
**MASTER SUPPLEMENTAL AGREEMENT BETWEEN
BUKIT PELALI PROPERTIES SDN. BHD., JBB BUILDERS (M) SDN. BHD. AND ASTAKA
PADU SDN. BHD.**

1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” or “**Directors**”) of Astaka Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcement dated 19 February 2020 in relation to the deed of settlement dated 19 February 2020 (the “**Deed of Settlement**”), entered into between, *inter alia*, the Company’s 50.99% indirectly owned subsidiary, Bukit Pelali Properties Sdn. Bhd. (“**BPP**”) and JBB Builders (M) Sdn. Bhd. (“**JBB Builders**”) (BPP and JBB Builders shall each be a “**Party**” and collectively, the “**Parties**”), pursuant to which all legal title and interests in 40 units at ‘Bukit Pelali @ Pengerang’ (the “**Bukit Pelali Project**”) were proposed to be transferred to JBB Builders and/or its nominee, assignees, transferees and subsequent purchasers for the purpose of setting off certain sums owed by BPP to JBB Builders for the construction and infrastructure works performed by JBB Builders in respect of the Bukit Pelali Project, in accordance with the terms of the Deed of Settlement (the “**Announcement**”).
- 1.2. Further to the Announcement, the Board wishes to inform shareholders of the Company (“**Shareholders**”) that BPP had on 22 June 2022, entered into a conditional master supplemental agreement (the “**Master Supplemental Agreement**”) with JBB Builders and Astaka Padu Sdn. Bhd., the Company’s 99.99% indirectly owned subsidiary (“**APSB**”), to vary, amend and revise the payment term and payment structure of the outstanding contract sum of RM58,982,983.26 (the “**Outstanding Contract Sum**”), fully and finally, payable by BPP to JBB Builders for performing construction and infrastructure works pursuant to various letters of award, documents and contracts issued or signed by the Parties in connection with the Bukit Pelali Project (the “**Principal Contracts**”), pursuant to which, amongst others:
- (a) a sum of RM41,619,840.00 (the “**Contra Properties Settlement Amount**”), shall be deemed to be paid via the transfer of twenty (20) properties which are legally and beneficially owned by APSB and situated at the residential development known as ‘The Astaka @ One Bukit Senyum’ (the “**Astaka Project**”) to JBB Builders or its nominee(s) (each a “**Contra Property**” and collectively, the “**Contra Properties**”);
 - (b) a sum of RM17,363,143.26 shall be paid by BPP to JBB Builders via 22 monthly instalments (the “**Cash Instalment**”) subject to the following:
 - (i) any adjustment in the final account(s) in respect of the contract sum stipulated in the Principal Contracts (the “**Final Account**”) (if applicable);
 - (ii) issuance of the Certificate(s) of Making Good Defects by the relevant authorities/parties; and
 - (iii) JBB Builders having issued its final claim for the relevant contract sum in connection with the Principal Contracts to BPP; and

- (c) the original issue documents of strata/individual titles and other transfer documents pertaining to nine (9) properties in the Astaka Project of a total net price of RM20,610,848.00 shall be held in escrow by JBB Builders as security for compliance by BPP of its payment obligations in respect of the Cash Instalment (the “**Escrow Properties**”) (the Contra Properties and the Escrow Properties be collectively referred to as the “**Properties**”),

subject to the terms of the Master Supplemental Agreement (the “**Proposed Settlement**”).

- 1.3. The transfer of the Contra Properties and the potential transfer of the Escrow Properties to JBB Builders and/or its nominees under the Proposed Settlement collectively constitutes an interested person transaction and a major transaction under Chapters 9 and 10 of the listing manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) respectively. Accordingly, the Proposed Settlement is subject to (a) the approval of the Shareholders who are deemed independent under the Catalist Rules as an interested person transaction under Chapter 9 of the Catalist Rules, and (b) the approval of the Shareholders as a major transaction under Chapter 10 of the Catalist Rules.
- 1.4. Shareholders should note that the Proposed Settlement is subject to separate sale and purchase agreement(s) to be entered into between APSB, JBB Builders or its nominee(s). Please refer to paragraphs 3.2 and 4 of this announcement for more information on the Properties and the salient terms of the Master Supplemental Agreement respectively.
- 1.5. Unless otherwise stated, the exchange rate between S\$ and RM as set out in this announcement is S\$1: RM3.1774, based on the exchange rate between S\$ and RM as at 17 June 2022.

2. **INFORMATION ON JBB BUILDERS AND THEIR NOMINEES**

JBB Builders is a civil engineering company with more than 20 years of experience (as at the date of this announcement) in infrastructure projects in Johor. JBB Builders is an indirectly wholly owned subsidiary of JBB Builders International Limited (“**JBB Builders International**”), a company incorporated in the Cayman Islands, whose entire issued share capital is listed on the Main Board of the Stock Exchange of Hong Kong Limited.

Since 17 June 2016, JBB Builders had been appointed by BPP as the main contractor to undertake identified construction and infrastructure works for the Bukit Pelali Project under certain Principal Contracts. As at the date of this announcement, BPP has paid JBB Builders an aggregate sum of RM180,981,971.44 as part payment towards the account of the entire contract sum stipulated in the Principal Contracts in accordance with the terms and conditions of the respective Principal Contracts, and the Outstanding Contract Sum remains payable by BPP to JBB Builders.

The nominees of JBB Builders (if applicable) have not been identified by JBB Builders at this juncture, given that the Proposed Settlement is subject to separate documents (including the sale and purchase agreement(s)) to be entered into between the respective parties.

3. **INFORMATION ON THE PROPERTIES**

3.1 **Background on the Astaka Project**

The Astaka Project is developed by the Company’s subsidiary, APSB, and is a mixed development comprising twin towers of service apartments and the Johor Bahru City Council’s

headquarters (Menara MBBB), where the remaining phase of One Bukit Senyum will comprise of a shopping mall, Grade A office tower, five-star hotel, serviced apartments and residences. The entire property development project has an estimated gross development value of RM5.3 billion with an allowable gross floor area of 6.2 million square feet.

3.2 The Properties

(a) Contra Properties

The Contra Properties consist of twenty (20) properties in the Astaka Project situated at unit number A#25-01, A#37-01, B#44-03, B#10-01, B#22-01, B#24-01, B#31-01, B#32-01, B#33-01, B#33-03, B#35-02, B#36-02, B#40-02, B#41-02, B#41-03, B#30-02, B#32-03, B#47-05, B#51-05 and B#53-05 respectively.

