

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS): NON RELATED PARTY TRANSACTION

CHIN HIN GROUP PROPERTY BERHAD (“CHGP” or “the Company”)

- **SALE AND PURCHASE AGREEMENTS ENTERED INTO BETWEEN CHIN HIN PROPERTY (MELAKA) SDN. BHD. (“CHPMSB” OR “PURCHASER”) WITH MDS DEVELOPMENTS MANAGEMENT SDN. BHD., AIM DEVELOPMENT WORLDWIDE SDN. BHD. AND AIM HOLDINGS WORLDWIDE SDN. BHD. RESPECTIVELY**

1. INTRODUCTION

The Board of Directors of CHGP (“**the Board**”) wishes to announce that CHPMSB, a wholly-owned subsidiary of BKG Development Sdn Bhd (“**BKGD**”), which in turn is a wholly-owned subsidiary of CHGP has on 16 January 2024 entered into Sale and Purchase Agreements (individually referred to as “**SPA**” or “**Agreement**”, collectively referred to as “**SPAs**” or “**Agreements**”) with MDS Developments Management Sdn. Bhd. (“**MDS**”), Aim Development Worldwide Sdn. Bhd. (“**ADW**”) and Aim Holdings Worldwide Sdn. Bhd. (“**AHW**”) respectively (collectively referred to as “**Vendors**”) for the purchase of the following 6 parcels of 99 years leasehold lands, for a total cash consideration of Ringgit Malaysia Forty One Million Nine Hundred Thirty Six Thousand and Eight Hundred (RM41,936,800.00) only (“**Total Purchase Price**”) (hereinafter referred to as “**Proposed Acquisitions**”) :-

SPA No.	Title of the Lands	Vendor	Purchase Price
1	HSD 89882, PT 952, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka (hereinafter referred as “ Land 1 ”)	MDS	RM5,877,650.00
2	HSD 89883, PT 953, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka (hereinafter referred as “ Land 2 ”)	MDS	RM5,441,700.00
3	HSD 89884, PT 954, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka (hereinafter referred as “ Land 3 ”)	MDS	RM5,442,250.00
4	HSD 89875, PT 955, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka (hereinafter referred as “ Land 4 ”)	ADW	RM10,451,200.00
5	HSD 89919, PT 956, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka (hereinafter referred as “ Land 5 ”)	AHW	RM7,797,400.00
6	HSD 89920, PT 957, Kawasan	AHW	RM6,926,600.00

	Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka (hereinafter referred as “Land 6”)		
		TOTAL	RM41,936,800.00

(collectively referred to as “Lands”)

2. DETAILS OF THE PROPOSED ACQUISITIONS

2.1 INFORMATION OF VENDORS

2.1.1 MDS

MDS was incorporated in Malaysia under the Companies Act 2016 on 24 May 2019 and having its registered office at No. 15A, Jalan PNDD 1, Pusat Niaga Durian Daun, 75200 Melaka. MDS is principally engaged in development management.

As of the date of this announcement, the total issued share capital of MDS is Ringgit Malaysia One Hundred (RM100.00) only comprising of 100 ordinary shares.

As at date of this announcement, the Director of MDS is Mr. Eric Tan Eng Huat.

The shareholders of MDS are as follows:

	Direct	
	Number of ordinary shares	Percentage (%)
Eric Tan Eng Huat	48.00	48
Tan Yee Ling	52.00	52
TOTAL	100.00	100

2.1.2 ADW

ADW was incorporated in Malaysia under the Companies Act 2016 on 20 March 2019 and having its registered office at No. 15A, Jalan PNDD 1, Pusat Niaga Durian Daun, 75200 Melaka. ADW is principally engaged in development and holding companies.

As of the date of this announcement, the total issued share capital of ADW is Ringgit Malaysia One Hundred (RM100.00) only comprising of 100 ordinary shares.

As at date of this announcement, the Director of ADW is Mr. Eric Tan Eng Huat.

