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Y&G CORPORATION BHD
(Registration No. 196501000612 (6403-X))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

PART A

- (I) **PROPOSED ACQUISITION BY NUSA WIBAWA SDN BHD, A WHOLLY OWNED SUBSIDIARY OF Y&G CORPORATION BHD ("Y&G" OR THE "COMPANY"), OF THREE (3) PARCELS OF LEASEHOLD LAND HELD UNDER PN113876, LOT NO. 38082, PN113877, LOT NO. 38081 AND PN113878, LOT NO. 7414, ALL LOCATED IN MUKIM OF LABU, DISTRICT OF SEPANG, SELANGOR, MEASURING IN AGGREGATE APPROXIMATELY 38.45 HECTARES (95.02 ACRES) FROM NURANI SAUJANA SDN BHD FOR A TOTAL CASH CONSIDERATION OF RM206.0 MILLION;**
- (II) **PROPOSED ACQUISITION BY DUTA ASIANA SDN BHD, A WHOLLY OWNED SUBSIDIARY OF Y&G, OF A PORTION OF LAND MEASURING APPROXIMATELY 148.52 HECTARES (367 ACRES) HELD UNDER THE MASTER TITLE OF GRN 339968, LOT NO. 22124, LOCATED IN MUKIM OF UJONG PERMATANG, DISTRICT OF KUALA SELANGOR, SELANGOR FROM ASIAN REGAL HOLDINGS SDN BHD FOR A TOTAL CASH CONSIDERATION OF RM189.0 MILLION; AND**
- (III) **PROPOSED ACQUISITION BY Y&G OF 1,000,000 ORDINARY SHARES IN KONSEP WAWASAN SDN BHD, REPRESENTING 100% EQUITY INTEREST, FROM DATO' YAP JUN JIEN AND YAP JUN WEI FOR A TOTAL CASH CONSIDERATION OF RM82.0 MILLION.**

(COLLECTIVELY, REFERRED TO AS THE "PROPOSALS")

PART B

INDEPENDENT ADVICE LETTER TO THE NON-INTERESTED SHAREHOLDERS OF Y&G IN RELATION TO THE PROPOSALS

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser for Part A



M & A SECURITIES SDN BHD
(Registration No. 197301001503 (15017-H))
(A Participating Organisation of Bursa Securities)

Independent Adviser for Part B



UOB KAY HIAN (M) SDN BHD
(FORMERLY KNOWN AS UOB KAY HIAN SECURITIES (M) SDN BHD)
(Registration No. 19900100423 (194990-K))
(A Participating Organisation of Bursa Securities)

The Notice of the Extraordinary General Meeting ("**EGM**") of Y&G to be held at Crystal Crown Hotel Harbour View Port Klang, 217, Persiaran Raja Muda Musa, 42000, Pelabuhan Klang, Selangor Darul Ehsan together with the Form of Proxy, are enclosed in this Circular.

A member entitled to attend, participate and vote remotely at the EGM is entitled to appoint not more than 2 proxies to attend, participate and vote remotely on his/her behalf. In such event, the completed and signed Form of Proxy should be lodged at the Registered Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) on or before the date and time indicated below in order for it to be valid. Please refer to the Administrative Guide for the EGM for further details. The lodging of the Form of Proxy shall not preclude you from attending, participating and voting in person at the EGM should you wish to do so.

Last date and time for lodging the Form of Proxy : Monday, 5 January 2026 at 11.00 a.m.

Date and time for the EGM : Wednesday, 7 January 2026 at 11.00 a.m. or at any adjournment thereof

This Circular is dated 22 December 2025

DEFINITIONS

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

- “Act” : The Companies Act 2016, as amended from time to time, and any re-enactments thereof
- “ARHSB” : Asian Regal Holdings Sdn Bhd (Registration No. 201001007336 (891957-H))
- “BBST Lands” : 569 sub-divided parcels of lands, all located in Bandar Baru Salak Tinggi, District of Sepang, Selangor, measuring in aggregate approximately 349,364 square metres (86.33 acres)
- “Board” : Board of directors of Y&G
- “Bursa Securities” : Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
- “Certified Plans” : Certified Plan Nos. PA 244012, PA 244024 and PA 243842 dated 20 February 2019 prepared by Jabatan Ukur dan Pemetaan Malaysia (JUPEM)
- “Circular” : This circular to shareholders of Y&G in relation to the Proposals dated 22 December 2025
- “DASB” : Duta Asiana Sdn Bhd (Registration No. 201601009608 (1180536-V)), a wholly-owned subsidiary of Y&G
- “Dato’ Yap” : Dato’ Yap Jun Jien
- “Director(s)” : In accordance with Paragraph 10.02(c), Part B of the MMLR, a director shall have the same meaning given in Section 2(1) of the Act and Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the Proposals were agreed upon, a director of Y&G or any other company which is its subsidiary or holding company or a managing director/chief executive of Y&G, its subsidiary or holding company
- “EGM” : Extraordinary general meeting
- “EPS” : Earnings per Share
- “FYE” : Financial year ended/ ending, as the case may be
- “Government” : Government of Malaysia
- “GDC” : Gross development cost
- “GDV” : Gross development value
- “IAL” : Independent advice letter from the Independent Adviser in relation to the Proposals dated 22 December 2025, as set out in Part B of this Circular
- “Interested Directors” : Collectively, Dato’ Yap, Dato’ Sri Yap Seng Yew and Datin Sri Gan Li Li

DEFINITIONS (Cont'd)

“Interested Shareholders”	Major	: Collectively, the Interested Directors together with Yap Jun Wei, and KASB
“Interested Parties”		: Collectively, the Interested Directors together with Yap Jun Wei, Gan Li Ching and KASB
“JLW” or “Independent Valuer”		: Jones Lang Wootton (Proprietor: Singham Sulaiman Sdn Bhd (Registration No. 198101012087 (78217-X)))
“KLIA”		: Kuala Lumpur International Airport
“KS Land”		: A portion of land measuring approximately 148.52 hectares (367 acres) held under the master title of GRN 339968, Lot No. 22124, located in Mukim of Ujong Permatang, District of Kuala Selangor, Selangor
“KASB”		: Kinta Aroma Sdn Bhd (Registration No. 200901037936 (881066-D))
“KWSB”		: Konsep Wawasan Sdn Bhd (Registration No. 200701001845 (759843-A))
“LPD”		: 30 November 2025, being the latest practicable date prior to the date of printing of this Circular
“M&A Securities”		: M & A Securities Sdn Bhd (Registration No. 197301001503 (15017-H))
“major shareholder”		: A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is – (a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in section 8 of the Act. A major shareholder includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company or any other company which is its subsidiary or holding company
“MMLR”		: Main Market Listing Requirements of Bursa Securities
“NA”		: Net assets
“NSSB”		: Nurani Saujana Sdn Bhd (Registration No. 200601028717 (748473-M))
“NWSB”		: Nusa Wibawa Sdn Bhd (Registration No. 201501018281 (1143613-W)), a wholly-owned subsidiary of Y&G
“person connected”		: Person connected to the Director or major shareholder of Y&G and shall have the meaning given in Paragraph 1.01 of the MMLR, which, in relation to any person (referred to as “ said Person ”) means such person who falls under any one of the following categories:

DEFINITIONS (Cont'd)

- (a) a family member of the said Person;
 - (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;
 - (c) a partner of the said Person;
 - (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
 - (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;
 - (f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or a body corporate which is a related corporation of the said Person.
- “Proposals” : Collectively, the Proposed Acquisition of Sepang Lands, Proposed Acquisition of KS Land and Proposed Acquisition of KWSB
- “Proposed Acquisition of KS Land” : Proposed acquisition by DASB of KS Land from ARHSB for a total cash consideration of RM189.0 million
- “Proposed Acquisition of KWSB” : Proposed acquisition by Y&G of 1,000,000 ordinary shares in KWSB, representing 100% equity interest in KWSB, from Dato’ Yap and Yap Jun Wei for a total cash consideration of RM82.0 million
- “Proposed Acquisition of Sepang Lands” : Proposed acquisition by NWSB of Sepang Lands from NSSB for a total cash consideration of RM206.0 million
- “Proposed Development” : Proposed development on the BBST Lands which comprises 174 double storey terraced house units, 286 stratified townhouse unit, 970 apartment units, 1,007 Rumah Selangorku units, 246 vacant detached house plots, 142 double storey shop office units and 3 vacant commercial plots
- “related party” : A director, major shareholder of Y&G or person connected with such director or major shareholder
- “related party transaction” : A transaction entered into by a listed issuer or its subsidiaries which involves the interest, direct or indirect, of a related party, as defined under Paragraph 10.02 of the MMLR
- “RM” and “sen” : Ringgit Malaysia and sen, respectively
- “Sepang Lands” : Three (3) parcels of leasehold land held under the following land titles –
- (a) PN113876, Lot No. 38082;
 - (b) PN113877, Lot No. 38081; and
 - (c) PN113878, Lot No. 7414
- all located in Mukim of Labu, District of Sepang, Selangor, measuring in aggregate approximately 38.45 hectares (95.02 acres)

DEFINITIONS (Cont'd)

"SPA 1"	:	Conditional sale and purchase agreement dated 11 August 2025 entered into between NWSB and NSSB for the Proposed Acquisition of Sepang Lands
"SPA 2"	:	Conditional sale and purchase agreement dated 11 August 2025 entered into between DASB and ARHSB for the Proposed Acquisition of KS Land
"SSA"	:	Conditional shares sale agreement dated 11 August 2025 entered into between Y&G and Dato' Yap and Yap Jun Wei for the Proposed Acquisition of KWSB
"Subject Properties"	:	Collectively, Sepang Lands, KS Land and BBST Lands
"UOBKH" or "Independent Adviser"	:	UOB Kay Hian (M) Sdn Bhd (formerly known as UOB Kay Hian Securities (M) Sdn Bhd) (Registration No. 19900100423 (194990-K))
"Y&G" or "Company"	:	Y&G Corporation Bhd (Registration No. 196501000612 (6403-X))
"Y&G Group" or "Group"	:	Collectively, Y&G and its subsidiaries
"Y&G Share(s)" or "Share(s)"	:	Ordinary share(s) in Y&G
"Valuation Certificate"	:	Valuation certificate on the Subject Properties issued by the Independent Valuer dated 20 August 2025, as set out in Appendix IV of this Circular
"Valuation Report"	:	Valuation reports on the Subject Properties issued by the Independent Valuer dated 20 August 2025

All references to "**you**" in this Circular are to the shareholders of Y&G.

Any reference in this Circular to any provision of a statute, Paragraph, regulation, enactment, or Paragraph of a stock exchange shall (where the context admits) be construed as a reference to the provision of such statute, Paragraph, regulation, enactment or Paragraph of a stock exchange (as the case may be) as modified by any written law, or, if applicable, any amendment of re-enactment to the statute, regulation, enactment or Paragraph of a stock exchange for the time being in force. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Any discrepancy in the tables included in this Circular between the amount listed, 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 Group's plans and objectives will be achieved.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSALS. SHAREHOLDERS OF Y&G ARE ADVISED TO READ THE CIRCULAR AND ITS APPENDIX FOR FURTHER DETAILS AND NOT TO SOLELY RELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSALS BEFORE VOTING AT THE FORTHCOMING EGM.

The Board (save for the Interested Directors) is recommending you to vote **IN FAVOUR** of the resolution in relation to the Proposals to be tabled at the forthcoming EGM.

Key information	Description	Reference to Part A of Circular
Summary	<p>(1) Proposed Acquisition of Sepang Lands</p> <p>Proposed acquisition by NWSB of three (3) parcels of leasehold land held under the following land titles:</p> <p>(a) PN113876, Lot No. 38082; (b) PN113877, Lot No. 38081; and (c) PN113878, Lot No. 7414</p> <p>all located in Mukim of Labu, District of Sepang, Selangor from NSSB for a cash consideration of RM206.0 million.</p>	Section 2
	<p>(2) Proposed Acquisition of KS Land</p> <p>Proposed acquisition by DASB of a portion of land held under master title of GRN 339968, Lot No. 22124, located in Mukim of Ujong Permatang, District of Kuala Selangor, Selangor from ARHSB for a cash consideration of RM189.0 million.</p>	Section 2
	<p>(3) Proposed Acquisition of KWSB</p> <p>Proposed acquisition by Y&G of 1,000,000 ordinary shares in KWSB representing 100% equity interest in KWSB from Dato' Yap and Yap Jun Wei, for a cash consideration of RM82.0 million.</p> <p>In view of the interests of the Interested Parties in the Proposals, the Proposals are deemed as related party transactions pursuant to Paragraph 10.08 of the MMLR and require the approval of the shareholders of Y&G and the advice of an Independent Adviser whose letter is attached as Part B of this Circular.</p>	Section 2
Rationale	<p>The Proposals are carried out as part of the business of Y&G Group as a property developer, with the aim of enhancing its landbank for future development.</p>	Section 3

EXECUTIVE SUMMARY (Cont'd)

**Approvals
required and
conditionality**

The Proposals are subject to the following approvals being obtained:

Section 7

- (a) shareholders of Y&G at the forthcoming EGM;
- (b) in respect of Proposed Acquisition of Sepang Lands, the state authority for the transfer of Sepang Lands to NWSB and creation of charge in favour of NWSB's financier granting the loan for the payment of the purchase consideration for the Sepang Lands which were obtained on 30 October 2025, 12 November 2025 and 19 November 2025 respectively; and
- (c) any other relevant authorities and/or parties, if required.

The Proposals are not conditional upon any other proposals undertaken or to be undertaken by the Company.

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PART A

LETTER TO THE SHAREHOLDERS IN RELATION TO THE PROPOSALS



Y&G CORPORATION BHD
(Registration No. 196501000612 (6403-X))
(Incorporated in Malaysia)

Registered Office:

No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)

22 December 2025

Directors:

Lee Boon Hong @ Lee Boon Keong (*Non-Independent Non-Executive Chairman*)
Dato' Sri Yap Seng Yew (*Managing Director*)
Datin Sri Gan Li Li (*Deputy Managing Director*)
Dato' Yap Jun Jien (*Executive Director*)
Mohd Shafizan bin Shahbudin (*Non-Independent Non-Executive Director*)
Tan Kak Teck (*Independent Non-Executive Director*)
Lee Szed Kee (*Independent Non-Executive Director*)
Amy Chan Chen Chen (*Independent Non-Executive Director*)

Dear Shareholders,

PROPOSALS

1. INTRODUCTION

On 11 August 2025, M&A Securities had, on behalf of the Board, announced that:

- (a) NWSB, being a wholly-owned subsidiary of the Company, had entered into SPA 1 for the Proposed Acquisition of Sepang Lands;
- (b) DASB, being a wholly-owned subsidiary of the Company, had entered into SPA 2 for the Proposed Acquisition of KS Land; and
- (c) the Company had entered into SSA for the Proposed Acquisition of KWSB.

Further details on the Proposals is set out in the ensuing sections in Part A of this Circular.

In view of the interest of the Interested Parties as set out in the Section 9, Part A of this Circular, the Proposals are deemed as related party transactions pursuant to Paragraph 10.08 of the MMLR. In this respect, the Board had on 8 August 2025 appointed UOBKH to act as the Independent Adviser to advise the non-interested shareholders of Y&G on the Proposals. The IAL is set out in Part B of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AND PROXY FORM ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSALS

2.1 Proposed Acquisition of Sepang Lands

On 11 August 2025, NWSB had entered into the SPA 1 with NSSB to acquire the Sepang Lands for a total cash consideration of RM206.0 million as detailed below:

Title No.	Lot No.	Land area	Purchase consideration RM'mil
Pajakan Negeri 113877	Lot 38081 (Lot 40442) ⁽¹⁾	12.94 hectares (31.98 acres)	78.0
Pajakan Negeri 113876	Lot 38082 (Lot 40439) ⁽¹⁾	17.84 hectares (44.08 acres)	86.0
Pajakan Negeri 113878	Lot 7414 (Lot 40438) ⁽¹⁾	7.67 hectares (18.96 acres)	42.0
		38.45 hectares (95.02 acres)	206.0

Note:

- (1) These are the lot number as per the Certified Plans dated 20 February 2019 and extracted by the Independent Valuer.

Pursuant to SPA 1, NWSB is acquiring the Sepang Lands on an "as is where is" basis, free from all encumbrances and with full and complete vacant possession and with all rights attaching to the Sepang Lands as a beneficial owner with effect from the date the initial purchase consideration of RM115.5 million is paid to NSSB, subject to the conversion of the existing categories of land use from agriculture to industry and the change of express condition having been approved and other terms and conditions of SPA 1. Please refer to **Appendix I** of this Circular for the salient terms of SPA 1.

The parties of the SPA 1 have mutually agreed that the Proposed Acquisition of Sepang Lands is deemed completed upon the satisfaction of conditions precedent, the payment of the initial purchase price of RM115.5 million by NWSB to NSSB, and the delivery of full and complete vacant possession of the Sepang Lands to NWSB. Although the total purchase consideration under SPA 1 is to be paid on deferred basis, the parties have contractually agreed that upon completion taking place in accordance with SPA 1 for the Proposed Acquisition of Sepang Lands, NWSB will be registered as the proprietor of the Sepang Lands.

2.1.1 Information of the Sepang Lands

The Sepang Lands are situated within Sepang and sited off the right side of KLIA Expressway, travelling from KLIA towards Dengkil. Putrajaya, the Federal Government Administration Centre and Cyberjaya are located about 20 kilometres due north of the Sepang Lands whilst the Kuala Lumpur City Centre is located about 46 kilometres due north of the Sepang Lands.

The intersection of Jalan Labohan Dagang-Nilai main road with Lebuhraya Putrajaya-Cyberjaya is located about 700 metres to the east of the Sepang Lands whilst the Bandar Serenia Toll Plaza and the KLIA Toll Plaza of the North-South Expressway Central Link (ELITE Highway) is located about 12 kilometres due north-west and north of the Sepang Lands respectively. The Nilai Toll Plaza of the North-South Expressway (PLUS) is located about 15 kilometres due east of the Sepang Lands whilst the Banting interchange of the West Coast Expressway is located about 18 kilometres due west of the Sepang Lands.

The location of the Sepang Lands is set out as below:



(Source: Independent Valuer)

Description	: 3 parcels of assumed converted industrial land		
Title No.	: PN 113877	PN 113876	PN 113878
Lot No. (Lot No. as per Certified Plans)	: Lot 38081 (Lot 40442)	Lot 38082 (Lot 40439)	Lot 7414 (Lot 40438)
Bandar/Pekan/Mukim	: Mukim Labu		
District	: Sepang		
State	: Selangor		
Land area	: 12.94 hectares (31.98 acres)	17.84 hectares (44.08 acres)	7.67 hectares (18.96 acres)
Tenure	: 99-year leasehold interest, expiring on 5 January 2117 (unexpired term of about 91 years as at LPD)		
Registered proprietor	: NSSB		
Category of land use	: Industry ⁽¹⁾	Agriculture ⁽²⁾	
Intended land use	: Industrial		
Existing use	: Vacant		
Expressed condition	: Light Industry ⁽¹⁾	Tanaman kekal (Industri) ⁽²⁾	
Restriction in interest	: Tanah ini tidak boleh dipindahmilik, dipajak atau digadai melainkan dengan kebenaran Pihak Berkuasa Negeri		
Encumbrances	: Nil	Nil	Nil
Market value of Sepang Lands ⁽³⁾⁽⁴⁾	: RM78.0 million	RM86.0 million	RM42.0 million
Audited net book value as at 31 August 2024 ⁽⁴⁾	: RM4.1 million	RM5.7 million	RM2.5 million

Notes:

- (1) Following the payment of the premium of RM3,882,000 for the conversion of land use in respect of Lot 38081 (Lot 40442) by NSSB on 27 November 2019, a new issue document of title was issued by the relevant land registry on 25 August 2025, duly endorsed to reflect the converted land use category as industrial, with express conditions permitting light industrial activities.
- (2) The application to vary the category of land use from agriculture to industry and the express condition from "*Tanaman kekal (Industri)*" to "*Industri Ringan*" has been approved by way of letter dated 8 May 2019 from the Pejabat Daerah/Tanah Sepang and pending for payment of the premium for the land use conversion in respect of Lot 38082 and Lot 7414 (Lots 40439 and 40438 respectively) due to the delay in the development. As NSSB did not yet have development plans, the conversion premium was not yet paid. Nonetheless, pursuant to SPA 1, NSSB shall pay the conversion premium for Lots 38082 and Lot 7414 amounting to RM5,362,592.00 and RM2,306,467.00 respectively within 3 months from the date SPA 1 turns unconditional (anticipates to be first quarter of 2026).
- (3) As appraised by Independent Valuer on the assumption that the Sepang Lands titles have been endorsed with the converted category of land use of "Industry" and the express conditions for "Light Industry", and with all relevant premiums and fees paid vide its Valuation Certificate dated 20 August 2025, using the Comparison Approach of valuation, whereby comparison is made of the property under valuation with sales of other similar property. Where dissimilarities exist, adjustments are made. Please refer to **Appendix IV** of this Circular for further information in relation to the valuation.
- (4) The market value of Sepang Lands is higher than the audited net book value as at 31 August 2024 because the Sepang Lands were acquired in 2010 and were recorded as a non-current asset (being land held for property development), at acquisition cost. For the avoidance of doubt, the Sepang Lands have not been revalued since its acquisition in 2010, and the current revaluation was conducted solely pursuant to the Proposed Acquisition of Sepang Lands.

2.1.2 Information of NWSB

NWSB is a private limited company incorporated in Malaysia on 8 May 2015 under the Companies Act 1965 and is deemed registered under the Act. NWSB is an investment holding company.

As at LPD, NWSB has an issued share capital of RM2 comprising 2 ordinary shares, which are all held by Y&G. The directors of NWSB are Dato' Yap and Yap Jun Wei.

2.1.3 Information of NSSB

NSSB is a private limited company incorporated in Malaysia on 25 September 2006 under the Companies Act 1965 and is deemed registered under the Act. NSSB is principally involved in investment properties holding and properties development.

As at LPD, NSSB has an issued share capital of RM1,000,000 comprising 1,000,000 ordinary shares.

The directors and shareholders of NSSB and their respective shareholdings in NSSB as at LPD is as follows:

Name	Nationality	Designation	Direct	
			No. of Shares	%
Dato' Yap	Malaysian	Director	450,000	45.0
Yap Jun Wei	Malaysian	Director	450,000	45.0
Gan Li Ching ⁽¹⁾	Malaysian	Director	100,000	10.0
			1,000,000	100.0

Note:

- (1) Gan Li Ching holds 2,230,250 Shares in Y&G and is also a person connected to Datin Sri Gan Li Li (being the Interested Directors and Interested Major Shareholder) by virtue of being her sister.

2.1.4 Basis of and justification for the purchase consideration

The purchase consideration of RM206.0 million was arrived at on a “willing-buyer willing-seller” basis after taking into consideration the market value of the Sepang Lands, as appraised by the Independent Valuer, vide its Valuation Certificate dated 20 August 2025 using the Comparison Approach of valuation.

The Board (save for the Interested Directors) is of the view that the purchase consideration of RM206.0 million for the Proposed Acquisition of Sepang Lands is fair and justifiable based on the following:

- (i) the purchase consideration of RM206.0 million represents the fair market value of the Sepang Lands as ascribed by the Independent Valuer;
- (ii) the future prospects of the Sepang Lands as set out in Section 5.3; and
- (iii) the rationale for the Proposals as set out in Section 3.

2.1.5 Mode of settlement of the purchase consideration and sources of funding

Pursuant to the SPA 1, the purchase consideration will be satisfied entirely in cash in the following manner:

- (i) the retention sum of RM6.18 million (or equivalent to 3.0% of the purchase consideration), will be paid within 30 days from the date where NSSB obtains the approval of relevant state authority for the transfer of the Sepang Lands to NWSB and the charge in favour of NWSB’s financier granting the loan for the payment of the purchase consideration for the Sepang Lands;
- (ii) the initial purchase price of RM115.5 million (or equivalent to 56.1% of the purchase consideration), shall be payable on or before the expiry of a period of 3 months from the date SPA 1 becoming unconditional, or such other date as may be agreed upon between the parties; and
- (iii) the balance purchase consideration of RM84.32 million (or equivalent to 40.9% of the purchase consideration) shall be payable on or before the date falling 24 months from the date the initial purchase price of RM115.5 million is paid (“**SPA 1 Final Payment Date**”).

In the event that the balance purchase consideration of RM84.32 million is not paid on or before the SPA 1 Final Payment Date, the date for payment of such balance purchase consideration shall automatically be extended by a further 12 months and NWSB shall pay interest to NSSB at the rate of 5% per annum, calculated on a day to day basis, on the amount of the outstanding consideration from the date next following the SPA 1 Final Payment Date until such time as the actual payment of the balance purchase consideration is fully paid to NSSB.

Kindly refer to **Appendix I** of this Circular for further details on the manner of payment of the purchase consideration.

The purchase consideration of the Proposed Acquisition of Sepang Lands will be fully satisfied in cash, which shall be financed via a combination of internally generated funds and bank borrowings, indicatively on a 50: 50 proportion of approximately RM103.0 million each. However, the final proportion of such funding is yet to be determined at this juncture as it will depend on, amongst others, the level of internal funds of Y&G Group, availability and suitability of funding alternatives at the relevant time.

2.1.6 Original cost of investment by NSSB

NSSB's original cost for the Sepang Lands is approximately RM12.3 million based on the cost incurred at the time of acquisition on 26 August 2010.

2.2 Proposed Acquisition of KS Land

On 11 August 2025, DASB entered into SPA 2 with ARHSB to acquire the KS Land for a cash consideration of RM189.0 million.

Pursuant to the SPA 2, DASB is acquiring the KS Land on an "as is where is" basis, free from all encumbrances and with full and complete vacant possession and with all rights attaching to the KS Land as a beneficial owner with effect from the date the initial purchase consideration of RM120.0 million is paid to ARHSB, subject to the existing categories of land use and other terms and condition of the SPA 2. Please refer to **Appendix II** of this Circular for the salient terms of SPA 2.

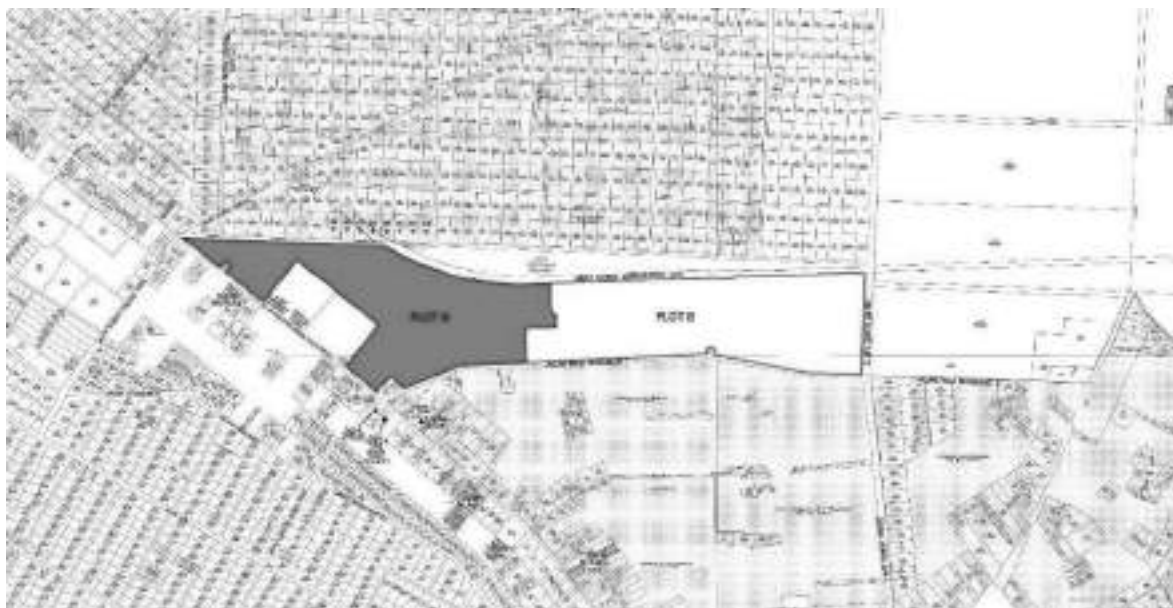
The parties of the SPA 2 have mutually agreed that the Proposed Acquisition of KS Land is deemed completed upon the satisfaction of conditions precedent, the payment of the initial purchase price of RM120.0 million by DASB to ARHSB, and the delivery of full and complete vacant possession of the KS Land to DASB. Although the total purchase consideration under SPA 2 is to be paid on deferred basis, the parties have contractually agreed that upon completion taking place in accordance with SPA 2 for the Proposed Acquisition of KS Land, DASB will become the beneficial owner of the KS Land. DASB will be registered as the proprietor of KS Land upon issuance of the Subdivided Title (as defined in Section 2.2.1 below).

2.2.1 Information of the KS Land

The KS Land is located within Tanjong Karang and along Jalan Kuala Selangor-Teluk Intan, travelling from Kuala Selangor town towards Tanjung Karang town.

Tanjong Karang and Kuala Selangor towns are located about 7.5 kilometres and 10 kilometres due north-west and south-east of the KS Land respectively whilst Sekinchan, a tourism spot known for its organised paddy fields, is located further about 19 kilometres to the north-west of the KS Land. Kuala Lumpur city is located about 75 kilometres due south-east of the KS Land whilst the Ijok Interchange of the Kuala Lumpur-Kuala Selangor Expressway (Lebuhraya Kuala Lumpur-Kuala Selangor) (LATAR Expressway) is located about 25 kilometres due south-east of the KS Land.

The location of the KS Land (identified as Plot A) is set out as below:



(Source: Independent Valuer)

The KS Land is a parcel of development land measuring approximately 148.52 hectares (367 acres) and forms part of the master land held under Geran 339968, Lot 22124, Mukim of Ujong Permatang, District of Kuala Selangor, Selangor ("**Master Land**"). The details of the Master Land are summarised below:

Title No.	: GRN 339968
Lot No.	: Lot 22124
Bandar/Pekan/Mukim	: Ujong Permatang
District	: Kuala Selangor
State	: Selangor
Land area	: 308.50 hectares (762.32 acres)
Tenure	: Freehold
Registered proprietor	: ARHSB
Category of land use	: Nil ⁽¹⁾
Intended land use	: Residential and commercial
Existing use	: Agriculture (oil palm plantation, generating an estimated revenue of approximately RM5.0 million per annum)
Expressed condition	: Nil
Restriction in interest	: Nil
Encumbrances	: Charged to Ambank (M) Berhad vide presentation no. 001SC36029/2013 and 001SC87323/2018 registered on 17 April 2013 and 2 October 2018 respectively (collectively referred to as the " Master Land Charges ") ⁽²⁾
Market value of KS Land ⁽³⁾⁽⁴⁾	: RM192.0 million
Audited net book value of KS Land as at 30 June 2024 ⁽⁴⁾	: RM33.3 million

Notes:

- (1) The KS Land is sold on an "as is where is" basis as per SPA 2 and the title of the Master Land does not specify any category of use. Accordingly, no conversion premium is applicable in relation to the change of land use from "Agriculture" to the intended "Residential and Commercial" use and payable at this juncture.
- (2) It is a condition precedent under SPA 2 that ARHSB at its own costs and expenses procure the discharge of the Master Land Charges.
- (3) As appraised by Independent Valuer on the assumption that the KS Land has been issued with a title conveying an interest in perpetuity, over a land area of about 148.52 hectares (367 acres), with all relevant premiums and fees vide its Valuation Certificate dated 20 August 2025, using the Comparison Approach of valuation, whereby comparison is made of the property under valuation with sales of other similar property. Where dissimilarities exist, adjustments are made. Please refer to **Appendix IV** of this Circular for further information in relation to the valuation.
- (4) The higher market value of KS Land as compared to the audited net book value as at 30 June 2024 is because the KS Land was acquired in 2011, and was recorded as a non-current asset (being land held for property development), at acquisition cost. For the avoidance of doubt, the KS Land has not been revalued since its acquisition in 2011, and the current revaluation was conducted solely pursuant to the Proposed Acquisition of KS Land.

Subdivision of the Master Land

Pursuant to the SPA 2, ARHSB shall at its own cost and expense apply for subdivision of the Master Land and obtain the issuance of a separate issue document of title for the KS Land ("**Subdivided Title**") within 12 months from the SPA 2 Unconditional Date (as defined in **Appendix II** of this Circular). The estimated cost and expense of the subdivision amounts to approximately RM10,000.

2.2.2 Information of DASB

DASB is a private limited company incorporated in Malaysia on 22 March 2016 under the Companies Act 1965 and deemed registered under the Act. DASB is principally involved in construction of buildings.

As at LPD, DASB has an issued share capital of RM250,000 comprising 250,000 ordinary shares, which are all held by Y&G. The directors of DASB are Dato' Yap and Yap Jun Wei.

2.2.3 Information of ARHSB

ARHSB is a private limited company incorporated in Malaysia on 5 March 2010 under the Companies Act 1965 and deemed registered under the Act. ARHSB is principally involved in oil palm plantation.

As at LPD, ARHSB has an issued share capital of RM2,500,000 comprising 2,500,000 ordinary shares.

The directors and shareholders of ARHSB and their respective shareholding structures in ARHSB as at LPD is as follows:

Name	Nationality	Designation	Direct	
			No. of Shares	%
Dato' Yap	Malaysian	Director	1,250,000	50.0
Yap Jun Wei	Malaysian	Director	1,250,000	50.0
			2,500,000	100.0

2.2.4 Basis of and justification for the purchase consideration

The purchase consideration of RM189.0 million was arrived at on a “willing-buyer willing-seller” basis after taking into consideration the market value of the KS Land, as appraised by the Independent Valuer, vide its Valuation Certificate dated 20 August 2025 using the Comparison Approach of valuation.

The Board (save for the Interested Directors) is of the view that the purchase consideration of RM189.0 million for the Proposed Acquisition of KS Land is fair and justifiable based on the following:

- (i) the purchase consideration of RM189.0 million represents a discount of 1.56% to the market value of the KS Land of RM192.0 million as ascribed by the Independent Valuer;
- (ii) the future prospects of the KS Land as set out in Section 5.3; and
- (iii) the rationale for the Proposals as set out in Section 3.

2.2.5 Mode of settlement of the purchase consideration and sources of funding

Pursuant to the SPA 2, the purchase consideration will be satisfied entirely in cash in the following manner:

- (i) the retention sum of RM5.67 million (or equivalent to 3.0% of the purchase consideration), shall be paid within 30 days upon the execution of the SPA 2;
- (ii) the initial purchase price of RM120.0 million (or equivalent to 63.5% of the purchase consideration), shall be payable on or before the expiry of a period of 3 months from the date SPA 2 becoming conditional, or such other date as may be agreed upon between the parties; and
- (iii) the balance purchase consideration of RM63.33 million (or equivalent to 33.5% of the purchase consideration) shall be payable on or before the date falling 24 months from the date the initial purchase price of RM120.0 million is paid (“**SPA 2 Final Payment Date**”).

In the event that the balance purchase consideration of RM63.33 million is not paid on or before the SPA 2 Final Payment Date, the date for payment of such balance purchase consideration shall automatically be extended by a further 12 months and DASB shall pay interest to ARHSB at the rate of 5% per annum, calculated on a day to day basis, on the amount of the outstanding consideration from the date next following the SPA 2 Final Payment Date until such time as the actual payment of the balance purchase consideration is fully paid to ARHSB.

In the event the area represented by the Subdivided Title is less than 148.52 hectares or 367 acres by more than 2%, the purchase consideration shall be adjusted proportionately to reflect the actual area represented by the Subdivided Title based on the following formula:

$$\text{Adjusted Purchase Consideration} = \text{RM189.0 million} \times \frac{\text{Actual area of Subdivided Title (hectares)}}{148.52 \text{ hectares}}$$

In the event where adjustment of the purchase consideration in accordance with the SPA 2 is required, ARHSB shall refund to DASB the difference in the purchase consideration within 14 days from the issuance of the Subdivided Title in the event the purchase consideration has been paid.

For avoidance of doubt, in the event that the area represented by the Subdivided Title is more than 148.52 hectares (367 acres), no adjustment shall be made to the purchase consideration. The purchase consideration shall remain fixed and shall not be increased notwithstanding any excess in the actual area.

Refer to **Appendix II** of this Circular for further details on the manner of payment of the purchase consideration.

The purchase consideration of the Proposed Acquisition of KS Land will be fully satisfied in cash, which shall be financed via a combination of internally generated funds and/ or bank borrowings, indicatively on a 50: 50 proportion of approximately RM94.5 million each. However, the final proportion of such funding is yet to be determined at this juncture as it will depend on, amongst others, the level of internal funds of Y&G Group, availability and suitability of funding alternatives at the relevant time.

2.2.6 Original cost of investment by ARHSB

ARHSB's original cost for the KS Land is approximately RM33.3 million, which is proportionate based on the cost incurred for the Master Land at the time of acquisition on 21 June 2011.

2.3 Proposed Acquisition of KWSB

On 11 August 2025, Y&G entered into SSA with Dato' Yap and Yap Jun Wei (collectively, "**Vendors**") for the Proposed Acquisition of KWSB.