The Contra Properties have a total net price of RM41,619,840.00, with a net price range of between RM1,700,000.00 to RM2,400,000.00. Save for the Sales Package (as defined herein), no discount was given in respect of the Contra Properties.

(b) Escrow Properties

The Escrow Properties consists of nine (9) properties in the Astaka Project situated at unit number A#14-02, A#13-02, A#13-03, A#13-05, A#12-03, A#11-02, A#11-03, A#10-03 and A#10-02 respectively.

The Escrow Properties have a total net price of RM20,610,848.00, with a net price range of between RM1,800,000.00 to RM2,400,000.00. Save for the Sales Package, no discount was given in respect of the Escrow Properties.

(c) Value of the Properties

Based on the audited consolidated financial statements of the Group for the financial period ended 31 December 2021 (“FY2021”) (the “FY2021 Results”), the net tangible asset value (“NTA”) (or book value) of the Contra Properties and the Properties attributable to the Company is RM35,584,674.00 (equivalent to approximately S\$11,199,306.00) and RM51,987,150.00 (equivalent to approximately S\$16,361,538.00) as at 31 December 2021 respectively.

Based on the unaudited condensed interim consolidated financial results of the Group for the three months ended 31 March 2022 (the “3M2022 Results”), the book value and NTA value of the Contra Properties and the Properties attributable to the Company is RM35,584,674.00 (equivalent to approximately S\$11,199,306.00) and RM51,987,150.00 (equivalent to approximately S\$16,361,538.00) as at 31 March 2022 respectively.

The Properties are currently held for sale and do not have any net profit attributable to them. No independent valuation on the Properties was performed for the purpose of the Proposed Settlement as the net price for each of the Properties is based on the current market selling prices of the balance units of the Astaka Project (after taking into account the Sales Package), with a net price range of between RM1,700,000 to RM2,400,000.

4. SALIENT TERMS OF THE MASTER SUPPLEMENTAL AGREEMENT

4.1 Adjustment of the Outstanding Contract Sum

- (a) BPP and JBB Builders agree, acknowledge and confirm that, subject to any adjustment in the Final Account (if applicable), RM58,982,983.26, (equivalent to approximately S\$18,563,285.00), being the Outstanding Contract Sum, is payable by BPP to JBB Builders.
- (b) In the event that the contract sum as stipulated in the respective Principal Contracts or any part thereof shall be varied or adjusted pursuant to the Final Account, BPP and JBB Builders agree and covenant that:
 - (i) the Outstanding Contract Sum shall then be adjusted accordingly by an amount equivalent to the adjusted amount prescribed in the Final Account, and the relevant contract sum as stipulated in the respective Principal Contracts shall accordingly be deemed to be the sum as adjusted pursuant to the Final Account;
 - (ii) in the event that the Outstanding Contract Sum is to be adjusted upwards pursuant to the provisions of paragraph 4.1(b)(i) above, the 22nd Cash Instalment shall be increased by a sum equivalent to the adjusted amount;
 - (iii) in the event that the Outstanding Contract Sum is to be adjusted downwards pursuant to the provisions of paragraph 4.1(b)(i) above, the 22nd Cash Instalment shall be reduced by a sum equivalent to the adjusted amount;
 - (iv) any adjustment to be made pursuant to this paragraph 4.1(b) shall be settled by varying the Cash Instalment referred to in paragraph 4.4(b) below, and as and when necessary and applicable, the Cash Instalment preceding the 22nd Cash Instalment may be adjusted accordingly by mutual agreement of BPP and JBB Builders.
- (c) BPP and JBB Builders agree and acknowledge that both BPP and JBB Builders are in the midst of reviewing the finalising the Final Account. In view of the foregoing, BPP and JBB Builders agree and covenant that the Outstanding Contract Sum shall be adjusted downwards or upwards accordingly by an amount equivalent to the adjusted amount pursuant to the Final Account in the event there is any adjustment on the amount payable by BPP to JBB Builders following the review of the respective Principal Contracts. The Outstanding Contract Sum shall then be deemed to be the sum as adjusted in accordance with this paragraph pursuant to the adjustment mechanism set out in paragraph 4.1(b) above.

4.2 Conditions Precedent

The obligations of BPP, JBB Builders and APSB that are set out in the Master Supplemental Agreement are conditional upon the following conditions precedent ("**Conditions Precedent**") being obtained and fulfilled by 31 August 2022, or such other date as BPP and JBB Builders may mutually agree upon in writing (the "**Cut-Off Date**"):

- (a) the Company having obtained the consent and/or approval from Shareholders and, where applicable, the SGX-ST for, amongst others, the settlement arrangement of the Outstanding Contract Sum in accordance with the terms and conditions of the Master Supplemental Agreement (including the execution of the sale and purchase agreement(s))

in respect of the Properties and/or the Additional Escrow Properties (as defined herein), and in accordance with the terms and conditions stipulated therein) (“**AHL EGM**”); and

- (b) JBB Builders International, the holding company of JBB Builders, having obtained the consent and/or approval from its shareholders and, where applicable, the Stock Exchange of Hong Kong Limited for, amongst others, the settlement arrangement of the Outstanding Contract Sum in accordance with the terms and conditions of the Master Supplemental Agreement (including the execution of the sale and purchase agreement(s) in respect of the Properties and/or the Additional Escrow Properties, and in accordance with the terms and conditions stipulated therein).

The Master Supplemental Agreement shall become unconditional on the date when all the Conditions Precedent have been obtained and fulfilled (“**Unconditional Date**”).

4.3 **Right to Terminate**

If at any time prior to or on the expiry of the Cut-Off Date, any of the Conditions Precedent have not been obtained or fulfilled after BPP and/or JBB Builders have used their best efforts to obtain or fulfil the Conditions Precedent, then either BPP or JBB Builders shall be entitled to terminate the Master Supplemental Agreement by giving a notice of termination to that effect to the other parties to the Master Supplemental Agreement, whereupon:

- (a) any Cash Instalment paid as at the date of the notice of termination shall be deemed to be made by BPP pursuant to the terms of the respective Principal Contracts and thereafter, the rights and liabilities of BPP and JBB Builders under the Master Supplemental Agreement pursuant to the Principal Contracts shall remain and prevail, and the parties to the Master Supplemental Agreement shall not have any further rights under the Master Supplemental Agreement except in respect of:
 - (i) any obligation under the Master Supplemental Agreement which is expressed to apply after the termination of the Master Supplemental Agreement; and
 - (ii) any rights or obligations which have accrued in respect of any breach of any of the provisions of the Master Supplemental Agreement to any party to the Master Supplemental Agreement prior to such termination; and
- (b) JBB Builders shall be entitled to exercise all its rights and remedies provided under the applicable laws to recover the remaining Outstanding Contract Sum, less an amount equivalent to the Cash Instalment paid as at the date of the notice of termination of the Master Supplemental Agreement, due and payable by BPP.

