corporate guarantee

In consideration of SDP Bukit Raja consenting to the novation by INTA to Tinta Kaca and to the assumption of the EN10 Rights & Obligations by Tinta Kaca and the amendment and variation of the terms of EN10 Principal SPA as provided herein, Tinta Kaca shall procure its shareholders (including INTA⁽¹⁾ itself) to execute and deliver a corporate guarantee in favour of SDP Bukit Raja to irrevocably and unconditionally guarantee the performance and compliance by Tinta Kaca of its obligations and all the terms and conditions in the terms, covenants and stipulations in the EN10 Principal SPA in the form as set out in the EN10 Novation Agreement.

Note:-

(1) For information, as at the date of the EN10 Novation Agreement, Tinta Kaca was 80% owned by TWL Commodity and 20% owned by INTA. Subsequently, INTA's 20% equity interest in Tinta Kaca was acquired by TWL Commodity on 27 December 2022.

8.2 EN11 Novation Agreement

(i) Novation

With effect from the date of the EN11 Novation Agreement ("EN11 Novation Effective Date"):-

- (a) INTA irrevocably novates and transfers all its rights, title, interest liabilities and obligations in and to the Principal SPA for the EN11 Land ("EN11 Principal SPA") (which includes the variations / amendments pursuant to the terms and conditions thereof) ("EN11 Rights & Obligations") to Tinta Heights and in connection thereto, any payment of the Purchase Price under the EN11 Principal SPA which has been paid by INTA ("EN11 Sums Paid") shall be assigned and transferred to the account of Tinta Heights;
- (b) Tinta Heights accepts the novation and transfer of the EN11 Rights & Obligations from INTA; and
- (c) INTA releases and discharges SDP Bukit Raja from all its obligations and liabilities pursuant to and under the EN11 Principal SPA and it shall not have any claim whatsoever and howsoever arising against SDP Bukit Raja including but without limitation to the EN11 Sums Paid,

upon the terms and conditions contained in the EN11 Novation Agreement.

In consideration of the novation and transfer of all EN11 Rights and Obligations by INTA to Tinta Heights and further to the acceptance of the SDP Bukit Raja of such novation and transfer, Tinta Heights represents, covenants with and undertakes to INTA and SDP Bukit Raja that it shall comply with all stipulations, terms and covenants and meet all payments and perform all obligations required on the part of INTA to be performed in the EN11 Principal SPA as if Tinta Heights had been the party thereto in place of INTA.

Tinta Heights undertakes to at all times hereafter indemnify and keep INTA and the SDP Bukit Raja indemnified against all losses, expenses, claims, costs and/or damages of any nature whatsoever including but not limited to legal costs which may be suffered or incurred by INTA and the SDP Bukit Raja in connection with/arising from/in respect of any breach of the terms, covenants and stipulations in the EN11 Principal SPA to be performed and observed by Tinta Heights, from the Effective Date.

(ii) Corporate guarantee

In consideration of SDP Bukit Raja consenting to the novation by INTA to Tinta Heights and to the assumption of the EN11 Rights & Obligations by Tinta Heights and the amendment and variation of the terms of EN11 Principal SPA as provided herein, Tinta Heights shall procure its shareholders (including INTA⁽¹⁾ itself) to execute and deliver a corporate guarantee in favour of SDP Bukit Raja to irrevocably and unconditionally guarantee the performance and compliance by Tinta Heights of its obligations and all the terms and conditions in the terms, covenants and stipulations in the EN11 Principal SPA in the form as set out in the EN11 Novation Agreement.

Note:-

(1) For information, INTA is a shareholder holding 20% equity interest in Tinta Heights.

8.3 HT4 Novation Agreement

(i) Novation

With effect from the date of the HT4 Novation Agreement ("HT4 Novation Effective Date"):-

- (a) INTA irrevocably novates and transfers all its rights, title, interest liabilities and obligations in and to the Principal SPA for the HT4 Land ("HT4 Principal SPA") (which includes the variations / amendments pursuant to the terms and conditions thereof) ("HT4 Rights & Obligations") to Alma Land and in connection thereto, any payment of the Purchase Price under the HT4 Principal SPA which has been paid by INTA ("HT4 Sums Paid") shall be assigned and transferred to the account of Alma Land;
- (b) Alma Land accepts the novation and transfer of the HT4 Rights & Obligations from INTA; and
- (c) INTA releases and discharges SDP Bukit Raja from all its obligations and liabilities pursuant to and under the HT4 Principal SPA and it shall not have any claim whatsoever and howsoever arising against SDP Bukit Raja including but without limitation to the HT4 Sums Paid,

upon the terms and conditions contained in the HT4 Novation Agreement.

In consideration of the novation and transfer of all HT4 Rights and Obligations by INTA to Alma Land and further to the acceptance of the SDP Bukit Raja of such novation and transfer, Alma Land represents, covenants with and undertakes to INTA and SDP Bukit Raja that it shall comply with all stipulations, terms and covenants and meet all payments and perform all obligations required on the part of INTA to be performed in the HT4 Principal SPA as if Alma Land had been the party thereto in place of INTA.

Alma Land undertakes to at all times hereafter indemnify and keep INTA and the SDP Bukit Raja indemnified against all losses, expenses, claims, costs and/or damages of any nature whatsoever including but not limited to legal costs which may be suffered or incurred by INTA and the SDP Bukit Raja in connection with/arising from/in respect of any breach of the terms, covenants and stipulations in the HT4 Principal SPA to be performed and observed by Alma Land, from the Effective Date.

(ii) Corporate guarantee

In consideration of SDP Bukit Raja consenting to the novation by INTA to Alma Land and to the assumption of the HT4 Rights & Obligations by Alma Land and the amendment and variation of the terms of the HT4 Principal SPA as provided herein, Alma Land shall procure its shareholders (including INTA⁽¹⁾ itself) to execute and deliver a corporate guarantee in favour of SDP Bukit Raja to irrevocably and unconditionally guarantee the performance and compliance by Alma Land of its obligations and all the terms and conditions in the terms, covenants and stipulations in the HT4 Principal SPA in the form as set out in the HT4 Novation Agreement.

Note:-

(1) For information, INTA is a shareholder holding 30% equity interest in Alma Land.

9. Salient terms of the Principal SPAs

Please refer to the ensuing sections for the salient terms of the Principal SPAs, some of which have been modified to cater for the Novation Agreements (where applicable).

9.1 EN10 Principal SPA

(i) Purchase consideration and manner of payment

The EN10 Purchase Consideration is RM10.00 million.

Unless otherwise expressly provided in the EN10 Principal SPA, the EN10 Purchase Consideration shall be paid by Tinta Kaca to SDP Bukit Raja progressively in multiple instalments and at the time and in the manner set out below:-

Timing of payment	RM
Di da di Ella	000.000
Prior to the execution of the EN10 Principal SPA	200,000
On or before 28 February 2022	6,150,000
On or before 30 April 2022	600,000
On or before 31 July 2022	500,000
On or before 31 October 2022	1,100,000
On or before 31 December 2022	1,450,000
Total	10,000,000

(ii) Conditions precedent

The EN10 Principal SPA is conditional upon the satisfaction of the following conditions precedent ("EN10 Conditions Precedent") on or before the expiry of the 6 months from the date of the EN10 Principal SPA (or such other extension of time as may be granted / mutually agreed by the parties in writing) ("EN10 Purchaser's Conditional Period") or 7 business days from the date of the date of the EN10 Principal SPA (or such other extension of time as may be determined by SDP Bukit Raja at its absolute discretion) ("EN10 Vendor's Conditional Period"), as the case may be:-

(a) Conditions to be fulfilled by Tinta Kaca as the purchaser

(aa) Tinta Kaca having obtained a letter of approval from LPHS and MMKN to (a) discharge and release SDPB and/or SDP Bukit Raja from any responsibilities and obligations and (b) approve Tinta Kaca to take over the responsibility to fulfill the EN10 RSKU Condition (as defined in Section 9.1(v) of Appendix III of this Circular) including to develop the EN10 RSKU Scheme (as defined in Section 9.1(v) of Appendix III of this Circular) or accommodation as mandated by LPHS and/or the appropriate authorities vide the MBSJ's Letter (as stated in Section 3 of Appendix III of this Circular), in replacement or substitution of SDPB and/or SDP Bukit Raja, ("EN10 LPHS' Approval") in respect of the EN10 Land (which terms and conditions of the EN10 LPHS' Approval shall be acceptable to SDP Bukit Raja) being obtained by Tinta Kaca at its own cost and expense within the EN10 Purchaser's Conditional Period.

The EN10 LPHS' Approval has been obtained via the letters from LPHS dated 26 May 2022, 20 June 2022 and 19 August 2022. The terms of the EN10 LPHS' Approval⁽¹⁾ have been formally accepted by SDP Bukit Raja in writing on 5 September 2022. As such, the condition precedent is deemed to be fulfilled.

Note:-

- (1) The EN10 LPHS' Approval is subject to, amongst others, the following being incorporated / addressed in the development of the EN10 Project:-
 - modern and up-to-date house design taking into account aspects of sustainability and low maintenance costs in terms of building materials and the environment;
 - the provision of adequate and comfortable basic and public facilities such as kindergartens, children's playgrounds, mussollahs, public halls, joint management body offices (JMB), community shops/stalls and so on must comply with the standard of MBSJ;
 - (iii) the needs of the elderly and persons with disabilities (OKU) are taken into account;
 - (iv) the concept of a good neighbourhood is implemented;
 - (v) the construction to be commenced in January 2023 and completed in January 2026.
 - (vi) the construction of Rumah Selangorku to be prioritised or built together with other types of components and MBSJ will impose a "Stop Work Order" for the development of the EN10 Project if the conditions are not met;
 - (vii) a list of buyers' names must be obtained from LPHS through Sistem Pendaftaran Permohonan Hartanah Negeri Selangor;
 - (viii) failure to obtain a list of names of the buyers from LPHS may result in a fine of 10% of the house's sales value for each house unit sold;
 - (ix) increase in density to 130 units per acre is subject to the approval of MBSJ*; and
 - * The application for the increase in density has been included in the application for development order which has been submitted by SDP USJ as the then registered owner and Tinta Kaca as the developer on 14 September 2022.

For information, SDP USJ was previously the registered owner of the EN10 Land. After the completion of the EN10 Acquisition following the full settlement of the EN10 Purchase Consideration on 29 November 2022, the ownership of the EN10 Land has been transferred to Tinta Kaca on 9 February 2023.

- (x) the developer / new landowner are responsible for fulfilling the obligations that have been set out in the approval letters by submitting a proposed project implementation schedule for the purpose of monitoring to LPHS as soon as the approval of MMKN is obtained*.
 - * The said schedule has been submitted and LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the EN10 Project from June 2022 to January 2023.
- (bb) Tinta Kaca having obtained a letter of waiver from MBSJ to waive the conditions and requirements currently imposed on SDPB vide MBSJ's Letter as the master developer to construct and/or develop the Public Amenities (as defined in Section 9.1(iv) of Appendix III of this Circular) or in the event such waiver is not granted, a variation of the terms and conditions of the requirements to construct and/or develop Public Amenities, the terms of which shall be acceptable to SDP Bukit Raja ("MBSJ's Variation Letter"), being obtained by Tinta Kaca at its own cost and expense on or before the expiry of the EN10 Purchaser's Conditional Period.