The KWSB Shares will be acquired by Y&G from the Vendors as below are free from encumbrances and with all rights and benefits attached or accruing thereto with effect from the date the initial purchase consideration of RM16.0 million is paid to the Vendors, on the basis of the warranties given by the Vendors and subject to the terms and conditions contained in the SSA:

Vendors	No. of KWSB shares	% held in KWSB	Purchase consideration RM'mil
Dato' Yap	500,000	50.0	41.0
Yap Jun Wei	500,000	50.0	41.0
	1,000,000	100.0	82.0

The parties of the SSA have mutually agreed that the Proposed Acquisition of KWSB is deemed completed upon the satisfaction of conditions precedent, the payment of the initial purchase price of RM16.0 million by Y&G to the Vendors, and the delivery of completion documents by the Vendors to Y&G. Although the total purchase consideration under the SSA is to be paid on deferred basis, the parties have contractually agreed that upon completion taking place in accordance with the SSA for the Proposed Acquisition of KWSB, the shares in KWSB will be transferred to Y&G.

2.3.1 Information on KWSB

KWSB is a private limited company incorporated in Malaysia on 18 January 2007 under the Companies Act 1965 and is deemed registered under the Act. The principal activity of KWSB is property development.

As at LPD, KWSB does not have any subsidiary, associate or joint venture companies.

As at LPD, KWSB has an issued share capital of RM1,000,000 comprising 1,000,000 ordinary shares. The directors and shareholders of KWSB and their respective shareholdings in KWSB as at LPD is as follows:

Name	Nationality	Designation	Direct	
			No. of Shares	%
Dato' Yap	Malaysian	Director	500,000	50.0
Yap Jun Wei	Malaysian	Director	500,000	50.0
Zuraini Bin Aziz	Malaysian	Director	-	-
Ahmad Razali Bin Mohd Pattali	Malaysian	Director	-	-
			1,000,000	100.0

A summary of the audited financial information of KWSB for FYE 30 June 2022 to 30 June 2024 and the unaudited financial information of KWSB for FYE 30 June 2025 is set out below:

	Audited			Unaudited⁽¹⁾
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	-	-	-	-
Loss after tax	(1,685)	(1,508)	(1,522)	(1,245)
Net liabilities	(8,412)	(9,920)	(11,442)	(12,688)
Total borrowings ⁽²⁾	75,866	70,641	70,376	70,311
Accumulated losses ⁽³⁾	(7,726)	(10,920)	(12,442)	(13,688)
Cash and cash equivalents at the beginning of financial year	6,367	8,801	2,896	414
Cash and cash equivalents at the end of financial year	8,801	2,896	414	⁽⁴⁾ 11,994

Notes:

- (1) The financial information for FYE 2025 is not audited as at LPD due to the change of KWSB's financial year end from 30 June 2025 to 31 December 2025, to align with the financial year end of Y&G.
- (2) Comprises mainly 3 term loans granted by financier which were used for land acquisition as well as the procurement of related insurance for the directors, with details as below:

Date of drawdown	Amount	Amount/ utilisation of the amount	Tenure	Interest rate	Year of accrual/ repayment	Net Interest Accrued / (Repayment)	Balance
	RM'000	RM'000		%	FYE 30 June	RM'000	RM'000
7 Mar 2019	80,000	80,000	8 years	5.51	2020	1,007	81,007
					2021	(710)	80,297
					2022	(5,014)	75,283
					2023	(4,972)	70,311
					2024	-	70,311
					2025	-	70,311
					Up to LPD	^(a) (21,742)	48,569
						Total outstanding	48,569

Note:

- (a) The breakdown of the repayment for the RM21.74 million is further detailed as follows:

<u>Date</u>	<u>Interest accrued/ (Repayment)</u>	<u>Balance</u>
	<u>RM'000</u>	<u>RM'000</u>
1 July 2025 – Balance brought forward	-	70,311
1 July 2025	(10,311)	60,000
1 to 31 July 2025	286	60,286
1 August 2025	(286)	60,000
1 to 31 August 2025	280	60,280
1 September 2025	(280)	60,000
1 to 30 September 2025	272	60,272
1 October 2025	(11,922)	48,350
1 to 31 October 2025	226	48,576
1 November 2025	(226)	48,350
1 to 30 November 2025	219	48,569
Total	(21,742)	

For avoidance of doubt, the term loans have a grace period of 3 years where the first monthly repayment commences on 1 April 2022. Subsequently, KWSB renegotiated with the financier, and received approval on 19 September 2022 (i.e. during FYE readily on 30 June 2023) on the terms of repayment, where the next instalment would be due on 30 June 2025, with remaining instalments to be paid in 5 quarters up to 30 September 2026.

- (3) Mainly due to interest expenses and expenses related to the projects planning.
- (4) The increase in cash and cash equivalents from RM0.4 million as at 30 June 2024 to RM12.0 million as at 30 June 2025, arose from advances from Dato' Yap, mainly to be used for repayment of bank borrowings. Further thereto, on 29 September 2025, RM12.0 million of sundry receivables from ARHSB was collected to make the repayment on 1 October 2025 (as shown in Note 2 above). Subsequent to the said repayment, the cash and cash equivalents of KWSB amounted to RM0.1 million.

KWSB's external auditor, Messrs. Poh & Tan has included an emphasis of matter to draw attention to the "Material Uncertainty Related to Going Concern" ("**MUGC**") in respect of the Note 2(a) of the audited financial statement for FYE 2024 which is reproduced as follow:

"BASIS OF PREPARATION

*The financial statements of the Company have been prepared in accordance with applicable approved Malaysian Financial Reporting Standards ("**MFRSs**"), International Financial Reporting Standards (IFRSs) and the requirements of the Companies Act, 2016 in Malaysia.*

These financial statements are presented in RM, which is the Company's functional currency. All financial information is presented in RM.

The Company has prepared its financial statements by applying the going concern assumption. The Company incurred a net loss of RM1,521,511 for the financial year ended 30th June 2024 and it has capital deficiency of RM11,442,361 as at reporting date.

The validity of the going concern assumption is dependent on the ability of the Company to operate profitably in the foreseeable future and to receive continuous financial support from a director. The director has indicated his intention to provide continuous financial support to the Company so as to enable the Company to meet its obligations as and when they fall due and to operate as going concern in the foreseeable future."

The external auditors have expressed an unmodified opinion in respect of the MUGC.

The BBST Lands comprises 569 sub-divided plots and the details of BBST Lands is summarised as below:

Title No.	: HSD 61836 to HSD 62013	PN 95332, PN 95333, PN 95500 to PN 95507, PN 95340 to PN 95343, PN 95508 to PN 95517, PN 95352 to PN 95354, PN 95518 to PN 95528, PN 95363 to PN 95365, PN 95530 to PN 95542, PN 95602 to PN 95633, PN 95636 to PN 95669, PN 95670 to PN 95683, PN 95723 to PN 95736, PN 95706 to PN 95714, PN 95737 to PN 95742, PN 95715 to PN 95722, PN 95743 to PN 95746, PN 95752 to PN 95769, PN 95770 to PN 95773, PN 95774, PN 95775, PN 95747 to PN 95751, PN 95776 to PN 95792, PN 95634, PN 95635, PN 95685 to PN 95705, PN 95684 and PN 95486	PN 95793 to PN 95848, PN 95849 to PN 95898, PN 95900 to PN 95914, PN 96100 to PN 96120, PN 95299, PN 95300 and PN 95899
Lot No.	: PT 6079 to PT 6256	1620, 1621, 1622 to 1629, 1636 to 1639, 1640 to 1649, 1658 to 1660, 1661 to 1671, 1681 to 1683, 1684 to 1696, 1802 to 1833, 1834 to 1867, 1869 to 1882, 1885 to 1898, 1899 to 1907, 1908 to 1913, 1914 to 1921, 1922 to 1925, 1926 to 1943, 1945 to 1948, 1950, 1951, 1953 to 1957, 1959 to 1975, 1977, 1978 and 1979 to 1999, 2155 and 2157	2000 to 2055, 2058 to 2107, 2110 to 2124, 2125 to 2145, 2153, 2154 and 2109
Bandar/Pekan/Mukim	: Bandar Baru Salak Tinggi		
District	: Sepang		
State	: Selangor		
Land area	: 349,364 square metres (86.33 acres)		
Tenure	: 99-year leasehold interest, expiring on 14 May 2123 (unexpired term of about 98 years as at LPD)	99-year leasehold interest, expiring on either 12 September 2111, 13 September 2111 or 11 December 2111 (unexpired term of about 86 years as at LPD)	
Registered proprietor	: KWSB		
Category of land use	: Building		
Intended land use	: Residential		Comercial
Existing use	: Vacant		

Expressed condition	: Residential building	Residential building save for PN 95684 and PN 95486 Commercial building (which are apartment)
Restriction in interest	: <u>In respect of Lots PT 6079 to PT 6254 and PT 6256:</u> Tanah yang diberi milik ini tidak boleh dipindah milik, dipajak atau digadai melainkan dengan kebenaran Pihak Berkuasa Negeri. <u>In respect of Lot PT 6255:</u> Rumah Selangorku 1. Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Pihak Berkuasa Negeri. 2. Sekatan pindahmilik dikenakan selama 5 tahun daripada tarikh pindahmilik didaftarkan daripada pemaju kepada penerima pindahmilik. 3. Dalam tempoh 5 tahun daripada tarikh pindahmilik setiap permohonan kebenaran pindahmilik berikutnya hendaklah disertakan dengan surat persetujuan daripada Lembaga Perumahan dan Hartanah Selangor. 4. Bagi pindahmilik daripada pemaju kepada penerima pindahmilik yang tidak tertakluk kepada permohonan kebenaran pindahmilik berikutnya hendaklah disertakan dengan surat pengesahan daripada Lembaga Perumahan dan Hartanah Selangor.	Tanah ini boleh dipindahmilik, dipajak atau digadai setelah mendapat kebenaran Pihak Berkuasa Negeri.
Encumbrances	: Charged to OCBC Al-Amin Bank Berhad, with registration date on 29 January 2019, 30 January 2019 and 31 January 2019 respectively, except for Lots PT 6079 to PT 6256 (which are free from encumbrances).	
Market value of BBST Lands ⁽¹⁾⁽²⁾	: RM170.0 million	

Audited net book value : RM27.2 million
as at 30 June 2024⁽²⁾

Notes:

- (1) As appraised by Independent Valuer vide its Valuation Certificate dated 20 August 2025, using the income approach (by way of Residual Method) of valuation. Residual Method is based on the premise that the price which a purchaser can pay for a property is the surplus after he has met out of the proceeds from the sales of the finished development his full cost of development and profit. Please refer to **Appendix IV** of this Circular for further information in relation to the valuation.
- (2) The higher market value of BBST Lands as compared to the audited net book value as at 30 June 2024 is because the BBST Lands were acquired in 2019 and were recorded as a non-current asset (being land held for property development), at acquisition cost. For the avoidance of doubt, the BBST Lands have not been revalued since its acquisition in 2019, and the current revaluation was conducted solely pursuant to the Proposed Acquisition of KWSB.

The BBST Lands have been granted the following development approvals:

- (i) Approval for the master layout plan with reference No. JPBD/B10/6920 Vol.9(16) dated 8 August 1995;
- (ii) Planning permission with reference Nos. MPSepang 600-43/5/1380 (36) dated 11 January 2022 and MPSepang 600-44/5/562 (10) dated 31 January 2024 respectively, and the corresponding plan bearing Plan No. AGRA/KM/LNJT2/MPSp/KW/2023_FE; and
- (iii) Conditional building plan approval with reference No. MPSepang 600-3/5/121 dated 6 September 2023, and the corresponding building plans bearing Plan Nos. TA/0111/BP/001 to 921.

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The details of the Proposed Development are set out below:

Phase	Type of development and no. of units	Expected commencement date	Expected completion date	GDV RM'000	GDC RM'000
1A	174 double storey terraced house units	Second half of 2026	Second half of 2030	143,908	96,711
1B	286 stratified townhouse units			140,757	77,878
2A1	970 apartment units	Second half of 2027	Second half of 2032	221,614	179,248
2A2	1,007 Rumah Selangorku units			221,614	171,227
2B	246 vacant detached house plots	First quarter of 2028	First quarter of 2031	146,043	65,479
2C	142 double storey shop office units	Second half of 2029	Second half of 2033	147,978	116,996
3	3 vacant commercial plots	First quarter of 2029	First quarter of 2032	151,349	86,594

Through the Proposed Acquisition of KWSB, Y&G will be the beneficial owner of the BBST Lands held through KWSB.

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2.3.2 Mode of settlement of the purchase consideration and sources of funding

Pursuant to the SSA, the purchase consideration shall be paid by Y&G to the Vendors in the following manner:

- (i) RM16.0 million (or equivalent to 19.5% of the purchase consideration), shall be paid on or before the expiry of the date falling no later than 3 months after the SSA becoming unconditional, or such other date as may be agreed upon between the parties upon which completion of the SSA is to take place;
- (ii) RM66.0 million (or equivalent to 80.5% of the purchase consideration), being the balance of the purchase consideration, shall be payable on or before the date falling 24 months from the date on which RM16.0 million is paid ("**SSA Final Payment Date**").

In the event that the balance purchase consideration of RM66.0 million is not paid on or before the SSA Final Payment Date, the date for payment of such balance purchase consideration shall automatically be extended by a further 12 months and Y&G shall pay interest to the Vendors at the rate of 5% per annum, calculated on a day to day basis, on the amount of the outstanding consideration from the date next following the SSA Final Payment Date until such time as the actual payment of the balance purchase consideration is fully paid to the Vendors.

Further details on the salient terms of the SSA are set out in **Appendix III** of this Circular.

The purchase consideration of the Proposed Acquisition of KWSB will be fully satisfied in cash, which shall be financed via a combination of internally generated funds and bank borrowings, indicatively on a 50: 50 proportion of approximately RM41.0 million each. However, the final proportion of such funding is yet to be determined at this juncture as it will depend on, amongst others, the level of internal funds of Y&G Group, availability and suitability of funding alternatives at the relevant time.

2.3.3 Basis of and justification for the purchase consideration

The purchase consideration of RM82.0 million was arrived at on a "willing-buyer willing-seller" basis and the Board is of the opinion that the purchase consideration is fair and reasonable after taking into consideration the following:

- (i) the adjusted NA of KWSB as at 30 June 2024 after considering the revaluation surplus arising from the market value of BBST Lands of RM170.0 million, as appraised by the Independent Valuer, vide its Valuation Certificate dated 20 August 2025 using the Income Approach (by way of Residual Method) of valuation computed as follows:

	<u>RM</u>	<u>RM</u>
Audited net liabilities of KWSB as at 30 June 2024		(11,442,362)
Add: Revaluation surplus of the BBST Lands -		
- Market value of BBST Lands	170,000,000	
- Less: Audited net book value of the BBST Lands as at 30 June 2024	<u>(46,097,689)</u>	
Surplus	123,902,311	
Deferred tax at 24%	<u>(29,736,555)</u>	
Net surplus		94,165,756
Adjusted NA of KWSB		<u>82,723,394</u>

Based on the computation above, the purchase consideration represents a slight discount of 0.87% to the adjusted NA of KWSB as at 30 June 2024.

- (ii) the future prospects of the BBST Lands as set out in Section 5.3; and
- (iii) the rationale for the Proposals as set out in Section 3.

2.3.4 Original cost of investment in KWSB

The original cost of investment of the Vendors in KWSB and date of such investments are set out below:

<u>Date of investment</u>	<u>No. of KWSB shares</u>	<u>Cost of investment</u> <u>RM</u>
18 December 2018	999,998	(1)999,998
19 December 2018	2	(2)-
		999,998

Notes:

- (1) Pursuant to the allotment of new KWSB Shares on 18 December 2018 which was undertaken to increase KWSB's share capital to RM1.0 million in compliance with the financier's requirement for the granting of the banking facilities to KWSB for the acquisition of the BBST Lands. KWSB was dormant prior to the said acquisition. The acquisition of BBST Lands was completed on 31 January 2019.
- (2) Pursuant to the transfer of the remaining 2 KWSB shares to Dato' Yap and Yap Jun Wei. These 2 KWSB shares constitute shares issued to the subscribers at the point of incorporation of KWSB, which were subsequently transferred to multiple parties on 8 August 2007, 18 November 2018 before being finally transferred to Dato' Yap and Yap Jun Wei on 19 December 2018.

2.4 Liabilities to be assumed by Y&G Group

Save for the obligation and liabilities arising from or in connection with the SPA1, SPA 2 and SSA for the Proposals, there are no other liabilities including contingent liabilities and/or guarantees expected to be assumed from the Proposals. Upon obtaining the approval from the shareholders of Y&G for the Proposals, Y&G Group will incur the followings payment obligations pursuant to SPA 1, SPA 2 and SSA in relation to the Proposals:

	Proposed Acquisition of Sepang Lands	Proposed Acquisition of KS Land	Proposed Acquisition of KWSB
	RM'000	RM'000	RM'000
Retention sum	6,180	5,670	-
Initial payment	115,500	120,000	16,000
Balance payment	84,320	63,330	66,000
Repayment of the outstanding amount owing to Dato' Yap	-	-	23,000
	206,000	189,000	105,000

Pursuant to the SSA, the Company is to procure the repayment of the outstanding amount owing by KWSB to Dato' Yap of RM23.0 million within 24 months upon the completion of the SSA. The advances extended by Dato' Yap to KWSB are interest free and have no fixed repayment terms, because KWSB is an entity set up by Dato' Yap and Yap Jun Wei to hold the BBST Lands, where development has not been commenced. The repayment period of 24 months is in favour to Y&G as compared with other similar transactions of arm's length nature, where the seller will likely require the purchaser to repay the advances immediately upon completion. Furthermore, the 24 months repayment period was based on the Proposed Development period, where the Group expects that the sales proceeds from the initial stages of the first phase of the Proposed Development over 2026 to 2028 (being the first to mid stages of the development period for Phase 1, as well as the 24 months period from completion of SSA) to be sufficient to substantially repay the RM23.0 million outstanding to Dato Yap, based on the estimated gross development profit of RM47.2 million (being the difference of GDV of RM143.9 million and GDC of RM96.7 million) for the Phase 1A of the Proposed Development (which is slated for launch by second half 2026), the repayment would amount to 48.7% of the gross development profit. Additionally, the

Company is of the view that once the Proposed Development has started, KWSB will also be able to procure more financing from banks, and hence, some of the development costs can be funded via bridging or working capital financing, freeing additional cash flows for the repayment to Dato' Yap. Accordingly, the terms of repayment to Dato' Yap within 24 months from completion of the SSA is reasonable.

The breakdown of the amounts extended to KWSB by Dato' Yap up to LPD is as follows:

FYE 30 June	Amount extended by Dato' Yap⁽¹⁾	Amount repaid	Balance
	RM'000	RM'000	RM'000
2020	10,271	(2,020)	8,251
2021	6,000	(7,272)	6,979
2022	1,528	-	8,507
2023	1,551	-	10,058
2024	1,809	-	11,867
2025	10,313	-	22,180
1 July 2025 to LPD	200	-	22,380

Note:

(1) For clarity, the purpose of amount extended to KWSB by Dato' Yap is mainly for payment of bank borrowings, finance cost, insurance and authority charges.

For avoidance of doubt, the amount extended to KWSB by Dato' Yap as tabulated above forms part of the outstanding balance owed by KWSB to Dato' Yap.

2.5 Additional financial commitments

Save for the additional bank borrowings that will arise from funding the purchase consideration of the Proposals and the consolidation of KWSB of RM298.5 million, as detailed in the financial effects set out in Section 6.2, there is no additional financial commitment required by Y&G Group for the Proposals.

Y&G Group expects to incur future development costs for the Sepang Lands, KS Land and BBST Lands with the total amount yet to be determined as at LPD since the development costs will depend on the future development plans to be finalised. With regards to the BBST Lands, planning permission has been obtained, with a total GDC estimated at RM0.8 billion, details of which are set out in Section 2.3.1. The development cost of the Proposed Development is expected to be funded via a combination of proceeds from the sale of developed units of the Proposed Development, internally generated funds and/ or bank borrowings.

In addition, Y&G Group does not expect to incur additional financial commitments to put the business of KWSB on-stream upon completion of the Proposed Acquisition of KWSB, save for the cost of approximately RM0.8 billion, being the GDC of the Proposed Development, which the Group expects to obtain project financing. As at LPD, the Y&G Group maintains a cash and bank balance of RM24.1 million, indicating adequate liquidity to meet its existing operational requirements and financing obligations, and together with the additional borrowings secured, to undertake the Proposals.

2.6 Salient terms

Please refer to **Appendix I, II and III** of this Circular for the salient terms of the SPA 1, SPA 2, and SSA.

3. RATIONALE FOR THE PROPOSALS

Y&G Group is principally involved in property development and property construction activities.

The Proposals are carried out as part of the business of the Group as a property developer, with the aim of enhancing its landbank for future development, thereby ensuring continued development opportunities for the Group going forward. As at LPD, the Group's landbank comprises a total land area of 82 hectares (202.59 acres), covering Hulu Langat, Bukit Kemuning, Kuala Langat, Sepang, Gombak, Klang and Kuala Selangor. In addition, the Group's existing projects are as follows:

No.	Project name & Location	Type of development and no. of units	Commencement date	Expected completion date	% of completion	GDV	GDC	Take up rate	Billed	Unbilled
						RM'000	RM'000	%	RM'mil	RM'mil
1	Project Trifolia, Port Dickson, Negeri Sembilan	204 affordable townhouses units	Second quarter of 2024	Third quarter of 2026	Phase 1: 35%	53,000	45,000	79%	21.9	11.7
		354 affordable townhouses units	First quarter of 2026	Second quarter of 2027	Phase 2: -	92,000	78,000	-	-	-
2	Project Hamlet, The Meadows, Kuala Selangor, Selangor	219 single storey terraced house units	Second quarter of 2024	Second quarter of 2026	Phase 1A: 62%	74,000	58,000	97%	34.7	36.0
		167 single storey terraced house units	Fourth quarter of 2024	First quarter of 2027	Phase 1B: 12%	58,000	41,000	74%	6.0	34.8
		74 single storey terraced house units	Fourth quarter of 2024	First quarter of 2027	Phase 1C: 12%	26,000	14,000	57%	0.05	12.9

For information, the Vendors have held the Sepang Lands, KS Land and BBST Lands via KWSB for a considerable number of years, i.e. 15 years, 14 years and 7 years respectively. The lands are located in different strategic locations and are either ready or near ready for development with more certainty, which represents an opportune moment for the Group to acquire. The Proposals will enable the Group to undertake and launch developments concurrently in multiple locations to capitalise on favourable market conditions and strengthen its long-term growth outlook, albeit the considerable amount of the costs to be committed.

The Vendors' earlier acquisition costs were relatively low, reflecting the market conditions and development status of the lands at that time. Over the years, the value of these lands has increased, proving the positive progress of surrounding infrastructure and developments.

In respect of KWSB, as set out in Section 2.3.1, KWSB's external auditor, Messrs. Poh & Tan has included an emphasis of matter to draw attention to the MUGC, which arose mainly due to the interest expenses and project planning related expenses. Upon completion of the Proposals, KWSB is expected to commence development activities, which will allow certain interest expenses to be capitalised over the development period. The Proposed Development is anticipated to improve KWSB's financial position and address the MUGC matters.

In addition, notwithstanding the BBST Lands having been granted most of the approvals for the Proposed Development, it still needs to procure for building plan. It is the intention of Dato' Yap and Yap Jun Wei to grow Y&G into a relevant listed property development company. The Proposals, once completed, will enable Y&G to benefit from the current improvement in the property development sector. Additionally, whilst KWSB would need to procure the necessary resources to undertake the Proposed Development, Y&G has these resources readily available.

Premised on the above, the Board (save for the Interested Directors) is of the view that the Proposals are in the best interest of the Group, as they support the expansion of the Group's property development business through the acquisition of new landbank for future projects

4. RISK FACTORS

4.1 Completion risk

The completion of the Proposals is subject to, amongst others, the fulfilment of the terms and conditions under the SPA 1, SPA 2 and SSA including the conditions precedent set out in **Appendix I, II and III** of this Circular. In the event any of the conditions precedent are not fulfilled or waived within the timeframe or any of the termination events under the SPA 1, SPA 2 and SSA occur, the Proposals may not be completed, which may result in the failure of the Group to achieve the objectives and benefits of the Proposals.

Notwithstanding the above, the Group will take all reasonable steps to ensure that the conditions precedent are fulfilled and/ or waived within the stipulated timeframe as well as take steps to mitigate the occurrence of termination events, that are within the Group's control in order to complete the Proposals in a timely manner.

4.2 Acquisition risk

The Proposals is expected to contribute positively to Y&G Group. However, there can be no assurance that the anticipated benefits arising from the development of the Sepang Lands, KS Land or BBST Lands will fully materialise in the future. As such, the anticipated benefits and returns of the Proposals including the Proposed Development to be realised may be insufficient to offset the cost associated with the Proposals.

Notwithstanding the above, the Group will take the necessary efforts to closely monitor the prevailing market conditions and the progress of the Proposed Development by establishing an efficient operating procedure and prudent financial management to ensure that expenditures remain within budget and aligned with expected returns.

4.3 Financing risk

Y&G Group will be seeking external financing to partially fund the purchase consideration of the Proposals. Its ability to obtain external financing and the cost of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks or other lenders as well as the political, social and economic conditions in Malaysia. There can be no assurance that the bank borrowings will be made available on terms favourable to the Group, and hence, there can be no guarantee that the Group will be able to obtain sufficient borrowings to fund the cash payment of the purchase consideration of the Proposals and the future developments on the lands acquired pursuant to the Proposals.

Further, the Group may also be exposed to fluctuations in interest rate. Any future significant fluctuation of interest rates could have an effect on the Group's cash flows and profitability. Any utilisation of internally generated funds may result in the reduction of funds available for working capital purposes, which may impact the Group's cash flow position.

To mitigate these risks, the Group will evaluate various financing options to optimise the funding costs and structure. The Group will also manage its internal cash reserves prudently to ensure sufficient liquidity for operational needs, while maintaining flexibility to support future growth initiatives. Based on the terms of the Proposals, the total purchase consideration amounts to RM477.0 million, of which RM263.35 million is to be paid upon Completion (as defined in the respective SPA 1, SPA 2 and SSA), and is expected to be financed by bank borrowings of at least RM238.5 million and the balance of RM24.85 million is expected to be satisfied via internally generated funds from the sales of the development projects at this juncture. The remainder of the purchase consideration amounting to RM213.65 million is to be paid within 24 months of Completion, which period may be further extended for an additional 12 months, subject to interest of 5.0% per annum. Additionally, pursuant to the SSA, the Company is to procure the repayment of the outstanding amount owing by KWSB to Dato' Yap of RM23.0 million within 24 months upon the completion of the SSA.

4.4 Market valuation of the Sepang Lands, KS Land and BBST Lands

The valuation of the Sepang Lands, KS Land and BBST Lands by the Independent Valuer is based on certain assumptions, which are subjective, uncertain and may differ materially from actual transactions in the market. Further, lands valuations generally include subjective determination of certain factors, such as its location, relative market position and physical condition. The market value of the Sepang Lands, KS Land and BBST Lands appraised by the Independent Valuer is not an indication of, and does not guarantee, an equivalent or greater sale price either at the present time or at any time in the future.

Nonetheless, the Board endeavours to continuously assess the property market outlook within the surrounding area of Sepang and Kuala Selangor to ensure consistencies with the Group's long term property investment strategy of the Sepang Lands, KS Land and BBST Lands.

4.5 Compulsory acquisition by the Malaysian Government

The state authority of the respective states in Malaysia has the power to compulsorily acquire any land within the jurisdiction of such relevant state authority in Malaysia in accordance with the Land Acquisition Act 1960. In the event of any compulsory acquisition of the Sepang Lands, KS Land or BBST Lands or any part thereof, the amount of compensation to be awarded will be determined on the basis prescribed in the Land Acquisition Act and other relevant laws.

If all or any portion of Sepang Lands, KS Land or BBST Lands is compulsorily acquired by the relevant state authority at any point in time, the amount of such compensation may be less than the respective purchase consideration under the Proposals. In the event of any compulsory acquisition, the Group will endeavour to minimise any potential losses from such acquisition, including invoking the relevant provisions of the Land Acquisition Act 1960 in relation to its rights to appeal against the Land Administrator's award for compensation as well as to submit an objection in respect of the compensation, where necessary.

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5. OUTLOOK AND PROSPECTS

5.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 4.4% in the second quarter of 2025 (1Q 2025: 4.4%), driven by robust domestic demand. Household spending was higher amid positive labour market conditions and income-related policy measures, including the upward revision of minimum wage and civil servant salaries. Of significance, both private and public investments recorded stronger expansion, supported by the realisation of new and existing projects. In the external sector, export growth was slower due mainly to lower commodities-related exports. This was partially offset by continued electrical and electronics exports and robust tourism activity. At the same time, import growth was higher, driven by strong demand for capital goods, reflecting higher investment activities. On the supply side, growth was driven by the services and manufacturing sectors. The services sector was supported by consumer-related and Government services. Steady growth in domestic-oriented clusters underpinned the performance in the manufacturing sector. Overall growth was weighed down by a contraction in the mining sector amid lower commodities production. On a quarter-on-quarter, seasonally-adjusted basis, growth expanded by 2.1% (1Q 2025: 0.7%).

(Source: Economic and Financial Developments in Malaysia in the Second Quarter of 2025, Bank Negara Malaysia)

The growth in 2025 is projected between 4.5% and 5.5%, supported by a resilient external sector, benefitting from improved global trade and stronger demand for electrical and electronics goods, leveraging the country's strategic position within the semiconductor supply chain. Additionally, robust domestic demand, fuelled by strong private sector expenditure, will support the expansion, through continued implementation of key national master plans and ongoing initiatives. A pertinent initiative which is the Government-linked Enterprises Activation and Reform Programme (GEAR-uP), will synergise efforts across government-linked entities to catalyse growth in high growth sectors, encompassing energy transition, advanced manufacturing, food security, healthcare, Islamic finance and biopharmaceuticals. The potential investment from this initiative is expected to amount to RM120 billion over the span of five years. On the production side, most sectors are expected to expand, highlighting the resilience and agility of Malaysia's economy.

(Source: Economic Outlook 2025, Ministry of Finance Malaysia)

5.2 Overview and outlook of the property development industry in Malaysia

Malaysia's property market is poised for a significant shift in 2025, supported by ongoing economic recovery, urbanisation and strategic investments in key sectors. Recent analyses suggest that property prices are set to rise, underpinned by robust demand in urban centres and the growing influence of industrial property developments. With these dynamics in play, Malaysia's real estate landscape offers both opportunities and challenges for stakeholders.

The nation's post-pandemic economic recovery has gained momentum, creating an environment ripe for increased property demand. Key urban areas, including Kuala Lumpur, Penang and Johor Bahru, are experiencing heightened interest as more Malaysians and expatriates migrate to cities for employment opportunities and better quality of life. This urbanisation trend is a major driver of housing demand, particularly for mid-range and high-end properties in well-connected locales.

Additionally, Malaysia's improving economic indicators, such as rising gross domestic product (GDP) and growing consumer confidence, are expected to stimulate property transactions. With a burgeoning middle class seeking housing options, demand for residential properties is projected to sustain its upward trajectory. This is especially true in areas that benefit from enhanced infrastructure and connectivity, such as those near ongoing Mass Rapid Transit (MRT) and Light Rail Transit (LRT) expansions.

While the property sector's prospects are largely positive, government policies and economic conditions will play a pivotal role in shaping market sentiment. The 2025 budget, for instance, lacked significant new measures to support homebuyers. Key initiatives like the Home Ownership Campaign (HOC) and Madani Deposit Scheme were notably absent, though limited tax relief for first-time buyers was introduced. These measures are expected to have a modest impact compared to previous campaigns.

Conversely, the absence of aggressive policy interventions has not deterred developers from pursuing growth opportunities. Instead, many are leveraging existing infrastructure projects, such as the Johor Autonomous Rapid Transit system, to enhance the appeal of their developments. These infrastructure enhancements are expected to contribute to long-term property value appreciation, particularly in regions like Johor Bahru.

(Source: Media article titled "Malaysia's Property Market: A Transformative Outlook for 2025" dated 16 December 2024 issued by StarProperty)

5.3 Prospects of the Sepang Lands, KS Land and BBST Lands

The Sepang Lands, KS Land and BBST Lands are expected to further enhance the Group's land bank. Y&G Group intends to develop these lands to generate additional revenue in addition to its existing property development projects. This is in line with the Group's direction of expanding its property business and the management is confident that the development of the mentioned lands will contribute satisfactorily to the Group's performance.

The Group is positive of the prospect of the lands after taking into consideration the following:

Sepang Lands

The Sepang Lands are located within close proximity to international transportation hub i.e. the KLIA development and access to major highways i.e. the ELITE Highway, the North-South Expressway and the newly completed West Coast Expressway. Given the ease of accessibility, the Group is of the view that the Sepang Lands have high potential for industrial development.

In view of the above, the Group intends to embark on an industrial park development, which is expected to commence in the fourth quarter of 2026. The application for the development order is expected to be submitted to the local authorities (i.e Sepang Municipal Council) by mid December 2025, with approval anticipated by March 2026. The submission for building plan approval is targeted to be made to the Sepang Municipal Council in May 2026, with approval expected by August 2026.

KS Land

The KS Land located along Jalan Kuala Selangor-Teluk Intan, enjoys good visibility and accessibility to surrounding towns such as Kuala Selangor/Bestari Jaya/Ijok (due southeast) as well as Tanjung Karang and Sekinchan (due north-west) making it suitable for various types of development. In addition, its accessibility is further enhanced by major highways such as West Coast Expressway and LATAR Expressway.

Given the KS Land's proximity to schools, government facilities particularly Hospital Tanjung Karang and Klinik Pergigian Tanjung Karang and nearby moderate density housing areas, it holds strong potential for residential, institutional or low-density commercial use.

In view of the above, the Group intends to embark on a mixed residential and commercial development, which is expected to commence in the fourth quarter of 2026. The application for the development order has been submitted to the local authorities (i.e Kuala Selangor Municipal Council) on 6 May 2024, with approval anticipated by the end of December 2025. The submission for building plan approval is targeted to be made to the Kuala Selangor Municipal Council in January 2026, with approval expected by May 2026.

BBST Lands

The BBST Lands is located within Bandar Baru Salak Tinggi which is known as the administrative centre for the District of Sepang and surrounded with township development lead by top-tier developer such as Serenia City by Sime Darby Property Berhad, Sunsuria City by Sunsuria Group, Setia Warisan Tropika by SP Setia Berhad, Greenwoods Salak Perdana by Paramount Corporation Berhad, M Senyum Salak Tinggi by Mah Sing Group Berhad and Senna Puteri by IOI Properties Group Berhad. The surrounding township located nearby also shows sign of good potential for successful township development, with neighbouring township i.e. M Senyum Salak Tinggi developed by Mah Sing Group Berhad having sold 99% of their units since its launch in 2022.

With close proximity to international transportation hub i.e. the KLIA development and access to major highways i.e. the ELITE Highway, the North-South Expressway and the newly completed West Coast Expressway, the Group is of the view that the Proposed Development will receive favourable response from residential and commercial properties buyers.

(Source: Valuation certificate and valuation reports prepared by the Independent Valuer in relation to the Sepang Lands, KS Land and BBST Lands)

6. EFFECTS OF THE PROPOSALS

6.1 Issued share capital

The Proposals will not have any effect on the issued share capital in the Company as it does not involve any issuance of new Y&G Shares.

6.2 NA per share and gearing

The proforma effects of the Proposals on the NA and gearing of Y&G Group, based on the latest audited consolidated statement of financial position of Y&G Group as at 31 December 2024, is set out below:

	Audited	
	As at	After the
	31 December 2024	Proposals
	RM'000	RM'000
Share capital	218,478	218,478
Retained earnings	100,294	⁽¹⁾ 98,737
NA attributable to owners of the Company	318,772	317,215
Non-controlling interest	488	488
Total equity/ NA	319,260	317,703
No. of Shares in issue	218,478,320	218,478,320
NA per Share (RM)	1.46	1.45
Total borrowings ⁽²⁾	47,135	345,635
Gearing (times)	0.15	1.09

Notes:

- (1) After accounting for the estimated expenses of the Proposals of RM1.6 million, the breakdown of which are as follows:

Description	Estimated cost
	RM'000
Professional fees ^(a)	1,339
Stamping related fees	246
	1,585

Note:

- (a) Includes advisory/professional fees for, amongst others, the Company's Principal Adviser, Solicitors, Independent Valuer, Independent Adviser and Reporting Accountant.
- (2) Assuming the total purchase considerations for the Proposals of RM477.0 million are 50% funded by bank borrowings, amounting to RM238.5 million of borrowings to be undertaken by the Group, and consolidating RM60.0 million in borrowings in KWSB upon completion of the Proposed Acquisition of KWSB.