4.4 **Manner of Payment of Outstanding Contract Sum**

BPP and JBB Builders have agreed to settle the Outstanding Contract Sum in the following manner:

- (a) Transfer of Contra Properties
 - (i) A sum of RM41,619,840.00, (equivalent to approximately S\$13,098,710.00), approximately 70.6% of the Outstanding Contract Sum, shall be paid via the transfer of the Contra Properties by APSB to JBB Builders or its nominee(s) on the business day falling 7 days from the Unconditional Date, or such other date as BPP and JBB

Builders may mutually agree upon in writing under the Master Supplemental Agreement (the “**Completion Date**”).

- (ii) BPP and JBB Builders agree that the total Net Price of Contra Properties (as defined herein) amounting to RM41,619,840.00, (equivalent to approximately S\$13,098,710.00) shall be used to contra and set-off against part of the Outstanding Contract Sum payable by BPP to JBB Builders on a “Ringgit for Ringgit” basis.
- (iii) BPP and JBB Builders agree and covenant that the arrangement to contra and set-off against part of the Outstanding Contract Sum shall for all intents and purposes be effected on the Completion Date, and whereupon:
 - (1) the Outstanding Contract Sum shall be reduced by a sum equivalent to the purchase price for each of the Contra Properties after taking into consideration the relevant rebate provided by APSB on the respective sale and purchase agreement price in respect of the Contra Properties (such relevant rebate shall be known as the “**Sales Package**”) (the “**Net Price of Contra Properties**”), and a sum equivalent to the Net Price of Contra Properties shall be deemed paid and settled by BPP towards settlement of the Outstanding Contract Sum. For the avoidance of doubt, such Sales Package is also provided to other third-party purchasers;
 - (2) the Net Price of Contra Properties shall be deemed paid and settled in full by JBB Builders or its nominee(s) to APSB, and APSB shall not make any claim against JBB Builders or its nominee(s) for the purchase price payable under the relevant sale and purchase agreement in respect of such Contra Properties; and
 - (3) BPP shall procure APSB to execute an acknowledgement of receipt of the full purchase price payable for the respective Contra Properties in accordance with the form as set out in the Master Supplemental Agreement.

(b) Cash Instalment

Subject to any adjustment in the Final Account (if applicable), the Cash Instalment shall be paid by BPP to JBB Builders as follows:

- (i) for the first 6 months commencing from the date of the Master Supplemental Agreement, a fixed sum of RM300,000.00 (equivalent to approximately S\$94,417.00) in cash shall be paid on or before the last day of each month;
- (ii) for the subsequent months from the 7th month until the 21st month, a fixed sum of RM1,000,000.00 (equivalent to approximately S\$314,723.00) in cash shall be paid on or before the last day of each month; and
- (iii) for the 22nd month, a final lump sum payment of RM563,143.26 (equivalent to approximately S\$177,234.00) shall be paid on or before the last day of the 22nd month.

For the avoidance of doubt, BPP and JBB Builders agree and covenant that the Cash Instalment will not be due and payable until and unless (1) the relevant Certificate(s) of Making Good Defects has been issued by the relevant authorities/parties, and (2) JBB

Builders having issued its final claim for the relevant contract sum to BPP. Accordingly, in the event both the Certificate(s) of Making Good Defects and the final claim from JBB Builders are not made available to BPP at least 21 days prior to the actual due date of each payment stage referred to in paragraph 4.4(b) above, BPP shall be entitled to withhold the relevant Cash Instalment until the issuance and receipt of the Certificate(s) of Making Good Defects and the final claim from JBB Builders, whereupon BPP shall release and pay JBB Builders the accumulated Cash Instalment within 60 days from the date of BPP's receipt of both the Certificate(s) of Making Good Defects and the final claim from JBB Builders.

4.5 **Conditions of Contra Properties**

The Contra Properties shall be delivered (a) on an "as is where is" basis, with BPP and APSB making no representation or warranty of any kind either expressed or implied as to the description, quality, conditions, measurements, area, suitability or fitness for purpose of vacant possession of the Contra Properties, other than the defect liability warranties which may be stipulated in the sale and purchase agreement(s) in respect of the Contra Properties, (b) free from any encumbrances, (c) with vacant possession, (d) with a certificate of completion and compliance issued by the relevant authorities, (e) subject to all restrictions in interest and conditions of title (whether express or implied) affecting the Contra Properties, and (f) subject to the existing category of land use affecting the land on which the Contra Properties are situated.

4.6 **Beneficial ownership of Contra Properties**

- (a) To facilitate the transfer of the Contra Properties, BPP agrees and undertakes that it shall, at any time prior to the presentation of the transfer documents in respect of the Contra Properties as set out in the Master Supplemental Agreement which includes amongst others, the original issue documents of strata/individual titles to the relevant Contra Properties and the valid and registrable (but undated) memorandum of transfer duly completed and executed by APSB (the "**Contra Property Transfer Documents**") at the relevant land registry for registration of transfer of the Contra Properties, at the cost and expense of JBB Builders, procure APSB to obtain the approval of the state authority pursuant to section 433B of the National Land Code (Act 56 of 1965) (the "**State Authority**") for the transfer of the Contra Properties by APSB to JBB Builders or its nominee(s) (if applicable).
- (b) In the event the grant of the approval for the transfer of the Contra Properties by APSB to JBB Builders or its nominee(s) has been refused by the State Authority for any reason whatsoever:
 - (i) BPP shall cause APSB to source for other property(ies) to be agreed upon by JBB Builders which have an equivalent value to replace the relevant Contra Properties. BPP and JBB Builders hereby agree that the market value of the new property(ies) shall be mutually determined by BPP and JBB Builders after making reference to the valuation(s) to be conducted by an independent certified valuer to be appointed by JBB Builders, at its own cost and expense;
 - (ii) in the event BPP and JBB Builders are not able to reach consensus in identifying the property(ies) referred to in paragraph 4.6(b)(i) above, BPP shall procure APSB to lodge an appeal with the State Authority, or exercise any other available right of review or appeal in respect of the rejection, or alternatively BPP and JBB Builders shall use all reasonable efforts to meet and discuss and agree in good faith on other

appropriate measures, which includes to vary the payment structure as set out in the Master Supplemental Agreement; and