The abovementioned MBSJ's Variation Letter has been obtained on 27 April 2022 and the terms of the MBSJ's Variation Letter have been formally accepted by SDP Bukit Raja in writing on 23 August 2022. As such, the condition precedent is deemed to be fulfilled.

(cc) Tinta Kaca having obtained a letter of approval from LPHS and MMKN to (a) discharge and release SDPB and/or SDP Bukit Raja from any responsibilities and obligations and (b) approve Tinta Kaca to take over the responsibility to fulfill the EN10 RSKU Condition (as defined in Section 9.1(v) of Appendix III of this Circular) including to develop the EN10 RSKU Scheme (as defined in Section 9.1(v) Appendix III of this Circular) or accommodation as mandated by LPHS and/or the appropriate authorities vide the MBSJ's Letter, in replacement or substitution of SDPB and/or SDP Bukit Raja, ("Related Land's EN10 LPHS' Approval") in respect of the Related Land(1)(2) (which terms and conditions of the Related Land's EN10 LPHS' Approval shall be acceptable to SDP Bukit Raja and/or Sime Darby Property (Lembah Acob) Sdn Bhd ("SDPLA")) being obtained by Tinta Kaca at its own cost and expense within the EN10 Purchaser's Conditional Period.

Notes:-

- (1) "Related Land" refers to 3 parcels of land measuring a total of 30.25 hectares held under HSD 130457 to H.S.(D) 130459, PT No. 46702 to PT 46704, all located at Mukim Kapar, Daerah Klang, Negeri Selangor Darul Ehsan.
- (2) It is the intention of SDPB (being the shareholder of SDP Bukit Raja and SDPLA) to dispose of the Lands and the Related Land as a package as all these 4 parcels of land have the RSKU Condition attached to them.

Thus, pursuant to the above, INTA had entered into the Principal SPAs with SDP Bukit Raja for the acquisition of the Lands as well as a separate sale and purchase agreement with SDPLA for the acquisition of the Related Land ("Related SPA").

Since SDP Bukit Raja intends to dispose of the Lands and the Related Land as a package due to the reason stated above, each of the Principal SPAs were made conditional upon the new landowner i.e. INTA taking over the obligation to fulfill the RSKU Condition for the Lands and Related Land.

Subsequent to the above, INTA has now decided to novate the acquisition of the Lands to TWL (via Tinta Kaca, Tinta Heights and Alma Land). At the same time, INTA has novated the acquisition of the Related Land to a separate entity known as **Tinta Land**.

The Related Land's EN10 LPHS' Approval has been obtained via the letters from LPHS dated 26 May 2022, 20 June 2022 and 19 August 2022. The terms of the Related Land's EN10 LPHS' Approval have been formally accepted by SDP Bukit Raja in writing on 5 September 2022. As such, the condition precedent is deemed to be fulfilled.

(b) Conditions to be fulfilled by SDP Bukit Raja as the vendor

SDP Bukit Raja having successfully submitted its application for Kebenaran Merancang for other lands owned by SDPB ("KM Application") to and accepted by MBSJ for consideration and to process the KM Application within the EN10 Vendor's Conditional Period⁽¹⁾.

Note:-

(1) As at the LPD, this condition precedent has been fulfilled.

(iii) Unconditional date

The EN10 Principal SPA shall become unconditional on the date when the last of the EN10 Conditions Precedent is fulfilled or waived by mutual agreement of Tinta Kaca and SDP Bukit Raja in writing, as the case may be ("EN10 Unconditional Date").

As the last of the EN10 Conditions Precedent has been fulfilled on 5 September 2022, the EN10 Unconditional Date shall be 5 September 2022.

(iv) Collaboration to build public amenities

MBSJ has, vide the MBSJ's Letter (as stated in Section 3 of Appendix III of this Circular), imposed several conditions on SDPB including an obligation to construct or develop public amenities such as the public wet market or such other public amenities as more particularly set out in the MBSJ's Letter (collectively, the "Public Amenities") which was later revised by the MBSJ's Variation Letter.

Pursuant to the EN10 Novation Agreement read together with the Principal SPA in respect of the EN10 Land, Tinta Kaca and SDP Bukit Raja agrees to collaborate with each other with a view to jointly develop and complete the Public Amenities on the piece of land held under H.S.(D) 256437, PT No. 35026, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan measuring approximately 11,379 square meters which land is currently held by SDPB and/or its group of companies or such other land as SDP Bukit Raja may determine for that purpose, subject to the approval to utilise such other land to be granted by MBSJ.

In connection therewith, Tinta Kaca and SDP Bukit Raja shall discuss in good faith with a view to finalise and enter into a collaboration or joint venture agreement for the joint development of the Public Amenities on terms to be mutually agreed by Tinta Kaca and SDP Bukit Raja which shall include a term requiring Tinta Kaca and SDP Bukit Raja to share the costs of construction and completion of the Public Amenities equally provided that the amount to be contributed by Tinta Kaca shall not exceed RM5.00 million only.

For the avoidance of doubt, Tinta Kaca is not required to contribute towards the land cost for the proposed joint development contemplated in this clause. Such collaboration or joint venture agreement shall be finalised and signed by Tinta Kaca and SDP Bukit Raja soonest possible but in any event, no later than the expiry of 30 days from the EN10 Unconditional Date or such other extension of time⁽¹⁾ as may be granted mutually agreed by Tinta Kaca and SDP Bukit Raja in writing.

Note:-

(1) The parties have agreed to extend the timeframe to finalise and sign the agreement until 5 March 2023.

(v) Construction of EN10 RSKU Scheme

MBSJ has, vide the MBSJ's Letter, imposed several conditions on SDPB including an obligation to construct or develop the statutory low cost housing accommodations (which now forms part of EN10 RSKU Scheme (as defined below)), the description and specifications of which are more particularly set out in the MBSJ's Letter.

"EN10 RSKU Scheme" means the "Rumah Selangorku" low cost and/or affordable homes or housing scheme in Selangor Darul Ehsan as regulated by LPHS whereupon the types (whether landed or stratified), specifications, conditions and purchase consideration of such affordable homes or housing scheme under EN10 RSKU Scheme is determined by LPHS in its absolute discretion and in relation to EN10 RSKU Scheme to be constructed or developed on the EN10 Land, it shall mean the EN10 RSKU Scheme which fulfils the EN10 RSKU Condition (as defined below) as provided for in the MBSJ's Letter and such other requirements of LPHS and MBSJ from time to time (if any).

Pursuant to the EN10 Novation Agreement read together with the Principal SPA in respect of the EN10 Land, Tinta Kaca agrees and undertakes to commence, construct and complete the construction of the EN10 RSKU Scheme to fulfil the requirement of constructing, upon and within the boundaries of the EN10 Land, 715 units of Rumah Selangorku (70 units Type C and 645 units Type E) or such other amount of units of low cost and/or affordable housing accommodation as LPHS, MBSJ and/or other appropriate authorities may approve from time to time at the costs and expenses of Tinta Kaca ("EN10 RSKU Condition").

SDP Bukit Raja acknowledges and agrees that LPHS and/or other appropriate authorities may vary and/or waive the amount of units of low cost and/or affordable housing accommodation imposed to be constructed and completed upon and within the boundaries of the EN10 Land and the compliance by Tinta Kaca of such variation and/or waiver shall be sufficient discharge of Tinta Kaca's obligation to discharge the EN10 RSKU Condition provided always that the EN10 LPHS' Approval shall have been obtained by Tinta Kaca.

Tinta Kaca agrees and undertakes that Tinta Kaca shall:-

(a) commence the construction of the EN10 RSKU Scheme on the EN10 Land on or before 30 June 2022 or such later date as may be allowed by both LPHS and MBSJ in writing ("EN10 Construction Commencement Date")(1);

Note:-

- (1) LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the EN10 RSKU Scheme from June 2022 to January 2023.
- (b) launch or cause to be launched the individual units comprised in EN10 RSKU Scheme to be built on the EN10 Land for sale to the eligible end-purchasers on or before 30 June 2022 or such later date as SDP Bukit Raja may reasonably agree ("EN10 Launch Date") and in this respect, SDP Bukit Raja agrees that Tinta Kaca shall be entitled to postpone the EN10 Launch Date to such later date as may be approved by LPHS and/or MBSJ for the EN10 Construction Commencement Date to take place; and
- (c) complete the construction of the EN10 RSKU Scheme on the EN10 Land together with issuance of the certificate of completion and compliance ("CCC") on or before 30 June 2025 or such later date as may be allowed by LPHS and MBSJ in writing ("EN10 Construction Completion Date").

Tinta Kaca irrevocably undertakes to launch and complete the construction of the EN10 RSKU Scheme on the EN10 Land together with the CCC referred to above by the EN10 Launch Date or the EN10 Construction Completion Date or such extended date or dates as may be allowed by LPHS and MBSJ in writing.

(vi) Termination

- (a) At any time before Tinta Kaca's launch of the EN10 RSKU Scheme on the EN10 Land, SDP Bukit Raja shall be entitled to give notice to Tinta Kaca terminating the EN10 Principal SPA if:-
 - (aa) Tinta Kaca fails to pay the EN10 Purchase Consideration or any balance thereof which has become due and payable to SDP Bukit Raja upon the provisions for acceleration of payment under Section 9.1(vi)(b) below having been triggered;
 - (bb) Tinta Kaca fails, refuses, neglects to (i) commence the construction of the EN10 RSKU Scheme by the EN10 Construction Commencement Date or (ii) launch for sale the EN10 RSKU Scheme on the EN10 Land on or before the expiry of the EN10 Launch Date;

- (cc) Tinta Kaca fails, neglects or refuses to perform or comply with any of its covenants and obligations under the EN10 Principal SPA and fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Tinta Kaca to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;
- (dd) if any of the EN10 Conditions Precedent shall not have been fulfilled on or before the respective Conditional Periods due to the act, negligence, omission or delay on the part of Tinta Kaca;
- (ee) in the event the termination of the Related SPA⁽¹⁾⁽²⁾ which is due to no fault or breach by SDPLA;

Notes:-

- (1) As defined in Section 9.1(ii)(a)(cc) of Appendix III of this Circular.
- (2) As Tinta Kaca has no control over the Related SPA, Tinta Land (being the new purchaser who will take over INTA's obligations under the Related SPA through a separate novation agreement) has provided a letter of indemnity to indemnify Tinta Kaca against all and any actions, proceedings, demands, claims and/or suits whatsoever brought against Tinta Kaca and/or all and any claims, charges, fees, costs, expenses, fines, penalties, losses and/or damages which Tinta Kaca suffer or incur arising from Tinta Land's non-completion and/or non-fulfilment of all the terms and conditions in the Related SPA leading to termination of the Related SPA which in turn leading to termination of the EN10 Principal SPA by SDP Bukit Raja including but not limited to, amongst others, the forfeiture of the EN10 Deposit (as defined in Section 9.1(vi)(d) below).
- (ff) any of the representations or warranties of Tinta Kaca is found to be untrue or inaccurate or misleading and Tinta Kaca fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Tinta Kaca to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;
- (gg) Tinta Kaca is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to Tinta Kaca under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
- (hh) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, the substantial parts of the assets or undertaking of Tinta Kaca.