For shareholders' information, the Company has deliberated to not consider a combination of cash and equity fundraising, as such alternatives would result in permanent dilution to existing shareholders. The current financing arrangement with deferred payment terms is therefore considered a viable non-dilutive approach, allowing the Company to preserve the flexibility to undertake future equity fundraising if and when strategically necessary, as well as not being detrimental to the interests of the Group.

This financing arrangement ensures that the Group's cash flow will be managed prudently and sustainably over the development cycle. It also enables the Group to take possession of the Subject Properties earlier and commence the planning and preparatory works for the proposed developments without delay. As a result, the Group can initiate its monetisation process sooner, and in line with the deferred payment terms, bringing forward potential revenue generation, despite the long gestation period before contributing positively to earnings and cashflows.

While the Group's pro forma gearing is expected to increase to 1.09 times as a result of the Proposals, the Board is confident that the Group's existing cash flows from operations are sufficient to sustain the financing arrangement, pending the proceeds to be generated from the proposed development of the lands, and this represents a strategic and timely investment opportunity, enabling Y&G to capitalise on favourable market conditions and strengthen its long-term growth outlook before the market value of the lands continue to appreciate further.

Considering the above, the Board is of the view that the Proposals remain in the best interest of the Group. The anticipated benefits arising from the future property development of the Sepang Lands, KS Lands and BBST Lands are expected to enhance the Group's overall financial performance over the medium to long term. Furthermore, given the nature of the Proposals being a landbanking exercise, the acquired Sepang Lands, KS Lands and BBST Lands will provide asset backing for the additional borrowings to be assumed.

6.3 Earnings and EPS

The Proposals is not expected to have any immediate material effect on the earnings of the Group. However, the Board believes that the Proposals will contribute positively to the Group's future earnings and EPS as the Group expands its property development business in the future.

6.4 Substantial shareholders' shareholdings

The Proposals will not have any effect on the Company's substantial shareholders' shareholdings as it will not involve any issuance of new Y&G Shares.

7. APPROVALS REQUIRED AND CONDITIONALITY

The Proposals is subject to the following approvals being obtained:

- (i) shareholders of Y&G at the forthcoming EGM to be convened;
- (ii) in respect of Proposed Acquisition of Sepang Lands, the state authority for the transfer of Sepang Lands to NWSB and creation of charge in favour of NWSB's financier granting the loan for the payment of the purchase consideration for the Sepang Lands which were obtained on 30 October 2025, 12 November 2025 and 19 November 2025 respectively; and
- (iii) any other relevant authorities and/or parties, if required.

The Proposals is not conditional upon any other proposals undertaken or to be undertaken by the Company. Further, the Proposed Acquisition of Sepang Lands, Proposed Acquisition of KS Land and Proposed Acquisition of KWSB are not inter-conditional upon each other.

8. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposals pursuant to Paragraph 10.02(g)(iii) of the MMLR is approximately 149.4% calculated based on the total purchase considerations for the Proposals over the audited consolidated NA of Y&G Group for FYE 31 December 2024.

As such, the Proposals is deemed as a "very substantial transaction" pursuant to Paragraph 10.02(n) of the MMLR.

8.1 Additional information for very substantial transactions

Pursuant to Paragraph 10.10 of the MMLR, the additional information required in relation to "very substantial transactions" are set out below:

- (i) A total cost of approximately RM0.8 billion (being the GDC of the Proposed Development) is required to put on-stream the operations of KWSB, which shall be financed via a combination of proceeds from the sale of development units of the Proposed Development, internally generated funds and/ or bank borrowings;
- (ii) The Proposed Acquisition of KWSB and Proposed Development are expected to contribute positively to the earnings of the Group commencing from 2026, upon the launch and sale of the first phase of development; and
- (iii) The expected returns are to be derived from the profit which primarily arises from the progressive recognition of revenue from property development activities on the Sepang Lands, KS Lands and BBST Lands.

For the avoidance of doubt, the Proposals will not result in a significant change in business direction or policy of the Company pursuant to the Equity Guidelines issued by the Securities Commission Malaysia as the Sepang Lands and KS Land to be acquired are for business expansion purpose and KWSB is in a business similar to the core business of Y&G, which is property development.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED TO THEM

Dato' Yap is the Executive Director and indirect major shareholder of Y&G through his interests in KASB. Yap Jun Wei, is a person connected to Dato' Yap as well as the indirect major shareholder of Y&G through his interests in KASB. Dato' Yap and Yap Jun Wei are siblings. Both Dato' Yap and Yap Jun Wei are also the director and major shareholder of NSSB, ARHSB and KWSB as set out in Sections 2.1.3, 2.2.3 and 2.3.1. Further, Teh Mi Mi, the spouse of Dato' Yap, is a person connected to him, and her shareholdings of 2,210,008 Shares in Y&G as at LPD are included as part of Dato' Yap's indirect interest in Y&G as disclosed below.

Dato' Sri Yap Seng Yew is the Managing Director of Y&G and indirect major shareholder of Y&G through his interests in KASB. Datin Sri Gan Li Li is the Deputy Managing Director of Y&G and indirect major shareholder of Y&G through her interest in KASB. Dato' Sri Yap Seng Yew and his wife, Datin Sri Gan Li Li are parents of Dato' Yap and Yap Jun Wei.

Gan Li Ching is the Director and major shareholder of NSSB, and is also a person connected to Datin Sri Gan Li Li by virtue of being her sister. She also holds 2,230,250 Shares in Y&G as at LPD.

KASB, a major shareholder of Y&G is the investment holding company of Dato' Yap, Yap Jun Wei, Dato' Sri Yap Seng Yew and Datin Sri Gan Li Li in the shares of Y&G.

Based on the foregoing, Dato' Yap, Dato' Sri Yap Seng Yew and Datin Sri Gan Li Li are collectively known as Interested Directors; whilst the Interested Directors together with Yap Jun Wei, Gan Li Ching, and KASB are collectively known as the Interested Parties.

Save for the Interested Parties, none of the other Directors and/or major shareholders of the Y&G and/or persons connected to them have any interests, whether direct or indirect, in relation to the Proposals.

As at LPD, the direct and indirect shareholdings of Interested Parties in Y&G are set out below:

Name	Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%
KASB	110,902,200	50.8	-	-
Dato' Yap	16,693,302	7.6	(2)113,112,208	51.8
Yap Jun Wei	17,263,450	7.9	(3)110,902,200	50.8
Dato' Sri Yap Seng Yew	6,621,600	3.0	(2)117,589,583	53.8
Datin Sri Gan Li Li	6,687,383	3.1	(2)117,523,800	53.8
Gan Li Ching	2,230,250	1.0	-	-

Notes:

- (1) Based on 218,478,320 Y&G shares as at LPD.
- (2) Deemed interest by virtue of his/ her direct shareholding in KASB pursuant to Section 8 of the Act and by virtue of his spouse's direct shareholding in the Company.
- (3) Deemed interest by virtue of his direct shareholding in KASB pursuant to Section 8 of the Act.

The Interested Directors have abstained and will continue to abstain from all deliberations and voting in relation to the Proposals at the relevant Board meetings. The Interested Parties and persons connected to them will also abstain from voting in respect of its/ his/ her direct and/ or indirect shareholdings in Y&G on the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM. Further, the Interested Parties have also undertaken to ensure that person connected to them, if any, will abstain from voting in respect of their direct and/ or indirect shareholdings, if any, in the Company on the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

10. TRANSACTION WITH THE RELATED PARTY FOR THE PRECEDING 12 MONTHS

The total amount transacted between Y&G Group and the Interested Parties and/or persons connected to them in the preceding 12 months is approximately RM4,000.

11. DIRECTORS' STATEMENT AND RECOMMENDATION

Save for the Interested Directors who have abstained from deliberating and voting on the Proposals, the Board, after having considered all aspects of the Proposals, including but not limited to the rationale, basis and justification of arriving at the total purchase considerations of the Proposals, effects of the Proposals, terms and conditions of the SPA 1, SPA 2 and SSA, and the view from the Independent Adviser, is of the opinion that the Proposals are:

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

Accordingly, the Board (save for the Interested Directors) recommends that you vote **IN FAVOUR** of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

12. AUDIT COMMITTEE'S STATEMENT

The Audit Committee of Y&G, after having considered all aspects of the Proposals, including but not limited to the rationale, basis and justification of arriving at the total purchase considerations of the Proposals, effects of the Proposals, terms and conditions of the SPA 1, SPA 2 and SSA, and the view from the Independent Adviser, is of the opinion that the Proposals are:

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

13. INDEPENDENT ADVICE

In view of the interest of the Interested Parties, the Proposals are deemed as related party transactions under Paragraph 10.08 of the MMLR. Accordingly, UOBKH has been appointed to act as the Independent Adviser to advise the non-interested Directors and non-interested shareholders of Y&G with an independent evaluation in relation to the Proposals.

The IAL from the Independent Adviser is set out in Part B of this Circular. Shareholders should read the contents of this Circular (including the IAL) carefully before voting on the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

14. ESTIMATED TIMEFRAME FOR COMPLETION

The tentative timetable in relation to the Proposals is as follows:

Timeline	Key events
January 2026	EGM to approve the Proposals
February 2026	Fulfilment of the conditions precedent for the Proposals
May 2026	Proposals deemed completed

15. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals (being the subject matter of this Circular), there is no other corporate exercise being undertaken by the Company which has been announced but not yet completed as at the date of this Circular.

16. EGM

An EGM, the notice of which is enclosed together with this Circular, will be held at Crystal Crown Hotel Harbour View Port Klang, 217, Persiaran Raja Muda Musa, 42000, Pelabuhan Klang, Selangor Darul Ehsan on Wednesday, 7 January 2026 at 11.00 a.m. or any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions so as to give effect to the Proposals.

If you are unable to attend and vote in person at the EGM, you may complete and return the enclosed Form of Proxy in accordance with the instructions contained, to be deposited at the Registered Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL), not less than 24 hours before the time appointed for holding the EGM or adjourned meeting at which the person named in the instrument, proposes to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll. The lodging of the Form of Proxy will not preclude you from attending the EGM and voting in person should you subsequently wish to do so.

17. FURTHER INFORMATION

Shareholders are requested to peruse the IAL as set out in Part B of this Circular and the attached appendices for further information.

Yours faithfully,
for and on behalf of the Board of
Y&G CORPORATION BHD

TAN KAK TECK
INDEPENDENT NON-EXECUTIVE DIRECTOR

PART B

**INDEPENDENT ADVICE LETTER TO THE NON-INTERESTED SHAREHOLDERS OF Y&G
IN RELATION TO THE PROPOSALS**

EXECUTIVE SUMMARY

All definitions used in this Executive Summary shall have the same meaning as the words and expressions defined in the "Definitions" section in Part A of the Circular, except where the context otherwise requires or where otherwise defined herein. All references to "we", "us" or "our" are references to UOBKH, being the independent adviser for the Proposals.

This Executive Summary is intended to be a brief summary of this IAL. Non-interested shareholders of Y&G are advised to read and understand this IAL in its entirety, together with the letter to shareholders in Part A of the Circular and the accompanying appendices for other relevant information and not to rely solely on this Executive Summary in forming an opinion on the Proposals.

Non-interested shareholders of Y&G are also advised to carefully consider the recommendations contained therein before voting on the ordinary resolutions to give effect to the Proposals to be tabled at the forthcoming EGM of the Company.

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

1. INTRODUCTION

On 11 August 2025, M&A Securities had, on behalf of the Board, announced the Proposals which comprise the following:-

- (i) Proposed Acquisition of Sepang Lands by NWSB from NSBB for a total cash consideration of RM206.0 million;
- (ii) Proposed Acquisition of KS Land by DASB from ARHSB for a total cash consideration of RM189.0 million; and
- (iii) Proposed Acquisition by Y&G of 1,000,000 ordinary shares in KWSB from Dato' Yap and Yap Jun Wei, representing 100% equity interest in KWSB, for a total cash consideration of RM82.0 million.

In view of the interests of the Interested Parties as set out in **Section 9, Part A** of the Circular, the Proposals are deemed related party transactions pursuant to Paragraph 10.08 of the Listing Requirements.

Accordingly, on 8 August 2025, UOBKH has been appointed as the Independent Adviser to advise the non-interested Directors and non-interested shareholders of Y&G in respect of the Proposals.

The purpose of this IAL is to provide the non-interested shareholders of Y&G with an independent evaluation as to:-

- (i) whether the Proposals are fair and reasonable insofar as the non-interested shareholders of Y&G are concerned;
- (ii) whether the Proposals are detrimental to the interest of the non-interested shareholders of Y&G; and
- (iii) our recommendation on whether the non-interested shareholders of Y&G should vote in favour or against the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

2. EVALUATION OF THE PROPOSALS

In evaluating the Proposals, we have taken into consideration the following factors in forming our opinion:-

Section in this IAL	Area of evaluation	of	Our comments
Section 6.1	Rationale and justifications for the Proposals	and for	<p>We are of the opinion that the rationale and justifications for the Proposals are REASONABLE and NOT DETRIMENTAL to the interests of the non-interested shareholders of Y&G after taking into consideration the following:-</p> <p>(i) the Proposals are in line with the Group's strategy to expand its property development business and increase the Group's landbank in order to ensure continued development opportunities for the Group going forward. The Sepang Lands, KS Land and BBST Lands are strategically located with good accessibility and connectivity and as such may have increased development potential moving forward.</p> <p>Y&G Group may benefit from future revenue streams to be generated from the development of the Subject Properties.</p> <p>Further, the KS Land is situated within close proximity to the Group's ongoing development, Hamlet @ Kuala Selangor. In the event the Group undertakes development on the KS Land, the Group may benefit from potential logistical efficiencies through the sharing of infrastructure and amenities with the ongoing development of Hamlet @ Kuala Selangor, thereby reducing overall transportation and related expenses.</p> <p>The future development of the Subject Properties serves to enhance the Group's development portfolio and grow the Group's market presence within the Sepang and Kuala Selangor areas;</p> <p>(ii) based on the audited financial statements of KWSB as at 30 June 2024, KWSB recorded net liabilities of RM11.44 million with its external auditors issuing the MUGC. However, we note that the net liability position of KWSB stems from interest expenses incurred in relation the acquisition by KWSB of the BBST Lands and project planning expenses in relation to the Proposed Development. As such, upon the revaluation of the BBST Lands, the adjusted NA of KWSB is positive at RM82.72 million, reflecting the underlying market value of the BBST Lands rather than its historical accounting loss position;</p>

EXECUTIVE SUMMARY (CONT'D)

Section in this IAL	Area of evaluation	of	Our comments
			<p>(iii) the Board considered undertaking a joint venture structure between Y&G and KWSB as it would present a less capital-intensive alternative. However, the Board opined that a joint venture structure would entail a profit-sharing structure that may reduce the potential long-term return from the proposed development whilst still requiring similar operational involvement. Additionally, the Company had structured the outright acquisition for a portion of the purchase considerations to be paid within 24 months from completion, free of interest, which would alleviate the cash flow concern under an outright acquisition.</p> <p>Further, the Proposals are undertaken as part of the Group's strategy to position itself in the Sepang and Kuala Selangor area, in which an outright acquisition would allow a seamless integration of the BBST Lands into Y&G's development strategy and facilitate unified branding, product mix and infrastructure planning. In view of this, the decision to acquire KWSB would allow the Group to consolidate the BBST Lands on a fully revalued basis, whereas a joint venture structure would forego the immediate asset consolidation; and</p> <p>(iv) the positive outlook of the Malaysian property development industry and the prospects of the Subject Properties as set out in Section 5.2 and Section 5.3, Part A of the Circular, respectively.</p>
Section 6.2	Basis and justification in arriving at the purchase consideration	and in the	<p><u>Proposed Acquisition of Sepang Lands</u></p> <p>As set out in Section 2.1.4, Part A of the Circular, the purchase consideration of RM206.0 million was arrived at on a willing-buyer willing-seller basis after taking into consideration the market value of the Sepang Lands of RM206.0 million as ascribed by the Independent Valuer.</p> <p>In arriving at the market value of the Sepang Lands, we noted that the Independent Valuer had appraised the Sepang Lands using the comparison approach. We have reviewed the key bases and assumptions adopted by the Independent Valuer and are satisfied with the reasonableness of the key bases and assumptions.</p> <p>Under the comparison approach, the market value of the Sepang Lands is derived by comparing the Sepang Lands to recent transactions of comparable properties and adjusting for differences on factors that affect the market value.</p> <p>We are of the view that the purchase consideration for the Proposed Acquisition of Sepang Lands is FAIR AND REASONABLE and NOT DETRIMENTAL to the non-interested shareholders of Y&G.</p>

EXECUTIVE SUMMARY (CONT'D)

Section in this IAL	Area of evaluation	of	Our comments
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Proposed Acquisition of KS Land

As set out in **Section 2.2.4, Part A** of the Circular, the purchase consideration of RM189.0 million was arrived at on a willing-buyer willing-seller basis after taking into consideration the market value of the KS Land of RM192.0 million as ascribed by the Independent Valuer. The purchase consideration represents a 1.56% discount to the market value of the KS Land.

In arriving at the market value of the KS Land, we noted that the Independent Valuer had appraised the KS Land using the comparison approach. We have reviewed the key bases and assumptions adopted by the Independent Valuer and are satisfied with the reasonableness of the key bases and assumptions.

Under the comparison approach, the market value of the KS Land is derived by comparing the KS Land to recent transactions of comparable properties and adjusting for differences on factors that affect the market value.

We are of the view that the purchase consideration for the Proposed Acquisition of KS Land is **FAIR AND REASONABLE** and **NOT DETRIMENTAL** to the non-interested shareholders of Y&G.

Proposed Acquisition of KWSB

As set out in **Section 2.3.3, Part A** of the Circular, the purchase consideration of RM82.0 million was arrived at after taking into consideration the adjusted NA of KWSB as at 30 June 2024. The purchase consideration represents a discount of 0.87% to the adjusted NA of KWSB as at 30 June 2024.

In arriving at the market value of the BBST Lands of RM170.0 million, we noted that the Independent Valuer had appraised the BBST Lands using the income approach and we have reviewed the parameters adopted by the Independent Valuer and are satisfied with the reasonableness of the key bases and assumptions.

Under the income approach, the market value of the BBST Lands is derived by calculating the GDV of the proposed development on the BBST Lands and deducting the total estimated development costs.

We are of the view that the purchase consideration for the Proposed Acquisition of KWSB is **FAIR AND REASONABLE** and **NOT DETRIMENTAL** to the non-interested shareholders of Y&G.

EXECUTIVE SUMMARY (CONT'D)

Section in this IAL	Area of evaluation	of	Our comments
Section 6.3	Effects of Proposals	the	<p>The Proposals do not involve any issuance of new Y&G Shares. As such, the Proposals will not have any dilutive effect on the issued share capital and substantial shareholders' shareholding in the Company.</p> <p>The Proposals will have minimal impact to the Group's NA. However, the Group's gearing level is expected to increase from 0.15 times to 1.09 times, assuming that the Group utilizes an indicative additional bank borrowings of RM238.5 million to partially fund the purchase considerations of the Proposals and consolidating RM60.0 million in borrowings of KWSB. We note that the gearing ratio of 1.09 times is relatively high and indicates that Y&G would be more reliant on borrowings to finance its operational requirements. Hence, it may be more challenging for the Group to service its borrowings in the event it is unable to generate sufficient cash flow from its business operations. Further, this may reduce the Group's credit profile and ability to secure additional borrowings in the future.</p> <p>Nevertheless, the actual increase in the Group's gearing will depend on the actual quantum of bank borrowings obtained by Y&G to finance the Proposals. We also take note of the capital-intensive nature of the property development industry, whereby property developers may rely on external borrowings to fund land acquisitions, working capital requirements and development expenditures.</p> <p>While the higher gearing introduces additional financial and operational risk, these risks are not uncommon in the property development industry and can be mitigated through prudent financial and operational management.</p> <p>Hence, we are of the view that the financial effects of the Proposals are NOT DETRIMENTAL to the interests of the non-interested shareholders of Y&G.</p>
Section 6.4	Industry overview and outlook and future prospects		<p>We are of the view that the outlook and prospects of the Subject Properties are NOT DETRIMENTAL to the non-interested shareholders of Y&G, premised on the following:-</p> <ul style="list-style-type: none">(i) the Subject Properties are strategically located and situated in locations which have good accessibility, potential for economic growth and potential demand for developments;(ii) the Proposals would enhance the Group's market presence within the Sepang and Kuala Selangor areas; and

EXECUTIVE SUMMARY (CONT'D)

Section in this IAL	Area of evaluation	of	Our comments
			(iii) the Group has 2 ongoing property development projects, Trifolia @ Port Dickson and Hamlet @ Kuala Selangor which have been partially launched. The Proposals provide the Group with the opportunity to refresh its property development portfolio and commence new developments that will allow the Group to enhance its long-term revenue visibility.
Section 6.5	Risk factors of the Proposals		We take note of the risk factors mentioned in Section 4, Part A of the Circular. We are of the opinion that the risk factors are REASONABLE and the Board and management of the Group are expected to take steps to mitigate the risks to the extent possible.
Section 6.6	Salient terms of the SPA 1, SPA 2 and SSA		We opine that the salient terms of the SPA 1, SPA 2 and SSA are generally REASONABLE and NOT DETRIMENTAL to the interests of the non-interested shareholders of Y&G.

3. CONCLUSION AND RECOMMENDATION

Based on our evaluation, we are of the opinion that, on the basis of the information available to us, the Proposals are **FAIR AND REASONABLE** and **NOT DETRIMENTAL** to the non-interested shareholders of Y&G.

As such, we advise and recommend that the non-interested shareholders of Y&G to **VOTE IN FAVOUR** of the ordinary resolutions pertaining to the Proposals to be tabled at the forthcoming EGM of the Company.

22 December 2025

To: The non-interested shareholders of Y&G Corporation Bhd

Dear Sir/ Madam,

Y&G CORPORATION BHD ("Y&G" OR THE "COMPANY")

INDEPENDENT ADVICE LETTER TO THE NON-INTERESTED SHAREHOLDERS OF Y&G IN RELATION TO THE PROPOSALS

This IAL is prepared for inclusion in the Circular in relation to the Proposals. All definitions used in this IAL shall have the same meaning as the words and expressions defined in the "Definitions" section in Part A of the Circular, except where the content otherwise requires or where otherwise defined herein. All references to "we", "us" or "our" are references to UOBKH, being the independent adviser for the Proposals.

1. INTRODUCTION

On 11 August 2025, M&A Securities had, on behalf of the Board, announced the Proposals which comprise the following:-

- (i) Proposed Acquisition of Sepang Lands by NWSB from NSBB for a cash consideration of RM206.0 million;
- (ii) Proposed Acquisition of KS Land by DASB from ARHSB for a cash consideration of RM189.0 million; and
- (iii) Proposed Acquisition by Y&G of 1,000,000 ordinary shares in KWSB from Dato' Yap and Yap Jun Wei, representing 100% equity interest in KWSB, for a cash consideration of RM82.0 million.

In view of the interests of the Interested Parties as set out in **Section 9, Part A** of the Circular, the Proposals are deemed related party transactions pursuant to Paragraph 10.08 of the Listing Requirements.

Accordingly, on 8 August 2025, UOBKH has been appointed as the Independent Adviser to advise the non-interested Directors and non-interested shareholders of Y&G in respect of the Proposals.

The purpose of this IAL is to provide the non-interested shareholders of Y&G with an independent evaluation as to:-

- (i) whether the Proposals are fair and reasonable insofar as the non-interested shareholders of Y&G are concerned;
- (ii) whether the Proposals are detrimental to the interest of the non-interested shareholders of Y&G; and
- (iii) our recommendation on whether the non-interested shareholders of Y&G should vote in favour or against the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

Notwithstanding the above, the non-interested shareholders of Y&G should rely on their own evaluation of the merits of the Proposals before making a decision on the course of action to be taken at the forthcoming EGM of the Company.

This IAL is prepared solely for the use of the non-interested shareholders of Y&G to consider the Proposals and should not be used or relied upon by any other party for any other purposes whatsoever.

YOU ARE ADVISED TO READ THIS IAL, THE LETTER TO SHAREHOLDERS AS SET OUT IN PART A OF THE CIRCULAR TOGETHER WITH THE APPENDICES, AND TO CONSIDER CAREFULLY THE RECOMMENDATIONS CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.

IF YOU ARE IN DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. SCOPE AND LIMITATIONS TO THE EVALUATION OF THE PROPOSALS

We have not been involved in the formulation of, deliberations and negotiations of the terms and conditions pertaining to the Proposals. Our terms of reference pursuant to our appointment as Independent Adviser to the non-interested Directors and non-interested shareholders of Y&G are in accordance with the requirements relating to Independent Adviser as contained in Paragraphs 10.08(2) and (3) of the Listing Requirements and the Best Practice Guide in relation to Independent Advice Letters issued by Bursa Securities.

Our scope as Independent Adviser is limited to expressing an independent opinion on the Proposals based on information and documents provided to us or which are available to us, including the following:-

- (i) SPA 1, SPA 2 and the SSA;
- (ii) the Valuation Report and Valuation Certificate for Sepang Lands, KS Land and BBST Lands dated 20 August 2025 prepared by the Independent Valuer;
- (iii) the announcement made by the Company on 11 August 2025 in relation to the Proposals;
- (iv) the information contained in Part A of the Circular together with the accompanying appendices;
- (v) other relevant information furnished to us by Y&G or obtained in or derived from our discussion with the management and/ or representatives of Y&G on 8 August 2025 and 29 September 2025; and
- (vi) other relevant publicly available information including but not limited to, financial reports, announcements and circulars of Y&G published on Bursa Securities' website and company searches on parties relevant to our evaluation in this IAL.

We have relied on the Board and the management of Y&G to take due care in ensuring that all the information, documents and representations provided to us by them to facilitate our evaluation of the Proposals are accurate, valid and complete in all material aspects. We have also performed our reasonable check on the said information, documents and representations provided by the Company and where possible to certain extent, corroborating such information with independent sources.

Accordingly, we have not independently verified such information as stated above for its reliability, accuracy and/ or completeness and have not undertaken any form of independent investigation into the business, affairs, operations, financial position or prospects of the Group and all relevant parties involved in the Proposals.

The Board has confirmed that:-

- (i) after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements and/ or information, the omission of which would make any statement herein inaccurate, incomplete or misleading in any respect;
- (ii) all material facts and information required for the purpose of our evaluation of the Proposals and preparation of this IAL have been disclosed to us, and that there are no facts or information, the omission of which would make any information, confirmation and/ or document supplied to us misleading, or would materially affect our evaluation, views and recommendation in this IAL; and
- (iii) the Board has seen, reviewed and accepted this IAL and they individually and collectively accept full responsibility for the accuracy and completeness of the information contained herein (save and except for opinions expressed by us).

In preparing this IAL, we have taken into consideration factors that we believe are of relevance and general importance for the assessment of the Proposals and therefore of concern to the non-interested shareholders of Y&G as a whole in arriving at our advice. We have not taken into consideration the specific investment objectives, risk profiles, financial situations or particular needs of any individual non-interested shareholder or any specific group of non-interested shareholders. We recommend that any individual non-interested shareholder or group of non-interested shareholders who require specific advice in relation to the Proposals in the context of their individual investment objectives, risk profiles, financial situations and particular needs should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers immediately.

The scope of our responsibilities with regards to our evaluation and recommendation is based on the assessment of fairness and reasonableness and other implications of the Proposals and whether the Proposals are detrimental to the non-interested shareholders of Y&G. We will not be responsible for any damages or losses of any kind sustained or suffered by any individual non-interested shareholder or group of non-interested shareholders in reliance on the opinions stated herein for any purpose whatsoever.

Our opinions expressed in this IAL are, amongst others, based on economic, market and other conditions prevailing at, and the information and/ or documents made available to us as at the LPD. Such conditions may change significantly over a short period of time. It should be noted that our evaluation and opinions expressed in this IAL do not take into account the information, events or conditions arising after the LPD.

We are satisfied that sufficient information has been disclosed to us in enabling us to formulate our recommendation. After making all reasonable enquiries and to the best of our knowledge and belief, the information used is reasonable, accurate, complete and free from material omission.

Where required, we will notify the non-interested shareholders of Y&G, after the despatch of this IAL and until the date of the EGM, if we become aware of the following:-

- (i) significant change affecting the information contained in this IAL;
- (ii) there is reason(s) to believe that the statements in this IAL are misleading and/or deceptive; or
- (iii) there is material omission in this IAL.

If circumstances require, a supplementary notice or report to this IAL will be issued to the non-interested shareholders of Y&G.

3. DECLARATION OF CONFLICT OF INTEREST AND OUR CREDENTIALS, EXPERIENCE AND EXPERTISE

We confirm that there is no existing or potential conflict of interest situation for us to carry out our role as the Independent Adviser for the Proposals and UOBKH does not have any other professional relationship with Y&G in the past 2 years prior to the date of this IAL. Save for our current appointment as the Independent Adviser in relation to the Proposals which is the subject matter of the Circular, we do not have any other professional relationship with Y&G within the past 2 years before the LPD.

We are a holder of a Capital Markets Services Licence issued by the Securities Commission Malaysia as a Principal Adviser who is permitted to carry on the regulated activity of advising on corporate finance under the CMSA.

The corporate finance department of UOBKH supports clients in the areas of take-overs, mergers and acquisitions, initial public offerings, reverse take-overs, secondary equity issuance, capital markets coverage as well as independent advisory services. Our corporate finance team comprises experienced personnel with the requisite qualification and experience to provide amongst others, independent advice and render an opinion on the fairness and reasonableness of transactions relating to acquisitions, disposals and take-over offers.

Our credentials and recent experience as an independent adviser include, amongst others, the following:-

- (i) independent advice letter to the non-interested shareholders of Eden Inc. Berhad ("**Eden**") dated 9 January 2025 in relation to the proposed debt settlement due from Zil Enterprise Sdn Bhd to Stratavest Sdn Bhd, a wholly-owned subsidiary of Eden, by way of the transfer of a piece of leasehold land to Vista Legacy Sdn Bhd, a wholly-owned subsidiary of Eden;
- (ii) independent advice circular to the non-interested shareholders of LPI Capital Bhd ("**LPI**") dated 30 December 2024 in relation to the conditional mandatory take-over offer by Public Bank Berhad through Public Investment Bank Berhad to acquire all the remaining ordinary shares in LPI not already held by it;
- (iii) independent advice circular to the non-interested shareholders of Milux Corporation Berhad ("**Milux**") dated 9 December 2024 in relation to the unconditional mandatory take-over offer by ABS Capital Sdn Bhd through Maybank Investment Bank Berhad to acquire all the remaining ordinary shares in Milux not already held by it, Lim Aik Hoe, Lim Aik Kiat and Mak Wai Hoong;
- (iv) independent advice letter to the disinterested shareholders of MPHB Capital Berhad ("**MPHB**") dated 15 August 2024 in relation to the proposed selective capital reduction and repayment exercise of MPHB pursuant to Section 116 of the Companies Act 2016;
- (v) independent advice letter to the non-interested shareholders of Solarvest Holdings Berhad ("**Solarvest**") dated 9 August 2024 in relation to the proposed acquisition of 4 levels of office space with 200 parking bays and a rooftop retail unit of an ongoing high-rise tower development project identified as Solarvest Tower in Bangsar South;
- (vi) independent advice circular to the non-interested shareholders of KLK Sawit Nusantara Berhad ("**KLK**") dated 7 March 2024 in relation to the unconditional voluntary take-over offer by Kuala Lumpur Kepong Berhad through RHB Investment Bank Berhad to acquire all the remaining ordinary shares in KLK not already held by it;

- (vii) independent advice circular to the non-interested shareholders of Apollo Food Holdings Berhad ("**Apollo**") dated 18 January 2024 in relation to the unconditional mandatory take-over offer by Scoop Capital Sdn Bhd through Aminvestment Bank Berhad to acquire all the remaining ordinary shares in Apollo not already held by it;
- (viii) independent advice circular to the non-interested shareholders of Ewein Berhad ("**EB**") dated 17 July 2023 in relation to the unconditional mandatory take-over offer by Ooi Eng Leong through Aminvestment Bank Berhad to acquire all the remaining ordinary shares in EB not already held by him;
- (ix) independent advice letter from UOBKH to the non-interested shareholders of WCE Holdings Berhad ("**WCE**") dated 31 January 2023 in relation to the proposed disposal of the entire 40% equity interest in Radian Pillar Sdn Bhd;
- (x) independent advice letter from UOBKH to the entitled shareholders of Damansara Holdings Berhad ("**DHB**") dated 11 January 2023 in relation to the proposed selective capital reduction and repayment exercise of DHB pursuant to section 116 of the Act;
- (xi) independent advice circular to the non-interested shareholders of Pesona Metro Holdings Berhad ("**PMHB**") dated 3 January 2023 in relation to the unconditional mandatory take-over offer by Wie Hock Kiong and Kombinasi Emas Sdn Bhd through RHB Investment Bank Berhad to acquire all the remaining ordinary shares in PMHB not already held by them;
- (xii) independent advice circular to the non-interested shareholders of Meta Bright Group Berhad ("**MBGB**") dated 11 October 2022 in relation to the unconditional mandatory take-over offer by Leading Ventures Sdn Bhd through Malacca Securities Sdn Bhd to acquire all the remaining ordinary shares and warrants in MBGB not already held by it as well as Dato' Lee Wai Mun; and
- (xiii) independent advice circular to the non-interested shareholders of Olympia Industries Berhad ("**Olympia**") dated 18 August 2022 in relation to the conditional mandatory take-over offer by Duta Equities Sdn Bhd and Kenny Height Developments Sdn Bhd through RHB Investment Bank Berhad to acquire all the remaining ordinary shares in Olympia not already held by it as well as Tan Sri Dato' Yap Yong Seong and Puan Sri Datin Leong Li Nar.

4. DETAILS OF THE PROPOSALS

The full details of the Proposals are set out in **Section 2, Part A** of the Circular and should be read in its entirety.

5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED WITH THEM

As set out in **Section 9, Part A** of the Circular, save as disclosed below, none of the Directors, Major Shareholders and/ or persons connected with them have any interest, direct or indirect, in relation to the Proposals:-

- (i) Dato' Yap, the Executive Director and indirect major shareholder of Y&G through his interests in KASB, is also a director and major shareholder of NSSB, ARHSB and KWSB;
- (ii) Yap Jun Wei, a person connected to Dato' Yap, is an indirect major shareholder of Y&G through his interests in KASB. He is also a director and major shareholder of NSSB, ARHSB and KWSB. Dato' Yap and Yap Jun Wei are siblings;

- (iii) Dato' Sri Yap Seng Yew is the Managing Director of Y&G and indirect major shareholder of Y&G through his interests in KASB. He is the spouse of Datin Sri Gan Li Li and the father of Dato' Yap and Yap Jun Wei;
- (iv) Datin Sri Gan Li Li is the Deputy Managing Director of Y&G and indirect major shareholder of Y&G through his interests in KASB. She is the spouse of Dato' Sri Yap Seng Yew and the mother of Dato' Yap and Yap Jun Wei;
- (v) KASB, a major shareholder of Y&G is the investment holding company of Dato' Yap, Yap Jun Wei, Dato' Sri Yap Seng Yew and Datin Sri Gan Li Li in the shares of Y&G; and
- (vi) Gan Li Ching is a shareholder and director of NSSB, being the vendor for the Proposed Acquisition of Sepang Lands. She is the sister of Datin Sri Gan Li Li, who is the Deputy Managing Director of Y&G and indirect major shareholder of Y&G.

As at the LPD, the direct and indirect shareholdings of the Interested Parties in Y&G are set out below:-

	-----Direct----->		<-----Indirect----->	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
KASB	110,902,200	50.8	-	-
Dato' Yap	16,693,302	7.6	113,112,208 ⁽²⁾	51.8
Yap Jun Wei	17,263,450	7.9	110,902,200 ⁽³⁾	50.8
Dato' Sri Yap Seng Yew	6,621,600	3.0	117,589,583 ⁽²⁾	53.9
Datin Sri Gan Li Li	6,687,383	3.1	117,523,800 ⁽²⁾	53.8
Gan Li Ching	2,230,250	1.0	-	-

Notes:-

⁽¹⁾ Based on 218,478,320 Y&G shares as at the LPD.

⁽²⁾ Deemed interest by virtue of his/ her direct shareholding in KASB pursuant to Section 8 of the Act and by virtue of his/ her spouse's direct shareholding in the Company.

⁽³⁾ Deemed interest by virtue of his direct shareholding in KASB pursuant to Section 8 of the Act.

The interests of the Interested Parties and/ or persons connected with them (together with their course of actions in relation to the Proposals) are set out in **Section 9, Part A** of the Circular.

6. EVALUATION OF THE PROPOSALS

In evaluating the Proposals, we have taken into consideration the following factors in forming our opinion:-

No.	Area of evaluation	Section in this IAL
1	Rationale and justifications for the Proposals	Section 6.1
2	Basis and justification in arriving at the purchase consideration	Section 6.2
3	Effects of the Proposals	Section 6.3
4	Industry overview and outlook and future prospects	Section 6.4
5	Risk factors of the Proposals	Section 6.5
6	Salient terms of the SPA 1, SPA 2 and SSA	Section 6.6

6.1 Rationale and justifications for the Proposals

The rationale and justification of the Proposals as extracted from **Section 3, Part A** of the Circular and our commentaries are set out below:-

Y&G Group is principally involved in property development and construction activities.