The shareholders of ADW are as follows:

	Direct	
	Number of ordinary shares	Percentage (%)
Eric Tan Eng Huat	48.00	48

Tan Yee Ling	52.00	52
TOTAL	100.00	100

2.1.3 AHW

AHW was incorporated in Malaysia under the Companies Act 2016 on 20 March 2019 and having its registered office at No. 15A, Jalan PNDD 1, Pusat Niaga Durian Daun, 75200 Melaka. AHW is principally engaged in export and import of a variety of goods without any particular specialization; activities of holding companies.

As of the date of this announcement, the total issued share capital of AHW is Ringgit Malaysia One Hundred (RM100.00) only comprising of 100 ordinary shares.

As at date of this announcement, the Director of AHW is Mr. Eric Tan Eng Huat.

The shareholders of AHW are as follows:

	Direct	
	Number of ordinary shares	Percentage (%)
Eric Tan Eng Huat	48.00	48
Tan Yee Ling	52.00	52
TOTAL	100.00	100

2.2 INFORMATION OF THE PURCHASER

CHPMSB was incorporated in Malaysia under the Companies Act 2016 on 8 January 2024 and having its registered office at Suite 16.06, MWE Plaza, No. 8 Lebuhr Farquhar, 10200 George Town, Pulau Pinang. CHPMSB is principally involved in investment holding and property development and property construction.

As at the date of this announcement, the total issued share capital of the CHPMSB is RM2 comprising of 2 ordinary shares.

The Directors of CHPMSB are Datuk Seri Chiau Beng Teik and Chiau Haw Choon.

CHPMSB is a wholly-owned subsidiary of BKGD.

BKGD was incorporated in Malaysia on 14 November 2013 under the Companies Act 1965, having its registered office at Suite 16.06, MWE Plaza, No. 8 Lebuhr Farquhar, 10200 George Town, Pulau Pinang. Its principal activities are investment holding and property development and property construction.

As at the date of this announcement, the total issued share capital of BKGD is RM29,400,000 comprising of 29,400,000 ordinary shares.

The Directors of BKGD are Datuk Seri Chiau Beng Teik and Chiau Haw Choon.

BKGD is a wholly-owned subsidiary of CHGP.

2.3 INFORMATION OF THE LANDS

2.3.1 Information of Land 1

Registered proprietor	MDS
Title details	HSD 89882, PT 952, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka
Tenure	99 years leasehold land which is expiring on 1 October 2122
Express condition and restriction in interest	Land 1 is subject to the express condition and restriction in interest stated in the Titles as follows: - (a) Category of land use: Bangunan (b) Express Condition: <i>Untuk bangunan perniagaan sahaja.</i> (c) Restriction in Interest: <i>Tanah ini tidak boleh dipindahmilik, dipajak atau digadai kecuali dengan kebenaran Pihak Berkuasa Negeri.</i>
Land area	approximately 10,921 square metres or 117,553 square feet

2.3.2 Information of Land 2

Registered proprietor	MDS
Title details	HSD 89883, PT 953, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka
Tenure	99 years leasehold land which is expiring on 1 October 2122
Express condition and restriction in interest	Land 2 is subject to the express condition and restriction in interest stated in the Titles as follows: - (a) Category of land use: Bangunan (b) Express Condition: <i>Untuk bangunan perniagaan sahaja.</i>

	(c) Restriction in Interest: <i>Tanah ini tidak boleh dipindahmilik, dipajak atau digadai kecuali dengan kebenaran Pihak Berkuasa Negeri.</i>
Land area	approximately 10,111 square metres or 108,834 square feet

2.3.3 Information of Land 3

Registered proprietor	MDS
Title details	HSD 89884, PT 954, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka
Tenure	99 years leasehold land which is expiring on 1 October 2122
Express condition and restriction in interest	Land 3 is subject to the express condition and restriction in interest stated in the Titles as follows: - (a) Category of land use: Bangunan (b) Express Condition: <i>Untuk bangunan perniagaan sahaja.</i> (c) Restriction in Interest: <i>Tanah ini tidak boleh dipindahmilik, dipajak atau digadai kecuali dengan kebenaran Pihak Berkuasa Negeri.</i>
Land area	approximately 10,112 square metres or 108,845 square feet