- (iii) in the event BPP and JBB Builders fail to reach consensus referred to in paragraph 4.6(b)(ii) above, JBB Builders shall be entitled to exercise all its rights and remedies provided under the applicable laws to recover such sum intended to be settled via the transfer of the relevant Contra Properties.
- (c) BPP and JBB Builders agree and covenant that the beneficial ownership and legal possession of the Contra Properties shall be delivered by APSB to JBB Builders or its nominee(s) on the Completion Date notwithstanding the legal ownership of the Contra Properties remains with APSB, pending the transfer of the original issue documents of strata/individual titles to the Contra Properties by APSB in favour of JBB Builders or its nominee(s).
- (d) BPP agrees and undertakes that it shall, on the date of the Master Supplemental Agreement, procure APSB to deliver the Contra Property Transfer Documents and the sale and purchase agreement(s) in respect of the Contra Properties to JBB Builders' solicitors to hold as stakeholders to facilitate the registration of the transfer of the relevant Contra Properties to JBB Builders or its nominee(s) at the relevant land registry in accordance with the terms of Master Supplemental Agreement.

4.7 Escrow Properties

- (a) As security for compliance by BPP of its payment obligation in respect of the Cash Instalment as set out in paragraph 4.4(b) above, BPP agrees and covenants that it shall procure APSB to deliver the transfer documents in respect of the Escrow Properties which includes amongst others, the original issue documents of strata/individual titles to the relevant Escrow Properties and the valid and registrable (but undated) memorandum of transfers duly completed and executed by APSB (the "**Escrow Property Transfer Documents**") and the sale and purchase agreement(s) in respect of the Escrow Properties to JBB Builders' solicitors upon the execution of the Master Supplemental Agreement to hold in escrow as security for the settlement of the Cash Instalment as set out in paragraph 4.4(b) above and to facilitate the registration of the transfer of the relevant Escrow Properties to JBB Builders or its nominee(s) at the relevant land registry in accordance with the terms of the Master Supplemental Agreement following the enforcement of the Escrow Property Transfer Documents as set out in paragraph 4.9 below.
- (b) Notwithstanding paragraph 4.7(a) above, BPP shall, subject to JBB Builders' prior written consent, be entitled to withdraw the Escrow Properties (being one or more of the Escrow Properties), from being part of the security to the Cash Instalment in the event the cumulative Cash Instalment made by BPP to JBB Builders as set out in paragraph 4.4(b) above shall be equivalent to or exceed the net price of the Escrow Properties requested to be withdrawn by BPP. In such event, JBB Builders shall, within 14 days from its receipt of BPP's request in writing inform BPP whether it is agreeable to such withdrawal, and immediately thereafter release and return the Escrow Property Transfer Documents and the sale and purchase agreement(s) in respect of the subject Escrow Properties to BPP should JBB Builders be agreeable to such withdrawal, provided always that the reassessment of the market value of the Escrow Properties shall be conducted every June and December of each calendar year until the Cash Instalment is fully repaid, by an independent certified valuer appointed by JBB Builders, at its own cost and expense,

whose valuation on the Escrow Properties shall, in the absence of any manifest error, be referred to by both BPP and JBB Builders in determining the prevailing price of each of the Escrow Properties.

- (c) Subject to paragraph 4.7(b) above, BPP agrees and covenants that it shall, pursuant to paragraph 4.7(a) above, ensure that the cumulative value of the remaining Escrow Properties have a minimum cumulative value equivalent of or exceeding the remaining amount of the Cash Instalment payable by BPP to JBB Builders. In the case that the cumulative value of the remaining Escrow Properties is less than the remaining amount of the Cash Instalment payable by BPP to JBB Builders:
- (i) JBB Builders shall have the right and is entitled to obtain additional properties to be held by JBB's solicitors in escrow pending the settlement of the Cash Instalment in accordance with the provisions of paragraph 4.4(b) above (the "**Additional Escrow Properties**") of which such Additional Escrow Properties shall:
 - (1) be agreed upon by JBB Builders;
 - (2) with the price to be mutually determined by BPP and JBB Builders after making reference to the valuation(s) conducted by an independent certified valuer appointed by JBB Builders, at its own cost and expense; and
 - (3) have a minimum cumulative value equivalent to or exceeding the difference in value between the remaining amount of the Cash Instalment payable by BPP to JBB Builders and the cumulative agreed value of the remaining Escrow Properties; and
 - (ii) BPP shall procure such legal and beneficial owner of the relevant Additional Escrow Properties (the "**Owner of Additional Escrow Properties**") to deliver the transfer documents in respect of the Additional Escrow Properties which includes amongst others, the original issue documents of strata/individual titles to the relevant Additional Escrow Properties and the valid and registrable (but undated) memorandum of transfer duly completed and executed by the Owner of Additional Escrow Properties (the "**Additional Escrow Properties Transfer Documents**") and the sale and purchase agreement(s) in respect of the Additional Escrow Properties to JBB Builders' solicitors within 7 days from BPP's receipt of a notice in writing from JBB Builders agreeing to such identified Additional Escrow Properties to hold in escrow as security for the settlement of the Cash Instalment in accordance with the provisions of paragraph 4.4(b) above and to facilitate the registration of the transfer of the relevant Additional Escrow Properties to JBB Builders or its nominee(s) at the relevant land registry in accordance with the terms of the Master Supplemental Agreement following the enforcement of the Additional Escrow Properties Transfer Documents pursuant to paragraph 4.9 below.
- (d) In the event BPP wishes to withdraw the Additional Escrow Properties (being one or more of the Additional Escrow Properties) from being part of the security to the Cash Instalment, the provisions of paragraph 4.7(b) above shall apply *mutatis mutandis*.

4.8 **Conditions of Escrow Properties and Additional Escrow Properties**

The Escrow Properties and the Additional Escrow Properties (if applicable) shall be delivered (a) on an "as is where is" basis, with BPP, APSB and the Owner of Additional Escrow Properties

making no representation or warranty of any kind either expressed or implied as to the description, quality, conditions, measurements, area, suitability or fitness for purpose of vacant possession of the Escrow Properties and the Additional Escrow Properties (if applicable), other than the defect liability warranties which may be stipulated in the sale and purchase agreement(s) in respect of the Escrow Properties and Additional Escrow Properties (if applicable), (b) free from any encumbrances, (c) with vacant possession, (d) with a certificate of completion and compliance issued by the relevant authorities, (e) subject to all restrictions in interest and conditions of title, whether express or implied, affecting the Escrow Properties and the Additional Escrow Properties (if applicable), and (f) subject to the existing category of land use affecting the land on which the Escrow Properties and the Additional Escrow Properties (if applicable) are situated.