The Proposals are carried out as part of the business of Y&G Group as a property developer, with the aim of enhancing its landbank for future development, thereby ensuring continued development opportunities for the Group going forward. As at the LPD, the Group's landbank comprises a total land area of 82 hectares (202.59 acres), covering Hulu Langat, Bukit Kemuning, Kuala Langat, Sepang, Gombak, Klang and Kuala Selangor. In addition, the Group's existing projects as at the LPD are as follows:

No.	Project name & Location	Type of development and no. of units	Commencement date	Expected completion date	% of completion	GDV RM'000	GDC RM'000	Take-up rate %	Billed RM'mil	Unbilled RM'mil
1.	Project Trifolia, Port Dickson, Negeri Sembilan	204 affordable townhouses units	Second quarter of 2024	Third quarter of 2026	Phase 1: 31%	53,000	45,000	78%	13.7	26.2
		354 affordable townhouses units	First quarter of 2026	Second quarter of 2027	Phase 2: -	92,000	78,000	-	-	-
2.	Project Hamlet, The Meadows, Kuala Selangor, Selangor	219 single storey terraced house units	Second quarter of 2024	Second quarter of 2026	Phase 1A: 42%	74,000	58,000	95%	21.7	54.4
		167 single storey terraced house units	Fourth quarter of 2024	First quarter of 2027	Phase 1B: 8%	58,000	41,000	64%	2.3	39.1
		74 single storey terraced house units	Fourth quarter of 2024	First quarter of 2027	Phase 1C: 8%	26,000	14,000	33%	0.04	8.7

For information, the Vendors have held the Sepang Lands, KS Land and BBST Lands via KWSB for a considerable number of years, i.e. 15 years, 14 years and 7 years respectively. The lands are located in different strategic locations and are either ready or near ready for development with more certainty, which represents an opportune moment for the Group to acquire. The Proposals will enable the Group to undertake and launch developments concurrently in multiple locations to capitalise on favourable market conditions and strengthen its long-term growth outlook, albeit the considerable amount of the costs to be committed.

The Vendors' earlier acquisition costs were relatively low, reflecting the market conditions and development status of the lands at that time. Over the years, the value of these lands has increased, proving the positive progress of surrounding infrastructure and developments.

In respect of KWSB, as set out in Section 2.3.1, Part A of the Circular, KWSB's external auditor, Messrs. Poh & Tan has included an emphasis of matter to draw attention to the MUGC, which arose mainly due to the interest expenses and project planning related expenses. Upon completion of the Proposals, KWSB is expected to commence development activities, which will allow certain interest expenses to be capitalised over the development period. The Proposed Development is anticipated to improve KWSB's financial position and address the MUGC matters.

In addition, notwithstanding the BBST Lands having been granted most of the approvals for the Proposed Development, it still needs to procure for building plan. It is the intention of Dato' Yap and Yap Jun Wei to grow Y&G into a relevant listed property development company. The Proposals, once completed, will enable Y&G to benefit from the current improvement in the property development sector. Additionally, whilst KWSB would need to procure the necessary resources to undertake the Proposed Development, Y&G has these resources readily available.

Premised on the above, the Board (save for the Interested Directors as set out in Section 9, Part A of this Circular) is of the view that the Proposals are in the best interest of the Group, as they support the expansion of the Group's property development business through the acquisition of new landbank for future projects.

Taking cognisance of the rationale for the Proposals as set out in **Section 3, Part A** of the Circular, we noted that that the Proposals are in line with the Group's business strategy to expand its property development business by increasing its present landbank in multiple locations for future property development projects to ensure continued development opportunities for the Group moving forward. The locations of the Subject Properties are strategic with good development potential attributable to the following factors:-

- (a) the Sepang Lands are situated within the sub-urban area of Dengkil in Sepang, Selangor and is accessible via several expressways including the North-South Expressway Central Link Highway (ELITE), North-South Expressway (PLUS) and West Coast Expressway (WCE). There are also nearby ongoing townships developments situated within the proximity of the Sepang Lands including Serenia City, Sunsuria City, Setia Warisan Tropika and Senna Puteri. The Sepang Lands are also expected to benefit from amongst others, its close proximity to Kuala Lumpur International Airport (KLIA), the development of the Northern KLIA Expressway (NLE) and upgrades to the Integrated Water Supply System (IWSS) in Sepang, factors of which contribute to the growing demand for developments in the area;
- (b) the KS Land is situated within Tanjong Karang, Kuala Selangor and is accessible given its proximity to expressways including the West Coast Expressway (WCE), Kuala Lumpur – Kuala Selangor Expressway (LATAR) and South Klang Valley Expressway (SKVE). The KS Land is also situated nearby Sekinchan and the Kuala Selangor Nature Park, both of which are popular tourist destinations that offers eco-tourism potential. The KS Land is also situated within the vicinity of several township developments including Taman Mutiara 1, Taman Intan and Hamlet @ Kuala Selangor, the latter of which is the Group's on-going residential development. Given the proximity of the KS Land to Hamlet @ Kuala Selangor, the Group may strengthen its market presence and brand familiarity within this area, which may contribute to increased demand for the Group's developments within the Kuala Selangor area; and

- (c) the BBST Lands are situated in an established township of Bandar Baru Salak Tinggi, which forms part of the prominent administrative centre of the District of Sepang. The BBST Lands are surrounded by a mix of residential neighborhoods, commercial establishments and institutional facilities. We also noted that the BBST Lands are relatively accessible given their proximity to the North-South Expressway Central Link Highway (ELITE) and North-South Expressway (PLUS) highways. The BBST Lands are also situated nearby institutions such as Xiamen University Malaysia and University Sains Islam Malaysia, contributing to the demand for student and faculty housing in the area. The presence of the Salak Tinggi ERL Station further enhances accessibility, offering connections to Kuala Lumpur International Airport (KLIA) and the Kuala Lumpur city centre.

Premised on the above, we are of the opinion that the rationale for the Proposals are reasonable and not detrimental to the interest of the non-interested shareholders of Y&G after taking into consideration the following:-

- (i) **the Proposals are in line with the Group's strategy to expand its property development business and increase the Group's landbank, in order to ensure continued development opportunities for the Group going forward. The Sepang Lands, KS Land and BBST Lands are strategically located with good accessibility and connectivity, and as such may have increased development potential moving forward.**

Y&G Group may stand to benefit from future revenue stream expected to be generated from the development of the Subject Properties in the long-term, in addition to the development of the Group's ongoing developments, Hamlet @ Kuala Selangor and Trifolia @ Port Dickson, both of which are expected to complete phase 1 of development in 2027 and 2026, respectively.

Further, the KS Land is situated within close proximity to the Hamlet @ Kuala Selangor. As and when the Group undertakes development on the KS Land, the Group may benefit from potential logistical efficiencies through the sharing of infrastructure and amenities with the ongoing development of Hamlet @ Kuala Selangor, thereby reducing overall transportation and related expenses.

The future development of the Subject Properties, which may be undertaken concurrently and in phases, serves to enhance the Group's development portfolio and grow the Group's market presence within the Sepang and Kuala Selangor areas as a property developer, while providing the Group with greater flexibility to optimise development sequencing, resource allocation and market positioning across its development projects;

- (ii) **we note that based on the audited financial statements of KWSB as at 30 June 2024, KWSB recorded net liabilities of RM11.44 million with its external auditors, namely Messrs. Poh & Tan issuing the MUGC. However, we also note that the net liability position of KWSB stems from interest expenses incurred in relation to the acquisition by KWSB of the BBST Lands and project planning expenses in relation to the Proposed Development. As such, upon the revaluation of the BBST Lands, the adjusted NA of KWSB is positive at RM82.72 million, reflecting the underlying market value of the BBST Lands rather than its historical accounting loss position. Upon completion of the Proposed Acquisition of KWSB and the commencement of the Proposed Development on the BBST Lands, Y&G expects to generate progressive cash inflows from the Proposed Development and the interest expenses can be capitalised throughout the development period;**

- (iii) Y&G anticipates to commence the Proposed Development on the BBST Lands by the second half of 2026, with initial billings expected by the second half of 2027. For illustrative purposes, assuming that phases 1A & 1B achieve a 60% take-up rate, Y&G as the developer will be entitled to approximately RM25.62 million (assuming a developer's profit of 15% of GDV) from the Proposed Development, as follows:-

		Phase 1A	Phase 1B	Total
GDV	(A)	143,908,150	140,756,611	284,664,761
Developer's profit (15% of GDV)	(B) = (A) × 15%	21,586,222	21,113,492	42,699,714
Assuming a 60% take-up rate	(C) = (B) × 60%	12,951,733	12,668,095	25,619,828

Following the commencement of the Proposed Development within the second half of 2026, Y&G anticipates to achieve the assumed 60% take-up rate for phase 1A and phase 1B within 9 to 12 months from the commencement date. With reference to the Valuation Report dated 20 August 2025, we note that the Independent Valuer had found that based on prevailing market practices and the risk profile of property development projects, a rate of return of approximately 15% to 20% is required for a developer to commit to a project development. In this regard, we are of the view that adopting a developer's profit margin of 15%, being the lower end of the range determined by the Independent Valuer is reasonable to illustrate a conservative forecast of the proceeds to be derived by Y&G from the Proposed Development. Additionally, we have adopted a 60% take-up rate as a conservative assumption after taking into consideration the take-up performance of comparable residential developments located within the proximity of the BBST Lands. These developments are situated within the same broader Salak Tinggi and Sepang area. The take-up rates for the comparables can be summarised as follows:-

Launch date for phase 1	Location	Type of development	Take-up rate for phase 1 (%)
November 2019	Bandar Baru Salak Tinggi	Residential township development	96
May 2022	Bandar Baru Salak Tinggi	Residential development	100

With the cash inflow over the course of the development of the BBST Lands, we note that KWSB may be able to generate sufficient cash flow to service its working capital requirements and debt obligations, including settling the repayment of advances to Dato' Yap of RM23 million as stipulated in the SSA. Despite KWSB not having any other major business, development projects and property assets, we take note of the immediate development potential of the BBST Lands, which have already obtained the requisite planning permission and associated development approvals for the Proposed Development. Accordingly, the presence of the planning permission mitigates regulatory and timing risks, allowing KWSB to initiate its monetisation process sooner and in line with the deferred payment timeframe as stipulated in the SSA.

- (iv) the Proposed Acquisition of KWSB is structured such that Y&G will gain access to the BBST Lands, prior to making full payment of the SSA Purchase Consideration, which shall be paid within 24 months from completion of the Proposed Acquisition of KWSB and is free of interest. With this, we opine that an outright acquisition of KWSB, compared to an alternative structure (such as a joint venture development agreement for the development of the BBST Lands), is more value accretive to the Y&G Group, given the following:-
- a joint venture structure would entail a profit-sharing structure with KWSB that may reduce the potential long-term return to Y&G from the Proposed Development whilst still requiring similar operational involvement and capital expenditure in relation to the development of the BBST Lands. Given that KWSB shall become a wholly-owned subsidiary of Y&G following the completion of the Proposed Acquisition of KWSB, Y&G will have the opportunity to enjoy the full returns from the development of the BBST Lands;
 - the deferred payment structure of the Proposed Acquisition of KWSB, wherein RM66.0 million or 80.5% of the purchase consideration is to be paid by Y&G within 24 months from the completion of the Proposed Acquisition of KWSB. With this, a portion of the cash flow requirements of the Proposed Acquisition of KWSB is alleviated, while providing Y&G with access to the BBST Lands; and
 - a joint venture structure would entail more complex financing documentation due to shared security arrangement and dual party risk. Further, the Proposals are undertaken as part of the Group's strategy to position itself in the Sepang and Kuala Selangor area, in which an outright acquisition would allow a seamless integration of the BBST Lands into Y&G's development strategy and facilitate unified branding, product mix and infrastructure planning. In view of this, the decision to acquire KWSB would allow the Group to consolidate the BBST Lands on a fully revalued basis, whereas a joint venture structure would forego the immediate asset consolidation; and
- (v) the positive outlook of the Malaysian property development industry and the prospects of the Subject Properties as set out in Section 5.2 and Section 5.3, Part A of the Circular, respectively.

Hence, we are of the view that the rationale and justifications for the Proposals are reasonable. Nevertheless, the non-interested shareholders of Y&G should note that the potential benefits arising from the Proposals, are subject to certain risk factors as disclosed in Section 4, Part A of the Circular.

6.2 Basis and justification in arriving at the purchase consideration

6.2.1 Proposed Acquisition of Sepang Lands

The basis and justification in arriving at the purchase consideration for the Proposed Acquisition of Sepang Lands as extracted from **Section 2.1.4, Part A** of the Circular and our commentaries are set out below:-

The purchase consideration of RM206.0 million was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the market value of the Sepang Lands, as appraised by the Independent Valuer, vide its Valuation Certificate dated 20 August 2025 using the Comparison Approach of valuation.

The Board (save for the Interested Directors) is of the view that the purchase consideration of RM206.0 million for the Proposed Acquisition of Sepang Lands is fair and justifiable based on the following:

- (i) the purchase consideration of RM206.0 million represents the fair market value of the Sepang Lands as ascribed by the Independent Valuer;*
- (ii) the future prospects of the Sepang Lands as set out in Section 5.3, Part A of the Circular; and*
- (iii) the rationale for the Proposals as set out in Section 3, Part A of the Circular.*

Methodologies and assumptions in arriving at the market value of the Sepang Lands

We note that the Independent Valuer had adopted the comparison approach as the sole valuation method in valuing the Sepang Lands and no other alternative method of valuation such as the residual method and cost method were considered as there is no planning approval obtained for the Sepang Lands, and such methods require many assumptions and eliminations of the cashflows and costs that would render the end result subjective.

For the comparison approach, the Independent Valuer took into consideration the sales and other relevant market evidences of similar land and making adjustments thereto for value affecting factors such as location, access, tenure, size, shape, market conditions and other factors of the comparables.

The basis of valuation adopted is the market value which is defined as the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction.

Premised on the foregoing, we concur that the comparison approach be used as the sole valuation methodology to determine the market value of the Sepang Lands, and consider the valuation method applied and adopted by the Independent Valuer in its valuation of the Sepang Lands is reasonable as:-

- (i) the Sepang Lands is a vacant parcel of land;
- (ii) the Sepang Lands is currently without the benefit of any approval or submission for development approval; and
- (iii) comparison approach provides a snapshot of market demand and supply conditions for similar types of properties which have been transacted.

The Independent Valuer took into consideration the sales and other relevant market evidence of similar land and making adjustments thereto for value affecting factors such as location, access, tenure, size, shape, market conditions and other factors of the comparables.

We note that the Independent Valuer considered the following past transactions as set out in the Valuation Certificate:-

Description	Comparable 1	Comparable 2	Comparable 3
Source	Jabatan Penilaian dan Perkhidmatan Harta Malaysia (" JPPH ")	JPPH	JPPH
Type of land	Five parcels of industrial land	A parcel of industrial land	A parcel of industrial land
Location	Located along Jalan Labohan Dagang-Nilai, Bandar Baru Salak Tinggi, Sepang, Selangor Darul Ehsan	Located along Jalan Dengkil-Banting, Dengkil, Sepang, Selangor Darul Ehsan	Located off Jalan 8, Kampung Olak Lempit, Banting, Selangor Darul Ehsan
Transaction date	7 October 2024	5 December 2023	8 August 2023
Tenure	Leasehold for 99 years. Term expiring on 16 December 2106, unexpired term approximately 82 years as at the date of transaction	Interest in perpetuity	Interest in perpetuity
Land area	106,606.34 square metres (" sq. m. ") (approximately 1,147,485 square feet (" sq. ft. "))	68,711.57 sq. m. (approximately 739,615 sq. ft.)	58,788.68 sq. m. (approximately 632,813 sq. ft.)
Consideration	RM68,849,960	RM34,021,061	RM39,500,000
Price per square feet (" psf ")	RM60.00 psf	RM46.00 psf	RM62.42 psf
Adjustments	General adjustments are made for various factors inclusive of location, tenure, size, and time factor		
Adjusted price psf	RM56.00 psf	RM50.00 psf	RM56.00 psf

Despite the difference in size between the Sepang Lands (4,139,047 sq. ft.) and comparables (ranging from 632,813 sq. ft. to 1,147,485 sq. ft.), we note that the Independent Valuer is of the opinion that the comparables are still relevant after taking into consideration, amongst others, the following:-

- (i) the comparables are industrial lands, which are of similar nature to the Sepang Lands; and
- (ii) the comparables were transacted in the second half of 2023 and second half of 2024 which reflects the latest industrial market trend in proximity to the Sepang Lands.

We are satisfied with the comparables adopted by the Independent Valuer, in view that necessary adjustments were made by the Independent Valuer to account for dissimilarity in size of the comparables, in addition to other adjustments such as time factor, location, and tenure, which thereby provides a reflective indicator for the Independent Valuer to gauge the market values of the Sepang Lands (comprising Lots 38081, 38082 and 7414).

Of the 3 comparables, the Independent Valuer has adopted comparable no. 1 as the most appropriate comparable due to the following characteristics:-

- (i) comparable 1 was transacted on 7 October 2024, being the most recent transaction; and
- (ii) comparable 1 is the nearest in size to the Sepang Lands.

From the above, the Independent Valuer has adopted a (rounded) value after adjustments of RM56.00 psf for the base lot (i.e. Lot 38081). We are of the view that the adopted value of RM56.00 psf, which was derived based on the adjusted land values of the comparable no. 1, is reasonable due to the following:-

- (i) the adjustments used by the Independent Valuer in deriving the respective adjusted land value of the comparable are reasonable, appropriate and consistent with generally applied valuation methodology. We have reviewed the key bases and assumptions adopted by the Independent Valuer and are satisfied with the reasonableness of the key bases and assumptions; and
- (ii) whilst comparable no. 1's adjusted land value of RM56.00 psf falls above the average adjusted land value for the comparables of RM54.00 psf, the selection of comparable no. 1 as the most appropriate comparable is reasonable as it was most recently transacted in October 2024, most similar in size, and has the least adjustments of -5%. In comparison, comparables 2 and 3 have adjustments of 10% and -10% respectively.

In respect of the remaining Lots 38082 and 7414 of the Sepang Lands, the Independent Valuer had adopted the value of RM44.80 psf and 50.40 psf, respectively, after adjustments were made for location, size and shape.

We concur that the comparison approach is considered as the best approach used to arrive at the market value of the Sepang Lands due to the fact that the Sepang Lands is a parcel of industrial land without any planning approval as at the date of the valuation, and there are recent transactions involving vacant lands of similar nature in the proximity to support the value of the Sepang Lands.

Premised on the above, we are of the view that the purchase consideration of RM206.0 million for the Proposed Acquisition of Sepang Lands is fair as it is equivalent to the market values of the Sepang Lands as ascribed by the Independent Valuer.

6.2.2 Proposed Acquisition of KS Land

The basis and justification in arriving at the purchase consideration for the Proposed Acquisition of KS Land as extracted from **Section 2.2.4, Part A** of the Circular and our commentaries are set out below:-

The purchase consideration of RM189.0 million was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the market value of the KS Land, as appraised by the Independent Valuer, vide its Valuation Certificate dated 20 August 2025 using the Comparison Approach of valuation.

The Board (save for the Interested Directors) is of the view that the purchase consideration of RM189.0 million for the Proposed Acquisition of KS Land is fair and justifiable based on the following:

- (i) the purchase consideration of RM189.0 million represents a discount of 1.56% to the market value of the KS Land of RM192.0 million as ascribed by the Independent Valuer;*
- (ii) the future prospects of the KS Land as set out in Section 5.3, Part A of the Circular; and*
- (iii) the rationale for the Proposals as set out in Section 3 Part A of the Circular.*

Methodologies and assumptions in arriving at the market value of the KS Land

We note that the Independent Valuer had adopted the comparison approach as the sole valuation method in valuing the KS Land and no other alternative method of valuation such as the residual method and cost method were considered as there is no planning approval obtained for the KS Land, and such methods require many assumptions and eliminations of the cashflows and costs that would render the end result subjective.

For the comparison approach, the Independent Valuer took into consideration the sales and other relevant market evidences of similar land and making adjustments thereto for value affecting factors such as location, access, tenure, size, shape, market conditions and other factors of the comparables.

The basis of valuation adopted is the market value which is defined as the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction.

Premised on the foregoing, we concur that the comparison approach be used as the sole valuation methodology to determine the market value of the KS Land and consider the valuation method applied and adopted by the Independent Valuer in its valuation of the KS Land is reasonable as:-

- (i) the KS Land is a vacant parcel of land;
- (ii) the KS Land is currently without the benefit of any approval or submission for development approval; and
- (iii) comparison approach provides a snapshot of market demand and supply conditions for similar types of properties which have been transacted.

The Independent Valuer took into consideration the sales and other relevant market evidence of similar land and making adjustments thereto for value affecting factors such as location, access, tenure, size, shape, market conditions and other factors of the comparables.

We note that the Independent Valuer considered the following past transactions as set out in the Valuation Certificate:-

Description	Comparable 1	Comparable 2	Comparable 3
Source	Bursa Securities	JPPH and Bursa Securities	JPPH and Bursa Securities
Type of land	Three contiguous parcels of development land	A parcel of development land	Eight parcels of development land
Location	Located to the south of Gamuda Cove, Kuala Langat, Selangor Darul Ehsan	Located along Jalan Bukit Badong, Bestari Jaya, Selangor Darul Ehsan	Located adjacent Gamuda Gardens, Rawang, Selangor Darul Ehsan
Transaction date	16 May 2025	8 March 2024	3 January 2023
Tenure	Leasehold for 99 years. Term expiring on 17 June 2098, unexpired term approximately 73 years as at the date of transaction	Interest in perpetuity	Interest in perpetuity
Land area	1,359,744 sq. m. (approximately 14,636,160 sq. ft.)	3,342,703 sq. m. (approximately 35,980,560 sq. ft.)	2,152,927 sq. m. (approximately 23,173,920 sq. ft.)
Consideration	RM248,700,000	RM335,680,438	RM360,000,000
Price psf	RM16.99 psf	RM9.33 psf	RM15.53 psf
Adjustments	General adjustments are made for various factors inclusive of location, tenure, size, shape and time factor		
Adjusted price psf	RM12.00 psf	RM12.00 psf	RM12.00 psf

We are satisfied with the comparables adopted by the Independent Valuer, in view that necessary adjustments were made by the Independent Valuer to account for dissimilarity in size of the comparables, in addition to other adjustments such as location, tenure and infrastructure, which thereby provides a reflective indicator for the Independent Valuer to gauge the market value of the KS Land.

Of the 3 comparables, the Independent Valuer has adopted comparable no. 2 as the most appropriate comparable as it is the nearest in distance to the KS Land.

From the above, the Independent Valuer has adopted a (rounded) value after adjustments of RM12.00 psf. We are of the view that the adopted value of RM12.00 psf, which was derived based on the adjusted land values of the comparable no. 2, is reasonable due to the following:-

- (i) the adjustments used by the Independent Valuer in deriving the respective adjusted land value of the comparable are reasonable, appropriate and consistent with generally applied valuation methodology. We have reviewed the key bases and assumptions adopted by the Independent Valuer and are satisfied with the reasonableness of the key bases and assumptions;
- (ii) comparable no. 2's adjusted land value of RM12.00 psf is the average adjusted land value for the comparables of RM12.00 psf, the selection of comparable no. 2 as the best comparable is reasonable as it was the closest in distance to the KS Land; and
- (iii) comparable 2 required the least adjustments, being a net upward adjustment of 25% to account for the time since transaction and the substantial size difference to the KS Land.

We concur that this comparison approach is considered as the best approach used to arrive at the market value of the KS Land due to the fact that the KS Land is a parcel of vacant land without any planning approval as at the date of the valuation, and there are recent transactions involving vacant lands of similar nature in the proximity to support the value of the KS Land.

Premised on the above, we are of the view that the purchase consideration of RM189.0 million for the Proposed Acquisition of KS Land is fair as it represents a discount of 1.56% of the market value of the KS Land of RM192.0 million.

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6.2.3 Proposed Acquisition of KWSB

The basis and justification in arriving at the purchase consideration for the Proposed Acquisition of KWSB as extracted from **Section 2.3.3, Part A** of the Circular and our commentaries are set out below:-

The purchase consideration of RM82.0 million was arrived at on a "willing-buyer willing-seller" basis and the Board is of the opinion that the purchase consideration is fair and reasonable after taking into consideration the following:-

- (i) *adjusted NA of KWSB as at 30 June 2024, considering the revaluation surplus arising from the market value of BBST Lands of RM170.0 million, as appraised by the Independent Valuer, vide its Valuation Certificate dated 20 August 2025 using the Income Approach (by way of Residual Method) of valuation computed as follows:-*

	RM'000	RM
Audited net liabilities of KWSB as at 30 June 2024		(11,442,362)
Add: Revaluation surplus of the BBST Lands -		
- Market value of BBST Lands	170,000,000	
- Less: Audited net book value of the BBST Lands as at 30 June 2024	<u>(46,097,689)</u>	
Surplus	123,902,311	
Deferred tax at 24%	<u>(29,736,555)</u>	
Net surplus		94,165,756
Adjusted NA of KWSB		<u>82,723,394</u>

Based on the computation above, the purchase consideration represents a slight discount of 0.87% to the adjusted NA of KWSB as at 30 June 2024.

- (ii) *the future prospects of the BBST Lands as set out in Section 5.3, Part A of the Circular; and*
- (iii) *the rationale for the Proposals as set out in Section 3, Part A of the Circular.*

We did not evaluate KWSB using the earnings-based valuation methods because the use of the valuation methods such as price-to-earnings ratio and the enterprise value/ earnings before interest, tax, depreciation and amortisation ratio are not appropriate as KWSB has substantial property-related assets that are carried at their historical cost or book values. In addition, the earnings based valuation methods are also not appropriate as KWSB is currently in a net loss position.

For the purpose of assessing the value of KWSB, we have adopted the asset-based valuation approach using the revalued net asset valuation ("**RNAV**") method, which is considered the most appropriate basis of valuation for asset-based companies. This is premised on the fact that substantial property-related assets of such companies may be recorded at historical cost or book value in their financial statements, which may not reflect prevailing market values. The RNAV analysis, inter alia, assumes the existence of ready and willing purchasers for each of the underlying assets on a fully revalued basis, and that such disposals can be effected in an efficient manner, without undue time constraints and without taking into consideration other market factors that may otherwise influence the sale process. The market values ascribed to the underlying assets are typically derived from valuations conducted by independent professional valuers.

We have also considered the deferred tax liabilities when using the RNAV method. Pursuant to paragraph 51 of MFRS 112, the measurement of the deferred tax liabilities would follow the manner in which the entity expects to recover the carrying amounts of its assets. As Y&G intends to sell the units to be developed on the BBST Lands, it will be subject to corporate tax in the future and thus deferred tax liabilities is computed at 24%.

Methodologies and assumptions in arriving at the market value of the BBST Lands

We note that the Independent Valuer had adopted the income approach as the sole valuation method in valuing the BBST Lands as it best reflects the interest being valued, namely the net development land available after deducting areas that have been surrendered for roads, utilities, and other public purposes. Due to the subdivision of the BBST Lands, the comparison approach was not adopted as there was difficulty in identifying comparable properties within the vicinity of the BBST Lands that have also been subdivided.

For the income approach, the Independent Valuer took into consideration the GDV of the proposed development on the BBST Lands and deducting the total estimated development costs, professional fees, finance charges, and an appropriate developer's profit margin. The basis of valuation adopted is the market value which is defined as the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction. The residual is the value of the BBST Lands and this is deferred for the period of development to arrive at the current market value of the site today.

Premised on the foregoing, we concur that the income approach be used as the sole valuation methodology to determine the market value of the BBST Lands and consider the valuation method applied and adopted by the Independent Valuer in its valuation of the BBST Lands is reasonable, due to the following:-

- (i) the BBST Lands have been granted with the relevant development approvals;
- (ii) the income approach allows the Independent Valuer to consider the projected GDV of the proposed development, from which the relevant costs and profit margin are deducted to derive the residual value of the land; and
- (iii) there is difficulty in identifying comparable properties within the vicinity that have also been subdivided when using the comparison approach.

The BBST Lands was originally granted an approval for development comprising residential and commercial components as per approved by Master Layout Plan dated 8 August 1995. The approval for extension (renewal) and an amendment of part of the previously approved Master Layout Plan has been granted as per letters issued by Majlis Perbandaran Sepang bearing dated 11 January 2022 and 31 January 2024, respectively. The proposed development components have been issued with 569 individual titles which are designated for double-storey terraced house units, townhouse units, apartment units, Rumah Selangorku ("RSKU") units, vacant detached house plots, terraced shop office units and commercial plots, the details of the proposed development and the type and breakdown of proposed development are as follows:-

Phase	Type of development and no. of units	Expected commencement date	Expected completion date	GDV	GDC
				RM'000	RM'000
1A	174 double storey terraced house units			143,908	96,711
1B	286 stratified townhouse units	Second half of 2026	Second half of 2030	140,757	77,878
2A1	970 apartment units			221,614	179,248
2A2	1,007 RSKU units	Second half of 2027	Second half of 2032	221,614	171,227
2B	246 vacant detached house plots	First quarter of 2028	First quarter of 2031	146,043	65,479
2C	142 double storey shop office units	Second half of 2029	Second half of 2033	147,978	116,996
3	3 vacant commercial plots	First quarter of 2029	First quarter of 2032	151,349	86,594

When using the income approach, the Independent Valuer had used the parameters as follows:-

Main parameters

Remarks

GDV

GDV of each phase is as follows:-

Phase	GDV
1A	RM143,908,150
1B	RM140,756,611
2A1	RM221,613,750
2A2	RM221,613,750
2B	RM146,043,100
2C	RM147,978,000
3	RM151,349,034
Total GDV	RM1,173,262,395

GDC

GDC of each phase is as follows:-

Phase	GDC
1A	RM96,711,216
1B	RM77,878,102
2A1	RM179,247,832
2A2	RM171,226,936
2B	RM65,479,066
2C	RM116,995,681
3	RM86,593,706
Total GDC	RM794,132,539

Developer's Profit

15% of GDV of all non-affordable components

Development Period

7 years

Present value factor

6.75%

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GDV

The Independent Valuer has adopted the comparison approach for transacted prices of similar properties within the surrounding neighbourhood as a guide in deriving the proposed selling price. The recent comparable transactions of each type of development component within the neighbourhood which are pertinent to substantiate a market value indication for the BBST Lands are as follows:-

Component (Saleable Area)	Rate adopted (Average)	Explanation																					
174 double storey terraced houses (floor area: 1,630 to 1,819 sq. ft. each)	RM406.69 psf	Reference was made to the following comparables:- <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Comparable</th> <th>Floor area (sq. ft.)</th> <th>Transacted price (Date)</th> </tr> </thead> <tbody> <tr> <td>Double storey terraced houses in Greenwoods, M Senyum, Saujana KLIA and Setia Warisan Tropika</td> <td>1,500 to 1,900</td> <td>RM373.33 psf to RM401.40 psf (2024)</td> </tr> <tr> <td>Townhouse units in Taman Salak Mulia, Taman Orkid and Ayden Kota Warisan</td> <td>1,012 to 1,539</td> <td>RM366.17 psf to RM389.79 psf (2022 to 2024)</td> </tr> <tr> <td>Apartment units in Seroja Hills, Residensi Lili and Casa Dahlia</td> <td>854 to 1,109</td> <td>RM383.32 psf to RM480.16 psf (2023 to 2025)</td> </tr> <tr> <td>Double storey terraced shop/ offices in Senna Puteri, Saujana KLIA and Taman Desa Cempaka</td> <td>2,700 to 3,352</td> <td>RM375.43 psf to RM447.49 psf (2023 to 2025)</td> </tr> <tr> <td>Vacant detached house plots in Taman Jenderam Harmoni, Kota Warisan and Nilai Spring Heights</td> <td>5,522 to 24,852</td> <td>RM87.52 psf to RM127.67 psf (2023 to 2025)</td> </tr> <tr> <td>Vacant commercial plots in Cyberjaya, Kajang and Nilai</td> <td>26,276 to 139,807</td> <td>RM128.71 psf to RM154.60 psf (2023 to 2024)</td> </tr> </tbody> </table> <p>Adjustments were made to take into consideration time factor, location, size, shape, tenure and discount to the units allocated for Bumiputera buyers.</p>	Comparable	Floor area (sq. ft.)	Transacted price (Date)	Double storey terraced houses in Greenwoods, M Senyum, Saujana KLIA and Setia Warisan Tropika	1,500 to 1,900	RM373.33 psf to RM401.40 psf (2024)	Townhouse units in Taman Salak Mulia, Taman Orkid and Ayden Kota Warisan	1,012 to 1,539	RM366.17 psf to RM389.79 psf (2022 to 2024)	Apartment units in Seroja Hills, Residensi Lili and Casa Dahlia	854 to 1,109	RM383.32 psf to RM480.16 psf (2023 to 2025)	Double storey terraced shop/ offices in Senna Puteri, Saujana KLIA and Taman Desa Cempaka	2,700 to 3,352	RM375.43 psf to RM447.49 psf (2023 to 2025)	Vacant detached house plots in Taman Jenderam Harmoni, Kota Warisan and Nilai Spring Heights	5,522 to 24,852	RM87.52 psf to RM127.67 psf (2023 to 2025)	Vacant commercial plots in Cyberjaya, Kajang and Nilai	26,276 to 139,807	RM128.71 psf to RM154.60 psf (2023 to 2024)
Comparable	Floor area (sq. ft.)		Transacted price (Date)																				
Double storey terraced houses in Greenwoods, M Senyum, Saujana KLIA and Setia Warisan Tropika	1,500 to 1,900		RM373.33 psf to RM401.40 psf (2024)																				
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Vacant detached house plots in Taman Jenderam Harmoni, Kota Warisan and Nilai Spring Heights	5,522 to 24,852		RM87.52 psf to RM127.67 psf (2023 to 2025)																				
Vacant commercial plots in Cyberjaya, Kajang and Nilai	26,276 to 139,807		RM128.71 psf to RM154.60 psf (2023 to 2024)																				
286 stratified townhouse units (floor area: 1,400 sq. ft. each)	RM346.91 psf																						
970 apartment units (floor area: 1,000 sq. ft.)	RM450.00 psf																						
113 double storey terraced shop/office units (floor area: 2,659 to 4,665 sq. ft.)	RM406.21 psf																						
2 vacant detached house plots (land area: 58,125 to 60,934 sq. ft.)	RM58.46 psf																						
244 vacant detached house plots (land area: 4,004 to 12,701 sq. ft.)	RM102.22 psf																						
3 vacant commercial plots (land area: 23,982 to 47,716 sq. ft.)	RM125.00 psf																						
199 RSKU 2.0 units (floor area: 700 to 900 sq. ft.)	RM163.67 psf	As per ceiling prices based on Dasar Perumahan Mampu Milik Negeri Selangor (Rumah Selangorku 2.0).																					
804 RSKU 3.0 units (floor area: 750 to 900 sq. ft.)	RM255.00 psf	As per ceiling prices based on Dasar Perumahan Mampu Milik Negeri Selangor (Rumah Selangorku 3.0).																					
29 single storey affordable terraced shop units (floor area: 1,200 sq. ft.)	RM100.00 psf	As per ceiling price based on Manual Garis Panduan Dan Piawaian Perancangan Negeri Selangor.																					

Terraced House

The average selling price of RM406.69 psf for the terraced houses as part of the proposed development on the BBST Lands is adopted by the Independent Valuer after taking into consideration of the transacted price of similar units of development in the neighbourhood of the BBST Lands as follows:-

No.	Location	Saleable floor area (sq. ft.)	Transacted price	Transaction date
1	A double storey terraced house located in Taman Saujana KLIA, Sepang, Selangor Darul Ehsan	1,750	RM400.00	October 2024
2	A double storey terraced house located in Setia Warisan Tropika, Kota Warisan, Selangor Darul Ehsan	1,900	RM382.11	October 2024
3	A double storey terraced house located in Greenwoods Cendana @ Salak Tinggi, Bandar Baru Salak Tinggi, Selangor Darul Ehsan	1,500	RM373.33	August 2024
4	A double storey terraced house located in Phase 2 of M Senyum, Bandar Baru Salak Tinggi, Selangor Darul Ehsan	1,550	RM401.40	May 2024
Market range of average selling price psf of terraced houses				RM373.33 to RM401.40

Based on the above range, we noted that the Independent Valuer had adopted the average selling price at RM406.69 psf after having made the necessary adjustments from the comparables including time, location, tenure and size, for each type of terraced houses in the proposed development. We are of the view that it is reasonable and concur with the Independent Valuer that the adjusted value of RM406.69 psf is fair and reflective of the market conditions.