- (b) If Tinta Kaca fails or neglects to (i) pay any of the instalments of the EN10 Purchase Consideration which have become due and payable to SDP Bukit Raja for more than 30 days or (ii) rectify any breach of its covenants and obligations under the EN10 Principal SPA within the stipulated time period as required by SDP Bukit Raja under the provisions of Section 9.1(vi)(a) above, then without prejudice to SDP Bukit Raja's rights and remedies under the EN10 Principal SPA, SDP Bukit Raja shall be entitled, by written notice to Tinta Kaca to accelerate the completion of the sale and purchase herein and to require Tinta Kaca to fully settle the remaining portion of the EN10 Purchase Consideration, regardless of whether or not such instalments shall have become due and payable to SDP Bukit Raja in accordance with Section 9.1(i) of Appendix III of this Circular and in such event. Tinta Kaca shall be liable to pay the remaining unpaid instalments of the EN10 Purchase Consideration immediately within 14 days from the date of Tinta Kaca's receipt of SDP Bukit Raja's said written notice demanding for payment the remaining portion of the EN10 Purchase Consideration.
- (c) At any time before Tinta Kaca's launch of the EN10 RSKU Scheme on the EN10 Land, Tinta Kaca shall be entitled to terminate the EN10 Principal SPA by giving a notice to SDP Bukit Raja if:-
 - (aa) SDP Bukit Raja fails, neglects or refuses to complete the sale of EN10 Land under the EN10 Principal SPA or fails, neglects or refuses to rectify such breach within 30 days from the date of Tinta Kaca's written notice requiring SDP Bukit Raja to remedy such breach or such extended period as Tinta Kaca may agree to together with documentary evidence of such breach:
 - (bb) any of the representations or warranties of SDP Bukit Raja is found to be untrue or inaccurate or misleading and SDP Bukit Raja fails, neglects or refuses to rectify such breach within 30 days from the date of the Tinta Kaca's written notice requiring SDP Bukit Raja to remedy such breach or such extended period as Tinta Kaca may agree to together with documentary evidence of such breach;
 - (cc) SDP Bukit Raja is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to SDP Bukit Raja under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
 - (dd) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any the substantial parts of the assets or undertaking of SDP Bukit Raja.

- (d) Upon issuance of a notice terminating the EN10 Principal SPA under the provisions of Section 9.1(vi)(c) above (i.e Tinta Kaca's right to terminate), SDP Bukit Raja shall refund any remaining monies received by SDP Bukit Raja as part of the EN10 Purchase Consideration (save for 10% of the EN10 Purchase Consideration ("EN10 Deposit")) free of interest to Tinta Kaca by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.
- (e) If the notice terminating the EN10 Principal SPA was given under the provisions of Section 9.1(vi)(a) above (i.e. Tinta Kaca's event of default) before Tinta Kaca's launch of the EN10 RSKU Scheme on the EN10 Land then SDP Bukit Raja shall be entitled to forfeit the EN10 Deposit together with any late payment interest accrued under the relevant clause of the EN10 Principal SPA in relation to late payment of the EN10 Purchase Consideration as agreed liquidated damages.
- (f) If the notice terminating the EN10 Principal SPA was given under the provisions of Section 9.1(vi)(b) above (i.e. Tinta Kaca's right to terminate), SDP Bukit Raja shall pay a further sum equivalent to the EN10 Deposit as agreed liquidated damages by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.

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9.2 EN11 Principal SPA

(i) Purchase consideration and manner of payment

The EN11 Purchase Consideration is RM12.00 million.

Unless otherwise expressly provided in the EN11 Principal SPA, the EN11 Purchase Consideration shall be paid by Tinta Heights to SDP Bukit Raja progressively in multiple instalments and at the time and in the manner set out below:-

Timing of payment	RM
Prior to the execution of the EN11	240,000
Principal SPA	240,000
On or before 30 April 2024	1,500,000
On or before 31 May 2024	1,150,000
On or before 31 July 2024	1,500,000
On or before 30 August 2024	4,150,000
On or before 31 December 2024	3,460,000
Total	12,000,000

(ii) Conditions precedent

The EN11 Principal SPA is conditional upon the satisfaction of the following conditions precedent ("EN11 Conditions Precedent") on or before the expiry of the 6 months from the date of the EN11 Principal SPA (or such other extension of time as may be granted / mutually agreed by the parties in writing) ("EN11 Purchaser's Conditional Period") or 7 business days from the date of the date of the EN11 Principal SPA (or such other extension of time as may be determined by SDP Bukit Raja at its absolute discretion) ("EN11 Vendor's Conditional Period"), as the case may be:-

(a) Conditions to be fulfilled by Tinta Heights as the purchaser

Tinta Heights having obtained a letter of approval from LPHS (aa) and MMKN to (a) discharge and release SDPB and/or SDP Bukit Raja from any responsibilities and obligations and (b) approve Tinta Heights to take over the responsibility to fulfill the EN11 RSKU Condition (as defined in Section 9.2(v) of Appendix III of this Circular) including to develop the EN11 RSKU Scheme (as defined in Section 9.2(v) of Appendix III of this Circular) or accommodation as mandated by LPHS and/or the appropriate authorities vide the MBSJ's Letter (as stated in Section 3 of Appendix III of this Circular), in replacement or substitution of SDPB and/or SDP Bukit Raja, ("EN11 LPHS' Approval") in respect of the EN11 Land (which terms and conditions of the EN11 LPHS' Approval shall be acceptable to SDP Bukit Raja) being obtained by Tinta Heights at its own cost and expense within the EN11 Purchaser's Conditional Period.

The EN11 LPHS' Approval has been obtained via the letters from LPHS dated 26 May 2022, 20 June 2022 and 19 August 2022. The terms of the EN11 LPHS' Approval⁽¹⁾ have been formally accepted by SDP Bukit Raja in writing on 5 September 2022. As such, the condition precedent is deemed to be fulfilled.

Note:-

- (1) The EN11 LPHS' Approval is subject to, amongst others, the following being incorporated / addressed in the development of the EN11 Project:-
 - modern and up-to-date house design taking into account aspects of sustainability and low maintenance costs in terms of building materials and the environment;
 - the provision of adequate and comfortable basic and public facilities such as kindergartens, children's playgrounds, mussollahs, public halls, joint management body offices (JMB), community shops/stalls and so on must comply with the standard of MBSJ;
 - (iii) the needs of the elderly and persons with disabilities (OKU) are taken into account;
 - (iv) the concept of a good neighbourhood is implemented;
 - the construction to be commenced in July 2023 and completed in June 2026;
 - (vi) the construction of Rumah Selangorku to be prioritised or built together with other types of components and MBSJ will impose a "Stop Work Order" for the development of EN11 Project if the conditions are not met;
 - (vii) a list of buyers' names must be obtained from LPHS through Sistem Pendaftaran Permohonan Hartanah Negeri Selangor;
 - (viii) failure to obtain a list of names of the buyers from LPHS may result in a fine of 10% of the house's sales value for each house unit sold;
 - (ix) increase in density to 130 units per acre is subject to the approval of the MBSJ*; and
 - * The application for MBSJ's approval will be submitted by EN11 Land Proprietor as the registered owner and Tinta Heights as the developer in due course.
 - (x) the developer / new landowner are responsible for fulfilling the obligations that have been set out in the approval letters by submitting a proposed project implementation schedule for the purpose of monitoring to LPHS as soon as the approval of the MMKN is obtained*.
 - * The said schedule has been submitted and LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the EN11 Project from October 2022 to July 2023.

(bb) Tinta Heights having obtained a letter of waiver from MBSJ to waive the conditions and requirements currently imposed on SDPB vide MBSJ's Letter as the master developer to construct and/or develop the Public Amenities (as stated in Section 9.1(iv) of Appendix III of this Circular) or in the event such waiver is not granted, a variation of the terms and conditions of the requirements to construct and/or develop Public Amenities, the terms of which shall be acceptable to SDP Bukit Raja (i.e. MBSJ's Variation Letter, as stated in Section 9.1(ii)(a)(bb) of Appendix III of this Circular), being obtained by Tinta Heights at its own cost and expense on or before the expiry of the EN11 Purchaser's Conditional Period.

The abovementioned MBSJ's Variation Letter has been obtained on 27 April 2022 and the terms of the MBSJ's Variation Letter have been formally accepted by SDP Bukit Raja in writing on 23 August 2022. As such, the condition precedent is deemed to be fulfilled.

(cc) Tinta Heights having obtained a letter of approval from LPHS and MMKN to (a) discharge and release SDPB and/or SDP Bukit Raja from any responsibilities and obligations and (b) approve Tinta Heights to take over the responsibility to fulfill the EN11 RSKU Condition (as defined in Section 9.2(v) of Appendix III of this Circular) including to develop the EN11 RSKU Scheme (as defined in Section 9.2(v) of Appendix III of this Circular) or accommodation as mandated by LPHS and/or the appropriate authorities vide the MBSJ's Letter, in replacement or substitution of SDPB and/or SDP Bukit Raja, ("Related Land's EN11 LPHS' Approval") in respect of the Related Land⁽¹⁾⁽²⁾ (which terms and conditions of the Related Land's EN11 LPHS' Approval shall be acceptable to SDP Bukit Raja and/or SDPLA) being obtained by Tinta Heights at its own cost and expense within the EN11 Purchaser's Conditional Period.

Notes:-

- (1) "Related Land" refers to 3 parcels of land measuring a total of 30.25 hectares held under HSD 130457 to H.S.(D) 130459, PT No. 46702 to PT 46704, all located at Mukim Kapar, Daerah Klang, Negeri Selangor Darul Ehsan.
- (2) It is the intention of SDPB (being the shareholder of SDP Bukit Raja and SDPLA) to dispose of the Lands and the Related Land as a package as all these 4 parcels of land have the RSKU Condition attached to them.

Thus, pursuant to the above, INTA had entered into the Principal SPAs with SDP Bukit Raja for the acquisition of the Lands as well as the Related SPA with SDPLA for the acquisition of the Related Land.

Since SDP Bukit Raja intends to dispose of the Lands and the Related Land as a package due to the reason stated above, each of the Principal SPAs were made conditional upon the new landowner i.e. INTA taking over the obligation to fulfill the RSKU Condition for the Lands and Related Land.

Subsequent to the above, INTA has now decided to novate the acquisition of the Lands to TWL (via Tinta Kaca, Tinta Heights and Alma Land). At the same time, INTA has novated the acquisition of the Related Land to a separate entity known as Tinta Land.