4.9 **Enforcement of Escrow Property Transfer Documents and Additional Escrow Properties Transfer Documents**

- (a) Subject to the provisions of paragraph 4.9(c) below, in the event of a 3-consecutive defaults in payment of the Cash Instalment after the same shall have become due (whether demanded or not) (the “**Defaulted Sum**”), JBB Builders shall be entitled:
- (i) by giving a written notice to BPP (the “**Enforcement Notice**”), to present the Escrow Property Transfer Documents and the Additional Escrow Properties Transfer Documents of the relevant Escrow Properties and Additional Escrow Properties (if applicable) having a total net price equivalent to the Defaulted Sum, for registration of transfer of the relevant Escrow Properties and Additional Escrow Properties (if applicable) in favour of JBB Builders or its nominee(s) at the relevant land registry. Following the issuance of the Enforcement Notice, the Defaulted Sum shall be deemed paid and settled in full by BPP to JBB Builders; and
 - (ii) subject to paragraph 4.9(b)(ii), to create charges over the remaining Escrow Properties and the Additional Escrow Properties (if applicable) having a total net price equivalent to or not less than the aggregate outstanding Cash Instalment which remains to be payable by BPP in accordance with the provisions of paragraph 4.4(b) above, at its own cost and expense.
- (b) If the Escrow Properties and the Additional Escrow Properties (if applicable) identified by JBB Builders pursuant to the provisions of paragraph 4.9(a)(i) above shall have a total net price greater than the Defaulted Sum, JBB Builders shall either:
- (i) pay in cash the differential sum between (1) the total net price of the relevant Escrow Properties and the Additional Escrow Properties (if applicable); and (2) the Defaulted Sum (the “**Differential Sum**”), to BPP within 7 days from the date of the Enforcement Notice; or
 - (ii) opt for the Differential Sum to be set-off against the onward Cash Instalment whereby the relevant Cash Instalment shall be reduced by an amount equivalent to the Differential Sum.

In any event the 3-consecutive defaults in payment of the Cash Instalment takes place between the 20th month to the 22nd month from the date of the Master Supplemental Agreement and the Escrow Properties and the Additional Escrow Properties (if applicable) identified by JBB Builders pursuant to the provisions of paragraph 4.9(a)(i) above shall have a total net price greater than the Defaulted Sum, the Differential Sum shall be paid in cash by JBB Builders to BPP fully within 7 days from the date of the Enforcement Notice.

- (c) To facilitate the transfer of the relevant Escrow Properties and the Additional Escrow Properties (if applicable) pursuant to the provisions of paragraph 4.9(a)(i) above, BPP agrees and undertakes that it shall, at any time prior to the presentation of the relevant Escrow Property Transfer Documents and the Additional Escrow Properties Transfer Documents at the relevant land registry for registration of transfer of the relevant Escrow Properties and the Additional Escrow Properties (if applicable), at the cost and expense of JBB Builders, procure APSB and the Owner of Additional Escrow Properties to obtain the approval of the State Authority for the transfer of the relevant Escrow Properties and the Additional Escrow Properties (if applicable) in favour of JBB Builders or its nominee(s) (if applicable).
- (d) In the event the grant of the approval for the transfer of the relevant Escrow Properties and the Additional Escrow Properties (if applicable) in favour of JBB Builders or its nominee(s) has been refused by the State Authority for any reason whatsoever:
- (i) BPP shall cause APSB and the Owner of Additional Escrow Properties to source for other property(ies) to be agreed upon by JBB Builders which have an equivalent value to replace the relevant Escrow Properties and Additional Escrow Properties (if applicable). BPP and JBB Builders agree that the price of the new property(ies) shall be mutually determined by BPP and JBB Builders after making reference to the valuation(s) conducted by an independent certified valuer to be appointed by JBB Builders, at its own cost and expense;
- (ii) in the event BPP and JBB Builders are not able to reach consensus in identifying the property(ies) referred to in paragraph 4.9(d)(i) above, BPP shall procure APSB and the Owner of Additional Escrow Properties to lodge an appeal with the State Authority, or exercise any other available right of review or appeal in respect of the rejection, or alternatively BPP and JBB Builders shall use all reasonable efforts to meet and discuss and agree in good faith on other appropriate measures, which includes to vary the payment structure as set out in the Master Supplemental Agreement; and
- (iii) in the event BPP and JBB Builders fail to reach consensus referred to in paragraph 4.9(d)(ii) above, JBB Builders shall be entitled to exercise all its rights and remedies provided under the applicable laws to recover the Defaulted Sum.
- (e) BPP and JBB Builders agree and covenant that the beneficial ownership and legal possession of the relevant Escrow Properties and the Additional Escrow Properties (if applicable) shall, subject to the settlement of the Differential Sum as set out in paragraph 4.9(b) above by JBB Builders (if applicable), be deemed delivered by APSB and the Owner of Additional Escrow Properties to JBB Builders or its nominee(s) upon the expiry of 7 days from the date of the Enforcement Notice (the "**Security Property Completion Date**") notwithstanding the legal ownership of the relevant Escrow Properties and the Additional Escrow Properties (if applicable) remains with APSB and the Owner of Additional Escrow Properties, as the case may be, pending the transfer of the original issue documents of strata/individual title to the Escrow Properties and the Additional Escrow Properties (if applicable) in favour of JBB Builders or its nominee(s). For the avoidance of doubt, if the Differential Sum is not settled within 7 days from the date of the Enforcement Notice in accordance with the provisions of paragraph 4.9(b) above, the Security Property Completion Date shall be extended accordingly by the same number of days in delay on the part of JBB Builders in settling the Differential Sum.

- (f) On the relevant Security Property Completion Date:
 - (i) the Cash Instalment shall be reduced by a sum equivalent to the purchase price of the relevant Escrow Properties and the Additional Escrow Properties (if applicable);
 - (ii) JBB Builders or its nominee(s) shall be deemed to have paid APSB and the Owner of Additional Escrow Properties in full the purchase price of the relevant Escrow Properties and the Additional Escrow Properties (if applicable), and APSB and the Owner of Additional Escrow Properties shall not make any claim against JBB Builders or its nominee(s) for the purchase price payable under the relevant sale and purchase agreement(s) in respect of the relevant Escrow Properties and the Additional Escrow Properties (if applicable); and
 - (iii) BPP shall procure APSB and the Owner of Additional Escrow Properties to execute an acknowledgement of receipt of the full purchase price payable for the relevant Escrow Properties and the Additional Escrow Properties (if applicable) in accordance with the form as set out in the Master Supplemental Agreement and deliver the same to JBB Builders.