Townhouses

The average selling price of RM346.91 psf for the townhouses as part of the proposed development on the BBST Lands is adopted by the Independent Valuer after taking into consideration of the transacted price of similar units of development in the neighbourhood of the BBST Lands as follows:-

No.	Location	Saleable floor area (sq. ft.)	Transacted price	Transaction date
1	A townhouse unit located in Taman Salak Mulia, Sepang, Selangor Darul Ehsan	1,012	RM384.45	December 2024
2	A townhouse unit located in 28 Residence @ Taman Orkid, Bandar Baru Salak Tinggi, Selangor Darul Ehsan	1,539	RM389.79	August 2024
3	A townhouse unit located in Ayden Townhouse, Kota Warisan, Sepang, Selangor Darul Ehsan	1,475	RM366.17	July 2022
Market range of average selling price psf of townhouses				RM366.17 to RM389.79

Based on the above range, we noted that the Independent Valuer had adopted the average selling price at RM346.91 psf after having made the necessary adjustments from the comparables including time, location, size and tenure, for each type of townhouse in the proposed development. We are of the view that it is reasonable and concur with the Independent Valuer that the adjusted value of RM346.91 psf is fair and reflective of the market conditions.

Apartment

The average selling price of RM450.00 psf for the apartment units as part of the proposed development on the BBST Lands is adopted by the Independent Valuer after taking into consideration of the transacted price of similar units of development in the neighbourhood of the BBST Lands as follows:-

No.	Location	Saleable floor area (sq. ft.)	Transacted price	Transaction date
1	An apartment unit located in Seroja Hills Condominium, Bandar Baru Salak Tinggi, Selangor Darul Ehsan	1,109	RM383.32	March 2025
2	An apartment unit located in Residensi Lili @ Taman Bucida Hijauan, Green Beverly Hills, Nilai, Negeri Sembilan Darul Khusus	958	RM480.16	February 2025
3	An apartment unit located in Seroja Hills Condominium, Bandar Baru Salak Tinggi, Selangor Darul Ehsan	1,109	RM383.32	April 2024
4	An apartment unit located in Casa Dahlia, Taman Dahlia, Bandar Baru Salak Tinggi, Selangor Darul Ehsan	854	RM386.42	April 2023
Market range of average selling price psf of apartment units				RM383.32 to RM480.16

Based on the above range, we noted that the Independent Valuer had adopted the average selling price at RM450.00 psf after having made the necessary adjustments including time, location, size and tenure, for apartment units in the proposed development. We are of the view that it is reasonable and concur with the Independent Valuer that the adjusted value of RM450.00 psf is fair and within range of the market conditions.

Shop office

The average selling price of RM406.21 psf for the shop office units as part of the proposed development on the BBST Lands is adopted by the Independent Valuer after taking into consideration of the transacted price of similar units of development in the neighbourhood of the BBST Lands as follows:-

No.	Location	Saleable floor area (sq. ft.)	Transacted price	Transaction date
1	A double storey terraced shop/office located in Senna Exchange @ Senna Puteri, Bandar Baru Salak Tinggi, Selangor Darul Ehsan	3,352	RM447.49	Developers price
2	A double storey terraced shop/office located in Saujana KLIA, Sepang, Selangor Darul Ehsan	2,930	RM375.43	September 2024
3	A double storey terraced shop/office located in Taman Desa Cempaka, Nilai, Negeri Sembilan Darul Khusus	2,700	RM407.41	October 2023
Market range of average selling price psf of shop offices				RM375.43 to RM447.49

Based on the above range, we noted that the Independent Valuer had adopted the average selling price at RM406.21 psf after having made the necessary adjustments including time, location, size and tenure, for shop offices in the proposed development. We are of the view that it is reasonable and concur with the Independent Valuer that the adjusted value of RM406.21 psf is fair and within range of the market conditions.

Vacant detached house plot

The average selling price of RM58.46 psf and RM102.22 psf for the vacant detached house plots on the BBST Lands is adopted by the Independent Valuer after taking into consideration of the transacted price of similar units of development in the neighbourhood of the BBST Lands as follows:-

No.	Location	Saleable land area (sq. ft.)	Transacted price	Transaction date
1	A detached house plot located in Taman Jenderam Harmoni, Dengkil, Selangor Darul Ehsan	5,522	RM127.67	February 2025
2	A detached house plot located in Kota Warisan, Sepang, Selangor Darul Ehsan	7,998	RM87.52	January 2024
3	Three detached house plots located in Nilai Spring Heights, Nilai, Negeri Sembilan Darul Khusus	24,852	RM90.00	March 2023
Market range of average selling price psf of vacant detached house plots				RM87.52 to RM127.67

Based on the above range, we noted that the Independent Valuer had adopted the average selling price at RM58.46 psf and RM102.22 psf after having made the necessary adjustments including time, location, tenure, size and shape, for vacant detached house plots in the proposed development. We are of the view that it is reasonable and concur with the Independent Valuer that the adjusted value of RM58.46 psf and RM102.22 psf is fair and reflective of the market conditions.

Commercial plot

The average selling price of RM125.00 psf for the vacant commercial plots on the BBST Lands is adopted by the Independent Valuer after taking into consideration of the transacted price of similar units of development in the neighbourhood of the BBST Lands as follows:-

No.	Location	Saleable land area (sq. ft.)	Transacted price	Transaction date
1	A commercial plot located along Persiaran Cyber Selatan, Cyberjaya, Selangor Darul Ehsan	51,346	RM157.75	September 2024
2	A commercial plot located along Jalan Teknokrat 4, Cyberjaya, Selangor Darul Ehsan	70,506	RM154.60	May 2024
3	A commercial plot located along Jalan Bukit Angkat, Kawasan Perusahaan Bukit Angkat, Kajang, Selangor Darul Ehsan	26,276	RM128.71	April 2024
4	A commercial plot located along Jalan BBD 1/7D, Nilai Square Commercial Centre, Nilai, Negeri Sembilan Darul Khusus	139,807	RM135.90	October 2023
Market range of average selling price psf of commercial plots				RM128.71 to RM157.75

Based on the above range, we noted that the Independent Valuer had adopted the average selling price at RM125.00 psf after having made the necessary adjustments including time, location, tenure and size, for commercial plots in the proposed development. We are of the view that it is reasonable and concur with the Independent Valuer that the adjusted value of RM125.00 psf is fair and reflective of the market conditions.

We are of the view that the total GDV adopted is fair and reasonable after taking into consideration the following:

- (i) the Independent Valuer compiled transacted prices of similar or substitute properties to each development component within the surrounding area as comparable to the proposed development of the BBST Lands;**
- (ii) adjustments made by the Independent Valuer for differences in time, location, access, size, shape and tenure to the arrive at the proposed selling price of each development component, and**
- (iii) the Independent Valuer had assumed that 50.00% of the proposed development will be sold to Bumiputera purchasers at a selling price of 7.00% to 10.00% discount to the market rate, which is reflective of industry standards.**

GDC

A summary of the parameters of the GDC adopted by the Independent Valuer is tabulated as follows:

Item	Rate adopted	UOBKH's comments
Construction cost	RM105.00 psf to RM210.00 psf	The Independent Valuer's enquiries with contractors and cost consultants revealed that the range adopted is in line with the market. We are of the view that this is reasonable.
Professional fee	5% of total construction cost	We noted that the Independent Valuer has made reference to the records of similar developments and enquiries with the respective professionals involved to derive the adopted rate of 5%. We are of the view that an estimate of 5% of the total preliminary construction cost is reasonable.

Developer's profit, Development period and present value rate

The Independent Valuer has found that the rate of return of about 15% to 20% is required for a developer to commit to a project development. The Independent Valuer had adopted 15% of the GDV for the Development as fair representation and reflective of the industry average. We note that the developer's profit is a reward to developers for initiating and facilitating the development and assuming a level of risk as property development is perceived to be riskier. We are of the view that the adopted developer's profit is reasonable.

The Independent Valuer has adopted a development period of 7 years (3 to 4 years for the construction of each phase to complete). We consider the development period of 7 years to be reasonable as under the Housing Developer (Control and Licensing) Act, it is stated that the minimum development period is 36 months (strata properties) from the signing of the sale & purchase agreement.

The Independent Valuer has adopted a present value rate of 6.75% in the valuation of the BBST Lands after benchmarking against current lending rates adopted by financial institutions in Malaysia. We consider the present value rate of 6.75% as reasonable after taking into account the commercial risk in the property development business as a whole.

We are of the view that the purchase consideration for the Proposed Acquisition of KWSB is fair due to the following:-

- (i) it is at a discount to the adjusted NA of KWSB, which has factored in the net liabilities ("NL") position of KWSB, and the revaluation surplus of the BBST Lands;**
- (ii) the market value of the BBST Lands of RM170.0 million after incorporating the deferred taxation is applied to the NL of KWSB as at 30 June 2024 to arrive at the appraised value of KWSB; and**
- (iii) save for the BBST Lands, KWSB does not have any other major business, development projects, land bank and property assets.**

6.3 Effects of the Proposals

The effects of the Proposals on the issued share capital, substantial shareholders' shareholdings, earnings and EPS, NA, NA per Share and gearing as extracted from **Section 6, Part A** of the Circular and our comments are as follows:-

6.3.1 Issued share capital and substantial shareholders' shareholding

"The Proposals will not have any effect on the issued share capital in the Company as it does not involve any issuance of new Y&G Shares."

We noted that the Proposals do not involve any issuance of new Y&G Shares. As such, the Proposals will not have any dilutive effect on the issued share capital and substantial shareholders' shareholding in the Company.

6.3.2 NA per Share and gearing

"The proforma effects of the Proposals on the NA and gearing of Y&G Group, based on the latest audited consolidated statement of financial position of Y&G Group as at 31 December 2024, is set out below:

	Audited	
	As at 31 December 2024	After the Proposals
	RM'000	RM'000
Share capital	218,478	218,478
Retained earnings	100,294	98,737 ⁽¹⁾
NA attributable to owners of the Company	318,772	317,215
Non-controlling interest	488	488
Total equity/ NA	319,260	317,703
No. of shares in issue	218,478,320	218,478,320
NA per share (RM)	1.46	1.45
Total borrowings ⁽²⁾	47,135	345,635
Gearing (times)	0.15	1.09

Notes:-

⁽¹⁾ After accounting for the estimated expenses of the Proposals of RM1.6 million, the breakdown of which are as follows:-

Description	Estimated cost
	RM'000
Professional fees ^(a)	1,339
Stamping related fees	246
	1,585

Note:

(a) Includes advisory/professional fees for, amongst others, the Company's Principal Adviser, Solicitors, Independent Valuer, Independent Adviser and Reporting Accountant

⁽²⁾ Assuming the total purchase considerations for the Proposals of RM477.0 million are 50% funded by bank borrowings, amounting to RM238.5 million of borrowings to be undertaken by the Group, and consolidating RM60.0 million in borrowings in KWSB upon completion of the Proposed Acquisition of KWSB.

For shareholders' information, the Company has deliberated to not consider a combination of cash and equity fundraising, as such alternatives would result in permanent dilution to existing shareholders. The current financing arrangement with deferred payment terms is therefore considered a viable non-dilutive approach, allowing the Company to preserve the flexibility to undertake future equity fundraising if and when strategically necessary, as well as not being detrimental to the interests of the Group.

This financing arrangement ensures that the Group's cash flow will be managed prudently and sustainably over the development cycle. It also enables the Group to take possession of the Subject Properties earlier and commence the planning and preparatory works for the proposed developments without delay. As a result, the Group can initiate its monetisation process sooner, and in line with the deferred payment terms, bringing forward potential revenue generation, despite the long gestation period before contributing positively to earnings and cashflows.

While the Group's pro forma gearing is expected to increase to 1.09 times as a result of the Proposals, the Board is confident that the Group's existing cash flows from operations are sufficient to sustain the financing arrangement, pending the proceeds to be generated from the proposed development of the lands, and this represents a strategic and timely investment opportunity, enabling Y&G to capitalise on favourable market conditions and strengthen its long-term growth outlook before the market value of the lands continue to appreciate further.

Considering the above, the Board is of the view that the Proposals remain in the best interest of the Group. The anticipated benefits arising from the future property development of the Sepang Lands, KS Lands and BBST Lands are expected to enhance the Group's overall financial performance over the medium to long term. Furthermore, given the nature of the Proposals being a landbanking exercise, the acquired Sepang Lands, KS Lands and BBST Lands will provide asset backing for the additional borrowings to be assumed."

Pursuant to the completion of the Proposals and based on the latest audited financial statements of the Group as at 31 December 2024, the illustrative proforma effects show the following:-

- (i) Minimal impact to the NA of RM319.26 million and NA per share of RM1.46 as at 31 December 2024; and**
- (ii) An increase in the gearing of the Group from 0.15 times to 1.09 times arising from the indicative additional bank borrowings of RM238.5 million to be utilised by the Group to partially fund the purchase considerations of the Proposals, and consolidating RM60.0 million in borrowings of KWSB. We note that the gearing ratio of 1.09 times is relatively high and indicates that Y&G would be more reliant on borrowings to finance its operational requirements. Hence, it may be more challenging for the Group to service its borrowings in the event it is unable to generate sufficient cash flow from its business operations. Further, this may reduce the Group's credit profile and ability to secure additional borrowings in the future.**

Further, assuming that the Group secures the illustrative additional bank borrowings of RM238.5 million, the enlarged borrowings will give rise to a material increase in the Group's finance costs, thereby raising its fixed financial commitments. In the event that the Group's existing projects such as the Hamlet @ Kuala Selangor and Trifolia @ Port Dickson are delayed, construction progress is slower than anticipated, or sales take-up rates do not achieve the targeted levels, the Group's operating cash flow may not be sufficient to service these additional borrowings. This may in turn constrain the Group's working capital position, reduce funds available for other operational requirements and place pressure on the timing of cash inflows to service these debt obligations. Further, we note that the higher gearing level may subject the Group to more stringent financing terms, including tighter covenants on gearing ratios and interest coverage. Any breach of such covenants may also adversely impact the Group's liquidity.

Based on further enquiries with the management of Y&G, we noted that the Group's two (2) ongoing development projects, Hamlet @ Kuala Selangor and Trifolia @ Port Dickson, are both expected to complete phase 1 of development in 2027 and 2026, respectively. The Group expects to continue receiving the proceeds from the sale of units in the developments, whereby the proceeds can be used to alleviate the cash flow constraints to arise from the indicative additional bank borrowings. The status of the aforementioned projects is as follows:-

Project name	Take-up rate %	Total unbilled amount as at the LPD RM'mil
Hamlet @ Kuala Selangor	65	26.2
Trifolia @ Port Dickson (Phase 1)	60	102.2

Additionally, we note that Y&G anticipates to commence the Proposed Development on the BBST Lands by the second half of 2026, with initial billings expected by the second half of 2027. Based on current development parameters, including the estimated GDV, anticipated take-up rates and selling prices, KWSB may be able to generate sufficient cash inflows over the development period to service its working capital requirements and debt obligations, pursuant to the Proposals.

Nevertheless, the actual increase in the gearing level will depend on the actual quantum of bank borrowings obtained by Y&G to finance the Proposals. We also take note of the capital-intensive nature of the property development industry, whereby property developers may rely on external borrowings to fund land acquisitions, working capital requirements and development expenditures. While the higher gearing introduces additional financial and operational risk, these risks can be mitigated through prudent financial and operational management.

Accordingly, we are of the view that the successful mitigation of this risk is contingent upon the Group's ability to complete its development projects on a timely basis and to achieve the projected sales and cash flows from its ongoing developments, namely Hamlet @ Kuala Selangor and Trifolia @ Port Dickson.

6.3.3 Earnings and EPS

"The Proposals are not expected to have any immediate material effect on the earnings of the Group. However, the Board believes that the Proposals will contribute positively to the Group's future earnings and EPS as the Group expands its property development business in the future."

The Proposals are not expected to have any immediate material effect on the earnings and EPS of Y&G Group for the FYE 31 December 2024. Further, over the longer-term horizon, Y&G Group may stand to benefit from capital appreciation of the Sepang Lands, KS Land and BBST Lands arising from the future development of the Subject Properties as well as the commercial and industrial developments within the proximity of the Subject Properties.

Premised on the above, we are of the view that the financial effects of the Proposals are not detrimental to the interests of the non-interested shareholders of Y&G.

6.4 Industry overview and outlook and future prospects

6.4.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 4.4% in the second quarter of 2025 (1Q 2025: 4.4%), driven by robust domestic demand. Household spending was higher amid positive labour market conditions and income-related policy measures, including the upward revision of minimum wage and civil servant salaries. Of significance, both private and public investments recorded stronger expansion, supported by the realisation of new and existing projects. In the external sector, export growth was slower due mainly to lower commodities-related exports. This was partially offset by continued electrical and electronics exports and robust tourism activity. At the same time, import growth was higher, driven by strong demand for capital goods, reflecting higher investment activities. On the supply side, growth was driven by the services and manufacturing sectors. The services sector was supported by consumer-related and Government services. Steady growth in domestic-oriented clusters underpinned the performance in the manufacturing sector. Overall growth was weighed down by a contraction in the mining sector amid lower commodities production. On a quarter-on-quarter, seasonally-adjusted basis, growth expanded by 2.1% (1Q 2025: 0.7%).

(Source: Economic and Financial Developments in Malaysia in the Second Quarter of 2025, Bank Negara Malaysia)

The growth in 2025 is projected between 4.5% and 5.5%, supported by a resilient external sector, benefitting from improved global trade and stronger demand for electrical and electronics goods, leveraging the country's strategic position within the semiconductor supply chain. Additionally, robust domestic demand, fuelled by strong private sector expenditure, will support the expansion, through continued implementation of key national master plans and ongoing initiatives. A pertinent initiative which is the Government-linked Enterprises Activation and Reform Programme (GEAR-uP), will synergise efforts across government-linked entities to catalyse growth in high growth sectors, encompassing energy transition, advanced manufacturing, food security, healthcare, Islamic finance and biopharmaceuticals. The potential investment from this initiative is expected to amount to RM120 billion over the span of five years. On the production side, most sectors are expected to expand, highlighting the resilience and agility of Malaysia's economy.

(Source: Economic Outlook 2025, Ministry of Finance Malaysia)

6.4.2 Overview and outlook of the property development industry in Malaysia

Malaysia's property market is poised for a significant shift in 2025, supported by ongoing economic recovery, urbanisation and strategic investments in key sectors. Recent analyses suggest that property prices are set to rise, underpinned by robust demand in urban centres and the growing influence of industrial property developments. With these dynamics in play, Malaysia's real estate landscape offers both opportunities and challenges for stakeholders.

The nation's post-pandemic economic recovery has gained momentum, creating an environment ripe for increased property demand. Key urban areas, including Kuala Lumpur, Penang and Johor Bahru, are experiencing heightened interest as more Malaysians and expatriates migrate to cities for employment opportunities and better quality of life. This urbanisation trend is a major driver of housing demand, particularly for mid-range and high-end properties in well-connected locales.

Additionally, Malaysia's improving economic indicators, such as rising gross domestic product (GDP) and growing consumer confidence, are expected to stimulate property transactions. With a burgeoning middle class seeking housing options, demand for residential properties is projected to sustain its upward trajectory. This is especially true in areas that benefit from enhanced infrastructure and connectivity, such as those near ongoing Mass Rapid Transit (MRT) and Light Rail Transit (LRT) expansions.

While the property sector's prospects are largely positive, government policies and economic conditions will play a pivotal role in shaping market sentiment. The 2025 budget, for instance, lacked significant new measures to support homebuyers. Key initiatives like the Home Ownership Campaign (HOC) and Madani Deposit Scheme were notably absent, though limited tax relief for first-time buyers was introduced. These measures are expected to have a modest impact compared to previous campaigns.

Conversely, the absence of aggressive policy interventions has not deterred developers from pursuing growth opportunities. Instead, many are leveraging existing infrastructure projects, such as the Johor Autonomous Rapid Transit system, to enhance the appeal of their developments. These infrastructure enhancements are expected to contribute to long-term property value appreciation, particularly in regions like Johor Bahru.

(Source: Media article titled "Malaysia's Property Market: A Transformative Outlook for 2025" dated 16 December 2024 issued by StarProperty)

6.4.3 Prospects of the Sepang Lands, KS Land and BBST Lands

The Sepang Lands, KS Land and BBST Lands are expected to further enhance the Group's land bank. Y&G Group intends to develop these lands to generate additional revenue in addition to its existing property development projects. This is in line with the Group's direction of expanding its property business and the management is confident that the Proposed Development will contribute satisfactorily to the Group's performance.

The Group is positive of the prospect of the lands after taking into consideration the following:

Sepang Lands

The Sepang Lands are located within close proximity to international transportation hub i.e. the KLIA development and access to major highways i.e. the ELITE Highway, the North-South Expressway and the newly completed West Coast Expressway. Given the ease of accessibility, the Group is of the view that the Sepang Lands have high potential for industrial development.

In view of the above, the Group intends to embark on an industrial park development, which is expected to commence in the fourth quarter of 2026. The application for the development order is expected to be submitted to the local authorities (i.e Sepang Municipal Council) by mid December 2025, with approval anticipated by March 2026. The submission for building plan approval is targeted to be made to the Sepang Municipal Council in May 2026, with approval expected by August 2026.

KS Land

The KS Land located along Jalan Kuala Selangor-Teluk Intan, enjoys good visibility and accessibility to surrounding towns such as Kuala Selangor/Bestari Jaya/Ijok (due southeast) as well as Tanjung Karang and Sekinchan (due north-west) making it suitable for various types of development. In addition, its accessibility is further enhanced by major highways such as West Coast Expressway and LATAR Expressway.

Given the KS Land proximity to schools, government facilities particularly Hospital Tanjung Karang and Klinik Pergigian Tanjung Karang and nearby moderate density housing areas, it holds strong potential for residential, institutional or low-density commercial use.

In view of the above, the Group intends to embark on a mixed residential and commercial development, which is expected to commence in the fourth quarter of 2026. The application for the development order has been submitted to the local authorities (i.e Kuala Selangor Municipal Council) on 6 May 2024, with approval anticipated by the end of December 2025. The submission for building plan approval is targeted to be made to the Kuala Selangor Municipal Council in January 2026, with approval expected by May 2026.

BBST Lands

The BBST Lands is located within Bandar Baru Salak Tinggi which is known as the administrative centre for the District of Sepang and surrounded with township development lead by top-tier developer such as Serenia City by Sime Darby Property Berhad, Sunsuria City by Sunsuria Group, Setia Warisan Tropika by SP Setia Berhad, Greenwoods Salak Perdana by Paramount Corporation Berhad, M Senyum Salak Tinggi by Mah Sing Group Berhad and Senna Puteri by IOI Properties Group Berhad. The surrounding township located nearby also shows sign of good potential for successful township development, with neighbouring township i.e. M Senyum Salak Tinggi developed by Mah Sing Group Berhad having sold 99% of their units since its launch in 2022.

With close proximity to international transportation hub i.e. the KLIA development and access to major highways i.e. the ELITE Highway, the North-South Expressway and the newly completed West Coast Expressway, the Group is of the view that the Proposed Development will receive favourable response from residential and commercial properties buyers.

(Source: Valuation certificates and valuation reports prepared by the Independent Valuer in relation to the Sepang Lands, KS Land and BBST Lands)

We are of the view that the outlook and prospects of the Subject Properties are not detrimental to the non-interested shareholders of Y&G premised on the following:-

- (a) the Sepang Lands, KS Land and BBST Lands are strategically located and situated in locations which have good accessibility, the potential for economic growth and potential demand for mixed-use developments;**
- (b) the Sepang Lands, KS Land and BBST Lands are intended to be developed into mixed residential and commercial developments, which are consistent with the Group's existing portfolio. Whilst the BBST Lands have already been granted with a development order, the Group expects to receive the development order approval for the Sepang Lands and KS Land by March 2026 and December 2025, respectively, allowing the Group to initiate the monetisation process sooner;**
- (c) the Proposals would enhance the Group's overall market presence within the Sepang and Kuala Selangor area, where its ongoing development (i.e. Hamlet @ Kuala Selangor) is located. The increased market presence within these areas will reinforce the Group's market familiarity; and**
- (d) the Group has two (2) ongoing property development projects, Trifolia @ Port Dickson and Hamlet @ Kuala Selangor which have been partially launched. The Proposals provide the Group with the opportunity to refresh its property development portfolio and commence new developments concurrently in multiple locations that will allow the Group to enhance its long-term revenue visibility.**

Based on the generally positive outlook and strategic location of the Sepang Lands, KS Land and BBST Lands, we are of view that the Proposals are expected to augur well for the Group's prospects in the long term.

Nonetheless, we wish to highlight that all businesses are subject to uncertainties which are not within the Board's control such as, amongst others, changes in government policies, changes in interest rates, changes in global economic conditions and changes in the property market.

6.5 Risk factors of the Proposals

In evaluating the Proposals, the non-interested shareholders of Y&G should carefully consider the potential risks of the Proposals as set out in **Section 4, Part A** of the Circular and extracted as follows:-

6.5.1 Completion risk

The completion of the Proposals is subject to, amongst others, the fulfilment of the terms and conditions under the SPA 1, SPA 2 and SSA including the conditions precedent set out in Appendix I, II, and III of this Circular. In the event any of the conditions precedent are not fulfilled or waived within the timeframe or any of the termination events under the SPA 1, SPA 2 and SSA occur, the Proposals may not be completed, which may result in the failure of the Group to achieve the objectives and benefits of the Proposals.

Notwithstanding the above, the Group will take all reasonable steps to ensure that the conditions precedent are fulfilled and/ or waived within the stipulated timeframe as well as take steps to mitigate the occurrence of termination events, that are within the Group's control in order to complete the Proposals in a timely manner.

We wish to highlight that there can be no assurance that the conditions precedents of the SPA 1, SPA 2 and SSA as disclosed in Appendix I, II and III of the Circular will be fulfilled despite efforts and measures taken by the Board to ensure their fulfilment and to facilitate the completion of the Proposals.

6.5.2 Acquisition risk

The Proposals are expected to contribute positively to Y&G Group. However, there can be no assurance that the anticipated benefits arising from the development of the Sepang Lands, KS Land or BBST Lands will fully materialise in the future. As such, the anticipated benefits and returns of the Proposals including the Proposed Development to be realised may be insufficient to offset the cost associated with the Proposals.

Notwithstanding the above, the Group will take the necessary efforts to closely monitor the prevailing market conditions and the progress of the Proposed Development by establishing an efficient operating procedure and prudent financial management to ensure that expenditures remain within budget and aligned with expected returns.

We note that there can be no assurance that Y&G will be able to realise the anticipated benefits from the development of the Sepang Lands, KS Land or BBST Lands. However, we also note that the Board will endeavor to take all necessary steps and will closely monitor the developments on the Subject Properties closely through its management's expertise and experience.

6.5.3 Financing risk

Y&G Group will be seeking external financing to partially fund the purchase consideration of the Proposals. Its ability to obtain external financing and the cost of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks or other lenders as well as the political, social and economic conditions in Malaysia. There can be no assurance that the bank borrowings will be made available on terms favourable to the Group and hence, there can be no guarantee that the Group will be able to obtain sufficient borrowings to fund the cash payment of the purchase consideration of the Proposals and the future developments on the lands acquired pursuant to the Proposals.

Further, the Group may also be exposed to fluctuations in interest rate. Any future significant fluctuation of interest rates could have an effect on the Group's cash flows and profitability. Any utilisation of internally generated funds may result in the reduction of funds available for working capital purposes, which may impact the Group's cash flow position.

To mitigate these risks, the Group will evaluate various financing options to optimise the funding costs and structure. The Group will also manage its internal cash reserves prudently to ensure sufficient liquidity for operational needs, while maintaining flexibility to support future growth initiatives. Based on the terms of the Proposals, the total purchase consideration amounts to RM477.0 million, of which RM263.35 million is to be paid upon Completion (as defined in the respective SPA 1, SPA 2 and SSA), and is expected to be financed by bank borrowings of at least RM238.5 million and the balance of RM24.9 million is expected to be satisfied via internally generated funds from the sales of the development projects at this juncture. The remainder of the purchase consideration amounting to RM213.65 million is to be paid within 24 months of Completion, which period may be further extended for an additional 12 months, subject to interest of 5.0% per annum. Additionally, pursuant to the SSA, the Company is to procure the repayment of the outstanding amount owing by KWSB to Dato' Yap of RM23.0 million within 24 months upon the completion of the SSA.

We note that there is no certainty that the Group will be able to secure the necessary funding on a timely basis and/ or on financing terms that are fair and acceptable to the Group. This is in view that financing offers from financial institutions are dependent on, amongst others, the borrower's credit standing and history. Additionally, the indicative additional bank borrowings of RM238.5 million will result in a material increase in the Group's finance costs and may constrain the Group's ability to service its working capital requirements while still servicing its debt obligations. This will in turn impact the Group's credit profile, reducing its borrowing capacity and its ability to negotiate favourable financing terms for its other developments.

Further, we note that pursuant to the SSA for the Proposed Acquisition of KWSB, Y&G is to procure KWSB to repay advances amounting to RM23.0 million to Dato' Yap within 24 months from the SSA completion date which will be satisfied via internally generated funds. We are of the view that that repayment of advances to Dato' Yap may further constrain the Group's ability to service its debt obligations while maintaining a healthy cash flow to meet its working capital, development expenditure and financing costs.

Although the remainder of the purchase considerations amounting to RM213.65 million is to be paid within 24 months of completion of the respective acquisitions, the Group must always ensure that sufficient internal funds, borrowings or proceeds are available when each payment milestones are due.

In addition, as the interest expenses charged on bank borrowings are subject to prevailing interest rates, the Group may potentially be exposed to interest rate fluctuations. If there is a significant increase in interest rate, this may increase the financing cost further which would affect the Group's cash flows.

Notwithstanding the above, we note that the payment for the purchase considerations comprises a deferred payment component. Accordingly, this may alleviate a portion of the upfront funding requirements of the Group to undertake the Proposals, while allowing the Group to gain access to the Subject Properties prior to full payment of the purchase considerations. As such, the Group must manage its project execution, sales execution and financing arrangements prudently to adopt cost effective financing actions to maintain its gearing at a manageable level and to ensure it has sufficient funding to satisfy the deferred purchase consideration milestones.

6.5.4 Market valuation of the Sepang Lands, KS Land and BBST Lands

The valuation of the Sepang Lands, KS Land and BBST Lands by the Independent Valuer is based on certain assumptions, which are subjective, uncertain and may differ materially from actual transactions in the market. Further, lands valuations generally include subjective determination of certain factors, such as its location, relative market position and physical condition. The market value of the Sepang Lands, KS Land and BBST Lands appraised by the Independent Valuer is not an indication of, and does not guarantee, an equivalent or greater sale price either at the present time or at any time in the future.

Nonetheless, the Board endeavours to continuously assess the property market outlook within the surrounding area of Sepang and Kuala Selangor to ensure consistencies with the Group's long term property investment strategy of the Sepang Lands, KS Land and BBST Lands.

We note that the valuation of the Sepang Lands, KS Land and BBST Lands may not be an accurate indication of the future or current sale price of the Subject Properties. We note that this risk is a typical risk in transactions of similar nature. To mitigate the aforementioned risk, we note that the Group will closely monitor the property market outlook.

6.5.5 Compulsory acquisition by the Malaysian Government

The state authority of the respective states in Malaysia has the power to compulsorily acquire any land within the jurisdiction of such relevant state authority in Malaysia in accordance with the Land Acquisition Act 1960. In the event of any compulsory acquisition of the Sepang Lands, KS Land or BBST Lands or any part thereof, the amount of compensation to be awarded will be determined on the basis prescribed in the Land Acquisition Act and other relevant laws.

If all or any portion of Sepang Lands, KS Land or BBST Lands is compulsorily acquired by the relevant state authority at any point in time, the amount of such compensation may be less than the respective purchase consideration under the Proposals. In the event of any compulsory acquisition, the Group will endeavour to minimise any potential losses from such acquisition, including invoking the relevant provisions of the Land Acquisition Act 1960 in relation to its rights to appeal against the Land Administrator's award for compensation as well as to submit an objection in respect of the compensation, where necessary.

We wish to highlight that the compensation is determined based on market value of the Sepang Lands, KS Land and BBST Lands as assessed according to the criteria set out in the Land Acquisition Act 1960, which might not fully account for the subjective valuation or future development potential of the Subject Properties.

Non-interested shareholders of Y&G should also take note that the risk factors mentioned in Section 4, Part A of the Circular are not meant to be exhaustive.

We also wish to highlight that although measures have been taken by the Group to mitigate the risks associated with the Proposals, it is pertinent to note that there is no assurance that one or a combination of the risk factors as stated in Section 4, Part A of the Circular will not occur and give rise to material adverse impact on the business and operation of the Group, its financial performance or prospects thereon.

6.6 Salient terms of the SPA 1, SPA 2 and SSA

6.6.1 SPA 1

The salient terms of the SPA 1 are disclosed in Appendix I of the Circular. The following sets out only a summary of the material salient terms of the SPA 1 that was considered by us and non-interested shareholders of Y&G are advised to read Appendix I of the Circular in its entirety.