The Related Land's EN11 LPHS' Approval has been obtained via the letters from LPHS dated 26 May 2022, 20 June 2022 and 19 August 2022. The terms of the Related Land's EN11 LPHS' Approval have been formally accepted by SDP Bukit Raja in writing on 5 September 2022. As such, the condition precedent is deemed to be fulfilled.

(b) Conditions to be fulfilled by SDP Bukit Raja as the vendor

SDP Bukit Raja having successfully submitted its application for Kebenaran Merancang for other lands owned by SDPB (i.e. KM Application, as stated in Section 9.1(ii)(b) of Appendix III of this Circular) to and accepted by MBSJ for consideration and to process the KM Application within the EN11 Vendor's Conditional Period⁽¹⁾.

Note:-

(1) As at the LPD, this condition precedent has been fulfilled.

(iii) Unconditional date

The EN11 Principal SPA shall become unconditional on the date when the last of the EN11 Conditions Precedent is fulfilled or waived by mutual agreement of Tinta Heights and SDP Bukit Raja in writing, as the case may be ("EN11 Unconditional Date").

As the last of the EN11 Conditions Precedent has been fulfilled on 5 September 2022, the EN11 Unconditional Date shall be 5 September 2022.

(iv) Collaboration to build public amenities

MBSJ has, vide the MBSJ's Letter (as stated in Section 3 of Appendix III of this Circular), addressed to SDPB, imposed several conditions on SDPB including an obligation to construct or develop the Public Amenities (as defined in Section 9.1(iv) of Appendix III of this Circular) which was later revised by the MBSJ's Variation Letter.

Pursuant to the EN11 Novation Agreement read together with the Principal SPA in respect of the EN11 Land, Tinta Heights and SDP Bukit Raja agrees to collaborate with each other with a view to jointly develop and complete the Public Amenities on the piece of land held under H.S.(D) 256437, PT No. 35026, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan measuring approximately 11,379 square meters which land is currently held by SDPB and/or its group of companies or such other land as SDP Bukit Raja may determine for that purpose, subject to the approval to utilise such other land to be granted by MBSJ.

In connection therewith, Tinta Heights and SDP Bukit Raja shall discuss in good faith with a view to finalise and enter into a collaboration or joint venture agreement for the joint development of the Public Amenities on terms to be mutually agreed by Tinta Heights and SDP Bukit Raja which shall include a term requiring Tinta Heights and SDP Bukit Raja to share the costs of construction and completion of the Public Amenities equally provided that the amount to be contributed by Tinta Heights shall not exceed RM5.00 million only.

For the avoidance of doubt, Tinta Heights is not required to contribute towards the land cost for the proposed joint development contemplated in this clause. Such collaboration or joint venture agreement shall be finalised and signed by Tinta Heights and SDP Bukit Raja soonest possible but in any event, no later than the expiry of 30 days from the EN11 Unconditional Date or such other extension of time⁽¹⁾ as may be granted mutually agreed by Tinta Heights and SDP Bukit Raja in writing.

Note:-

(1) The parties have agreed to extend the timeframe to finalise and sign the agreement until 5 March 2023.

(v) Construction of EN11 RSKU Scheme

MBSJ has, vide the MBSJ's Letter, imposed several conditions on SDPB including an obligation to construct or develop the statutory low cost housing accommodations (which now forms part of EN11 RSKU Scheme (as defined below)), the description and specifications of which are more particularly set out in the MBSJ's Letter.

"EN11 RSKU Scheme" means the "Rumah Selangorku" low cost and/or affordable homes or housing scheme in Selangor Darul Ehsan as regulated by LPHS whereupon the types (whether landed or stratified), specifications, conditions and purchase consideration of such affordable homes or housing scheme under EN11 RSKU Scheme is determined by LPHS in its absolute discretion and in relation to EN11 RSKU Scheme to be constructed or developed on the EN11 Land, it shall mean the EN11 RSKU Scheme which fulfils the EN11 RSKU Condition (as defined below) as provided for in the MBSJ's Letter and such other requirements of LPHS and MBSJ from time to time (if any).

Pursuant to the EN11 Novation Agreement read together with the Principal SPA in respect of the EN11 Land, Tinta Heights agrees and undertakes to commence, construct and complete the construction of the EN11 RSKU Scheme to fulfil the requirement of constructing, upon and within the boundaries of the EN11 Land, 746 units of Rumah Selangorku (75 units Type C and 671 units Type E) or such other amount of units of low cost and/or affordable housing accommodation as LPHS, MBSJ and/or other appropriate authorities may approve from time to time at the costs and expenses of Tinta Heights ("EN11 RSKU Condition").

SDP Bukit Raja acknowledges and agrees that LPHS and/or other appropriate authorities may vary and/or waive the amount of units of low cost and/or affordable housing accommodation imposed to be constructed and completed upon and within the boundaries of the EN11 Land and the compliance by Tinta Heights of such variation and/or waiver shall be sufficient discharge of Tinta Heights' obligation to discharge the EN11 RSKU Condition provided always that the EN11 LPHS' Approval shall have been obtained by Tinta Heights.

Tinta Heights agrees and undertakes that Tinta Heights shall:-

(a) commence the construction of the EN11 RSKU Scheme on the EN11 Land on or before 31 October 2022 or such later date as may be allowed by both LPHS and MBSJ in writing ("EN11 Construction Commencement Date")(1);

Note:-

(1) LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the EN11 RSKU Scheme from October 2022 to July 2023.

- (b) launch or cause to be launched the individual units comprised in EN11 RSKU Scheme to be built on the EN11 Land for sale to the eligible end-purchasers on or before 31 October 2022 or such later date as SDP Bukit Raja may reasonably agree ("EN11 Launch Date") and in this respect, SDP Bukit Raja agrees that Tinta Heights shall be entitled to postpone the EN11 Launch Date to such later date as may be approved by LPHS and/or MBSJ for the EN11 Construction Commencement Date to take place; and
- (c) complete the construction of the EN11 RSKU Scheme on the EN11 Land together with issuance of the CCC on or before 30 September 2025 or such later date as may be allowed by LPHS and MBSJ in writing ("EN11 Construction Completion Date").

Tinta Heights irrevocably undertakes to launch and complete the construction of the EN11 RSKU Scheme on the EN11 Land together with the CCC referred to above by the EN11 Launch Date or the EN11 Construction Completion Date or such extended date or dates as may be allowed by LPHS and MBSJ in writing.

(vi) Termination

- (a) At any time before Tinta Heights' launch of the EN11 RSKU Scheme on the EN11 Land, SDP Bukit Raja shall be entitled to give notice to Tinta Heights terminating the EN11 Principal SPA if:-
 - (aa) Tinta Heights fails to pay the EN11 Purchase Consideration or any balance thereof which has become due and payable to SDP Bukit Raja upon the provisions for acceleration of payment under Section 9.2(vi)(b) below having been triggered;
 - (bb) Tinta Heights fails, refuses, neglects to (i) commence the construction of the EN11 RSKU Scheme by the EN11 Construction Commencement Date or (ii) launch for sale the EN11 RSKU Scheme on the EN11 Land on or before the expiry of the EN11 Launch Date;
 - (cc) Tinta Heights fails, neglects or refuses to perform or comply with any of its covenants and obligations under the EN11 Principal SPA and fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Tinta Heights to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;
 - (dd) if any of the EN11 Conditions Precedent shall not have been fulfilled on or before the respective Conditional Periods due to the act, negligence, omission or delay on the part of Tinta Heights;
 - (ee) in the event the termination of the Related SPA⁽¹⁾⁽²⁾ which is due to no fault or breach by SDPLA;

Notes:-

 As defined in Section 9.1(ii)(a)(cc) of Appendix III of this Circular.

- (2) As Tinta Heights has no control over the Related SPA, Tinta Land (being the new purchaser who will take over INTA's obligations under the Related SPA through a separate novation agreement) has provided a letter of indemnity to indemnify Tinta Heights against all and any actions, proceedings, demands, claims and/or suits whatsoever brought against Tinta Heights and/or all and any claims, charges, fees, costs, expenses, fines, penalties, losses and/or damages which Tinta Heights suffer or incur arising from Tinta Land's non-completion and/or non-fulfilment of all the terms and conditions in the Related SPA leading to termination of the Related SPA which in turn leading to termination of the EN11 Principal SPA by SDP Bukit Raja including but not limited to, amongst others, the forfeiture of the EN11 Deposit (as defined in Section 9.2(vi)(d) below).
- (ff) any of the representations or warranties of Tinta Heights is found to be untrue or inaccurate or misleading and Tinta Heights fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Tinta Heights to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;
- (gg) Tinta Heights is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to Tinta Heights under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
- (hh) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, the substantial parts of the assets or undertaking of Tinta Heights.
- (b) If Tinta Heights fails or neglects to (i) pay any of the instalments of the EN11 Purchase Consideration which have become due and payable to SDP Bukit Raja for more than 30 days or (ii) rectify any breach of its covenants and obligations under the EN11 Principal SPA within the stipulated time period as required by SDP Bukit Raja under the provisions of Section 9.2(vi)(a) above, then without prejudice to SDP Bukit Raja's rights and remedies under the EN11 Principal SPA, SDP Bukit Raja shall be entitled, by written notice to Tinta Heights to accelerate the completion of the sale and purchase herein and to require Tinta Heights to fully settle the remaining portion of the EN11 Purchase Consideration, regardless of whether or not such instalments shall have become due and payable to SDP Bukit Raja in accordance with Section 9.2(i) of Appendix III of this Circular and in such event, Tinta Heights shall be liable to pay the remaining unpaid instalments of the EN11 Purchase Consideration immediately within 14 days from the date of Tinta Heights' receipt of SDP Bukit Raja's said written notice demanding for payment the remaining portion of the EN11 Purchase Consideration.

- (c) At any time before Tinta Heights' launch of the EN11 RSKU Scheme on the EN11 Land, Tinta Heights shall be entitled to terminate the EN11 Principal SPA by giving a notice to SDP Bukit Raja if:-
 - (aa) SDP Bukit Raja fails, neglects or refuses to complete the sale of EN11 Land under the EN11 Principal SPA or fails, neglects or refuses to rectify such breach within 30 days from the date of Tinta Heights' written notice requiring SDP Bukit Raja to remedy such breach or such extended period as Tinta Heights may agree to together with documentary evidence of such breach;
 - (bb) any of the representations or warranties of SDP Bukit Raja is found to be untrue or inaccurate or misleading and SDP Bukit Raja fails, neglects or refuses to rectify such breach within 30 days from the date of the Tinta Heights' written notice requiring SDP Bukit Raja to remedy such breach or such extended period as Tinta Heights may agree to together with documentary evidence of such breach;
 - (cc) SDP Bukit Raja is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to SDP Bukit Raja under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
 - (dd) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any the substantial parts of the assets or undertaking of SDP Bukit Raja.
- (d) Upon issuance of a notice terminating the EN11 Principal SPA under the provisions of Section 9.2(vi)(c) above (i.e Tinta Heights' right to terminate), SDP Bukit Raja shall refund any remaining monies received by SDP Bukit Raja as part of the EN11 Purchase Consideration (save for 10% of the EN11 Purchase Consideration ("EN11 Deposit")) free of interest to Tinta Heights by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.
- (e) If the notice terminating the EN11 Principal SPA was given under the provisions of Section 9.2(vi)(a) above (i.e. Tinta Heights' event of default) before Tinta Heights' launch of the EN11 RSKU Scheme on the EN11 Land then SDP Bukit Raja shall be entitled to forfeit the EN11 Deposit together with any late payment interest accrued under the relevant clause of the EN11 Principal SPA in relation to late payment of the EN11 Purchase Consideration as agreed liquidated damages.
- (f) If the notice terminating the EN11 Principal SPA was given under the provisions of Section 9.2(vi)(b) above (i.e. Tinta Heights' right to terminate), SDP Bukit Raja shall pay a further sum equivalent to the EN11 Deposit as agreed liquidated damages by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.