4.10 Return of Escrow Property Transfer Documents and Additional Escrow Properties Transfer Documents

JBB Builders shall, within 14 days after BPP having fulfilled its payment obligation in respect of the last tranche of the Cash Instalment as prescribed in paragraph 4.4(b) above, return and release all the Escrow Property Transfer Documents and the Additional Escrow Properties Transfer Documents held by JBB Builders' solicitors as at that date, to BPP, whereupon none of the parties to the Master Supplemental Agreement shall have any further obligation in respect of the Escrow Properties and the Additional Escrow Properties, and BPP and APSB shall be entitled to deal with such Escrow Properties and Additional Escrow Properties at its sole and absolute discretion.

4.11 Termination

- (a) In the event that:
 - (i) any party to the Master Supplemental Agreement is or becomes, or is adjudicated or found to be, wound up or insolvent or had any winding-up (whether involuntary or voluntary) or insolvency proceedings commenced against it; or
 - (ii) any of the warranties given by the parties under the Master Supplemental Agreement is found at any time to be materially untrue or inconsistent,

any party to the Master Supplemental Agreement may, at any time while any such circumstance subsists, be at liberty to give a notice of termination to the other parties of the Master Supplemental Agreement for the purpose of terminating the Master Supplemental Agreement.

- (b) Within 14 days of a notice of termination being duly given, JBB Builders shall:
 - (i) return and redeliver to BPP the Contra Property Transfer Documents, the Escrow Property Transfer Documents and the Additional Escrow Properties Transfer

Documents in respect of the Contra Properties, the Escrow Properties and the Additional Escrow Properties which have yet to be transferred to JBB Builders or its nominee(s) pursuant to the provisions of paragraphs 4.4(a) or 4.9, as the case may be, together with the sale and purchase agreement(s) (if applicable);

- (ii) re-deliver to APSB and the Owner of Additional Escrow Properties, as the case may be, vacant possession of the Contra Properties, the Escrow Properties and the Additional Escrow Properties, if the same have been delivered to JBB Builders or its nominee(s) at any time prior to the application/enforcement of the provisions of paragraphs 4.4(a) or 4.9(e), as the case may be; and
- (iii) remove and withdraw all caveats, charges and other encumbrances entered or caused to be entered by JBB Builders over the Contra Properties, the Escrow Properties and/or the Additional Escrow Properties,

and whereupon JBB Builders shall be entitled to exercise all its rights and remedies to recover the remaining Outstanding Contract Sum due and payable by BPP as at the date of the notice of termination.

4.12 Full and Final Payment of Outstanding Contract Sum

- (a) BPP and JBB Builders agree that that the Master Supplemental Agreement is in compromise and full and final payment between BPP and JBB Builders of all claims of whatever nature, howsoever arising, for or in connection with any complaint(s), claim(s) and/or proceeding(s) in respect of the Outstanding Contract Sum. Upon fulfilment of the payment obligation of BPP set out in paragraph 4.4 above, all claims made, or which could be made of whatsoever kind or character which BPP and JBB Builders or their respective solicitors have or had against each other in relation to any breach of contract, claim for compensation or on any other grounds whatsoever, from the beginning of time until the date of the Master Supplemental Agreement shall be deemed to have been fully and finally paid.
- (b) Without limitation to the foregoing, JBB Builders agrees, acknowledges and undertakes that upon the fulfilment of the payment obligation of BPP set out in paragraph 4.4 above and all other related clauses in the Master Supplemental Agreement, JBB Builders will have no claim of any nature whatsoever against BPP pursuant to or in connection with the Principal Contracts insofar as the Outstanding Contract Sum is concerned.

5. CONSIDERATION

The consideration for the Proposed Settlement of RM62,230,688.00 (equivalent to approximately S\$19,585,412.00) (being the net prices of the Properties) is the set-off and settlement of the Outstanding Contract Sum (the "**Consideration**"). The Proposed Settlement (including the Consideration) was arrived at following arm's length negotiations between BPP and JBB Builders, taking into account the following:

- (a) the Outstanding Contract Sum;
- (b) the financial position of BPP;
- (c) the value and net prices for the Properties which are based on current market selling prices;

- (d) the prevailing market conditions;
- (e) the estimated costs to be incurred for the Proposed Settlement (including stamp duty, legal fees and professional fees); and
- (f) the Sales Package provided in respect of the Contra Properties, which was agreed between BPP and JBB Builders.

6. RATIONALE FOR THE PROPOSED SETTLEMENT

The Proposed Settlement was negotiated between BPP and JBB Builders to settle the Outstanding Contract Sum so as to maximise the efficiency of cash utilisation by the Group to preserve its cash for the Group's future working capital and fund its project pipelines as well as to reduce its liabilities. In addition, the Consideration is above the aggregate book value of the Properties after taking into account, amongst others, the prevailing market conditions, the value and the net prices for the Properties based on the current market selling prices.

7. CHAPTER 9 AND CHAPTER 10 OF THE CATALIST RULES

7.1 Relative figures

The relative figures for the Proposed Settlement, based on the Consideration, are computed on the bases set out in Rule 1006 of the Catalist Rules and based on the Group's 3M2022 Results, are set out below:

Rule 1006	Bases	Relative Figures (%) ⁽¹⁾⁽²⁾
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value.	63.4% ⁽³⁾
(b)	Net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	Not applicable ⁽⁴⁾
(c)	Aggregate value of the Consideration given, compared with the Company's market capitalisation ⁽⁵⁾ of approximately S\$162,640,784.00 based on the total number of issued shares in the Company, excluding treasury shares.	12.0% ⁽⁵⁾
(d)	Number of equity securities issued by the Company as consideration for the Proposed Settlement, compared with the number of equity securities previously in issue.	Not applicable ⁽⁶⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.	Not applicable ⁽⁷⁾

Notes:

- (1) Percentage figures are rounded to the nearest one (1) decimal place.
- (2) The relative figures are calculated on the basis that the separate agreement(s) in relation to the Proposed Settlement are entered into on the date of this announcement.
- (3) Based on the net asset value of the Contra Properties to be disposed of and Escrow Properties to be potentially disposed of, being approximately RM51,987,150.00 (equivalent to approximately S\$16,361,538.00) compared with the Group's net asset value of RM81,976,125.00 (equivalent to approximately S\$25,799,750.00), based on the 3M2022 Results. Given that the Additional Escrow Properties are to be identified and agreed upon between BPP

and JBB Builders only in the event that the cumulative value of the remaining Escrow Properties is less than the remaining amount of the Cash Instalment payable by BPP to JBB Builders, the value of Additional Escrow Properties has not been included in the computation.