Reference in Appendix I of the Circular	Salient terms of the SPA 1	UOBKH's comments
Section 1	<p><u>AGREEMENT FOR SALE AND PURCHASE</u></p> <p>The sale and purchase of the Sepang Lands is on "as where is" basis subject to all other conditions whether express or implied and restrictions-in-interest endorsed on the issue document of title to the Converted Titles (as defined in Section 4(ii) below), with all rights attaching the Sepang Lands as a beneficial owner with effect from Completion Date (as defined in Section 3(v) below), free from all encumbrances and with vacant possession and upon the terms and conditions of the SPA 1.</p>	<p>This term sets out the binding sale and purchase agreement between NSSB and NWSB to acquire the Sepang Lands with vacant possession and free from all encumbrances.</p> <p>Upon completion of the Proposed Acquisition of Sepang Lands, NWSB will become the beneficial owner of the Sepang Lands.</p>
Section 2	<p><u>CONDITIONS PRECEDENT</u></p> <p>(i) Within 6 months from the date of the SPA 1 or such other period as may be agreed upon between the parties as the last date by which the following conditions shall be fulfilled ("SPA 1 Conditional Period"):</p> <p>(a) NSSB shall apply for and obtain, at its own costs and expense, the approval of the relevant state authority for the transfer of the Sepang Lands to NWSB and the charge in favour of the financier granting the loan ("Financier") for the payment of the purchase consideration for the Sepang Lands ("Loan").</p>	<p>The terms (a) and (b) are reasonable and not detrimental to the non-interested shareholders of Y&G as the terms outline the loan to be applied by NWSB to finance the purchase of the Sepang Lands as well as requisite approvals and consent required to be in compliance with the applicable laws and regulatory requirements, in order to facilitate the completion of the Proposed Acquisition of Sepang Lands. As such, these terms are reasonable and not detrimental to the non-interested shareholders of Y&G.</p>

Reference in Appendix I of the Circular	Salient terms of the SPA 1	UOBKH's comments
	<p>(b) NWSB shall, at its own costs and expense, obtain the approval of the shareholders of Y&G at a general meeting for the acquisition of the Sepang Lands in accordance with the terms of the SPA 1.</p> <p>(Collectively, the "SPA 1 Conditions Precedent")</p> <p>(ii) If any one of the SPA 1 Conditions Precedent above is not fulfilled within the SPA 1 Conditional Period, either party of the SPA 1 shall be entitled to terminate this agreement by giving a notice of termination to the other party whereby –</p> <p>(a) NWSB, shall at its own cost and expense, withdraw or cause to withdraw and forward to NSSB the statement of presentation of the notice of withdrawal of any private caveat, if any, attributable to NWSB;</p> <p>(b) NSSB shall within 14 business days from the notice of termination refund or cause to be refunded to NWSB the purchase consideration or any part thereof received by NSSB, free of interest; and</p> <p>(c) NSSB shall refund the SPA 1 Retention Sum (as defined in Section 3(i)(a) below to NWSB in the event such SPA 1 Retention Sum has been paid to the Director General of Inland Revenue or the solicitors of NWSB ("NWSB's Solicitors") are authorised to release the SPA 1 Retention Sum to NWSB, as the case may be.</p> <p>(iii) The completion of the sale and purchase of the Sepang Lands shall become unconditional on the day on which the last of the SPA 1 Conditions Precedent is fulfilled in accordance with the SPA 1 or waived by mutual agreement of the parties ("SPA 1 Unconditional Date").</p>	<p>This condition is reasonable and not detrimental as either party can terminate the SPA 1 due to non-fulfilment of the SPA 1 Conditions Precedent. It also sets out NSSB's obligation to refund the receipt of the SPA 1 Purchase Consideration (if any), free of interest, should the SPA 1 be terminated. The obligation for NSSB to refund the purchase consideration or any part thereof, free of interest is reasonable as it ensures that Y&G is restored to its original financial position in the event that the SPA 1 is terminated.</p> <p>As such, these terms are reasonable and not detrimental to the non-interested shareholders of Y&G.</p>

Reference in Appendix I of the Circular	Salient terms of the SPA 1	UOBKH's comments
Section 3	<p><u>PAYMENT OF THE PURCHASE CONSIDERATION</u></p> <p>(i) The purchase consideration of RM206,000,000 ("SPA 1 Purchase Consideration") shall be satisfied in the following manner:</p> <p>(a) the sum of RM6,180,000 only, being 3% of the SPA 1 Purchase Consideration required to be retained pursuant to section 21B(1) of the Real Property Gains Tax Act 1976 ("SPA 1 Retention Sum"), shall be paid to the NWSB's Solicitors, as stakeholders within 30 days from the date where NWSB obtains the approval of relevant state authority for the transfer of the Sepang Lands to NWSB and the charge in favour of the Financier for the Loan;</p> <p>(b) the sum of RM115,500,000 only, being 56% of the SPA 1 Purchase Consideration ("SPA 1 Initial Purchase Price"), shall be paid to NWSB's Solicitors, as stakeholders on or before the expiry of a period of three (3) months from the SPA 1 Unconditional Date, or such other date as may be agreed upon between the parties ("SPA 1 Completion Period"); and</p> <p>(c) the sum of RM84,320,000 only, being 41% of the SPA 1 Purchase Consideration ("SPA 1 Balance Purchase Price"), shall be paid to NWSB, on or before the date falling 24 months from the SPA 1 Completion Date⁽¹⁾ ("SPA 1 Final Payment Date").</p> <p>Note: SPA 1 Completion Date means the day on which NWSB completes the satisfaction of the SPA 1 Initial Purchase Price in accordance with Section 3(i)(b) above.</p>	<p>These terms are reasonable and not detrimental to the non-interested shareholders of Y&G as it states the obligation of NWSB in relation to mode of payment of the Proposed Acquisition of Sepang Lands. The payment of the SPA 1 Retention Sum to NWSB's solicitors is reasonable as it is consistent and in line with the requirements under the Real Property Gains Tax Act 1976.</p> <p>The settlement of the SPA 1 Balance Purchase Price is only due within 24 months from the SPA 1 Completion Date representing a deferred payment structure. This deferred payment is reasonable as it allows the Group to have access to the Sepang Lands after the payment of the SPA 1 Initial Purchase Price which would provide financial flexibility for the Group's working capital, development expenditure and financing costs.</p> <p>We take cognisance that the Group intends to partially satisfy the SPA 1 Initial Purchase Price via bank borrowings within the 3-month period, which in turn will increase the Group's gearing ratio and finance costs. However, we also take note that the Group's ongoing developments, Hamlet @ Kuala Selangor and Trifolia @ Port Dickson recorded an unbilled amount of RM26.2 million and RM102.2 million respectively, as at the LPD.</p>

Reference in Appendix I of the Circular	Salient terms of the SPA 1	UOBKH's comments
	<p>(ii) In the event the SPA 1 Balance Purchase Price is not paid in full on or before the SPA 1 Final Payment Date, NSSB shall grant to NWSB an automatic extension by further 12 calendar months commencing from the date next following the SPA 1 Final Payment Date to pay the SPA 1 Balance Purchase Price.</p>	<p>As such, the cash inflow from the aforementioned projects (anticipated to be received progressively until 2027) will provide the Group with additional cash flow that the Group may use to satisfy part of its debt obligations pursuant to the Proposed Acquisition of Sepang Lands. Further, the SPA 1 Balance Purchase Price, represents 41% of the SPA 1 Purchase Consideration and enables the Y&G Group to alleviate a portion of the upfront cash flow requirements for the Proposed Acquisition of Sepang Lands.</p> <p>As such, these terms are reasonable and not detrimental to the non-interested shareholders of Y&G.</p> <p>Our evaluation of the fairness of the SPA 1 Purchase Consideration is set out in Section 6.2.1 of this IAL.</p> <p>The automatic extension for the SPA 1 Final Payment Date is reasonable and common for such transactions.</p>

Reference in Appendix I of the Circular	Salient terms of the SPA 1	UOBKH's comments
	<p>(iii) The extension is subject to NWSB paying to NSSB an interest at the rate of five per centum (5%) per annum, calculated on a day to day basis, on the amount of the outstanding SPA 1 Balance Purchase Price from the date next following the SPA 1 Final Payment Date until such time as the actual payment of the SPA 1 Balance Purchase Price is fully paid to NSSB.</p> <p>(iv) NWSB's Solicitors are authorised to release the money received towards account of the SPA 1 Purchase Consideration or any part thereof in the following manner:</p> <p>(a) If NWSB does not require loan to fund the SPA 1 Initial Purchase Price ("Sepang Lands Loan"), the SPA 1 Initial Purchase Price shall be paid to NSSB within 14 business days from the SPA 1 Completion Date, provided that there has been no notice of rejection of the presentation of the transfer documents from the relevant land registry received by NWSB.</p> <p>(b) If NWSB requires Sepang Lands Loan, the SPA 1 Initial Purchase Price shall be paid to NSSB within 14 business days from the date of presentation of the transfer and charge for registration at the Land Registry, provided that neither NWSB nor the Financier's solicitors have received any notice of rejection of the presentation of the transfer documents from the relevant land registry.</p>	<p>The late payment interest fee of 5% per annum is reasonable for transactions of such nature.</p> <p>These terms are reasonable as it stipulates the necessary administrative procedures that are required to be performed by NWSB to effect the transfer of the Sepang Lands to NWSB and to complete the Proposed Acquisition of Sepang Lands.</p>

Reference in Appendix I of the Circular	Salient terms of the SPA 1	UOBKH's comments
Section 4	<p><u>CONVERSION OF THE SEPANG LANDS</u></p> <p>(i) NSSB agrees and covenants that it shall at its own costs and expenses settle the Remaining Premium⁽¹⁾ as imposed by the relevant land registry on or before the SPA 1 Completion Period.</p> <p>(ii) NSSB shall within 7 days from its receipt of the original issue document of title for the Sepang Lands, which have been duly endorsed with the converted category of land use as industrial and the express conditions for light industry ("Converted Titles") from the relevant land registry and no later than the expiry of the SPA 1 Completion Period, deliver the Converted Titles to NWSB's Solicitors to deal with in accordance with SPA 1.</p> <p>Note: Remaining Premium means the land conversion premiums payable in respect of the two land conversion approvals which have yet to be settled by NSSB as at the date of SPA 1.</p>	<p>This term is reasonable as it stipulates the necessary administrative procedures that are required to be performed by NSSB to effect the Converted Titles and to complete the Proposed Acquisition of Sepang Lands.</p>
Section 5	<p><u>VACANT POSSESSION</u></p> <p>Vacant possession of the Sepang Lands shall be delivered by NSSB to NWSB within 14 days from the SPA 1 Completion Date.</p>	<p>This term is reasonable as it serves to ensure timely delivery of vacant possession of the Sepang Lands once the SPA 1 Initial Purchase Price has been made.</p>

Reference in Appendix I of the Circular	Salient terms of the SPA 1	UOBKH's comments
Section 6	<p><u>NSSB'S RIGHT TO TERMINATE</u></p> <p>NSSB may terminate the SPA 1 prior to the SPA 1 Completion Date if NWSB fails to pay the SPA 1 Initial Purchase Price in accordance with SPA 1 or fails to perform any of its obligations, covenants, or undertakings under the SPA 1.</p> <p>For defaults capable of remedy (excluding payment defaults), NWSB will be given 14 days' written notice (or such other period as may be mutually agreed in writing) to rectify the default. If the default is not remedied within the stipulated period, NSSB is entitled to issue a notice of termination to terminate the SPA 1.</p>	<p>These terms are reasonable as it sets out the rights of NSSB to terminate the SPA 1 and are common terms for transactions of this nature.</p>
Section 7	<p><u>NWSB'S RIGHT TO TERMINATE</u></p> <p>NWSB may terminate the SPA 1 prior to the SPA 1 Completion Date if –</p> <ul style="list-style-type: none"> (i) any of the warranties given by NSSB are found at any time to be untrue or incorrect; (ii) NSSB fails, neglects or refuses to complete the sale in accordance with SPA 1; or (iii) NSSB is in breach of any terms or conditions contained in the SPA 1 or fails to perform or observe all or any of NSSB's stipulations, undertakings, covenants or obligations contained in the SPA 1. <p>NSSB will be given 14 days' written notice (or such other period as may be mutually agreed in writing) to rectify the default. If the default is not remedied within the stipulated period, NWSB is entitled to issue a notice of termination to terminate the SPA 1.</p>	<p>These terms are reasonable as it sets out the rights of NWSB to terminate the SPA 1 and are common terms for transactions of this nature.</p>

Reference in Appendix I of the Circular	Salient terms of the SPA 1	UOBKH's comments
Section 8	<p><u>CONSEQUENCES OF TERMINATION</u></p> <p>If either party of SPA 1 elects to terminate the SPA 1 in accordance with Section 6 or Section 7 above:</p> <ul style="list-style-type: none"> (i) NSSB shall within 14 days of the notice of termination, refund or cause to be refunded all sums paid by NWSB towards the SPA 1 Purchase Consideration (if any), to NWSB. (ii) Simultaneous with refund by NSSB, NWSB shall – <ul style="list-style-type: none"> (a) return or cause to be returned the Converted Titles (if the same have been delivered to NWSB) and the transfer documents to NSSB with the interest of NSSB intact; (b) withdraw or cause to withdraw, at the cost and expense of NWSB, any private caveat lodged by NWSB or Financier over the Sepang Lands, if any; and (c) re-deliver to NSSB vacant possession of the Sepang Lands, if the same have been delivered to NWSB. 	<p>These terms sets out the obligation of both parties in the event of a termination by either parties, which is common to be included in such transactions.</p> <p>The obligations for NSSB upon termination include refunding all sums paid by NWSB towards the SPA 1 Purchase Consideration within 14 days of the notice of termination. This term is reasonable as it ensures that NSSB is restored to its original financial position in the event that the SPA 1 is terminated.</p> <p>The obligation for NWSB upon termination include:-</p> <ul style="list-style-type: none"> (i) to return the Converted Titles and the transfer documents to NSSB; (ii) to withdraw, at NWSB's expense, any private caveat lodged over the Sepang Lands; and (iii) to re-deliver to NSSB vacant possession of the Sepang Lands. <p>These terms are reasonable and provide both parties a clean contractual exit, with preservation of legal recourse for breaches occurring prior to termination.</p>

6.6.2 SPA 2

The salient terms of the SPA 2 are disclosed in Appendix II of the Circular. The following sets out only a summary of the material salient terms of the SPA 2 that was considered by us and non-interested shareholders of Y&G are advised to read Appendix II of the Circular in its entirety.

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
Section 1	<p><u>AGREEMENT FOR SALE AND PURCHASE</u></p> <p>The sale and purchase of the KS Land is on "as is where is" basis subject to all other conditions whether express or implied and restrictions-in-interest endorsed on the issue document of title to the Subdivided Title, with all rights attaching the KS Land as a beneficial owner with effect from SPA 2 Completion Date (as defined in Section 3(i) below), free from all encumbrances and with vacant possession and upon the terms and conditions of the SPA 2.</p>	<p>This term sets out the binding sale and purchase agreement between DASB and ARHSB to acquire the KS Land with vacant possession and free from all encumbrances.</p> <p>Upon completion of the Proposed Acquisition of KS Land, DASB will become the beneficial owner of the Sepang Lands.</p>
Section 2	<p><u>CONDITIONS PRECEDENT</u></p> <p>(i) Within 6 months from the date of the SPA 2 or such other period as may be agreed upon between the parties as the last date by which the following conditions shall be fulfilled ("SPA 2 Conditional Period"):</p> <p>(a) DASB shall, at its own costs and expense, obtain the approval of the shareholders of Y&G at a general meeting for the acquisition of the KS Land in accordance with the terms of the SPA 2.</p> <p>(b) ARHSB shall, at its own costs and expense, procure the discharge of the existing Master Land Charges.</p> <p>(Collectively, the "SPA 2 Conditions Precedent")</p>	<p>The terms (a) and (b) are reasonable and not detrimental to the non-interested shareholders of Y&G as the terms outlines the obligation of ARHSB to discharge the existing charge on the KS Land as well as requisite approvals and consent required to be in compliance with the applicable laws and regulatory requirements, in order to facilitate the completion of the Proposed Acquisition of KS Land. As such, these terms are reasonable and not detrimental to the non-interested shareholders of Y&G.</p>

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
	<p>(ii) If any one of the SPA 2 Conditions Precedent above is not fulfilled within the SPA 2 Conditional Period, either party of the SPA 2 shall be entitled to terminate this agreement by giving a notice of termination to the other party whereby –</p> <p>(a) DASB, shall at its own cost and expense, withdraw or cause to withdraw and forward to ARHSB the statement of presentation of the notice of withdrawal of any private caveat, if any, attributable to DASB;</p> <p>(b) ARHSB shall within 14 business days from the notice of termination refund or cause to be refunded to DASB the purchase consideration or any part thereof received by ARHSB, free of interest; and</p> <p>(c) ARHSB shall refund the SPA 2 Retention Sum (as defined in Section 3(i)(a) below) to DASB in the event such SPA 2 Retention Sum has been paid to the Director General of Inland Revenue or the solicitors of DASB ("DASB's Solicitors") are authorised to release the SPA 2 Retention Sum to DASB, as the case may be.</p> <p>(iii) The completion of the sale and purchase of KS Land shall become unconditional on the day on which the last of the SPA 2 Conditions Precedent is fulfilled in accordance with the SPA 2 or waived by mutual agreement of the parties ("SPA 2 Unconditional Date").</p>	<p>These terms are reasonable and not detrimental to the non-interested shareholders of Y&G as either party can terminate the SPA 2 due to non-fulfilment of the SPA 2 Conditions Precedent. It also sets out ARHSB's obligation to refund the receipt of the SPA 2 Purchase Consideration (if any), free of interest, should the SPA 2 be terminated. The obligation for ARHSB to refund the purchase consideration or any part thereof, free of interest is reasonable as it ensures that Y&G is restored to its original financial position in the event that the SPA 2 is terminated.</p> <p>As such, these terms are reasonable and not detrimental to the non-interested shareholders of Y&G.</p>

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
Section 3	<p><u>PAYMENT OF THE PURCHASE CONSIDERATION</u></p> <p>(i) The purchase consideration of RM189,000,000 ("SPA 2 Purchase Consideration") shall be satisfied in the following manner:</p> <p>(a) the sum of RM5,670,000 only, being 3% of the SPA 2 Purchase Consideration required to be retained pursuant to section 21B(1) of the Real Property Gains Tax Act 1976 ("SPA 2 Retention Sum"), shall be paid to DASB's Solicitors, as stakeholders within 30 days upon the execution of the SPA 2;</p> <p>(b) the sum of RM120,000,000 only, being 63.5% of the SPA 2 Purchase Consideration ("SPA 2 Initial Purchase Price"), shall be paid to DASB's Solicitors, as stakeholders on or before the expiry of a period of 3 months from the SPA 2 Unconditional Date, or such other date as may be agreed upon between the parties ("SPA 2 Completion Period"); and</p> <p>(c) the sum of RM63,330,000 only, being 33.5% of the SPA 2 Purchase Consideration ("SPA 2 Balance Purchase Price"), shall be paid to ARHSB, on or before the date falling 24 months from the SPA 2 Completion Date⁽¹⁾ ("SPA 2 Final Payment Date").</p> <p>Note:</p> <p>(1) SPA 2 Completion Date means the day on which NWSB completes the satisfaction of the SPA 2 Initial Purchase Price in accordance with Section 3(i)(b) above.</p>	<p>These terms are reasonable and not detrimental to the non-interested shareholders of Y&G as it states the obligation of DASB in relation to mode of payment of the Proposed Acquisition of KS Land. The payment of the SPA 2 Retention Sum to DASB's solicitors is reasonable as it is consistent and in line with the requirements under the Real Property Gains Tax Act 1976.</p> <p>The settlement of the SPA 2 Balance Purchase Price is only due within 24 months from the SPA 2 Completion Date representing a deferred payment structure. This deferred payment is reasonable as it allows the Group to have access to the KS Land after the payment of the SPA 2 Initial Purchase Price which would provide financial flexibility for the Group's working capital, development expenditure and financing costs.</p> <p>We take cognisance that the Group intends to partially satisfy the SPA 2 Initial Purchase Price via bank borrowings within the 3-month period, which in turn will increase the Group's gearing ratio and finance costs. However, we note that the Group's ongoing developments, Hamlet @ Kuala Selangor and Trifolia @ Port Dickson recorded an unbilled amount of RM26.2 million and RM102.2 million respectively, as at the LPD.</p>

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
	<p>(ii) In the event the SPA 2 Balance Purchase Price is not paid in full on or before the SPA 2 Final Payment Date, ARHSB shall automatically grant to DASB an extension by further 12 calendar months commencing from the date next following the SPA 2 Final Payment Date to pay the SPA 2 Balance Purchase Price.</p>	<p>As such, the cash inflow from the aforementioned projects (anticipated to be received progressively until 2027) will provide the Group with additional cash flow that the Group may use to satisfy part of its debt obligations pursuant to the Proposed Acquisition of KS Land. Further, the SPA 2 Balance Purchase Price, represents 33.5% of the SPA 2 Purchase Consideration and enables the Y&G Group to alleviate a portion of the upfront cash flow requirements for the Proposed Acquisition of KS Land.</p> <p>As such, these terms are reasonable and not detrimental to the non-interested shareholders of Y&G.</p> <p>Our evaluation of the fairness of the SPA 2 Purchase Consideration is set out in Section 6.2.2 of this IAL.</p> <p>The automatic extension for the SPA 2 Final Payment Date is reasonable and common for such transactions.</p>

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
	<p>(iii) The extension is subject to DASB paying to ARHSB an interest at the rate of five per centum (5%) per annum, calculated on a day to day basis, on the amount of the outstanding SPA 2 Balance Purchase Price from the date next following the SPA 2 Final Payment Date until such time as the actual payment of the SPA 2 Balance Purchase Price is fully paid to ARHSB.</p> <p>(iv) DASB's Solicitors is authorised to release the money received towards account of the SPA 2 Purchase Consideration or any part thereof in the following manner:</p> <p>(a) If DASB does not require a loan to fund the SPA 2 Initial Purchase Price ("KS Land Loan"), the Initial Purchase Price shall be paid to ARHSB on the SPA 2 Completion Date, subject to the receipt of the Power of Attorney (as defined in Section 5(ii) below).</p> <p>(b) If DASB requires the KS Land Loan, the SPA 2 Initial Purchase Price shall be paid to ARHSB within 14 business days from the date of presentation of the third-party charge over the Master Land in favour of DASB's financier.</p>	<p>The late payment interest fee of 5% per annum is reasonable for transactions of such nature.</p> <p>This term is reasonable as it stipulates the necessary administrative procedures that are required to be performed by ARHSB to effect the transfer of the KS Land to DASB and to complete the Proposed Acquisition of KS Land.</p>
Section 4	<p><u>THIRD PARTY CHARGE BY ARHSB</u></p> <p>ARHSB hereby agrees to grant a third-party charge over the Master Land in favour of DASB's financier as security for the KS Land Loan, on the condition that DASB's financier shall disclaim the portion of the Master Land not represented by KS Land ("Remaining Land").</p>	<p>This term is reasonable as it provides DASB's financier with security for the KS Land Loan, being the portion of the Master Land for the Proposed Acquisition of KS Land. Further, it safeguards ARHSB's interest by ensuring that the Remaining Land is excluded from the security coverage.</p>

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
Section 5	<p><u>SPA 2 COMPLETION DATE</u></p> <p>(i) ARHSB acknowledges that upon full payment of the SPA 2 Initial Purchase Price, the KS Land shall be held on trust by ARHSB for the benefit of DASB.</p> <p>(ii) ARHSB shall on SPA 2 Completion Date, grant DASB a power of attorney over the Master Land to enable to DASB to deal with KS Land in anyway DASB deems fit ("Power of Attorney").</p>	<p>These terms stipulates that upon payment of the SPA 2 Initial Purchase Price, the KS Land shall be held on trust by ARHSB for the benefit of DASB which is due to the subdivided nature of the KS Land. This term is reasonable as it allows DASB to have beneficial rights over the KS Land notwithstanding that ARHSB will remain as the registered owner until all approvals are obtained.</p> <p>Term (ii) is reasonable as it allows DASB to have control over the KS Land before the legal title has been transferred, aligning with the trust structure in previous term.</p>

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
Section 6	<p><u>SUBDIVISION OF THE MASTER LAND</u></p> <p>(i) ARHSB shall, at its own cost and expense, apply for subdivision of the Master Land and obtain the issuance of a separate Subdivided Title within 12 months from the SPA 2 Unconditional Date.</p> <p>(ii) ARHSB acknowledges that the measurement, boundaries and area of the KS Land in relation to the Master Land is an approximation only and there is no assurance that the Subdivided Title will match the exact measurement, boundaries and area shown in the plan annexed to SPA 2 ("Annexed Plan").</p> <p>(iii) ARHSB shall use its best endeavours to sub-divide the Master Land such that KS Land is as close as possible to the measurement, boundaries and area shown in the Annexed Plan.</p> <p>(iv) DASB agrees to provide any document within its possession or use its best endeavours to procure such document not within its possession as may be reasonably required by the relevant land registry for the subdivision of the Master Land including the letter of consent from DASB's financier (if any).</p> <p>(v) ARHSB shall within 7 days from its receipt of the Subdivided Title from the relevant land registry, deliver the Subdivided Title and the remaining transfer documents to DASB's Solicitors to be dealt with in accordance with SPA 2.</p>	<p>This term is reasonable as it stipulates the necessary administrative procedures that are required to be performed by ARHSB to apply for the subdivision of the KS Land and to obtain the issuance of a separate Subdivided Title. Further, we note the SPA 2 Purchase Consideration will also be adjusted proportionately in the event that the area represented by the Subdivided Title is less than the actual area represented by more than 2%.</p>

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
	<p>(vi) In the event the area represented by the Subdivided Title is less than 367 acres by more than 2%, the SPA 2 Purchase Consideration shall be adjusted proportionately to reflect the actual area represented by the Subdivided Title, and ARHSB shall refund to DASB the difference in the SPA 2 Purchase Consideration within 14 days from the issuance of the Subdivided Title in the event the SPA 2 Purchase Consideration has been paid.</p> <p>(vii) Upon registration of DASB as the owner of KS Land, DASB shall within 30 days thereafter procure the discharge of the charge in favour of the DASB's financier over the Remaining Land.</p>	
Section 7	<p><u>RIGHT OF FIRST REFUSAL</u></p> <p>(i) ARHSB grants DASB a right of first refusal to purchase or jointly develop the Remaining Land.</p> <p>(ii) In the event ARHSB intends to sell or develop the Remaining Land, ARHSB shall give DASB notice in writing of its intention, and the parties of the SPA 2 shall negotiate in good faith the purchase or joint development of the Remaining Land by DASB.</p> <p>(iii) If the parties of the SPA 2 are unable to reach an agreement within 12 months from the date of the notice or if DASB is not interested in the Remaining Land, ARHSB is entitled to pursue the sale or joint development of the Remaining Land with a third party.</p>	<p>These terms are reasonable as it sets out the rights of ARHSB to grant DASB a right of first refusal to purchase and jointly develop the Remaining Land. This term prevents ARHSB from selling or developing the Remaining Land without first offering it to DASB. This protects DASB from potential fragmentation or incompatible developments next to the KS Land.</p> <p>This term is reciprocal as it also retains ARHSB's commercial flexibility to pursue other arrangements after 12 months from the date of the notice which is reasonable.</p>

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
Section 9	<p><u>ARHSB'S RIGHT TO TERMINATE</u></p> <p>ARHSB may terminate the SPA 2 prior to the SPA 2 Completion Date if DASB fails to pay the SPA 2 Initial Purchase Price in accordance with SPA 2 or fails to perform any of its obligations, covenants, or undertakings under the SPA 2.</p> <p>For defaults capable of remedy (excluding payment defaults), DASB will be given 14 days' written notice (or such other period as may be mutually agreed in writing) to rectify the default. If the default is not remedied within the stipulated period, ARHSB is entitled to issue a notice of termination to terminate the SPA 2.</p>	<p>These terms are reasonable as it sets out the rights of ARHSB to terminate the SPA 2 and are common terms for transactions of this nature</p>
Section 10	<p><u>DASB'S RIGHT TO TERMINATE</u></p> <p>DASB may terminate the SPA 2 prior to the SPA 2 Completion Date if –</p> <ul style="list-style-type: none"> (i) any of the warranties given by ARHSB are found at any time to be untrue or incorrect; (ii) ARHSB fails, neglects or refuses to complete the sale in accordance with SPA 2; or (iii) ARHSB is in breach of any terms or conditions contained in the SPA 2 or fails to perform or observe all or any of ARHSB's stipulations, undertakings, covenants or obligations contained in the SPA 2. <p>ARHSB will be given 14 days' written notice (or such other period as may be mutually agreed in writing) to rectify the default. If the default is not remedied within the stipulated period, DASB is entitled to issue a notice of termination to terminate the SPA 2.</p>	<p>These terms are reasonable as it sets out the rights of DASB to terminate the SPA 2 and are common terms for transactions of this nature</p>

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
Section 11	<p><u>CONSEQUENCES OF TERMINATION</u></p> <p>If either party of SPA 2 elects to terminate the SPA 2 in accordance with Section 9 or Section 10 above:</p> <ul style="list-style-type: none"> (i) ARHSB shall within 14 days of the notice of termination, refund or cause to be refunded all sums paid by DASB towards the SPA 2 Purchase Consideration (if any), to DASB. (ii) simultaneous with refund by ARHSB, DASB shall – <ul style="list-style-type: none"> (a) return or cause to be returned the titles of Master Land (if the same has been delivered to DASB) and the transfer documents to ARHSB with the interest of ARHSB intact; (b) withdraw or cause to withdraw, at the cost and expense of DASB, any private caveat lodged by DASB or DASB’S financier over Master Land, if any; (c) re-deliver to ARHSB vacant possession of the KS Land, if the same has been delivered to DASB; and (d) file or cause to be filed the revocation of the Power of Attorney. 	<p>These terms are reasonable and not detrimental to the non-interested shareholders of Y&G as these terms sets out the obligation of both parties in the event of a termination by either parties, which is common to be included in such transactions.</p> <p>The obligation for ARHSB upon termination includes refunding all sums paid by DASB towards the SPA 2 Purchase Consideration within 14 days of the notice of termination. This term is reasonable as it ensures that DASB is restored to its original financial position in the event that the SPA 2 is terminated.</p> <p>The obligations for DASB upon termination include:-</p> <ul style="list-style-type: none"> (i) to return the titles of Master Land and the transfer documents to ARHSB; (ii) to withdraw, at DASB's expense, any private caveat lodged over the Master Land; (iii) to re-deliver to NSSB vacant possession of the Sepang Lands; and (iv) file for the revocation of the Power of Attorney

Reference in Appendix II of the Circular	Salient terms of the SPA 2	UOBKH's comments
		These terms are reasonable and provide both parties a clean contractual exit, with preservation of legal recourse for breaches occurring prior to termination.

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6.6.3 SSA

The salient terms of the SSA are disclosed in Appendix III of the Circular. The following sets out only a summary of the material salient terms of the SSA that was considered by us and non-interested shareholders of Y&G are advised to read Appendix III of the Circular in its entirety.

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
Section 1	<p><u>BASIS OF SALE</u></p> <p>The Vendors agree to sell to Y&G and Y&G agrees to purchase the KWSB Shares free from all encumbrances and with full legal and beneficial title, with all rights attaching thereto (including all dividends and distributions declared in respect thereof) with effect from the SSA Completion Date (as defined in Section 3 below) and on the basis of the warranties under the SSA.</p>	<p>This term sets out the binding sale and purchase agreement to acquire KWSB with all rights attached to the KWSB Shares (such as dividends and voting) and free from all encumbrances.</p>
Section 2	<p><u>CONDITIONS PRECEDENT</u></p> <p>(i) The completion of the sale and purchase of KWSB Shares in accordance with the terms of the SSA is in all respects conditional upon Y&G, at its own costs and expenses, obtaining the approval from its shareholders at a general meeting ("Approval"). The Vendors shall cooperate and exercise their best endeavours to assist Y&G in applying for and obtaining the Approval.</p> <p>(ii) If the Approval is not obtained by the date falling 6 months from the date of the SSA or such other date as may be agreed upon between the parties as the last date by which the Approval must be obtained, then any party will be entitled to issue a notice of termination to the other party terminating this agreement and thereafter neither party shall have any continuing obligations to the other party save for any antecedent breaches or any obligations expressly provided in the SSA that survive the termination of the SSA.</p>	<p>The terms are reasonable and not detrimental to the non-interested shareholders of Y&G as the terms outlines the obligation of Y&G to obtain the approval of its shareholders required to be in compliance with the applicable laws and regulatory requirements, in order to facilitate the completion of the Proposed Acquisition of KWSB. As such, these terms are reasonable and not detrimental to the non-interested shareholders of Y&G.</p>

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
	<p>(iii) The completion of the sale and purchase of the KWSB Shares in accordance with the terms and conditions of the SSA shall become unconditional on the day upon which the Approval has been obtained in accordance with the provisions of the SSA ("SSA Unconditional Date").</p>	
Section 3	<p><u>PURCHASE CONSIDERATION</u></p> <p>(i) The purchase consideration for the KWSB Shares is RM82,000,000 ("SSA Consideration").</p> <p>(ii) Y&G shall pay the SSA Consideration to the Vendors, in proportionate to their shareholding in KWSB, in the following manner:</p> <p>(a) Y&G shall on or before the expiry of the date falling no later than 3 months after the SSA Unconditional Date, or such other date as may be agreed upon between the parties upon which Completion (as defined in Section 4 below) is to take place ("SSA Completion Date") pays RM16,000,000 ("SSA Initial Consideration") to the Vendors;</p> <p>(b) Y&G shall pay the RM66,000,000 ("SSA Balance Consideration") directly to the Vendors on or before the date falling 24 months from the SSA Completion Date ("SSA Final Payment Date"); and</p> <p>(c) In the event that the SSA Balance Consideration is not paid on or before the SSA Final Payment Date, the date for payment of the SSA Balance Consideration shall automatically be extended by a further twelve (12) months and Y&G shall pay interest to the Vendors at the rate of five per centum (5%) per annum, calculated on a day to day basis, on the amount of the outstanding SSA Balance Consideration from the date next following the SSA Final Payment Date until such time as the actual payment of the SSA Balance Consideration is fully paid to the Vendors.</p>	<p>These terms outlines the purchase consideration of RM82.0 million for the KWSB Shares.</p> <p>We are of the opinion that the deferred payment structure in the form of the SSA Balance Consideration is reasonable as it allows the Group to have access to the BBST Lands after the payment of the SSA Initial Consideration. This would provide the Group with financial flexibility to service its working capital, development expenditure and financing costs.</p> <p>We take note that the Group has a total cash and bank balances of approximately RM33.53 million as at 30 June 2025, which would be sufficient to partially satisfy the SSA Initial Consideration.</p> <p>Further, we take cognisance that the Group intends to partially satisfy the SSA Balance Consideration via bank borrowings within the 24-month period, which in turn may increase the Group's gearing ratio and finance costs.</p>

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
		<p>However, we note that the Group's ongoing developments, Hamlet @ Kuala Selangor and Trifolia @ Port Dickson recorded an unbilled amount of RM26.2 million and RM102.2 million respectively, as at the LPD. As such, the cash inflow from the aforementioned projects (anticipated to be received progressively until 2027) will provide the Group with additional cash flow that the Group may use to satisfy part of its debt obligations pursuant to the Proposed Acquisition of KWSB. Further, the SSA Balance Consideration, represents 80.5% of the SSA Purchase Consideration and enables the Y&G Group to alleviate a portion of the upfront cash flow requirements for the Proposed Acquisition of KWSB. As such, these terms are reasonable and not detrimental to the non-interested shareholders of Y&G.</p> <p>Our evaluation of the fairness of the SSA Purchase Consideration is set out in Section 6.2.3 of this IAL.</p> <p>The automatic extension of 12 months for the SSA Final Payment Date is reasonable and common for such transactions.</p> <p>The late payment interest fee of 5% per annum is reasonable for transactions of such nature.</p>

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
Section 4	<p><u>COMPLETION</u></p> <p>(i) Commencing from the date of the SSA and until the SSA Completion Date, the Vendors shall ensure and procure that, except with the prior written consent of Y&G or expressly required by this agreement –</p> <p>(a) KWSB carries on business in the normal course;</p> <p>(b) KWSB does not do anything that is not in its ordinary course of business;</p> <p>(c) reasonable advance notice is given to Y&G of meetings of the board of directors of KWSB ("KWSB's Board") (together with an agenda of the business to be transacted at such meetings and all supporting documents) and a duly authorised representative of Y&G is permitted to attend and to participate fully in the discussions at all those meetings;</p> <p>(d) no resolutions (including circular resolutions) will be passed by KWSB's Board except at duly held meetings of the KWSB's Board of which Y&G has been given reasonable advance notice in accordance with Section 4(i)(c) above;</p> <p>(e) the officers, employees and agents of KWSB, upon the request of Y&G, supply to Y&G such information concerning the business of the KWSB as Y&G reasonably require, and allow representatives of Y&G access to the KWSB's premises, employees and agents, during the business hours of KWSB, for the purpose of obtaining an intimate knowledge of the day to day activities of all aspects of the KWSB's business;</p> <p>(f) KWSB will not –</p> <p>(1) lend any money;</p>	<p>These terms set out the steps to be taken by all parties on the Completion of the Proposed Acquisition of KWSB. We are of the opinion that these terms are reasonable as these are typical completion terms applicable to transaction of this nature.</p>

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
	<ul style="list-style-type: none"> (2) borrow any money; (3) give or create any debenture, mortgage, charge or other encumbrance over any of its assets or undertaking; (4) allow to exist any debenture, mortgage, charge or other Encumbrance over any of its assets or undertaking except for the Encumbrances disclosed to the Purchaser prior to the date of this agreement; (5) enter into any capital expenditure commitments, hire purchase, leasing, rental or conditional sale agreements or arrangements; (6) enter into any agreement; (7) declare, make or pay any dividend or other distribution or allot, issue, grant any options over, redeem, purchase, consolidate, convert, sub divide or reduce any share or loan capital or issue any share warranties or securities convertible into shares; (8) sell, transfer or otherwise dispose of the whole or any part of its business, undertakings or assets; (9) give any financial or other guarantees, securities or indemnities for any purpose; (10) commence any litigation or compromise or settle any claim, dispute or other matter in which it is involved; (11) alter its Constitution or capital structure; and 	

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
	<p>(12) attempt to do any of the matters set out in Section 4(i)(f)(1) to 4(i)(f)(11);</p> <p>(13) there is no change in existing composition of the Board and no additional directors are appointed to the KWSB's Board;</p> <p>(14) no resolution is passed by the shareholders of KWSB other than that required by the Act;</p> <p>(15) no new person is employed or offered to be employed by KWSB;</p> <p>(16) no act is performed or omission allowed which would result in any of the Warranties being breached or becoming misleading at any time up to and including Completion (as defined in Section 4(ii) below); and</p> <p>(17) KWSB maintains in force, if any, valid insurance in respect of its property, assets and business.</p> <p>(ii) On Completion⁽¹⁾:</p> <p>(a) The Vendors shall deliver to Y&G –</p> <p>(1) the original share certificates for the KWSB Shares;</p> <p>(2) share transfer forms, duly completed and executed by the Vendors, in favour of Y&G in respect of the KWSB Shares;</p> <p>(3) the certificate of incorporation, any certificates of incorporation on change of name or re-registration, the statutory books written up to date, share certificate books, minute books, all unused cheque books and the common seal of KWSB;</p>	

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
	<ul style="list-style-type: none"> (4) all credit and charge cards held for the account of KWSB; (5) all other papers and documents relating to KWSB which are in the possession of or under the control of any of the Vendors; (6) the original issue document of titles to the BBST Lands that are in KWSB's possession; (7) letters of resignation, in the form acceptable to Y&G, from such directors to be determined by the Purchaser; (8) letters of resignation, in the form acceptable to Y&G, from the auditor and company secretary of KWSB (if required); and (9) a statement of all overdraft and credit balances from KWSB's bankers and other lenders as at the close of business on the day preceding Completion. <ul style="list-style-type: none"> (b) Upon the delivery of all documents set out in Section 4(ii)(a), Y&G shall pay the Initial Consideration to the Vendors proportionately to their shareholding in the Company. (c) The Vendors shall procure that a meeting of KWSB's Board is held at which – <ul style="list-style-type: none"> (1) the share transfer forms referred to in Section 4(ii)(a)(2) are approved and (subject to them being appropriately stamped) registered in KWSB's books; (2) authority is given to the company secretary of KWSB to cancel the existing shares certificates and new shares certificates be issued in the name of Y&G; 	