9.3 HT4 Principal SPA

(i) Purchase consideration and manner of payment

The HT4 Purchase Consideration is RM23.00 million.

Unless otherwise expressly provided in the HT4 Principal SPA, the HT4 Purchase Consideration shall be paid by Alma Land to SDP Bukit Raja progressively in multiple instalments and at the time and in the manner set out below:-

Timing of payment	RM
Prior to the execution of the HT4 Principal SPA	460,000
On or before 31 December 2024	940,000
On or before 30 April 2025 On or before 30 June 2025	2,500,000 3,450,000
On or before 30 August 2025	3,000,000
On or before 31 October 2025 On or before 31 December 2025	5,750,000 6,900,000
Total	23.000.000

(ii) Conditions precedent

The HT4 Principal SPA is conditional upon the satisfaction of the following conditions precedent ("HT4 Conditions Precedent") on or before the expiry of the 6 months from the date of the HT4 Principal SPA (or such other extension of time as may be granted / mutually agreed by the parties in writing) ("HT4 Purchaser's Conditional Period")⁽¹⁾ or 7 business days from the date of the date of the HT4 Principal SPA (or such other extension of time as may be determined by the SDP Bukit Raja at its absolute discretion) ("HT4 Vendor's Conditional Period"), as the case may be:-

Note:-

(1) The HT4 Purchaser's Conditional Period has been extended to 23 December 2022.

(a) Conditions to be fulfilled by Alma Land as the purchaser

Alma Land having obtained a letter of approval from LPHS and (aa) MMKN to (a) discharge and release SDPB and/or SDP Bukit Raja from any responsibilities and obligations and (b) approve Alma Land to take over the responsibility to fulfill the HT4 RSKU Condition (as defined in Section 9.3(v) of Appendix III of this Circular) including to develop the HT4 RSKU Scheme (as defined in Section 9.3(v) of Appendix III of this Circular) or accommodation as mandated by LPHS and/or the appropriate authorities vide the MBSJ's Letter (as stated in Section 3 of Appendix III of this Circular), in replacement or substitution of SDPB and/or SDP Bukit Raja, ("HT4 LPHS' Approval") in respect of the HT4 Land (which terms and conditions of the HT4 LPHS' Approval shall be acceptable to SDP Bukit Raja) being obtained by Alma Land at its own cost and expense within the HT4 Purchaser's Conditional Period.

The HT4 LPHS' Approval has been obtained via the letters from LPHS dated 26 May 2022, 20 June 2022 and 19 August 2022. The terms of the HT4 LPHS' Approval⁽¹⁾ have been formally accepted by SDP Bukit Raja in writing on 5 September 2022. As such, the condition precedent is deemed to be fulfilled.

Note:-

- (1) The HT4 LPHS' Approval is subject to, amongst others, the following being incorporated / addressed in the development of the HT4 Project:-
 - modern and up-to-date house design taking into account aspects of sustainability and low maintenance costs in terms of building materials and the environment;
 - the provision of adequate and comfortable basic and public facilities such as kindergartens, children's playgrounds, mussollahs, public halls, joint management body offices (JMB), community shops/stalls and so on must comply with the standard of MBSJ;
 - (iii) the needs of the elderly and persons with disabilities (OKU) are taken into account;
 - (iv) the concept of a good neighbourhood is implemented;
 - (v) the construction to be commenced in July 2024 and completed in June 2027;
 - (vi) the construction of Rumah Selangorku to be prioritised or built together with other types of components and MBSJ will impose a "Stop Work Order" for the development of HT4 Project if the conditions are not met;
 - (vii) a list of buyers' names must be obtained from LPHS through Sistem Pendaftaran Permohonan Hartanah Negeri Selangor;
 - (viii) failure to obtain a list of names of the buyers from LPHS may result in a fine of 10% of the house's sales value for each house unit sold;
 - (ix) payment of a contribution of RM5 million to Petaling Jaya City Council (MBPJ) for the construction (community center) at Jalan PJU 1A/19 within 6 months from the date of MMKN's approval*;
 - * For information, the contribution of RM5.0 million has been made by SDPB to MBPJ in December 2017.
 - increase in density to 130 units per acre is subject to the approval of the MBSJ*; and
 - * The application for MBSJ's approval will be submitted by HT4 Land Proprietor as the registered owner and Alma Land as the developer in due course.

- (xi) the developer / new landowner are responsible for fulfilling the obligations that have been set out in the approval letters by submitting a proposed project implementation schedule for the purpose of monitoring to LPHS as soon as the approval of the MMKN is obtained*.
 - * The said schedule has been submitted and LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the HT4 Project from December 2023 to July 2024.
- (bb) Alma Land having obtained a letter of waiver from MBSJ to waive the conditions and requirements currently imposed on SDPB vide MBSJ's Letter as the master developer to construct and/or develop the Public Amenities (as stated in Section 9.1(iv) of Appendix III of this Circular) or in the event such waiver is not granted, a variation of the terms and conditions of the requirements to construct and/or develop Public Amenities, the terms of which shall be acceptable to SDP Bukit Raja (i.e. MBSJ's Variation Letter, as stated in Section 9.1(ii)(a)(bb) of Appendix III of this Circular), being obtained by Alma Land at its own cost and expense on or before the expiry of the HT4 Purchaser's Conditional Period.

The abovementioned MBSJ's Variation Letter has been obtained on 27 April 2022 and the terms of the MBSJ's Variation Letter have been formally accepted by SDP Bukit Raja in writing on 23 August 2022. As such, the condition precedent is deemed fulfilled.

Alma Land having obtained a letter of approval from LPHS and (cc) MMKN to (a) discharge and release SDPB and/or SDP Bukit Raja from any responsibilities and obligations and (b) approve Alma Land to take over the responsibility to fulfill the HT4 RSKU Condition (as defined in Section 9.3(v) of Appendix III of this Circular) including to develop the HT4 RSKU Scheme (as defined in Section 9.3(v) of Appendix III of this Circular) or accommodation as mandated by LPHS and/or the appropriate authorities vide the MBSJ's Letter, in replacement or substitution of SDPB and/or SDP Bukit Raja, ("Related Land's HT4 LPHS' Approval") in respect of the Related Land(1)(2) (which terms and conditions of the Related Land's HT4 LPHS' Approval shall be acceptable to SDP Bukit Raja and/or SDPLA) being obtained by Alma Land at its own cost and expense within the HT4 Purchaser's Conditional Period.

- (1) "Related Land" refers to 3 parcels of land measuring a total of 30.25 hectares held under HSD 130457 to H.S.(D) 130459, PT No. 46702 to PT 46704, all located at Mukim Kapar, Daerah Klang, Negeri Selangor Darul Ehsan.
- (2) It is the intention of SDPB (being the shareholder of SDP Bukit Raja and SDPLA) to dispose of the Lands and the Related Land as a package as all these 4 parcels of land have the RSKU Condition attached to them.

Thus, pursuant to the above, INTA had entered into the Principal SPAs with SDP Bukit Raja for the acquisition of the Lands as well as the Related SPA with SDPLA for the acquisition of the Related Land.

Since SDP Bukit Raja intends to dispose of the Lands and the Related Land as a package due to the reason stated above, each of the Principal SPAs were made conditional upon the new landowner i.e. INTA taking over the obligation to fulfill the RSKU Condition for the Lands and Related Land.

Subsequent to the above, INTA has now decided to novate the acquisition of the Lands to TWL (via Tinta Kaca, Tinta Heights and Alma Land). At the same time, INTA has novated the acquisition of the Related Land to a separate entity known as Tinta Land.

The Related Land's HT4 LPHS' Approval has been obtained via the letters from LPHS dated 26 May 2022, 20 June 2022 and 19 August 2022. The terms of the Related Land's HT4 LPHS' Approval have been formally accepted by SDP Bukit Raja in writing on 5 September 2022. As such, the condition precedent is deemed to be fulfilled.

(dd) Alma Land having obtained the approval by the Economic Planning Unit of the Prime Minister's Department of Malaysia / Ministry of Economic Affairs ("EPU") pursuant to its Guideline on the Acquisition of Properties (effective 1 March 2014) for the purchase of the HT4 Land by Alma Land upon the terms and conditions of the HT4 Principal SPA ("EPU Approval") at its own cost and expense on or before the expiry of the HT4 Purchaser's Conditional Period. It is hereby agreed that, where the EPU Approval granted is subject to the pre-requisite conditions based on the EPU guideline, inter alia (i) that the Bumiputera equity in Alma Land's shareholding shall be increased to a minimum of thirty per centum (30%); and (ii) that Alma Land's paid up capital to be increased to RM100,000.00 or RM250,000.00, as the case may be, then such conditions shall be deemed to be accepted by Alma Land and the EPU Approval shall be deemed to have been obtained for the purpose of determining the HT4 Unconditional Date (as defined in Section 9.3(iii) of Appendix III of this Circular).

The abovementioned EPU Approval has been obtained on 21 October 2022. As such, the condition precedent is deemed to be fulfilled.

(b) Conditions to be fulfilled by SDP Bukit Raja as the vendor

SDP Bukit Raja having successfully submitted its application for Kebenaran Merancang for other lands owned by SDPB (i.e. KM Application, as stated in Section 9.1(ii)(b) of Appendix III of this Circular) to and accepted by MBSJ for consideration and to process the KM Application within the HT4 Vendor's Conditional Period⁽¹⁾.

Note:-

(1) As at the LPD, this condition precedent has been fulfilled.

(iii) Unconditional date

The HT4 Principal SPA shall become unconditional on the date when the last of the HT4 Conditions Precedent is fulfilled or waived by mutual agreement of Alma Land and SDP Bukit Raja in writing, as the case may be ("HT4 Unconditional Date").

As the last of the HT4 Conditions Precedent has been fulfilled on 21 October 2022, the HT4 Unconditional Date shall be 21 October 2022.

(iv) Collaboration to build public amenities

MBSJ has, vide the MBSJ's Letter (as stated in Section 3 of Appendix III of this Circular), addressed to SDPB, imposed several conditions on SDPB including an obligation to construct or develop the Public Amenities (as defined in Section 9.1(iv) of Appendix III of this Circular) which was later revised by the MBSJ's Variation Letter.