- (4) Not applicable, as there is no net profit attributable to the Properties as they are being held for sale.
- (5) Based on the Consideration of up to RM62,230,688.00 (equivalent to approximately S\$19,585,412.00) and the Company's market capitalisation of approximately S\$162,640,784.00. The Company's market capitalisation is determined by multiplying the number of shares in issue of 1,869,434,303 (excluding treasury shares) by the volume weighted average price of approximately S\$0.087 per share on 24 June 2019, being the full market day immediately preceding the signing of the Master Supplemental Agreement and prior to the suspension of the Company's trading.
- (6) Not applicable, as the Company will not be issuing equity securities in connection with the Proposed Settlement.
- (7) Not applicable, as the Company is not a mineral, oil and gas company.

As one of the relative figures computed on the applicable bases set out in Rule 1006 of Catalyst Rules for the Proposed Settlement exceeds 50%, the Proposed Settlement would constitute a "major transaction" under Chapter 10 of the Catalyst Rules. Accordingly, the approval of Shareholders is required in respect of the Proposed Settlement.

7.2 The Proposed Settlement as an Interested Person Transaction

(a) Details of the Interested Person

As at the date of this announcement, Dato' Daing A Malek Bin Daing A Rahaman ("**Dato' Malek**"), being the controlling shareholder of the Company has: (i) a deemed interest of 66.55% in the Company by virtue of his 100% shareholding interest in Horizon Sea Ltd., which holds 1,244,062,150 shares in the Company and a direct shareholding interest of 0.20% in the Company by virtue of his holding of 3,665,000 shares in the Company; and (ii) an indirect shareholding interest in BPP by virtue of his 100% shareholding interest in Saling Syabas Sdn. Bhd., which in turn holds 49% shareholding interest in BPP.

Accordingly, BPP is considered an "associate" of Dato' Malek and hence an "interested person" as defined under Rule 904(4) of the Catalyst Rules.

(b) The Proposed Settlement as an Interested Person Transaction

Accordingly, the transfer of the Contra Properties and the potential transfer of the Escrow Properties to JBB Builders and/or its nominees under the Proposed Settlement, which collectively is deemed to be a transaction between BPP (being a 50.99% indirect subsidiary of the Group) and APSB (being a 99.99% indirect subsidiary of the Group that is not listed on the SGX-ST or an approved exchange and thus an "entity at risk" under Chapter 9 of the Catalyst Rules) constitutes an "interested person transaction" under Chapter 9 of the Catalyst Rules.

The amount at risk to the Company in relation to the Proposed Settlement, being 99.99% of the Consideration for the Proposed Settlement, is approximately RM62,224,465.00 (equivalent to approximately S\$19,583,453.00), and represents approximately 86.5% of the latest audited NTA of the Group as at 31 December 2021.

As the value of the Proposed Settlement exceeds 5.0% of the latest audited NTA of the Group, the Proposed Settlement is, pursuant to Rule 906 of the Catalyst Rules, subject to approval by independent Shareholders.

(c) Total Value of All Interested Person Transactions for the Current Financial Year

Pursuant to Rule 917(5) of the Catalist Rules, for the current financial year beginning 1 January 2022 and up to the date of this announcement, the interested person transactions with Dato' Malek and his associates (excluding the Consideration for the Proposed Settlement) are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Dato' Malek	Controlling Shareholder	RM1,417,843 ⁽¹⁾⁽⁴⁾	Not applicable
Dato' Malek	Controlling Shareholder	RM325,464 ⁽²⁾	Not applicable
DMR Holdings	An associate of Dato' Malek	RM2,453,282 ⁽³⁾⁽⁴⁾	Not applicable

Notes

- (1) Dato' Malek had extended unsecured loans in aggregate principal outstanding amount of approximately RM52,322,839.00 to the subsidiary of the Company, APSB, comprising of (i) a loan in principal outstanding amount of RM22,322,839.00 at a fixed interest rate of 4% per annum extended in FY2017, repayable on demand; and (ii) a loan in principal outstanding amount of RM30,000,000.00 pursuant to the loan agreement dated 14 February 2020 entered into between Dato' Malek and APSB (as supplemented by the supplemental letter agreement dated 3 November 2020) (the "**DM Loan Agreement**") at a fixed interest rate of 8% per annum, repayable within one year (unless automatically extended) or on demand. Please refer to the Company's circular to Shareholders dated 9 October 2020 for further details on the DM Loan Agreement.
- (2) Rental payable by BPP to Dato' Malek, for the rental of lands by BPP from 1 April 2022 to 31 March 2024 of approximately RM325,464.00 (or equivalent to approximately S\$102,431.00).
- (3) DMR Holdings (an associate of Dato' Malek) had extended unsecured loans in aggregate outstanding principal amount RM68,000,000.00 to the Group, comprising of (i) RM60,000,000 (as supplemented by the supplemental letter agreement dated 3 November 2020) (the "**DMR Loan Agreement**") at a fixed interest rate of 8% per annum, repayable within one year (unless automatically extended) or on demand, and (ii) RM8,000,000 at a fixed interest rate of 8% per annum, repayable within one year (unless automatically extended) or on demand. Please refer to the Company's circular to Shareholders dated 9 October 2020 for further details on the DMR Loan Agreement.
- (4) The interest expenses due to Dato' Malek and DMR Holdings amounted to an aggregate of approximately RM3,871,125.00 (or equivalent to approximately S\$1,218,331.00) for the current financial year beginning 1 January 2022 and up to the date of this announcement.

Save as disclosed above, there are no other interested person transactions entered into by the Group for the current financial year beginning 1 January 2022 and up to the date of this announcement.

7.3 Appointment of Independent Financial Adviser

The Company is finalising the appointment of an independent financial adviser (“**IFA**”) to advise the Directors who are independent for the purposes of the Proposed Settlement and the audit committee of the Company (the “**Audit Committee**”) on the Proposed Settlement as an interested person transaction.