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
	<p>(3) the persons nominated by Y&G are appointed as directors of KWSB;</p> <p>(4) the persons nominated by Y&G are appointed as the company secretary and auditor of KWSB;</p> <p>(5) each resigning director and the secretary of KWSB ceases to be an officer with immediate effect;</p> <p>(6) the mandates given by KWSB to its bankers are revoked or revised as Y&G may require;</p> <p>(7) the execution and completion of the other documents to be entered into by KWSB under the SSA is approved; and</p> <p>(8) if applicable, the resignation of the existing company secretary of KWSB.</p> <p>Note: Completion means completion of the sale and purchase of the KWSB Shares by the performance by the parties of SSA of their respective obligations under Section 4(ii).</p> <p>(iii) Within 24 months from the SSA Completion Date, Y&G shall procure KWSB to pay RM23,000,000 to Dato' Yap, as repayment of advances made by Dato' Yap to KWSB.</p> <p>(iv) If any of the requirements of Section 4(ii) are not complied with on the SSA Completion Date, Y&G may –</p> <p>(a) defer Completion with respect to all of the KWSB Shares to a date not less than 7 nor more than 28 days after that date (in which case the provisions of this section shall also apply to Completion as so deferred);</p>	<p>This term stipulates that Y&G shall procure KWSB to pay RM23,000,000 to Dato' Yap, as repayment for advances made by Dato' Yap to KWSB. We are of the view that this term is reasonable due to the following:-</p> <p>(a) The advances were made by Dato' Yap in his capacity as director and shareholder of KWSB to meet the funding needs of KWSB in relation to the Proposed Development. As such, the funds advanced by Dato' Yap is</p>

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
	<p>(b) proceed to Completion so far as practicable but without prejudice to any other rights which it or they may have under the SSA; or</p> <p>(c) issue a notice of termination to the Vendors whereby the SSA shall terminate and the consequences of termination under the SSA shall apply.</p> <p>(v) After Completion, the Vendors must execute such documents and take such steps as Y&G may reasonably require to vest the full title to the KWSB Shares in Y&G and give Y&G the full benefit of the SSA.</p> <p>(vi) Except to the extent already performed, all the provisions of the SSA will, so far as they are capable of being performed or observed, continue in full force and effect notwithstanding Completion.</p> <p>(vii) Y&G shall, as soon as practicable after Completion, procure the release of the personal guarantees given by the Vendors in respect of KWSB's facility with OCBC Al-Amin Bank Berhad and shall indemnify the Vendors against any costs, expenses, losses or liabilities that the Vendors may suffer or incur after Completion arising from such personal guarantees.</p>	<p>anticipated to contribute towards the feasibility of the Proposed Development, which we note may be value accretive to KWSB and the Group moving forward;</p> <p>(b) The advances from Dato' Yap are non-interest bearing, and as such KWSB has been given access to additional funds upfront which may be utilized for its funding requirements and the Proposed Development. This is as opposed to conventional bank borrowings from financial institutions which are interest bearing in nature, which will be added finance cost to KWSB; and</p> <p>(c) KWSB is anticipated to generate progressive cash inflows from the Proposed Development on the BBST Lands commencing from 2027, wherein such cash inflows will enable KWSB to repay the advances by Dato' Yap within the stipulated repayment timeframe.</p> <p>(d) We note that as at the LPD, the total amount of advances provided by Dato' Yap is RM22.38 million. We also note that the payment deadline for the repayment of advances is 24 months from the SSA Completion Date. As informed by the management of Y&G, we understand that Y&G will make the repayment based on the actual amount owing to Dato' Yap as at the SSA</p>

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
		<p>Completion Date. Therefore, in the event that the total amount of advances outstanding as at the SSA Completion Date is lower than RM23 million, the repayment amount will be reduced accordingly. For avoidance of doubt, the actual repayment amount will not exceed the RM23 million as stipulated in this SSA.</p> <p>In view of the aforementioned reasons, we are of the view that the repayment of RM23 million to Dato' Yap is reasonable and not detrimental to the non-interested shareholders of Y&G.</p>
Section 5	<p><u>VENDOR'S RIGHT TO TERMINATE</u></p> <p>Prior to Completion, the Vendors may, at any time while such default subsists, give a notice of termination to Y&G in the event that Y&G defaults in the satisfaction of the SSA Initial Consideration in accordance with the provisions of the SSA or is otherwise in fundamental breach of its obligations under the SSA and which, if capable of rectification, has not been rectified by Y&G within 14 days, or such longer period as may be mutually agreed between the parties of the SSA, of being requested to do so by the Vendors.</p>	<p>These terms are reasonable as it sets out the rights of the Vendors to terminate the SSA and are common terms for transactions of this nature.</p>
Section 6	<p><u>Y&G'S RIGHT TO TERMINATE</u></p> <p>The Purchaser may, at any time while such default subsists, give a notice of termination to the Vendors in the event that –</p> <ul style="list-style-type: none"> (i) the Vendors fail, neglect or refuse to complete the sale in accordance with the provisions of the SSA; or (ii) the Vendors fail, neglect or refuse to perform or comply with any of its undertakings and covenants on its part of the SSA to be performed. 	<p>These terms are reasonable as it sets out the rights of Y&G to terminate the SSA and are common terms for transactions of this nature.</p>

Reference in Appendix III of the Circular	Salient terms of the SSA	UOBKH's comments
Section 7	<p><u>CONSEQUENCES OF TERMINATION</u></p> <p>(i) In the event of a notice of termination being duly given under any provisions of the SSA –</p> <p>(a) Y&G shall, within 7 days from the notice of termination, return all documents, if any, delivered to them by or on behalf of the Vendors to the Vendors;</p> <p>(b) the Vendors shall, within 7 days from the notice of termination, return all documents, if any, delivered to them by or on behalf of Y&G to Y&G; and</p> <p>(c) the Vendors shall refund to Y&G, free of interest, the SSA Consideration or any part thereof received by the Vendors.</p> <p>(ii) Following the giving of a notice of termination under any of the provisions of the SSA, neither party of the SSA will have any further obligations under SSA to the other party, except in respect of –</p> <p>(a) their respective obligations under Section 7(i);</p> <p>(b) any obligation under the SSA which is expressed to apply after the termination of the SSA; and</p> <p>(c) any rights or obligations which have accrued in respect of any breach of any of the provisions of the SSA to either party prior to such termination.</p>	<p>These terms are reasonable and not detrimental to the non-interested shareholders of Y&G as these terms sets out the obligation of both parties in the event of a termination by either parties, which is common to be included in such transactions.</p> <p>The obligation for the Vendors to refund the consideration is reasonable as it ensures that Y&G is restored to its original financial position in the event that the SSA is terminated.</p> <p>These terms are reasonable and provide both parties a clean contractual exit, with preservation of legal recourse for breaches occurring prior to termination.</p>

7. OUR CONCLUSION AND RECOMMENDATION

The non-interested shareholders of the Company should take into account all the merits and demerits of the Proposals based on all relevant pertinent factors including those which are set out in Part A of this Circular, the relevant appendices thereof, this IAL and other publicly available information.

In our evaluation of the Proposals and in arriving at our opinion, we have taken into consideration various factors which are summarised as follows:

- (i) the rationale and justifications for the Proposals;
- (ii) evaluation on the basis and justification for the SPA 1 Purchase Consideration, SPA 2 Purchase Consideration and SSA Consideration;
- (iii) salient terms of the SPA 1, SPA 2 and SSA;
- (iv) effects of the Proposals;
- (v) prospects of the Proposals; and
- (vi) risk factors of the Proposals.

Based on our evaluation, we are of the opinion that, on the basis of the information available to us, the Proposals are **FAIR AND REASONABLE** and **NOT DETRIMENTAL** to the non-interested shareholders of Y&G.

As such, we advise and recommend that the non-interested shareholders of Y&G to **VOTE IN FAVOUR** of the ordinary resolutions pertaining to the Proposals to be tabled at the forthcoming EGM of the Company.

Yours faithfully,
For and on behalf of
UOB KAY HIAN (M) SDN BHD
(formerly known as UOB Kay Hian Securities (M) Sdn Bhd)

TAN MENG KIM
Managing Director
Capital Markets

NANTHA KUMAR
Director
Co-Head of Corporate Finance

APPENDIX I – SALIENT TERMS OF THE SPA 1

The salient terms of SPA 1 are as follows:

1. AGREEMENT FOR SALE AND PURCHASE

The sale and purchase of the Sepang Lands is on "as is where is" basis subject to all other conditions whether express or implied and restrictions-in-interest endorsed on the issue document of title to the Converted Titles (as defined in Section 4(ii) below), with all rights attaching the Sepang Lands as a beneficial owner with effect from SPA 1 Completion Date (as defined in Section 3(i) below), free from all encumbrances and with vacant possession and upon the terms and conditions of the SPA 1.

2. CONDITIONS PRECEDENT

(i) Within 6 months from the date of the SPA 1 or such other period as may be agreed upon between the parties as the last date by which the following conditions shall be fulfilled ("**SPA 1 Conditional Period**"):

- (a) NSSB shall apply for and obtain, at its own costs and expense, the approval of the relevant state authority for the transfer of the Sepang Lands to NWSB and the charge in favour of the financier granting the loan ("**Financier**") for the payment of the purchase consideration for the Sepang Lands ("**Loan**").
- (b) NWSB shall, at its own costs and expense, obtain the approval of the shareholders of Y&G at a general meeting for the acquisition of the Sepang Lands in accordance with the terms of the SPA 1.

(Collectively, the "**SPA 1 Conditions Precedent**")

(ii) If any one of the SPA 1 Conditions Precedent above is not fulfilled within the SPA 1 Conditional Period, either party of the SPA 1 shall be entitled to terminate this agreement by giving a notice of termination to the other party whereby –

- (a) NWSB, shall at its own cost and expense, withdraw or cause to withdraw and forward to NSSB the statement of presentation of the notice of withdrawal of any private caveat, if any, attributable to NWSB;
- (b) NSSB shall within 14 business days from the notice of termination refund or cause to be refunded to NWSB the purchase consideration or any part thereof received by NSSB, free of interest; and
- (c) NSSB shall refund the SPA 1 Retention Sum (as defined in Section 3(i)(a) below to NWSB in the event such SPA 1 Retention Sum has been paid to the Director General of Inland Revenue or the solicitors of NWSB ("**NWSB's Solicitors**") are authorised to release the SPA 1 Retention Sum to NWSB, as the case may be.

(iii) The completion of the sale and purchase of the Sepang Lands shall become unconditional on the day on which the last of the SPA 1 Conditions Precedent is fulfilled in accordance with the SPA 1 or waived by mutual agreement of the parties ("**SPA 1 Unconditional Date**").

3. PAYMENT OF THE PURCHASE CONSIDERATION

(i) The purchase consideration of RM206,000,000 ("**SPA 1 Purchase Consideration**") shall be satisfied in the following manner:

- (a) the sum of RM6,180,000 only, being 3% of the SPA 1 Purchase Consideration required to be retained pursuant to section 21B(1) of the Real Property Gains Tax Act 1976 ("**SPA 1 Retention Sum**"), shall be paid to the NWSB's Solicitors, as stakeholders within 30 days from the date where NSSB obtains the approval of

APPENDIX I – SALIENT TERMS OF THE SPA 1 (Cont'd)

relevant state authority for the transfer of the Sepang Lands to NWSB and the charge in favour of the Financier for the Loan;

- (b) the sum of RM115,500,000 only, being 56% of the SPA 1 Purchase Consideration ("**SPA 1 Initial Purchase Price**"), shall be paid to NWSB's Solicitors, as stakeholders on or before the expiry of a period of three (3) months from the SPA 1 Unconditional Date, or such other date as may be agreed upon between the parties ("**SPA 1 Completion Period**"); and
- (c) the sum of RM84,320,000 only, being 41% of the SPA 1 Purchase Consideration ("**SPA 1 Balance Purchase Price**"), shall be paid to NWSB, on or before the date falling 24 months from the SPA 1 Completion Date⁽¹⁾ ("**SPA 1 Final Payment Date**").

Note:

- (1) SPA 1 Completion Date means the day on which NWSB completes the satisfaction of the SPA 1 Initial Purchase Price in accordance with Section 3(i)(b) above.
- (ii) In the event the SPA 1 Balance Purchase Price is not paid in full on or before the SPA 1 Final Payment Date, NWSB shall grant to NWSB an automatic extension by further 12 calendar months commencing from the date next following the SPA 1 Final Payment Date to pay the SPA 1 Balance Purchase Price.
- (iii) The extension is subject to NWSB paying to NWSB an interest at the rate of five per centum (5%) per annum, calculated on a day to day basis, on the amount of the outstanding SPA 1 Balance Purchase Price from the date next following the SPA 1 Final Payment Date until such time as the actual payment of the SPA 1 Balance Purchase Price is fully paid to NWSB.
- (iv) NWSB's Solicitors are authorised to release the money received towards account of the SPA 1 Purchase Consideration or any part thereof in the following manner:
 - (a) If NWSB does not require loan to fund the SPA 1 Initial Purchase Price ("**Sepang Lands Loan**"), the SPA 1 Initial Purchase Price shall be paid to NWSB within 14 business days from the SPA 1 Completion Date, provided that there has been no notice of rejection of the presentation of the transfer documents from the relevant land registry received by NWSB.
 - (b) If NWSB requires Sepang Lands Loan, the SPA 1 Initial Purchase Price shall be paid to NWSB within 14 business days from the date of presentation of the transfer and charge for registration at the Land Registry, provided that neither NWSB nor the Financier's solicitors have received any notice of rejection of the presentation of the transfer documents from the relevant land registry.

4. CONVERSION OF THE SEPANG LANDS

- (i) NWSB agrees and covenants that it shall at its own costs and expenses settle the Remaining Premium⁽¹⁾ as imposed by the relevant land registry on or before the SPA 1 Completion Period.
- (ii) NWSB shall within 7 days from its receipt of the original issue document of title for the Sepang Lands, which have been duly endorsed with the converted category of land use as industrial and the express conditions for light industry ("**Converted Titles**") from the relevant land registry and no later than the expiry of the SPA 1 Completion Period, deliver the Converted Titles to NWSB's Solicitors to deal with in accordance with SPA 1.

Note:

- (1) Remaining Premium means the land conversion premiums payable in respect of the two land conversion approvals which have yet to be settled by NWSB as at the date of SPA 1.

APPENDIX I – SALIENT TERMS OF THE SPA 1 (Cont'd)

5. VACANT POSSESSION

Vacant possession of the Sepang Lands shall be delivered by NSSB to NWSB within 14 days from the SPA 1 Completion Date.

6. NSSB'S RIGHT TO TERMINATE

NSSB may terminate the SPA 1 prior to the SPA 1 Completion Date if NWSB fails to pay the SPA 1 Initial Purchase Price in accordance with SPA 1 or fails to perform any of its obligations, covenants, or undertakings under the SPA 1.

For defaults capable of remedy (excluding payment defaults), NWSB will be given 14 days' written notice (or such other period as may be mutually agreed in writing) to rectify the default. If the default is not remedied within the stipulated period, NSSB is entitled to issue a notice of termination to terminate the SPA 1.

7. NWSB'S RIGHT TO TERMINATE

NWSB may terminate the SPA 1 prior to the SPA 1 Completion Date if –

- (i) any of the warranties given by NWSB are found at any time to be untrue or incorrect;
- (ii) NWSB fails, neglects or refuses to complete the sale in accordance with SPA 1; or
- (iii) NWSB is in breach of any terms or conditions contained in the SPA 1 or fails to perform or observe all or any of NWSB's stipulations, undertakings, covenants or obligations contained in the SPA 1.

NSSB will be given 14 days' written notice (or such other period as may be mutually agreed in writing) to rectify the default. If the default is not remedied within the stipulated period, NWSB is entitled to issue a notice of termination to terminate the SPA 1.

8. CONSEQUENCES OF TERMINATION

If either party of SPA 1 elects to terminate the SPA 1 in accordance with Section 6 or Section 7 above:

- (i) NWSB shall within 14 days of the notice of termination, refund or cause to be refunded all sums paid by NWSB towards the SPA 1 Purchase Consideration (if any), to NWSB.
- (ii) Simultaneous with refund by NWSB, NWSB shall –
 - (a) return or cause to be returned the Converted Titles (if the same have been delivered to NWSB) and the transfer documents to NWSB with the interest of NWSB intact;
 - (b) withdraw or cause to withdraw, at the cost and expense of NWSB, any private caveat lodged by NWSB or Financier over the Sepang Lands, if any; and
 - (c) re-deliver to NWSB vacant possession of the Sepang Lands, if the same have been delivered to NWSB.

9. WARRANTIES

- (i) NSSB represents and warrants to NWSB that the representations and warranties set out below are true and accurate:
 - (a) NSSB is duly incorporated and validly existing under the laws of Malaysia.
 - (b) NSSB is the legal and beneficial owner of the Sepang Lands and is entitled and has the full ability to transfer the Sepang Lands to NWSB absolutely in accordance with the terms of the SPA 1.
 - (c) All necessary corporate actions have been taken to authorise the execution and delivery of SPA 1, and to enable NSSB to exercise its rights and perform its obligations under SPA 1 and all related documents.
 - (d) The Sepang Lands are free from all encumbrances.
 - (e) NSSB has not and shall not after the date of SPA 1 sell, dispose, charge, mortgage, assign or in any manner whatsoever encumber or deal with the Sepang Lands or any part of it.
 - (f) All the express and implied conditions of the title and restrictions affecting the Sepang Lands have been duly observed by NSSB and there is no breach occurred that could lead to forfeiture of Sepang Lands or any part thereof or fines by the relevant authorities.
 - (g) All outgoing and utilities charges on the Sepang Lands have been duly paid and will be settled as at the date of delivery of vacant possession, and no event of default has occurred that would entitle forfeiture of Sepang Lands or any part thereof by the relevant authorities.
 - (h) NSSB holds full enjoyment of the rights as the owner of the Sepang Lands with no third-party claims or rights.
 - (i) NSSB has not entered into any agreement, option, or arrangement for sale, lease, or tenancy of the Sepang Lands, and will not do so after execution of the SPA 1.
 - (j) There are no pending or threatened legal, arbitration, or administrative proceedings that may affect NSSB's ability to perform its obligations or complete the transaction under SPA 1.
 - (k) No petition for the winding-up of NSSB has been presented or remains pending as at the date of SPA 1.
 - (l) NSSB has not received any notice from the relevant state authority which affects the Sepang Lands or any part thereof including any notice under the Land Acquisition Act 1960.
 - (m) NSSB's compliance with the terms of SPA 1 does not and shall not conflict with, or result in a breach of, or constitute a default under, any of the terms, conditions or provisions of any agreement or instrument to which it is a party, or any provisions of its constitution.
- (ii) NWSB represents and warrants to NSSB that the representations and warranties set out below are true and accurate:
 - (a) NWSB is duly incorporated and validly existing under the laws of Malaysia.

APPENDIX I – SALIENT TERMS OF THE SPA 1 (Cont'd)

- (b) All necessary corporate actions have been taken to authorise the execution and delivery of SPA 1, and to enable NWSB to exercise its rights and perform its obligations under SPA 1 and all related documents.
- (c) No winding-up proceedings have been commenced against NWSB as at the date of the SPA 1 and NWSB has not commenced any action or passed any resolution for its voluntary winding-up.
- (d) There are no judgments, orders or pending legal proceedings or claims against NWSB which may affect in any way its solvency.

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APPENDIX II – SALIENT TERMS OF THE SPA 2

The salient terms of SPA 2 are as follows:

1. AGREEMENT FOR SALE AND PURCHASE

The sale and purchase of the KS Land is on "as is where is" basis subject to all other conditions whether express or implied and restrictions-in-interest endorsed on the issue document of title to the Subdivided Title, with all rights attaching the KS Land as a beneficial owner with effect from SPA 2 Completion Date (as defined in Section 3(i) below), free from all encumbrances and with vacant possession and upon the terms and conditions of the SPA 2.

2. CONDITIONS PRECEDENT

(i) Within 6 months from the date of the SPA 2 or such other period as may be agreed upon between the parties as the last date by which the following conditions shall be fulfilled ("**SPA 2 Conditional Period**"):

(a) DASB shall, at its own costs and expense, obtain the approval of the shareholders of Y&G at a general meeting for the acquisition of the KS Land in accordance with the terms of the SPA 2.

(b) ARHSB shall, at its own costs and expense, procure the discharge of the existing Master Land Charges.

(Collectively, the "**SPA 2 Conditions Precedent**")

(ii) If any one of the SPA 2 Conditions Precedent above is not fulfilled within the SPA 2 Conditional Period, either party of the SPA 2 shall be entitled to terminate this agreement by giving a notice of termination to the other party whereby –

(a) DASB, shall at its own cost and expense, withdraw or cause to withdraw and forward to ARHSB the statement of presentation of the notice of withdrawal of any private caveat, if any, attributable to DASB;

(b) ARHSB shall within 14 business days from the notice of termination refund or cause to be refunded to DASB the purchase consideration or any part thereof received by ARHSB, free of interest; and

(c) ARHSB shall refund the SPA 2 Retention Sum (as defined in Section 3(i)(a) below) to DASB in the event such SPA 2 Retention Sum has been paid to the Director General of Inland Revenue or the solicitors of DASB ("**DASB's Solicitors**") are authorised to release the SPA 2 Retention Sum to DASB, as the case may be.

(iii) The completion of the sale and purchase of KS Land shall become unconditional on the day on which the last of the SPA 2 Conditions Precedent is fulfilled in accordance with the SPA 2 or waived by mutual agreement of the parties ("**SPA 2 Unconditional Date**").

3. PAYMENT OF THE PURCHASE CONSIDERATION

(i) The purchase consideration of RM189,000,000 ("**SPA 2 Purchase Consideration**") shall be satisfied in the following manner:

(a) the sum of RM5,670,000 only, being 3% of the SPA 2 Purchase Consideration required to be retained pursuant to section 21B(1) of the Real Property Gains Tax Act 1976 ("**SPA 2 Retention Sum**"), shall be paid to DASB's Solicitors, as stakeholders within 30 days upon the execution of the SPA 2;

(b) the sum of RM120,000,000 only, being 63.5% of the SPA 2 Purchase Consideration ("**SPA 2 Initial Purchase Price**"), shall be paid to DASB's Solicitors, as stakeholders on or before the expiry of a period of 3 months from the SPA 2

APPENDIX II – SALIENT TERMS OF THE SPA 2 (Cont'd)

Unconditional Date, or such other date as may be agreed upon between the parties ("**SPA 2 Completion Period**"); and

- (c) the sum of RM63,330,000 only, being 33.5% of the SPA 2 Purchase Consideration ("**SPA 2 Balance Purchase Price**"), shall be paid to ARHSB, on or before the date falling 24 months from the SPA 2 Completion Date⁽¹⁾ ("**SPA 2 Final Payment Date**").

Note:

- (1) SPA 2 Completion Date means the day on which DASB completes the satisfaction of the Initial Purchase Price in accordance with Section 3(i)(b) above.
- (ii) In the event the SPA 2 Balance Purchase Price is not paid in full on or before the SPA 2 Final Payment Date, ARHSB shall automatically grant to DASB an extension by further 12 calendar months commencing from the date next following the SPA 2 Final Payment Date to pay the SPA 2 Balance Purchase Price.
- (iii) The extension is subject to DASB paying to ARHSB an interest at the rate of five per centum (5%) per annum, calculated on a day to day basis, on the amount of the outstanding SPA 2 Balance Purchase Price from the date next following the SPA 2 Final Payment Date until such time as the actual payment of the SPA 2 Balance Purchase Price is fully paid to ARHSB.
- (iv) DASB's Solicitors is authorised to release the money received towards account of the SPA 2 Purchase Consideration or any part thereof in the following manner:
- (a) If DASB does not require a loan to fund the SPA 2 Initial Purchase Price ("**KS Land Loan**"), the Initial Purchase Price shall be paid to ARHSB on the SPA 2 Completion Date, subject to the receipt of the Power of Attorney (as defined in Section 5(ii) below).
- (b) If DASB requires the KS Land Loan, the SPA 2 Initial Purchase Price shall be paid to ARHSB within 14 business days from the date of presentation of the third-party charge over the Master Land in favour of DASB's financier.

4. THIRD PARTY CHARGE BY ARHSB

ARHSB hereby agrees to grant a third-party charge over the Master Land in favour of DASB's financier as security for the KS Land Loan, on the condition that DASB's financier shall disclaim the portion of the Master Land not represented by KS Land ("**Remaining Land**").

5. SPA 2 COMPLETION DATE

- (i) ARHSB acknowledges that upon full payment of the SPA 2 Initial Purchase Price, the KS Land shall be held on trust by ARHSB for the benefit of DASB.
- (ii) ARHSB shall on SPA 2 Completion Date, grant DASB a power of attorney over the Master Land to enable to DASB to deal with KS Land in anyway DASB deems fit ("**Power of Attorney**").

APPENDIX II – SALIENT TERMS OF THE SPA 2 (Cont'd)

6. SUBDIVISION OF THE MASTER LAND

- (i) ARHSB shall, at its own cost and expense, apply for subdivision of the Master Land and obtain the issuance of a separate Subdivided Title within 12 months from the SPA 2 Unconditional Date.
- (ii) ARHSB acknowledges that the measurement, boundaries and area of the KS Land in relation to the Master Land is an approximation only and there is no assurance that the Subdivided Title will match the exact measurement, boundaries and area shown in the plan annexed to SPA 2 ("**Annexed Plan**").
- (iii) ARHSB shall use its best endeavours to sub-divide the Master Land such that KS Land is as close as possible to the measurement, boundaries and area shown in the Annexed Plan.
- (iv) DASB agrees to provide any document within its possession or use its best endeavours to procure such document not within its possession as may be reasonably required by the relevant land registry for the subdivision of the Master Land including the letter of consent from DASB's financier (if any).
- (v) ARHSB shall within 7 days from its receipt of the Subdivided Title from the relevant land registry, deliver the Subdivided Title and the remaining transfer documents to DASB's Solicitors to be dealt with in accordance with SPA 2.
- (vi) In the event the area represented by the Subdivided Title is less than 367 acres by more than 2%, the SPA 2 Purchase Consideration shall be adjusted proportionately to reflect the actual area represented by the Subdivided Title, and ARHSB shall refund to DASB the difference in the SPA 2 Purchase Consideration within 14 days from the issuance of the Subdivided Title in the event the SPA 2 Purchase Consideration has been paid.
- (vii) Upon registration of DASB as the owner of KS Land, DASB shall within 30 days thereafter procure the discharge of the charge in favour of the DASB's financier over the Remaining Land.

7. RIGHT OF FIRST REFUSAL

- (i) ARHSB grants the DASB a right of first refusal to purchase or jointly develop the Remaining Land.
- (ii) In the event ARHSB intends to sell or develop the Remaining Land, ARHSB shall give DASB notice in writing of its intention, and the parties of the SPA 2 shall negotiate in good faith the purchase or joint development of the Remaining Land by DASB.
- (iii) If the parties of the SPA 2 are unable to reach an agreement within 12 months from the date of the notice or if DASB is not interested in the Remaining Land, ARHSB is entitled to pursue the sale or joint development of the Remaining Land with a third party.

8. VACANT POSSESSION

Vacant possession of the KS Lands, clear of all plantations, the workers' accommodation for plantation workers and the school premises currently thereon shall be delivered by ARHSB to DASB within 14 days from the SPA 2 Completion Date or 12 months from the SPA 2 Unconditional Date, whichever is earlier.

9. ARHSB'S RIGHT TO TERMINATE

ARHSB may terminate the SPA 2 prior to the SPA 2 Completion Date if DASB fails to pay the SPA 2 Initial Purchase Price in accordance with SPA 2 or fails to perform any of its obligations, covenants, or undertakings under the SPA 2.

APPENDIX II – SALIENT TERMS OF THE SPA 2 (Cont'd)

For defaults capable of remedy (excluding payment defaults), DASB will be given 14 days' written notice (or such other period as may be mutually agreed in writing) to rectify the default. If the default is not remedied within the stipulated period, ARHSB is entitled to issue a notice of termination to terminate the SPA 2.

10. DASB'S RIGHT TO TERMINATE

DASB may terminate the SPA 2 prior to the SPA 2 Completion Date if –

- (i) any of the warranties given by ARHSB are found at any time to be untrue or incorrect;
- (ii) ARHSB fails, neglects or refuses to complete the sale in accordance with SPA 2; or
- (iii) ARHSB is in breach of any terms or conditions contained in the SPA 2 or fails to perform or observe all or any of ARHSB's stipulations, undertakings, covenants or obligations contained in the SPA 2.

ARHSB will be given 14 days' written notice (or such other period as may be mutually agreed in writing) to rectify the default. If the default is not remedied within the stipulated period, DASB is entitled to issue a notice of termination to terminate the SPA 2.

11. CONSEQUENCES OF TERMINATION

If either party of SPA 2 elects to terminate the SPA 2 in accordance with Section 9 or Section 10 above:

- (i) ARHSB shall within 14 days of the notice of termination, refund or cause to be refunded all sums paid by DASB towards the SPA 2 Purchase Consideration (if any), to DASB.
- (ii) simultaneous with refund by ARHSB, DASB shall –
 - (a) return or cause to be returned the titles of Master Land (if the same has been delivered to DASB) and the transfer documents to ARHSB with the interest of ARHSB intact;
 - (b) withdraw or cause to withdraw, at the cost and expense of DASB, any private caveat lodged by DASB or DASB'S financier over Master Land, if any;
 - (c) re-deliver to ARHSB vacant possession of the KS Land, if the same has been delivered to DASB; and
 - (d) file or cause to be filed the revocation of the Power of Attorney.

12. WARRANTIES

- (i) ARHSB represents and warrants to DASB that the representations and warranties set out below are true and accurate:
 - (a) ARHSB is duly incorporated and validly existing under the laws of Malaysia.
 - (b) ARHSB is the legal and beneficial owner of the Master Land and is entitled and has the full ability to transfer the KS Land to DASB absolutely in accordance with the terms of the SPA 2.
 - (c) All necessary corporate actions have been taken to authorise the execution and delivery of SPA 2, and to enable ARHSB to exercise its rights and perform its obligations under SPA 2 and all related documents.

APPENDIX II – SALIENT TERMS OF THE SPA 2 (Cont'd)

- (d) Other than the existing Master Land Charges, the Master Land is free from all encumbrances.
 - (e) ARHSB has not and shall not after the date of SPA 2 until the registration of the transfer of KS Land in favour of DASB, sell, dispose, charge, mortgage, assign or in any manner whatsoever encumber or deal with the Master Land or any part of it.
 - (f) All the express and implied conditions of the title and restrictions affecting the Master Land have been duly observed by ARHSB and there is no breach occurred that could lead to forfeiture of Master Land or any part thereof or fines by the relevant authorities.
 - (g) All outgoing and utilities charges on the Master Land have been duly paid and will be settled as at the date of delivery of vacant possession, and no event of default has occurred that would entitle forfeiture of Master Land or any part thereof by the relevant authorities.
 - (h) ARHSB holds full enjoyment of the rights as the owner of the Master Land with no third-party claims or rights.
 - (i) ARHSB has not entered into any agreement, option, or arrangement for sale, lease, or tenancy of the Master Land, and will not do so after execution of the SPA 2.
 - (j) There are no pending or threatened legal, arbitration, or administrative proceedings that may affect ARHSB's ability to perform its obligations or complete the transaction under SPA 2.
 - (k) No petition for the winding-up of ARHSB has been presented or remains pending as at the date of SPA 2.
 - (l) ARHSB has not received any notice from the State Authority which affects the Master Land or any part thereof including any notice under the Land Acquisition Act 1960.
 - (m) ARHSB's compliance with the terms of the SPA 2 does not and shall not conflict with, or result in a breach of, or constitute a default under, any of the terms, conditions or provisions of any agreement or instrument to which it is a party, or any provisions of its constitution.
- (ii) DASB represents and warrants to ARHSB that the representations and warranties set out below are true and accurate:
- (a) DASB is duly incorporated and validly existing under the laws of Malaysia.
 - (b) All necessary corporate actions have been taken to authorise the execution and delivery of SPA 2, and to enable DASB to exercise its rights and perform its obligations under SPA 2 and all related documents.
 - (c) No winding-up proceedings have been commenced against DASB as at the date of the SPA 2 and DASB has not commenced any action or passed any resolution for its voluntary winding-up.
 - (d) There are no judgments, orders or pending legal proceedings or claims against DASB which may affect in any way its solvency.

APPENDIX III – SALIENT TERMS OF THE SSA

The salient terms of SSA are as follows:

1. BASIS OF SALE

The Vendors agree to sell to Y&G and Y&G agrees to purchase the KWSB Shares free from all encumbrances and with full legal and beneficial title, with all rights attaching thereto (including all dividends and distributions declared in respect thereof) with effect from the SSA Completion Date (as defined in Section 3 below) and on the basis of the warranties under the SSA.

2. CONDITIONS PRECEDENT

- (i) The completion of the sale and purchase of KWSB Shares in accordance with the terms of the SSA is in all respects conditional upon Y&G, at its own costs and expenses, obtaining the approval from its shareholders at a general meeting ("**Approval**"). The Vendors shall cooperate and exercise their best endeavours to assist Y&G in applying for and obtaining the Approval.
- (ii) If the Approval is not obtained by the date falling 6 months from the date of the SSA or such other date as may be agreed upon between the parties as the last date by which the Approval must be obtained, then any party will be entitled to issue a notice of termination to the other party terminating this agreement and thereafter neither party shall have any continuing obligations to the other party save for any antecedent breaches or any obligations expressly provided in the SSA that survive the termination of the SSA.
- (iii) The completion of the sale and purchase of the KWSB Shares in accordance with the terms and conditions of the SSA shall become unconditional on the day upon which the Approval has been obtained in accordance with the provisions of the SSA ("**SSA Unconditional Date**").

3. PURCHASE CONSIDERATION

- (i) The purchase consideration for the KWSB Shares is RM82,000,000 ("**SSA Consideration**").
- (ii) Y&G shall pay the SSA Consideration to the Vendors, in proportionate to their shareholding in KWSB, in the following manner:
 - (a) Y&G shall on or before the expiry of the date falling no later than 3 months after the SSA Unconditional Date, or such other date as may be agreed upon between the parties upon which Completion (as defined in Section 4 below) is to take place ("**SSA Completion Date**") pay RM16,000,000 ("**SSA Initial Consideration**") to the Vendors.
 - (b) Y&G shall pay the RM66,000,000 ("**SSA Balance Consideration**") directly to the Vendors on or before the date falling 24 months from the SSA Completion Date ("**SSA Final Payment Date**").
 - (c) In the event that the SSA Balance Consideration is not paid on or before the SSA Final Payment Date, the date for payment of the SSA Balance Consideration shall automatically be extended by a further twelve (12) months and Y&G shall pay interest to the Vendors at the rate of five per centum (5%) per annum, calculated on a day to day basis, on the amount of the outstanding SSA Balance Consideration from the date next following the SSA Final Payment Date until such time as the actual payment of the SSA Balance Consideration is fully paid to the Vendors.

4. COMPLETION

- (i) Commencing from the date of the SSA and until the SSA Completion Date, the Vendors shall ensure and procure that, except with the prior written consent of Y&G or expressly required by this agreement –
 - (a) KWSB carries on business in the normal course;
 - (b) KWSB does not do anything that is not in its ordinary course of business;
 - (c) reasonable advance notice is given to Y&G of meetings of the board of directors of KWSB ("**KWSB's Board**") (together with an agenda of the business to be transacted at such meetings and all supporting documents) and a duly authorised representative of Y&G is permitted to attend and to participate fully in the discussions at all those meetings;
 - (d) no resolutions (including circular resolutions) will be passed by KWSB's Board except at duly held meetings of the KWSB's Board of which Y&G has been given reasonable advance notice in accordance with Section 4(i)(c) above;
 - (e) the officers, employees and agents of KWSB, upon the request of Y&G, supply to Y&G such information concerning the business of the KWSB as Y&G reasonably require, and allow representatives of Y&G access to the KWSB's premises, employees and agents, during the business hours of KWSB, for the purpose of obtaining an intimate knowledge of the day to day activities of all aspects of the KWSB's business;
 - (f) KWSB will not –
 - (1) lend any money;
 - (2) borrow any money;
 - (3) give or create any debenture, mortgage, charge or other encumbrance over any of its assets or undertaking;
 - (4) allow to exist any debenture, mortgage, charge or other Encumbrance over any of its assets or undertaking except for the Encumbrances disclosed to the Purchaser prior to the date of this agreement;
 - (5) enter into any capital expenditure commitments, hire purchase, leasing, rental or conditional sale agreements or arrangements;
 - (6) enter into any agreement;
 - (7) declare, make or pay any dividend or other distribution or allot, issue, grant any options over, redeem, purchase, consolidate, convert, sub divide or reduce any share or loan capital or issue any share warranties or securities convertible into shares;
 - (8) sell, transfer or otherwise dispose of the whole or any part of its business, undertakings or assets;
 - (9) give any financial or other guarantees, securities or indemnities for any purpose;

APPENDIX III – SALIENT TERMS OF THE SSA (Cont'd)

- (10) commence any litigation or compromise or settle any claim, dispute or other matter in which it is involved;
 - (11) alter its Constitution or capital structure;
 - (12) attempt to do any of the matters set out in Section 4(i)(f)(1) to 4(i)(f)(11);
 - (13) there is no change in existing composition of the Board and no additional directors are appointed to the KWSB's Board;
 - (14) no resolution is passed by the shareholders of KWSB other than that required by the Act;
 - (15) no new person is employed or offered to be employed by KWSB;
 - (16) no act is performed or omission allowed which would result in any of the Warranties being breached or becoming misleading at any time up to and including Completion (as defined in Section 4(ii) below); and
 - (17) KWSB maintains in force, if any, valid insurance in respect of its property, assets and business.
- (ii) On Completion⁽¹⁾:
- (a) The Vendors shall deliver to Y&G –
 - (1) the original share certificates for the KWSB Shares;
 - (2) share transfer forms, duly completed and executed by the Vendors, in favour of Y&G in respect of the KWSB Shares;
 - (3) the certificate of incorporation, any certificates of incorporation on change of name or re-registration, the statutory books written up to date, share certificate books, minute books, all unused cheque books and the common seal of KWSB;
 - (4) all credit and charge cards held for the account of KWSB;
 - (5) all other papers and documents relating to KWSB which are in the possession of or under the control of any of the Vendors;
 - (6) the original issue document of titles to the BBST Lands that are in KWSB's possession;
 - (7) letters of resignation, in the form acceptable to Y&G, from such directors to be determined by the Purchaser;
 - (8) letters of resignation, in the form acceptable to Y&G, from the auditor and company secretary of KWSB (if required); and
 - (9) a statement of all overdraft and credit balances from KWSB's bankers and other lenders as at the close of business on the day preceding Completion.
 - (b) Upon the delivery of all documents set out in Section 4(ii)(a), Y&G shall pay the SSA Initial Consideration to the Vendors proportionately to their shareholding in the Company.