Pursuant to the HT4 Novation Agreement read together with the Principal SPA in respect of the HT4 Land, Alma Land and SDP Bukit Raja agrees to collaborate with each other with a view to jointly develop and complete the Public Amenities on the piece of land held under H.S.(D) 256437, PT No. 35026, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan measuring approximately 11,379 square meters which land is currently held by SDPB and/or its group of companies or such other land as SDP Bukit Raja may determine for that purpose, subject to the approval to utilise such other land to be granted by MBSJ.

In connection therewith, Alma Land and SDP Bukit Raja shall discuss in good faith with a view to finalise and enter into a collaboration or joint venture agreement for the joint development of the Public Amenities on terms to be mutually agreed by Alma Land and SDP Bukit Raja which shall include a term requiring Alma Land and SDP Bukit Raja to share the costs of construction and completion of the Public Amenities equally provided that the amount to be contributed by Alma Land shall not exceed RM5.00 million only.

For the avoidance of doubt, Alma Land is not required to contribute towards the land cost for the proposed joint development contemplated in this clause. Such collaboration or joint venture agreement shall be finalised and signed by Alma Land and SDP Bukit Raja soonest possible but in any event, no later than the expiry of 30 days from the HT4 Unconditional Date or such other extension of time⁽¹⁾ as may be granted mutually agreed by Alma Land and SDP Bukit Raja in writing.

Note:-

(1) The parties have agreed to extend the timeframe to finalise and sign the agreement until 5 March 2023.

(v) Construction of HT4 RSKU Scheme

MBSJ has, vide the MBSJ's Letter, imposed several conditions on SDPB including an obligation to construct or develop the statutory low cost housing accommodations (which now forms part of HT4 RSKU Scheme (as defined below)), the description and specifications of which are more particularly set out in the MBSJ's Letter.

"HT4 RSKU Scheme" means the "Rumah Selangorku" low cost and/or affordable homes or housing scheme in Selangor Darul Ehsan as regulated by LPHS whereupon the types (whether landed or stratified), specifications, conditions and purchase consideration of such affordable homes or housing scheme under HT4 RSKU Scheme is determined by LPHS in its absolute discretion and in relation to HT4 RSKU Scheme to be constructed or developed on the HT4 Land, it shall mean the HT4 RSKU Scheme which fulfils the HT4 RSKU Condition (as defined below) as provided for in the MBSJ's Letter and such other requirements of LPHS and MBSJ from time to time (if any).

Pursuant to the HT4 Novation Agreement read together with the Principal SPA in respect of the HT4 Land, Alma Land agrees and undertakes to commence, construct and complete the construction of the HT4 RSKU Scheme to fulfil the requirement of constructing, upon and within the boundaries of the HT4 Land, 1,139 units of Rumah Selangorku (114 units Type C and 1,025 units Type E) or such other amount of units of low cost and/or affordable housing accommodation as LPHS, MBSJ and/or other appropriate authorities may approve from time to time at the costs and expenses of Alma Land ("HT4 RSKU Condition").

SDP Bukit Raja acknowledges and agrees that LPHS and/or other appropriate authorities may vary and/or waive the amount of units of low cost and/or affordable housing accommodation imposed to be constructed and completed upon and within the boundaries of the HT4 Land and the compliance by Alma Land of such variation and/or waiver shall be sufficient discharge of Alma Land's obligation to discharge the HT4 RSKU Condition provided always that the HT4 LPHS' Approval shall have been obtained by Alma Land.

Alma Land agrees and undertakes that Alma Land shall:-

(a) commence the construction of the HT4 RSKU Scheme on the HT4 Land on or before 31 December 2023 or such later date as may be allowed by both LPHS and MBSJ in writing ("HT4 Construction Commencement Date")(1);

- (1) LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the HT4 RSKU Scheme from December 2023 to July 2024.
- (b) launch or cause to be launched the individual units comprised in HT4 RSKU Scheme to be built on the HT4 Land for sale to the eligible end-purchasers on or before 31 December 2023 or such later date as SDP Bukit Raja may reasonably agree ("HT4 Launch Date") and in this respect, SDP Bukit Raja agrees that Alma Land shall be entitled to postpone the HT4 Launch Date to such later date as may be approved by LPHS and/or MBSJ for the HT4 Construction Commencement Date to take place; and
- (c) complete the construction of the HT4 RSKU Scheme on the HT4 Land together with issuance of the CCC on or before 30 November 2026 or such later date as may be allowed by LPHS and MBSJ in writing ("HT4 Construction Completion Date").

Alma Land irrevocably undertakes to launch and complete the construction of the HT4 RSKU Scheme on the HT4 Land together with the CCC referred to above by the HT4 Launch Date or the HT4 Construction Completion Date or such extended date or dates as may be allowed by LPHS and MBSJ in writing.

(vi) Termination

- (a) At any time before Alma Land's launch of the HT4 RSKU Scheme on the HT4 Land, SDP Bukit Raja shall be entitled to give notice to Alma Land terminating the HT4 Principal SPA if:-
 - (aa) Alma Land fails to pay the HT4 Purchase Consideration or any balance thereof which has become due and payable to SDP Bukit Raja upon the provisions for acceleration of payment under Section 9.3(vi)(b) below having been triggered;
 - (bb) Alma Land fails, refuses, neglects to (i) commence the construction of the HT4 RSKU Scheme by the HT4 Construction Commencement Date or (ii) launch for sale the HT4 RSKU Scheme on the HT4 Land on or before the expiry of the HT4 Launch Date;
 - (cc) Alma Land fails, neglects or refuses to perform or comply with any of its covenants and obligations under the HT4 Principal SPA and fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Alma Land to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;
 - (dd) if any of the HT4 Conditions Precedent shall not have been fulfilled on or before the respective Conditional Periods due to the act, negligence, omission or delay on the part of Alma Land;
 - (ee) in the event the termination of the Related SPA⁽¹⁾⁽²⁾ which is due to no fault or breach by SDPLA;

- (1) As defined in Section 9.1(ii)(a)(cc) of Appendix III of this Circular.
- (2)As Alma Land has no control over the Related SPA, Tinta Land (being the new purchaser who will take over INTA's obligations under the Related SPA through a separate novation agreement) has provided a letter of indemnity to indemnify Alma Land against all and any actions, proceedings, demands, claims and/or suits whatsoever brought against Alma Land and/or all and any claims, charges, fees, costs, expenses, fines, penalties, losses and/or damages which Alma Land suffer or incur arising from Tinta Land's non-completion and/or non-fulfilment of all the terms and conditions in the Related SPA leading to termination of the Related SPA which in turn leading to termination of the HT4 Principal SPA by SDP Bukit Raja including but not limited to, amongst others, the forfeiture of the HT4 Deposit (as defined in Section 9.3(vi)(d) below).

- (ff) any of the representations or warranties of Alma Land is found to be untrue or inaccurate or misleading and Alma Land fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Alma Land to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;
- (gg) Alma Land is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to Alma Land under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
- (hh) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, the substantial parts of the assets or undertaking of Alma Land.
- (b) If Alma Land fails or neglects to (i) pay any of the instalments of the HT4 Purchase Consideration which have become due and payable to SDP Bukit Raja for more than 30 days or (ii) rectify any breach of its covenants and obligations under the HT4 Principal SPA within the stipulated time period as required by SDP Bukit Raja under the provisions of Section 9.3(vi)(a) above, then without prejudice to SDP Bukit Raja's rights and remedies under the HT4 Principal SPA, SDP Bukit Raja shall be entitled, by written notice to Alma Land to accelerate the completion of the sale and purchase herein and to require Alma Land to fully settle the remaining portion of the HT4 Purchase Consideration, regardless of whether or not such instalments shall have become due and payable to SDP Bukit Raja in accordance with Section 9.3(i) of Appendix III of this Circular and in such event, Alma Land shall be liable to pay the remaining unpaid instalments of the HT4 Purchase Consideration immediately within 14 days from the date of Alma Land's receipt of SDP Bukit Raja's said written notice demanding for payment the remaining portion of the HT4 Purchase Consideration.
- (c) At any time before Alma Land's launch of the HT4 RSKU Scheme on the HT4 Land, Alma Land shall be entitled to terminate the HT4 Principal SPA by giving a notice to SDP Bukit Raja if:-
 - (aa) SDP Bukit Raja fails, neglects or refuses to complete the sale of HT4 Land under the HT4 Principal SPA or fails, neglects or refuses to rectify such breach within 30 days from the date of Alma Land's written notice requiring SDP Bukit Raja to remedy such breach or such extended period as Alma Land may agree to together with documentary evidence of such breach;
 - (bb) any of the representations or warranties of SDP Bukit Raja is found to be untrue or inaccurate or misleading and SDP Bukit Raja fails, neglects or refuses to rectify such breach within 30 days from the date of the Alma Land's written notice requiring SDP Bukit Raja to remedy such breach or such extended period as Alma Land may agree to together with documentary evidence of such breach;

- (cc) SDP Bukit Raja is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to SDP Bukit Raja under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
- (dd) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any the substantial parts of the assets or undertaking of SDP Bukit Raja.
- (d) Upon issuance of a notice terminating the HT4 Principal SPA under the provisions of Section 9.3(vi)(c) above (i.e Alma Land's right to terminate), SDP Bukit Raja shall refund any remaining monies received by SDP Bukit Raja as part of the HT4 Purchase Consideration (save for 10% of the HT4 Purchase Consideration ("HT4 Deposit")) free of interest to Alma Land by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.
- (e) If the notice terminating the HT4 Principal SPA was given under the provisions of Section 9.3(vi)(a) above (i.e. Alma Land's event of default) before Alma Land's launch of the HT4 RSKU Scheme on the HT4 Land then SDP Bukit Raja shall be entitled to forfeit the HT4 Deposit together with any late payment interest accrued under the relevant clause of the HT4 Principal SPA in relation to late payment of the HT4 Purchase Consideration as agreed liquidated damages.
- (f) If the notice terminating the HT4 Principal SPA was given under the provisions of Section 9.3(vi)(b) above (i.e. Alma Land's right to terminate), SDP Bukit Raja shall pay a further sum equivalent to the HT4 Deposit as agreed liquidated damages by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.

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10. Background information on INTA

INTA was incorporated in Malaysia on 15 July 1992 under the Companies Act, 1965 as a private limited company. INTA is principally involved in property development.

As at the LPD, the issued share capital of INTA is RM2,424,166 comprising 2,424,166 ordinary shares.

As at the LPD, the directors of INTA are Shamsol Jeffri bin Zainal Abidin and Harris bin Mohamad Nor. They are also the sole shareholders of INTA and their shareholdings are as follows:-

		Direct		Indirect		
Name	Nationality	No. of shares	⁽¹⁾ %	No. of shares	⁽¹⁾ %	
Shamsol Jeffri bin Zainal Abidin	Malaysian	1,212,083	50.0		-	
Harris bin Mohamad Nor	Malaysian	1,212,083	50.0	-	-	

Note:-

11. Background information on SDP Bukit Raja

SDP Bukit Raja is a private limited company incorporated in Malaysia on 31 March 1980. It is a wholly-owned subsidiary of Sime Darby Property Berhad.