7.4 Audit Committee’s Statement

The Audit Committee will be obtaining an opinion from the IFA before forming its view on whether the Proposed Settlement is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders, which will be announced in due course.

7.5 Convening of AHL EGM to obtain Shareholders’ approval

The Company will be seeking Shareholders’ approval at the AHL EGM to be held by electronic means in due course, to approve the Proposed Settlement. A circular containing, *inter alia*, the notice of the AHL EGM, details of the Proposed Settlement, the opinion of the IFA, and the recommendations of the Directors and the Audit Committee, will be disseminated to Shareholders in due course.

8. FINANCIAL EFFECTS OF THE PROPOSED SETTLEMENT

8.1 Illustrative Nature of Financial Effects

The financial effects of the Proposed Settlement on the NTA per share and losses per share (“**LPS**”) of the Group have been prepared based on the FY2021 Results¹. The financial effects set out below are purely for illustrative purposes only and do not necessarily reflect the actual results and financial performance and position of the Group after the Proposed Settlement. No representation is made as to the financial position and/or results of the Company after the completion of the Proposed Settlement.

8.2 NTA

Assuming that the Proposed Settlement had been effected on 31 December 2021 (being the end of the most recently completed financial year ended 31 December 2021), the effects on the NTA per share of the Group would be as follows:

	Before the Proposed Settlement	After the transfer of the Contra Properties⁽¹⁾	After the transfer of the Contra Properties and Escrow Properties (assuming the enforcement of all Escrow Property)
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¹ On 13 July 2021, the Company announced that its financial year end has changed from 30 June to 31 December (the “**Change of FYE**”). As a result of the Change of FYE, the last financial year of the Company ended on 31 December 2021 (being the first financial year affected by the Change of FYE) covered an 18-month period from 1 July 2020 to 31 December 2021. Thereafter, the financial year of the Company would commence on 1 January each year, and end on 31 December each year.

			Transfer Documents)⁽¹⁾
NTA (RM)	71,936,711	77,394,783	81,602,734
Number of shares	1,869,434,303	1,869,434,303	1,869,434,303
NTA per ordinary share (RM cents)	3.85	4.14	4.37

8.3 LPS

Assuming that the Proposed Settlement had been effected on 1 July 2020 (being the beginning of the most recently completed financial year ended 31 December 2021), the effects of the Proposed Settlement on the LPS of the Group would be as follows:

	Before the Proposed Settlement	After the transfer of the Contra Properties⁽¹⁾	After the transfer of the Contra Properties and the Escrow Properties (assuming the enforcement of all Escrow Property Transfer Documents)⁽¹⁾
Net loss attributable to shareholders (RM)	22,875,022	17,416,950	13,208,999
Weighted average no. of ordinary shares – Basic	1,869,434,303	1,869,434,303	1,869,434,303
LPS (RM cents) - Basic	1.22	0.93	0.71

Note:

(1) Taking into account the estimated expenses relating to the transfer of the Contra Properties and/or the Escrow Properties.

8.4 Net gain from the Proposed Settlement

Based on the 3M2022 Results, the book value and NTA value of the Contra Properties and Properties attributable to the Company amounted to approximately RM35,584,674.00 and RM51,987,150.00 (equivalent to approximately S\$11,199,306.00 and S\$16,361,538.00 respectively) as at 31 March 2022 respectively.

Assuming that the Escrow Properties are not transferred to JBB Builders and/or its nominee(s), it is expected that the excess of the aggregate value of the Contra Properties of RM41,619,840.00 (equivalent to approximately S\$13,098,710.00) over the book value of the Contra Properties as at 31 March 2022 would be RM6,035,166.00 (equivalent to approximately S\$1,899,404.00). After taking into account the estimated expenses relating to the Proposed Settlement (including professional fees) of RM576,548.00 (equivalent to approximately S\$181,453.00), the estimated net gain from the Proposed Settlement would be RM5,458,618.00 (equivalent to approximately S\$1,717,951.00).

Assuming that the Properties are transferred to JBB Builders and/or its nominee(s), it is expected that the Proposed Settlement will result in an estimated gain of approximately RM10,243,538.00 (equivalent to approximately S\$3,223,874.00), being the excess of the Consideration of up to RM62,230,688.00 (equivalent to approximately S\$19,585,412.00) (comprising RM41,619,840.00 in respect of the Contra Properties and up to RM20,610,848.00 in respect of the Escrow Properties) over the book value of the Properties as at 31 March 2022. After taking into account the estimated expenses relating to the Proposed Settlement (including professional fees) of approximately RM576,548.00 (equivalent to approximately S\$181,453.00), the estimated net gain from the Proposed Settlement would be approximately RM9,666,990.00 (equivalent to approximately S\$3,042,421.00).

9. USE OF PROCEEDS

There will be no cash received by the Group as the proceeds from the Proposed Settlement, being the Consideration, will be used to settle the Outstanding Contract Sum under the terms of the Master Supplemental Agreement.

10. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for Dato' Malek, whose interests in the Proposed Settlement are disclosed above, none of the other Directors or the controlling shareholders (as defined in the Catalist Rules) of the Company has any interest, direct or indirect, in the Master Supplemental Agreement, other than through their respective shareholdings (if any) in the Company.

11. ABSTENTION FROM VOTING

Pursuant to Rule 919 of the Catalist Rules, an interested person and any associate of the interested person must abstain from voting on the resolution approving the interested person transactions involving themselves and their associates. Such interested persons and their associates shall not act as proxies nor accept appointments as proxies in relation to such resolution unless specific voting instructions had been given by the Shareholders.

Accordingly, Dato' Malek will abstain, and will ensure that his associates will abstain, from voting on the Proposed Settlement, nor accept any nominations to act as proxy for any Shareholder in approving the Proposed Settlement at the AHL EGM unless specific instructions as to voting are given by such Shareholder in the proxy instrument.

12. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Settlement. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Settlement.

13. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Master Supplemental Agreement is available for inspection at the registered office of the Company at 133 Cecil Street, #14-01 Keck Seng Tower, Singapore 069535, during normal business hours on any weekday for three (3) months from the date of this announcement.

In light of the prevailing safe distancing measures due to the COVID-19 situation, please contact the Company at robin.yoo@a8ile.com prior to making any visits to arrange for a suitable time slot for the inspection.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Master Supplemental Agreement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/ or reproduced in the announcement in its proper form and context.

By Order of the Board

Khong Chung Lun
Executive Director and Chief Executive Officer

22 June 2022

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Andrew Leo, Chief Executive Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.