APPENDIX III – SALIENT TERMS OF THE SSA (Cont'd)

- (c) The Vendors shall procure that a meeting of KWSB's Board is held at which –
- (1) the share transfer forms referred to in Section 4(ii)(a)(2) are approved and (subject to them being appropriately stamped) registered in KWSB's books;
 - (2) authority is given to the company secretary of KWSB to cancel the existing shares certificates and new shares certificates be issued in the name of Y&G;
 - (3) the persons nominated by Y&G are appointed as directors of KWSB;
 - (4) the persons nominated by Y&G are appointed as the company secretary and auditor of KWSB;
 - (5) each resigning director and the secretary of KWSB ceases to be an officer with immediate effect;
 - (6) the mandates given by KWSB to its bankers are revoked or revised as Y&G may require;
 - (7) the execution and completion of the other documents to be entered into by KWSB under the SSA is approved; and
 - (8) if applicable, the resignation of the existing company secretary of KWSB.

Note:

- (i) Completion means completion of the sale and purchase of the KWSB Shares by the performance by the parties of SSA of their respective obligations under Section 4(ii).
- (iii) Within 24 months from the SSA Completion Date, Y&G shall procure KWSB to pay RM23,000,000 to Dato' Yap, as repayment of advances made by Dato' Yap to KWSB.
- (iv) If any of the requirements of Section 4(ii) are not complied with on the SSA Completion Date, Y&G may –
 - (a) defer Completion with respect to all of the KWSB Shares to a date not less than 7 nor more than 28 days after that date (in which case the provisions of this section shall also apply to Completion as so deferred);
 - (b) proceed to Completion so far as practicable but without prejudice to any other rights which it or they may have under the SSA; or
 - (c) issue a notice of termination to the Vendors whereby the SSA shall terminate and the consequences of termination under the SSA shall apply.
- (v) After Completion, the Vendors must execute such documents and take such steps as Y&G may reasonably require to vest the full title to the KWSB Shares in Y&G and give Y&G the full benefit of the SSA.
- (vi) Except to the extent already performed, all the provisions of the SSA will, so far as they are capable of being performed or observed, continue in full force and effect notwithstanding Completion.
- (vii) Y&G shall, as soon as practicable after Completion, procure the release of the personal guarantees given by the Vendors in respect of KWSB's facility with OCBC Al-Amin Bank Berhad and shall indemnify the Vendors against any costs, expenses, losses or liabilities

APPENDIX III – SALIENT TERMS OF THE SSA (Cont'd)

that the Vendors may suffer or incur after Completion arising from such personal guarantees.

5. VENDORS' RIGHT TO TERMINATE

Prior to Completion, the Vendors may, at any time while such default subsists, give a notice of termination to Y&G in the event that Y&G defaults in the satisfaction of the SSA Initial Consideration in accordance with the provisions of the SSA or is otherwise in fundamental breach of its obligations under the SSA and which, if capable of rectification, has not been rectified by Y&G within 14 days, or such longer period as may be mutually agreed between the parties of the SSA, of being requested to do so by the Vendors.

6. Y&G'S RIGHT TO TERMINATE

The Purchaser may, at any time while such default subsists, give a notice of termination to the Vendors in the event that –

- (i) the Vendors fail, neglect or refuse to complete the sale in accordance with the provisions of the SSA; or
- (ii) the Vendors fail, neglect or refuse to perform or comply with any of its undertakings and covenants on its part of the SSA to be performed.

7. CONSEQUENCES OF TERMINATION

- (i) In the event of a notice of termination being duly given under any provisions of the SSA –
 - (a) Y&G shall, within 7 days from the notice of termination, return all documents, if any, delivered to them by or on behalf of the Vendors to the Vendors;
 - (b) the Vendors shall, within 7 days from the notice of termination, return all documents, if any, delivered to them by or on behalf of Y&G to Y&G; and
 - (c) the Vendors shall refund to Y&G, free of interest, the SSA Consideration or any part thereof received by the Vendors.
- (ii) Following the giving of a notice of termination under any of the provisions of the SSA, neither party of the SSA will have any further obligations under SSA to the other party, except in respect of –
 - (a) their respective obligations under Section 7(i);
 - (b) any obligation under the SSA which is expressed to apply after the termination of the SSA; and
 - (c) any rights or obligations which have accrued in respect of any breach of any of the provisions of the SSA to either party prior to such termination.

APPENDIX IV – VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES



Jones Lang Wootton

Proprietor: Singham Sulaiman Sdn. Bhd.
Registration No.: 198101012087 (78217-X)

Chartered Surveyors
Registered Valuers
Registered Estate Agents
Registered Property Managers
Research and Property Consultants
Asset Managers
Project Coordinators

Our Ref: V/PC (P)002(A-C)25/BURSA

20 August 2025

Y&G Corporation Berhad
Lot G-01, Ground Floor
Tower B, PJ City Development
No. 15a, Jalan 219, Seksyen 51A
46100 Petaling Jaya
Selangor Darul Ehsan

8th Floor,
Bangunan Getah Asli (Menara),
148 Jalan Ampang,
50450 Kuala Lumpur
Tel: +603 2161 2522
Fax: +603 2161 8060
Email: joneslang@jwmalaysia.com
www.jwmalaysia.com

Dear Sirs,

VALUATIONS OF PROPERTIES LOCATED WITHIN SEPANG, KUALA SELANGOR AND SALAK TINGGI

The Report and Valuations have been prepared for the purposes of submission to Bursa Malaysia Securities Berhad in relation to the following proposals:-

- i) acquisition by Nusa Wibawa Sdn. Bhd., a wholly-owned subsidiary of Y&G, of 3 parcels of leasehold land held under Title Nos. PN 113876, PN 113877 and PN 113878, (Lots 38082, 38081, and 7414), all located in Mukim of Labu, District of Sepang, Selangor, measuring in aggregate about 38.45 hectares (95.02 acres) from Nurani Saujana Sdn. Bhd. for a cash consideration of RM206,000,000.00;
- ii) acquisition by Duta Asiana Sdn. Bhd., a wholly-owned subsidiary of Y&G of a parcel of land measuring about 148.52 hectares (367 acres) held under Parent Title No. GRN 339968, (Lot 22124), located in Mukim of Ujong Permatang, District of Kuala Selangor, Selangor, from Asian Regal Holdings Sdn Bhd for a cash consideration of RM189,000,000.00; and
- iii) acquisition by Y&G of 1,000,000 ordinary shares in Konsep Wawasan Sdn. Bhd. ("KWSB"), representing 100% equity interest in KWSB, for a cash consideration of RM82,000,000.00.

This valuation certificate is for the inclusion in the circular to shareholders of Y&G.

Brief details of the subject properties are as follows:-

No.	Identification	Lot & Title Nos.	Interest Valued, Property Type & Address	Date of Valuation
1.	Sepang Lands	Lots 38081, 38082 and 7414 (New Lots 40442, 40439 and 40438), all within Mukim of Labu, District of Sepang, Selangor Darul Ehsan held under Title Nos. PN 113877, PN 113876 and PN 113878 respectively.	99-year leasehold interest (having an unexpired lease term of about 91 years as at the date of valuation) in 3 parcels of assumed converted industrial land located off KLIA Expressway, Sepang, Selangor Darul Ehsan.	23 June 2025
2.	KS Land	Plot A forming part of Parent Lot 22124, Mukim of Ujong Permatang, District of Kuala Selangor, Selangor Darul Ehsan held under Parent Title No. GRN 339968.	Legal interest in a parcel of development land located along Jalan Kuala Selangor-Teluk Intan, Tanjung Karang, Selangor Darul Ehsan.	25 June 2025
3.	BBST Land	Lot 1620 and 568 others, all within Bandar Baru Salak Tinggi, Sepang, Selangor Darul Ehsan held under Title No. HSD 61836 and 568 others.	99-year leasehold interest (having unexpired lease terms of either about 86 or 98 years as at the date of valuation) in 569 sub-divided plots located within Bandar Baru Salak Tinggi, Sepang, Selangor Darul Ehsan.	17 July 2025

Page 1 of 2





Proprietor: Singam Sulaiman Sdn. Bhd.
Registration No.: 196101012667 (76217-X)

Selangor Lands

As per the letters dated 8 May 2019, 28 July 2021 and 8 April 2025 issued by *Pejabat Daerah/Tanah Selangor*, we noted that the application to vary the category of land use from agriculture to industry has been approved. We were given to understand that payment for the land use conversion has been made in respect of Lot 38081 (New Lot 40442), while payment for Lots 38082 and 38083 (New Lots 40439 and 40438 respectively) remains outstanding.

The proposed acquisition is on the basis of sale and fulfilment of the relevant condition precedents (including procuring land titles which have been fully endorsed with the converted category of land use as Industry and the express conditions for Light Industry) as provided for in the Sale and Purchase Agreement made between Nuranı Saujana Sdn Bhd (the Vendor) and Nusa Wibawa Sdn Bhd (the Purchaser) dated 11 August 2025.

FOR PURPOSES OF THIS VALUATION, WE WERE SPECIFICALLY INSTRUCTED BY Y&G TO VALUE ON THE ASSUMPTION THAT INDIVIDUAL TITLES IN RESPECT OF THE SELANGOR LANDS HAVE BEEN ENDORSED WITH THE CONVERTED CATEGORY OF LAND USE OF "INDUSTRY" AND THE EXPRESS CONDITIONS FOR "LIGHT INDUSTRY", AND WITH ALL RELEVANT PREMIUMS AND FEES PAID.

KS Land

The proposed acquisition is on the basis of sale and fulfilment of the relevant condition precedents (including subdivision of Parent Lot 22124 and obtain the issuance of a separate issue document of title for KS Land with all cost and expense borne by the vendor) as provided for in the Sale and Purchase Agreement dated 11 August 2025 made between Asian Regal Holdings Sdn. Bhd. (the Vendor) and Duta Asiana Sdn. Bhd., a wholly-owned subsidiary of Y&G (the Purchaser). Vide a pre-computation plan prepared by Jurukur Warisan Sdn Bhd dated 15 August 2025, we noted that KS Land (identified as Plot A) measures about 148.520 hectares (367 acres).

FOR PURPOSES OF THIS VALUATION, WE WERE SPECIFICALLY INSTRUCTED BY Y&G TO VALUE ON THE ASSUMPTION THAT KS LAND HAS BEEN ISSUED WITH A TITLE CONVEYING AN INTEREST IN PERPETUITY, OVER A LAND AREA OF ABOUT 148.520 HECTARES (367 ACRES), WITH ALL RELEVANT PREMIUMS AND FEES PAID.

We hereby confirm that we have valued, in accordance with the instruction from Y&G, the above mentioned properties and as described in the individual valuation certificates attached as Schedule 'I' vide our Reports and Valuations bearing Reference Nos. V/PC-(P)/002(A-C)/25/BURSA dated 20 August 2025.

The Reports and Valuations have been prepared in accordance with the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia and the Asset Valuation Guidelines issued by the Securities Commission Malaysia, and with the necessary professional responsibility and due diligence. This valuation certificate is to be read in conjunction with the above mentioned Reports and Valuations.

The basis of valuation adopted is the **Market Value** which is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion".

Valuation Methodologies

In arriving at our opinion of the Market Values, we have adopted the following valuation approaches:-

Comparison Approach (Selangor Lands and KS Land)

Comparison is made of the property under valuation with sales of other similar properties. Where dissimilarities exist, adjustments are made. We have perused the adequate reliable transaction data from *Jabatan Penilaian Dan Perkhidmatan Harta ("JPPH")* and company announcements downloaded from *www.bursamalaysia.com ("BURSA")*.

Income Approach by way of Residual Method (BBST Land)

This method is based on the premise that the price which a purchaser can pay for a property is the surplus of the proceeds from the sales of the finished development, after deducting his full cost of development and profit.

APPENDIX IV – VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



Proprietor: Singham Sivalanathan Sdn. Bhd.
Registration No. 19810102007 (78217-X)

Opinion of Values

A summary of the valuations of the Subject Properties is as follows:-

No.	Identification	Lot No.	Market Value
1.	Sepang Lands	Lot 38081 (New Lot 40442)	RM78,000,000.00 (Ringgit Malaysia Seventy Eight Million Only)
		Lot 38082 (New Lot 40439)	RM86,000,000.00 (Ringgit Malaysia Eighty Six Million Only)
		Lot 7414 (New Lot 40438)	RM42,000,000.00 (Ringgit Malaysia Forty Two Million Only)
2.	KS Land	Plot A forming part of Parent Lot 22124	RM192,000,000.00 (Ringgit Malaysia One Hundred Ninety Two Million Only)
3.	BBST Land	Lot 1620 and 568 others	RM170,000,000.00 (Ringgit Malaysia One Hundred Seventy Million Only)

SINCE THE VALUATIONS (IN RESPECT OF SEPANG LANDS AND KS LAND) ARE BASED ON UNREALISED ASSUMPTIONS (AS AT THE RESPECTIVE DATES OF VALUATION), SHOULD ANY PARTY WISHES TO RELY ON THE VALUATIONS, APPROPRIATE PROFESSIONAL ADVICE SHOULD BE SOUGHT.

The details of the Subject Properties as extracted from the respective Reports and Valuations bearing Reference Nos. V/FC-(P)/002(A-C)/25/BURSA are appended as Schedule 'I'.

We would also like to confirm that there are no further pertinent factors which may affect the values of the Subject Properties and the contents of this Valuation Certificate are in compliance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia.

For and on behalf of
JONES LANG WOOTTON

LIM TZE HER, FRISM MRICS FMVA
REGISTERED VALUER, V-805 AND CHARTERED SURVEYOR
EXECUTIVE DIRECTOR



SCHEDULE 'I'



Proprietor: Sepang Sulaiman Sdn. Bhd.
Registration No.: 138169012567 (78217-X)

Sepang Lands

1. Type & Address:	3 parcels of assumed converted industrial land located off KLIA Expressway, Sepang, Selangor Darul Ehsan.
2. Interest Valued, Lot & Title Nos.:	99-year leasehold interests, each having an unexpired lease term of about 91 years as at the date of valuation (expiring in January 2117) in Lots 38081, 38082 and 7414 (New Lots 40442, 40439 and 40438), all within Mukim of Labu, District of Sepang, Selangor Darul Ehsan held under Title Nos. PN 113877, PN 113876 and PN 113878 respectively.
3. Category of Land Use:	Pertanian ¹ in respect of all titles.
4. Express Condition:	Tanaman Kekal (Industri) ¹ in respect of all titles.
5. Restriction in Interest:	Tanah ini tidak boleh dipindahmilik, dipajak atau digadai melainkan dengan kebenaran Pihak Berkuasa Negeri in respect of all titles.
6. Encumbrance:	Nil in respect of all titles.
7. Endorsement:	<u>In respect of all titles</u> Permohonan Tukar Syarat ¹ , registered on 9 November 2018. <u>In respect of Lots 38082 and 7414</u> i) Permohonan Tukar Syarat ¹ , registered on 19 March 2021; and ii) Pembatalan Tukarsyarat, Sekatan, Kategori Tanah ¹ , registered on 4 September 2024. <u>Note:</u> ¹ As per the letters dated 8 May 2019, 26 July 2021 and 8 April 2025 issued by Pejabat Daerah/Tanah Sepang, we noted that the application to vary the category of land use from agriculture to industry has been approved. We were given to understand that payment for the land use conversion has been made in respect of Lot 38081 (New Lot 40442), while payment for Lots 38082 and 38083 (New Lots 40439 and 40438 respectively) remains outstanding. The proposed acquisition is on the basis of sale and fulfilment of the relevant condition precedents (including procuring land titles which have been fully endorsed with the converted category of land use as industry and the express conditions for Light Industry) as provided for in the Sale and Purchase Agreement made between Nurani Saujana Sdn Bhd (the Vendor) and Nusa Wibawa Sdn Bhd (the Purchaser) dated 11 August 2025. FOR PURPOSES OF THIS VALUATION, WE WERE SPECIFICALLY INSTRUCTED BY Y&G TO VALUE ON THE ASSUMPTION THAT INDIVIDUAL TITLES IN RESPECT OF THE SEPANG LANDS HAVE BEEN ENDORSED WITH THE CONVERTED CATEGORY OF LAND USE OF "INDUSTRY" AND THE EXPRESS CONDITIONS FOR "LIGHT INDUSTRY", AND WITH ALL RELEVANT PREMIUMS AND FEES PAID.
8. Registered Proprietor:	Nurani Saujana Sdn Bhd in respect of all titles.
9. Location:	Sepang Lands are sited off the right side of Kuala Lumpur International Airport ("KLIA") Expressway, travelling from KLIA towards Dengkil, Putrajaya, the Federal Government Administration Centre and Cyberjaya are located about 20 kilometres due north of Sepang Lands whilst the Kuala Lumpur city centre is located about 46 kilometres due north of Sepang Lands. Lot 38081 (New Lot 40442) fronts onto Jalan Labohan Dagang-Nilai whilst the remaining lots are located off Jalan Pekaling.

APPENDIX IV – VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



Proprietor: Singam Salsiman Sdn. Bhd.
Registration No.: 19810102981 (78217-X)

10. Site:	<p>Sepang Lands comprise 3 parcels of land, details of which are as follows:</p> <table border="1"> <thead> <tr> <th>Lot No.</th> <th>Shape</th> <th>Surveyed Land Area</th> </tr> </thead> <tbody> <tr> <td>Lot 38081 (New Lot 40442)</td> <td>Almost rectangular</td> <td>12.04 hectares (31.975 acres/1,392,850 square feet)</td> </tr> <tr> <td>Lot 38082 (New Lot 40439)</td> <td>Irregular</td> <td>17.84 hectares (44.084 acres/1,920,282 square feet)</td> </tr> <tr> <td>Lot 7414 (New Lot 40438)</td> <td>Almost triangular</td> <td>7.673 hectares (18.96 acres/825,915 square feet)</td> </tr> </tbody> </table> <p>The sites are generally flat in terrain and cultivated with oil palms. Lots 38081 (New Lot 40442) and 38082 (New Lot 40439) are separated by a road reserve currently under construction, which is a flyover connecting Lebuhraya Putrajaya–Cyberjaya with Jalan Pekeliling. Lots 38082 (New Lot 40439) and 7414 (New Lot 40438) are separated by ERL railway reserve which accommodates an elevated track supported by concrete piers. The elevated track allows unimpeded ground-level access beneath it, thereby maintaining connectivity to one another.</p>	Lot No.	Shape	Surveyed Land Area	Lot 38081 (New Lot 40442)	Almost rectangular	12.04 hectares (31.975 acres/1,392,850 square feet)	Lot 38082 (New Lot 40439)	Irregular	17.84 hectares (44.084 acres/1,920,282 square feet)	Lot 7414 (New Lot 40438)	Almost triangular	7.673 hectares (18.96 acres/825,915 square feet)
Lot No.	Shape	Surveyed Land Area											
Lot 38081 (New Lot 40442)	Almost rectangular	12.04 hectares (31.975 acres/1,392,850 square feet)											
Lot 38082 (New Lot 40439)	Irregular	17.84 hectares (44.084 acres/1,920,282 square feet)											
Lot 7414 (New Lot 40438)	Almost triangular	7.673 hectares (18.96 acres/825,915 square feet)											
11. Planning Details:	<p>As per our enquiries at the <i>Jabatan Perancangan Bandar Majlis Perbandaran Sepang</i> and in accordance with '<i>Rancangan Tempatan Majlis Perbandaran Sepang (Penggantian 4) 2025</i>', we noted that Sepang Lands are located within an area zoned for industrial use.</p> <p>Railways (Railway Protection Zone) Regulations 1998, require Lots 38082 and 7414 (New Lots 40439 and 40438) on development to comply to safety clearances, structural design and prior approvals, in addition, due to their proximity to KLIA, the Sepang Lands are also subject to Civil Aviation Authority Malaysia height controls. Notwithstanding, it is our considered opinion that as the Sepang Lands are zoned for industrial use and development potential is assessed on the gross land area in the registered titles, the above regulatory requirements are processes and not expected to have any material impact on the Market Values.</p>												

Valuation

COMPARISON APPROACH			
Details of the sale comparables and main parameters adopted are tabulated as follows:-			
Description	Sale Comparable 1	Sale Comparable 2	Sale Comparable 3
Type	5 parcels of industrial land	A parcel of industrial land	A parcel of industrial land
Location	Lots 17302 and 4 others, all located along Jalan Labohan Dagang-Nilai, Bandar Baru Salak Tinggi, Sepang	Lot 116112, located along Jalan Dengkil-Banting, Dengkil, Sepang	Lot 13, located off Jalan 8, Kampung Okak Lempit, Banting
Tenure	Leasehold expiring in 2106	Interest in perpetuity	Interest in perpetuity
Unexpired Term	About 52 years	-	-
Category of Land Use	Industri	Industri	Industri
Planning Details	Zoned for industrial use	Zoned for industrial use	Zoned for industrial use
Land Area	26.343 acres (1,147,485 square feet)	16.979 acres (793,615 square feet)	14.527 acres (632,813 square feet)
Consideration	RM68,849,960.00	RM34,021,061.00	RM39,500,000.00
Date of Transaction	7 October 2024	5 December 2023	8 August 2023
Source of Information	JPPH	JPPH	JPPH
Analysed Price	RM55.00 per square foot ("psf")	RM67.00 psf	RM62.42 psf
Adjustment	Time Factor, location, size and tenure.		
Adjusted Value	RM56.00 psf	RM50.00 psf	RM56.00 psf

APPENDIX IV – VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



Projektor Singhari Sufaimar Sdn. Bhd.
Registration No.: 1901010207 (78217-Q)

In arriving at the Market Value of the base lot i.e. Lot 38081 (New Lot 40442), we have relied on Sale Comparable 1 as it is a more recent transaction and is more similar in size. In respect of 38082 and 7414 (New Lots 40439 and 40438 respectively), we have further adjusted from the value of base lot for location, size and shape (for Lot 7414 only).

The Market Values of Sepang Lands as per the Comparison Approach are as follows:-

Lot No.	Market Value
Lot 38081 (New Lot 40442)	RM78,000,000.00 (RM56.00 psf)
Lot 38082 (New Lot 40439)	RM86,000,000.00 (RM44.79 psf)
Lot 7414 (New Lot 40438)	RM42,000,000.00 (RM50.85 psf)

The other approach which can be adopted is the Income Approach by way of Residual Method. However, this method will be subjective at this juncture as the configuration of the development components will be arbitrary without any development plans made available. As such, we have only adopted the Comparison Approach to arrive at the Market Values.

Opinion of Values

We wish to draw attention that each title of Sepang Lands carries a restriction in interest which stipulates that "Tanah ini tidak boleh dipindahmilik, dipajak atau digadaikan melainkan dengan kebenaran Pihak Berkuasa Negeri". In this regard, our valuation is on the basis that written consent from the relevant Authority in respect of the aforesaid restriction in interest will not be unreasonably withheld.

As per the letters dated 8 May 2019, 28 July 2021 and 8 April 2025 issued by Pejabat Daerah/Tanah Sepang, we noted that the application to vary the category of land use from agriculture to industry has been approved. We were given to understand that payment for the land use conversion has been made in respect of Lot 38081 (New Lot 40442), while payment for Lots 38082 and 38083 (New Lots 40439 and 40438 respectively) remains outstanding.

The proposed acquisition is on the basis of sale and fulfilment of the relevant condition precedents (including procuring land titles which have been fully endorsed with the converted category of land use as industry and the express conditions for Light Industry) as provided for in the Sale and Purchase Agreement made between Nurani Saujana Sdn Bhd (the Vendor) and Nusa Wibawa Sdn Bhd (the Purchaser) dated 11 August 2025.

FOR PURPOSES OF THIS VALUATION, WE WERE SPECIFICALLY INSTRUCTED BY Y&G TO VALUE ON THE ASSUMPTION THAT INDIVIDUAL TITLES IN RESPECT OF THE SEPANG LANDS HAVE BEEN ENDORSED WITH THE CONVERTED CATEGORY OF LAND USE OF "INDUSTRY" AND THE EXPRESS CONDITIONS FOR "LIGHT INDUSTRY", AND WITH ALL RELEVANT PREMIUMS AND FEES PAID.

Having regard to the foregoing, our opinion of the Market Values of the 99-year leasehold interests in Sepang Lands, each having an unexpired term of about 91 years (as at the date of this valuation), on the basis of vacant possession and subject to Sepang Lands and the titles being free of all encumbrances, good, marketable and registrable are as follows:-

Lot No.	Market Value
Lot 38081 (New Lot 40442)	RM78,000,000.00 (Ringgit Malaysia Seventy Eight Million Only)
Lot 38082 (New Lot 40439)	RM86,000,000.00 (Ringgit Malaysia Eighty Six Million Only)
Lot 7414 (New Lot 40438)	RM42,000,000.00 (Ringgit Malaysia Forty Two Million Only)

SINCE THE VALUATIONS ARE BASED ON AN UNREALISED ASSUMPTION (AS AT THE DATE OF VALUATION), SHOULD ANY PARTY WISHES TO RELY ON THE VALUATIONS, APPROPRIATE PROFESSIONAL ADVICE SHOULD BE SOUGHT.

APPENDIX IV – VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



Proprietor: Spharm Suisainan Sdn. Bhd.
Registration No.: 19691012667 (76217-J)

KS Land

1. Type & Address:	A parcel of development land identified as Plot A, located along Jalan Kuala Selangor-Teluk Intan, Tanjong Karang, Selangor Darul Ehsan.
2. Interest Valued, Lot & Title Nos.:	<p>Legal interest in part of Parent Lot 22124, Mukim of Ujong Pematang, District of Kuala Selangor, Selangor Darul Ehsan held under Parent Title No. GRN 339968.</p> <p>The proposed acquisition is on the basis of sale and fulfilment of the relevant condition precedents (including subdivision of Parent Lot 22124 and obtain the issuance of a separate issue document of title for KS Land with all cost and expense borne by the vendor) as provided for in the Sale and Purchase Agreement dated 11 August 2025 made between Asian Regal Holdings Sdn. Bhd. (the Vendor) and Duta Asiana Sdn. Bhd., a wholly-owned subsidiary of Y&G (the Purchaser). Vide a pre-computation plan prepared by Jurukur Warisan Sdn Bhd dated 15 August 2025, we noted that KS Land (identified as Plot A) measures about 148.520 hectares (367 acres).</p> <p>FOR PURPOSES OF THIS VALUATION, WE WERE SPECIFICALLY INSTRUCTED BY Y&G TO VALUE ON THE ASSUMPTION THAT KS LAND HAS BEEN ISSUED WITH A TITLE CONVEYING AN INTEREST IN PERPETUITY, OVER A LAND AREA OF ABOUT 148.520 HECTARES (367 ACRES), WITH ALL RELEVANT PREMIUMS AND FEES PAID.</p>
3. Category of Land Use:	Tiada in respect of parent title.
4. Express Condition:	Tiada in respect of parent title.
5. Restriction in Interest:	Tiada in respect of parent title.
6. Encumbrance:	Charged twice to Amibank (M) Berhad, registered on 17 April 2013 and 2 October 2018 in respect of parent title.
7. Endorsement:	Nil in respect of parent title.
8. Registered Proprietor:	Asian Regal Holdings Sdn Bhd in respect of parent title.
9. Location:	KS Land is located within Tanjong Karang and along Jalan Kuala Selangor-Teluk Intan, traveling from Kuala Selangor town towards Tanjong Karang town. Tanjong Karang and Kuala Selangor towns are located about 7.5 kilometres and 10 kilometres due north-west and south-east of KS Land respectively. Kuala Lumpur city is located about 75 kilometres due south-east of KS Land.
10. Site:	<p>KS Land currently forms part of Parent Lot 22124. KS Land is an irregular shaped parcel of land having a land area of about 148.520 hectares (367 acres) as per the pre-computation plan prepared by Jurukur Warisan Sdn Bhd dated 15 August 2025. The site is generally flat in terrain and lies at about the same level as the frontage metalled road, Jalan Kuala Selangor-Teluk Intan.</p> <p>At the date of our inspection, the site is generally flat in terrain and cultivated with oil palms. We noted that part of KS Land accommodates the premises of Sekolah Jenis Kebangsaan (Tamil) Ladang Sungai Terap (having a building footprint of about 7,000 square feet), a temple (having a building footprint of about 1,109 square feet), as well as workers' accommodation for plantation workers. No value has been ascribed to the above buildings/structures.</p>

APPENDIX IV – VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



Proprietor: Singham Sultman Sdn. Bhd.
Registration No.: 196101012687 (70317-K)

10. Site (cont):	We were given to understand that the school, temple and workers' accommodation were originally constructed to serve the needs of the estate workers. The workers' accommodation will be demolished upon commencement of the development, whereas the school and temple will remain in their current locations for legacy reasons. The presence of the school and temple are not expected to have any material impact as the development potential is assessed on the gross land area in the forthcoming title.
11. Planning Details:	As per our enquiries at the <i>Jabatan Perancang dan Pembangunan Majlis Perbandaran Kuala Selangor</i> and in accordance with ' <i>Laporan Draft Akhir Rancangan Tempatan Majlis Perbandaran Kuala Selangor</i> ', we noted that KS Land is located within an area zoned for residential use.

Valuation

COMPARISON APPROACH			
Details of the sale comparables and main parameters adopted are tabulated as follows:-			
Description	Sale Comparable 1	Sale Comparable 2	Sale Comparable 3
Type	3 parcels of development land	A parcel of development land	8 parcels of development land
Location	Lot PT 45805 and 2 others, located to the south of Gamuda Cove, Kuala Langat	Lot 314, located along Jalan Bukit Badong, Bestari Jaya	Lot 1383 and 7 others, located adjacent Gamuda Gardens, Rawang
Tenure	Leasehold expiring in 2098	Interest in perpetuity	Interest in perpetuity
Unexpired Term	About 73 years	-	-
Category of Land Use	Pertanian	Tiada	Tidak Dinyatakan (majority area)
Planning Details	Zoned for residential use	Zoned for residential use	Zoned for residential use
Land Area	336 acres (14,836,180 square feet)	826 acres (35,980,580 square feet)	532 acres (23,173,920 square feet)
Consideration	RM248,700,000.00	RM335,680,438.00	RM360,000,000.00
Date of Transaction	16 May 2025	8 March 2024	3 January 2023
Source of information	BURSA	JPPH & BURSA	JPPH & BURSA
Analysed Price	RM16.99 per square foot ("psf")	RM9.33 psf	RM15.93 psf
Adjustment	Time factor, location, size, shape and tenure.		
Adjusted Value	RM12.00 psf	RM12.00 psf	RM12.00 psf
In arriving at the Market Value, we have relied on Sale Comparable 2 as it is the nearest to the KS Land.			
The Market Value of KS Land as per the Comparison Approach is RM192,000,000.00 (RM12.01 psf).			

The other approach which can be adopted is the Income Approach by way of Residual Method. However, this method will be subjective at this juncture as the configuration of the development components will be arbitrary without any development plans made available. As such, we have only adopted the Comparison Approach to arrive at the Market Value.



Opinion of Value

The proposed acquisition is on the basis of sale and fulfillment of the relevant condition precedents (including subdivision of Parent Lot 22124 and obtain the issuance of a separate issue document of title for KS Land with all cost and expense borne by the vendor) as provided for in the Sale and Purchase Agreement dated 11 August 2025 made between Asian Regal Holdings Sdn. Bhd. (the Vendor) and Duta Asiana Sdn. Bhd., a wholly-owned subsidiary of Y&G (the Purchaser). Vide a pre-computation plan prepared by Jurukur Warisan Sdn Bhd dated 15 August 2025, we noted that KS Land (identified as Plot A) measures about 148.520 hectares (367 acres).

FOR PURPOSES OF THIS VALUATION, WE WERE SPECIFICALLY INSTRUCTED BY Y&G TO VALUE ON THE ASSUMPTION THAT KS LAND HAS BEEN ISSUED WITH A TITLE CONVEYING AN INTEREST IN PERPETUITY, OVER A LAND AREA OF ABOUT 148.520 HECTARES (367 ACRES), WITH ALL RELEVANT PREMIUMS AND FEES PAID.

Having regard to the foregoing, our opinion of the Market Value of the legal interest in KS Land, on the basis of vacant possession and subject to KS Land and the forthcoming title being free of all encumbrances, good, marketable and registrable is RM192,000,000.00 (Ringgit Malaysia One Hundred Ninety Two Million Only).

SINCE THE VALUATION IS BASED ON AN UNREALISED ASSUMPTION (AS AT THE DATE OF VALUATION), SHOULD ANY PARTY WISHES TO RELY ON THE VALUATION, APPROPRIATE PROFESSIONAL ADVICE SHOULD BE SOUGHT.

APPENDIX IV – VALUATION CERTIFICATE FOR THE SUBJECT PROPERTIES (Cont'd)



Proprieton Sinqham Sulaiman Sdn. Bhd.
Registration No.: 198101032087 (78217-9)

BBST Land

1. Type & Address:	569 sub-divided plots located off Jalan Labohan Dagangan-Nilai, Bandar Baru Salak Tinggi, Sepang, Selangor Darul Ehsan.
2. Interest Valued, Lot & Title Nos.:	99-year leasehold interest (having unexpired lease terms of either about 86 (expiring in September or December 2111) or 98 years (expiring in May 2123) as at the date of valuation) in Lot 1620 and 568 others located within Bandar Baru Salak Tinggi, Sepang, Selangor Darul Ehsan held under Title No. HSD 61836 and 568 others.
3. Category of Land Use:	Bangunan in respect of all titles.
4. Express Condition:	<u>In respect of titles to Lot 1620 and 423 others</u> Bangunan Kediaman. <u>In respect of titles to Lot 2000 and 142 others</u> Bangunan Pemiagaan. <u>In respect of titles to Lots 2155 and 2157</u> Pangsapuri.
5. Restriction in Interest	<u>In respect of titles to Lot PT 6079 and 176 others</u> Tanah yang diberi milik ini tidak boleh dipindah milik, dipajak atau digadai melainkan dengan kebenaran Pihak Berkuasa Negeri. <u>In respect of title to Lot PT 6255</u> Rumah Selangorku 1. Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Pihak Berkuasa Negeri. 2. Sekatan pindahmilik dikenakan selama 5 tahun daripada tarikh pindahmilik didaftarkan daripada pemaju kepada penerima pindahmilik. 3. Dalam tempoh 5 tahun daripada tarikh pindahmilik setiap permohonan kebenaran pindahmilik berikutnya hendaklah disertakan dengan surat persetujuan daripada Lembaga Perumahan dan Hartanah Selangor 4. Bagi pindahmilik daripada pemaju kepada penerima pindahmilik yang tidak tertakluk kepada permohonan kebenaran pindahmilik berikutnya hendaklah disertakan dengan surat pengesahan daripada Lembaga Perumahan dan Hartanah Selangor. <u>In respect of titles to the remaining lots</u> Tanah ini boleh dipindahmilik, dipajak atau digadai setelah mendapat kebenaran Pihak Berkuasa Negeri.
6. Encumbrance:	Charged to OCBC Al-Amin Bank Berhad, registered on 29 January 2019 in respect of all titles except for Lots PT 6079 to PT 6256.
7. Endorsement:	Nil in respect of all titles.
8. Registered Proprietor	KWSB in respect of all titles.
9. Location:	BBST Land is situated within the locality of Bandar Baru Salak Tinggi and sited off the right side of Jalan Labohan Dagang-Nilai, travelling from Nilai towards Sepang, Putrajaya, the Federal Government Administration Centre and Cyberjaya are located about 20 kilometres due north-west of BBST Land whilst the Kuala Lumpur city centre is located about 45 kilometres due north of BBST Land.