The issued share capital of SDP Bukit Raja is RM5,000,000 comprising 5,000,000 ordinary shares. The principal activity of SDP Bukit Raja is property development.

The directors of SDP Bukit Raja are Datuk Ir. Mohd Idris Jaya Murali bin Abdullah, Lau Sui Hing Betty and Leong Yong Kuan.

⁽¹⁾ Based on the issued share capital of 2,424,166 ordinary shares in INTA as at the LPD.

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Registration No. 199401039944 (325631-V) (Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("**EGM**" or "**Meeting**") of TWL Holdings Berhad ("**TWL**" or the "**Company**") will be held on a fully virtual basis via ShareWorks Sdn. Bhd. Online Meeting Platform hosted virtually at www.swsb.com.my (Domain registration number with MYNIC: D1A403841) on Friday, 10 March 2023 at 11.00 a.m. or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolution with or without modifications:-

ORDINARY RESOLUTION

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO RM111,279,632 NOMINAL VALUE OF 5,563,981,607 5-YEAR 5% REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS IN THE COMPANY ("RCULS") AT 100% OF ITS NOMINAL VALUE OF RM0.02 EACH TOGETHER WITH UP TO 1,112,796,321 FREE DETACHABLE WARRANTS IN THE COMPANY ("WARRANTS E") ON THE BASIS OF 10 RCULS TOGETHER WITH 2 FREE WARRANTS E FOR EVERY 10 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("PROPOSED RIGHTS ISSUE")

"THAT subject to the approvals of all relevant parties and/or authorities being obtained (if required), including but not limited to the approval of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors of the Company ("Board") be and is hereby authorised to undertake the Proposed Rights Issue as follows:-

- (i) to provisionally allot and issue by way of a renounceable rights issue of up to RM111,279,632 nominal value of 5,563,981,607 RCULS at 100% of its nominal value of RM0.02 each together with up to 1,112,796,321 Warrants E to the shareholders of the Company whose names appear in the Record of Depositors of the Company at the close of business on an entitlement date to be determined by the Board ("Entitlement Date") ("Entitled Shareholders") and/or their renouncee(s), on the basis of 10 RCULS together with 2 free Warrants E for every 10 existing Shares held on the Entitlement Date at an issue price to be determined by the Board and on such terms and conditions and in such manner as the Board may determine;
- (ii) to enter and execute the trust deed constituting the RCULS ("**Trust Deed**") and to do all acts, deeds and things as the Board may deem fit or expedient in order to implement, finalise and give effect to the Trust Deed (including, without limitation, the affixing of the Company's company seal, where necessary);
- (iii) to enter into and execute the deed poll constituting the Warrants E ("**Deed Poll E**") and to do all acts, deeds and things as the Board may deem fit or expedient in order to implement, finalise and give effect to the Deed Poll E (including, without limitation, the affixing of the Company's company seal, where necessary);
- (iv) to allot and issue the Warrants E in registered form to the Entitled Shareholders (and/or their renouncee(s), as the case may be) and Excess Applicants (as defined below), if any, who subscribe for and are allotted RCULS, each Warrant E conferring the right to subscribe for 1 new Share at an exercise price to be determined by the Board, subject to the provisions for adjustment to the subscription rights attached to the Warrants E in accordance with the provisions of the Deed Poll E:

- (v) to allot and issue such number of additional RCULS pursuant to adjustments as provided for under the Trust Deed ("Additional RCULS") and to adjust from time to time the conversion price of the RCULS as a consequence of the adjustments under the provisions of the Trust Deed and/or to effect such modifications, variations and/or amendments as may be imposed, required or permitted by Bursa Securities and any other relevant authorities or parties (where required);
- (vi) to allot and issue such number of additional Warrants E pursuant to adjustments as provided for under the Deed Poll E ("Additional Warrants E") and to adjust from time to time the exercise price of the Warrants E as a consequence of the adjustments under the provisions of the Deed Poll E and/or to effect such modifications, variations and/or amendments as may be imposed, required or permitted by Bursa Securities and any other relevant authorities or parties (where required);
- (vii) to allot and issue such number of new Shares credited as fully paid-up to the holders of RCULS upon their conversion of the relevant RCULS to new Shares during the tenure of the RCULS at a conversion price to be determined by the Board, and such further new Shares as may be required or permitted to be issued pursuant to the conversion of the Additional RCULS and such adjustments in accordance with the provisions of the Trust Deed; and
- (viii) to allot and issue such number of new Shares credited as fully paid-up to the holders of Warrants E upon their exercise of the relevant Warrants E to subscribe for new Shares during the tenure of the Warrants E, and such further new Shares as may be required or permitted to be issued pursuant to the exercise of the Additional Warrants E and such adjustments in accordance with the provisions of the Deed Poll E;

THAT the Board be and is hereby authorised to determine and vary if deemed fit, necessary and/or expedient, the issue price of the RCULS and the exercise price of the Warrants E to be issued in connection with the Proposed Rights Issue;

THAT any RCULS which are not validly taken up or which are not allotted for any reason whatsoever to the Entitled Shareholders and/or their renouncee(s) shall be made available for excess applications in such manner and to such persons ("**Excess Applicants**") as the Board shall determine at its absolute discretion:

THAT the RCULS, Warrants E and the new Shares to be issued pursuant to the conversion of the RCULS as well as the exercise of the Warrants E and Additional Warrants E (if any) shall be listed on the Main Market of Bursa Securities;

THAT the proceeds of the Proposed Rights Issue shall be utilised for the purposes as set out in Section 4 of the Circular to shareholders of the Company dated 24 February 2023 and the Board be and is hereby authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient or in the best interests of the Company, subject to the approval of the relevant authorities (where required);

THAT the new Shares to be issued pursuant to the conversion of the RCULS and/or exercise of the Warrants E (including the Additional Warrants E, if any) shall, upon allotment, issuance and full payment of the conversion price of the RCULS and/or exercise price of the Warrants E (or the Additional Warrants E, if any), as the case may be, rank equally in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new Shares;

THAT the Board be and is hereby entitled to deal with all or any of the fractional entitlements of the RCULS and the Warrants E arising from the Proposed Rights Issue, which are not validly taken up or which are not allotted for any reason whatsoever, in such manner and to such persons as the Board may in its absolute discretion deem fit and in the best interest of the Company (including without limitation to disregard such fractional entitlements altogether);

THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things, and to execute, enter into, sign, deliver and cause to be delivered for and on behalf of the Company all such transactions, arrangements, agreements and/or documents as it may consider necessary or expedient in order to implement, give full effect to and complete the Proposed Rights Issue, with full powers to assent to and accept any conditions, modifications, variations, arrangements and/or amendments to the terms of the Proposed Rights Issue as the Board may deem fit, necessary and/or expedient in the best interests of the Company or as may be imposed by any relevant authority or consequent upon the implementation of the aforesaid conditions, modifications, variations, arrangements and/or amendments and to take all steps as it considers necessary in connection with the Proposed Rights Issue;

AND THAT this Ordinary Resolution constitutes specific approval for the issuance of securities in the Company contemplated herein which is made pursuant to an offer, agreement or option and shall continue in full force and effect until all RCULS, Warrants E (including Additional Warrants E, if any) and the new Shares to be issued pursuant to or in connection with the Proposed Rights Issue have been duly allotted and issued in accordance with the terms of the Proposed Rights Issue."

By Order of the Board
TWL HOLDINGS BERHAD

Company Secretary
HENG CHIANG POOH
MAICSA 7009923

Kuala Lumpur 24 February 2023

- 1. Members/proxies/authorised representatives WILL NOT BE ALLOWED to attend this EGM in person at the venue on the day of this EGM. The EGM of the Company will be held as a fully virtual meeting through live streaming and online remote voting using facilities provided by the Company's Poll Administrator, namely ShareWorks Sdn. Bhd. via www.swsb.com.my. Please read these Notes carefully and follow the procedures in the Administrative Guide for the EGM (as enclosed together with the Circular) in order to participate remotely.
- 2. For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 18.7 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 3 March 2023. Only a depositor whose name appears on the Record of Depositors as at 3 March 2023 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.
- 3. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy. There is no restriction as to the qualification of the proxy and a proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak in the meeting.
- 4. To be valid, the Form of Proxy, duly completed, must be deposited at the registered office of the Company at Unit T3-13A-20, 3 Towers, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time appointed for holding the meeting of members or adjourned meeting of members and in default the instrument of proxy shall not be treated as valid:-
 - (a) By electronic means via email: The Form of Proxy must be received via email at twl@twlholdings.com.my
 - (b) By electronic means via facsimile: The Form of Proxy must be received via facsimile at 03-2733 0037
 - (c) In hardcopy form: The Form of Proxy must be deposited at the registered office of the Company situated at Unit T3-13A-20, 3 Towers, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan
- 5. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- 6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- 7. If the appointor is a corporation, the Form of Proxy must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
- 8. Any Notice of Termination of Authority to act as Proxy must be received by the Company no later than 9 March 2023 at 11.00 a.m., failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016:-
 - (a) the constitution of the quorum at such meeting;
 - (b) the validity of anything he did as chairman of such meeting;
 - (c) the validity of a poll demanded by him at such meeting; or
 - (d) the validity of the vote exercised by him at such meeting.
- 9. The EGM will be conducted on a fully virtual basis and entirely via remote participation and voting via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn Bhd in Malaysia. The members are advised to refer to the Administrative Guide on the registration and voting process for the said meeting.



ADMINISTRATIVE GUIDE FOR SHAREHOLDERS ATTENDING THE EXTRAORDINARY GENERAL MEETING ("EGM") OF TWL HOLDINGS BERHAD

Meeting Day & Date : Friday, 10 March 2023

Time : 11.00 a.m.

Meeting Platform : www.swsb.com.my

Platform for Communication

Shareholders may submit questions to the Board of Directors ("Board") prior to the EGM to twl@twlholdings.com.my not less than forty-eight (48) hours before the time set for holding the meeting or to use the Question and Answer ("Q&A") Platform to transmit questions to the Board via Remote Participation and Voting ("RPV") Platform

during live streaming.

Online Meeting Platform

: Fully virtual basis through live streaming and online remote voting by

using Remote Participation and Voting ("**RPV**") facilities via www.swsb.com.my hosted by ShareWorks Sdn Bhd (Domain

registration number with MYNIC: D1A403841)

Virtual Meeting

In view of the evolution of the coronavirus disease 2019 ("COVID-19") endemic and as part of safety measures against COVID-19, the Extraordinary General Meeting ("EGM") will be held on a fully virtual basis through live streaming and online remote voting by using RPV facilities.

Please note that it is your responsibility to ensure the stability of your internet connectivity throughout the Meeting as the quality of the live webcast and online remote voting are dependent on your internet bandwidth and stability of your internet connection.

All Shareholders of the Company, whether Individual Shareholders, Corporate Shareholders, Proxy Holders, Authorised Nominees or Exempt Authorised Nominees who wish to attend the EGM will have to register to attend remotely by using the RPV Facility, the details of which is set out below.

RPV Facility

1. The EGM will be conducted on a fully virtual basis through live streaming and online remote voting. Should you wish to attend the EGM, you are required to register yourself using the RPV Facility in accordance with the instructions as set out under paragraph 3 below.

With the RPV Facility, you may exercise your rights as a Shareholder to participate including to pose questions (in the form of real-time submission of typed texts) to the Board of the Company and vote remotely at the EGM.

2. Individual Members are strongly encouraged to take advantage of the RPV Facility to participate and vote remotely at the EGM. Please refer to the details as set out under RPV Facility for information. If an Individual Shareholder is unable to participate in the online EGM, he/she is encouraged to appoint the Chairperson of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Corporate Shareholders (through Authorised Representatives or appointed Corporate Representatives) are also strongly advised to participate and vote remotely at the EGM using the RPV Platform. Corporate Members who wish to participate and vote remotely at the EGM must contact the poll administrator, ShareWorks Sdn. Bhd. ("**ShareWorks**") with the details set out below for assistance and will be required to provide the following documents to the Company no later than 8 March 2023 at 11.00 a.m.:

- a. Certificate of appointment of its Authorised / Corporate Representative or Form of Proxy under the seal of the corporation;
- b. Copy of the Authorised / Corporate Representative's or proxy's identity card (MyKad) (front and back) / Passport; and
- Authorised / Corporate Representative's or proxy's email address and mobile phone number.

If a Corporate Member (through Authorised / Corporate Representative(s) or appointed proxy(ies)) is unable to attend the EGM, the Corporate Member is encouraged to appoint the Chairperson of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

In respect of **Nominee Company Members**, the beneficiaries of the shares under a Nominee Company's CDS account are also strongly advised to participate and vote remotely at the EGM using RPV Facility. Nominee Company Members who wish to participate and vote remotely at the EGM can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the EGM. Nominee Company must contact the poll administrator, ShareWorks with the details set out below for assistance and will be required to provide the following documents to the Company no later than 8 March 2023 at 11.00 a.m.:

- a. Form of Proxy under the seal of the Nominee Company;
- b. Copy of the proxy's identity card (MyKad) (front and back) / Passport; and
- c. Proxy's email address and mobile phone number.

If a Nominee Company Member is unable to attend the EGM, he/she is encouraged to request its Nominee Company to appoint the Chairperson of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

3. The procedures for the RPV in respect of the live streaming and remote voting at the EGM is as follows:

			Action			
Before the EGM						
(i)	Register as a user	•	If you have already registered an account at the website, you are not required to register again.			
		•	Access website www.swsb.com.my			
		•	Click "Login" and click "Register" to sign up as a user. The registration will be open from 11.00 a.m. on 25 February 2023 and close at 11.00 a.m. on 9 March 2023.			
		•	Complete the registration process and upload softcopy of MyKAD (front and back) or Passport for foreign shareholders.			
		•	Read and agree to the terms & condition and thereafter submit your request.			
		•	Upon submission, kindly login to the valid email address and verify your user ID within one (1) hour .			
		•	Upon verification of the user ID, ShareWorks will send an email notification to approve you as a user.			
		•	After verification of your registration against the General Meeting Record of Depositors of the Company as at 3 March 2023 , the system will send you an email to notify you if your registration is approved or rejected after 6 March 2023 .			
		•	If your registration is rejected, you can contact ShareWorks or the Company for clarifications or to appeal.			
On	the day of EGM					
	Login to www.swsb.com.my	•	Login with your user ID and password for remote participation at the EGM at any time from 10.30 a.m. i.e. 30 minutes before the commencement of the EGM on 10 March 2023 at 11.00 a.m.			
(iii)	Participate through	•	Select the "Virtual Meeting" from main menu.			
	Live Streaming	•	Click the " Join Meeting " located next to the event. You are required to provide your full name as per CDS account and your user registered email address.			
		•	Kindly click the video link and insert the password given to you in your email notification in order to join the live video streaming.			
		•	If you have any question for the Chairperson/ Board, you may use the Q&A platform to transmit your question. The Chairperson/Board will try to respond to all questions submitted by remote participants during the EGM. If time is a constraint, the responses will be emailed to you at the earliest possible time after the meeting ended.			
		•	Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at the location of the remote participants.			

Pro	Procedures Action				
On	On the day of EGM				
(iv) Online remote voting		•	Select "Voting" located next to the "Join Meeting" and indicate your votes for the resolutions that are tabled for voting.		
		•	Voting session will commence once the Chairperson of the Meeting declare that the voting platform is activated and will announce the completion of the voting session of the EGM.		
		•	Cast your vote on all resolutions as appeared on the screen and submit your votes. Once submitted, your votes will be final and cannot be changed.		
(v)	End of RPV Facility	•	The RPV Facility will end and the Messaging window will be disabled the moment the Chairperson of the Meeting announces the closure of the EGM.		

Proxy

If a member is unable to attend the EGM, he/she may appoint a proxy or the Chairperson of the meeting as his/ her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Please note that if an individual member has submitted his/her Form of Proxy prior to the EGM and subsequently decides to personally participate in the EGM via RPV Facility, the individual member shall proceed to contact ShareWorks or the Company with the details set out below to revoke the appointment of his/her proxy no later than **9 March 2023** at **11.00 a.m.**

Poll Voting

The voting at the EGM will be conducted by poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed ShareWorks as Poll Administrator to conduct the poll by way of electronic means and Leonard Lim Weng Leong as Scrutineers to verify the poll results.

The Scrutineers will verify and announce the poll results followed by the Chairperson's declaration whether the resolution is duly passed.

Pre-Meeting submission of question to the Board

To administer the proceedings of the EGM in orderly manner, shareholders may before the EGM, submit questions to the Board to twl@twlholdings.com.my not less than forty-eight (48) hours before the time set for holding the meeting. The Board will endeavour to address the questions received at the EGM.

No Recording or Photography

Strictly **NO recording** or **photography** of the proceedings of the EGM is allowed.

No Door Gifts or e-Vouchers

There will be **NO DISTRIBUTION** of door gifts or e-vouchers.

Digital Copies of EGM Documents

We further inform that the following items are now available on our corporate website at http://www.twlholdings.com.my/ and Bursa Malaysia Berhad's website at www.twlholdings.com.my/ and Bursa Malaysia Berhad's website at www.twlholdings.com.my/ and Bursa Malaysia Berhad's website at www.twlholdings.com.

- 1. Circular of the EGM
- 2. Proxy Form
- 3. Administrative Guide

Enquiry

If you have any enquiry prior to the virtual meeting, please contact Mr. Kou Si Qiang and Ms. Stacy Goh during office hours from 9.00 a.m. to 5.00 p.m. on Mondays to Fridays:

ShareWorks Sdn Bhd

No. 2-1, Jalan Sri Hartamas 8 Sri Hartamas 50480 Kuala Lumpur Wilayah Persekutuan (KL)

Telephone Number : 03-6201 1120

Email : ir@shareworks.com.my



TWL HOLDINGS BERHAD

Registration No. 199401039944 (325631-V) (Incorporated in Malaysia)

FORM OF PROXY

CDS Account No. No. of Shares held

We,							
	(Full nar	ne in block and NRIC No. /Regis	stration No.)				
el. No.:							
eing a n	nember of TWL Holdings Berhad, he	reby appoint(s):-					
Full Na	me (in Block)	NRIC/Passport No.		Proportion of Shareholdings			
			No. of	Shares	%		
Address	S	l					
HP & ei	mail address						
	(*delete as appropriate)				·		
Full Na	me (in Block)	NRIC/Passport No.		Proportion of Shareholdings No. of Shares %			
			NO. OI	Silales	76		
Address	s mail address						
leeting osted vi	him, the Chairperson of the meeting (" EGM ") of the Company to be concrtually at www.swsb.com.my (Domain ny adjournment thereof, and to vote	lucted on a fully virtual basis vian registration number with MYNI	a ShareWorks	Sdn. Bhd. On	line Meeting Platfor		
Item	Agenda	Resolution		FOR	AGAINST		
1.	Proposed Rights Issue	Ordinary Resolution	1				
	licate with an 'X' in the space provided w your proxy may vote or abstain as he think		st for or against	the resolution. In	the absence of specifi		
igned th	nis						
		_		Signature Member			

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation. (b)
- If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber (c) stamp of your company (if any) and executed by:

 (i) at least two (2) authorised officers, of whom one shall be a director; or

 (ii) any director and/or authorised officers in accordance with the laws of the country under which your

 - corporation is incorporated.

- Members/proxies/authorised representatives WILL NOT BE ALLOWED to attend this EGM in person at the venue on the day of this EGM. The EGM of the Company will be held as a fully virtual meeting through live streaming and online remote voting using facilities provided by the Company's Poll Administrator, namely ShareWorks Sdn. Bhd. via www.swsb.com.my. Please read these Notes carefully and follow the procedures in the Administrative Guide for the EGM (as enclosed together with the Circular) in order to participate remotely.
- 2. For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 18.7 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 3 March 2023. Only a depositor whose name appears on the Record of Depositors as at 3 March 2023 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.
- 3. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy. There is no restriction as to the qualification of the proxy and a proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak in the meeting.
- 4. To be valid, the Form of Proxy, duly completed, must be deposited at the registered office of the Company situated at Unit T3-13A-20, 3 Towers, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time appointed for holding the meeting of members or adjourned meeting of members and in default the instrument of proxy shall not be treated as valid:-
 - (a) By electronic means via email: The Form of Proxy must be received via email at twl@twlholdings.com.my
 - (b) By electronic means via facsimile: The Form of Proxy must be received via facsimile at 03-2733 0037
 - (c) In hardcopy form: The Form of Proxy must be deposited at the registered office of the Company situated at Unit T3-13A-20, 3 Towers, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan
- 5. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- 6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- 7. If the appointor is a corporation, the Form of Proxy must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
- 8. Any Notice of Termination of Authority to act as Proxy must be received by the Company no later than 9 March 2023 at 11.00 a.m., failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016:-
 - (a) the constitution of the quorum at such meeting;
 - (b) the validity of anything he did as chairman of such meeting;
 - (c) the validity of a poll demanded by him at such meeting; or
 - (d) the validity of the vote exercised by him at such meeting.
- 9. The EGM will be conducted on a fully virtual basis and entirely via remote participation and voting via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn Bhd in Malaysia. The members are advised to refer to the Administrative Guide on the registration and voting process for the said meeting.

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AFFIX STAMP

TWL HOLDINGS BERHAD

(Registration No. 199401039944 (325631-V)) T3-13A-20, Level 13A Menara 3, 3 Towers No. 296 Jalan Ampang 50450 Kuala Lumpur

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