2.3.4 Information of Land 4

Registered proprietor	ADW
Title details	HSD 89875, PT 955, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka
Tenure	99 years leasehold land which is expiring on 28 September 2122
Express condition and restriction in interest	Land 4 is subject to the express condition and restriction in interest stated in the Titles as follows: - (a) Category of land use: Bangunan (b) Express Condition: <i>Untuk bangunan perniagaan</i>

	<p><i>sahaja.</i></p> <p>(c) Restriction in Interest: <i>Tanah ini tidak boleh dipindahmilik, dipajak atau digadai kecuali dengan kebenaran Pihak Berkuasa Negeri.</i></p>
Land area	approximately 19,419 square metres or 209,024 square feet

2.3.5 Information of Land 5

Registered proprietor	AHW
Title details	HSD 89919, PT 956, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka
Tenure	99 years leasehold land which is expiring on 5 December 2122
Express condition and restriction in interest	<p>Land 5 is subject to the express condition and restriction in interest stated in the Titles as follows: -</p> <p>(a) Category of land use: Bangunan</p> <p>(b) Express Condition: <i>Untuk bangunan perniagaan sahaja.</i></p> <p>(c) Restriction in Interest: <i>Tanah ini tidak boleh dipindahmilik, dipajak atau digadai kecuali dengan kebenaran Pihak Berkuasa Negeri.</i></p>
Land area	approximately 14,488 square metres or 155,948 square feet

2.3.6 Information of Land 6

Registered proprietor	AHW
Title details	HSD 89920, PT 957, Kawasan Bandar XLIII, Daerah Melaka Tengah, Negeri Melaka
Tenure	99 years leasehold land which is expiring on 5 December 2122
Express condition and restriction in interest	<p>Land 6 is subject to the express condition and restriction in interest stated in the Titles as follows: -</p> <p>(a) Category of land use: Bangunan</p>

	<p>(b) Express Condition: <i>Untuk bangunan perniagaan sahaja.</i></p> <p>(c) Restriction in Interest: <i>Tanah ini tidak boleh dipindahmilik, dipajak atau digadai kecuali dengan kebenaran Pihak Berkuasa Negeri.</i></p>
Land area	approximately 12,870 square metres or 138,532 square feet

CHGP is unable to procure the net book value of the Lands as CHGP is not privy to this information at this juncture.

The Lands are free from any encumbrances.

The Lands are vacant and are free from squatters and other unauthorised occupants.

No valuation was carried out on the Lands by CHPMSB in this Proposed Acquisition.

CHPMSB is purchasing the Lands with the intention of developing and constructing commercial development project on the Lands ("**Development**") for sale and/or for investment holding.

2.3.7 Project briefing

CHPMSB intends to undertake the proposed development of residential buildings together with supporting amenities and infrastructure on the Lands ("**Project**").

CHPMSB estimated the Project to have gross development value of RM1,014 million and gross development cost of RM792 million. Further details of the Project are as follows :-

Expected commencement : within six months from the completion of the date Proposed Acquisitions.

Expected completion date : within 6-8 years from completion of the Proposed Acquisitions.

Source of funding : the sources of funds, including external borrowing and internally generated funds, will be determined at a later stage.

3. SALIENT TERMS OF THE AGREEMENTS

3.1 Agreements to sell and purchase

The Vendors have agreed to sell and the Purchaser has agreed to purchase the Lands on an "as-is-where-is" basis but substantially in the same conditions as at the date of the Agreements free from all encumbrances with vacant possession at the Total

Purchase Price, calculated at the rate of RM50 per square foot subject to all conditions and restrictions, expressed or implied, in the Titles to the Lands and upon all the terms and conditions of the Agreements.

3.2 Satisfaction of the Purchase Price

3.2.1 The Total Purchase Price shall be paid by the Purchaser in the following manner:-

- (a) Prior to the execution of the Agreements, 2% of the Total Purchase Price, i.e. RM838,736 ("**Earnest Deposit**") has already been paid to Vendors' Solicitors as stakeholder, who shall only release the Earnest Deposit to the Vendors upon the execution of the Agreement .
- (b) Upon the execution of the Agreements, 8% of the Total Purchase Price, i.e. RM3,354,944 ("**Balance Deposit**") shall be paid to Purchaser's Solicitor as stakeholders, in the following manner :-
 - (i) 3% of the Total Purchase Price, i.e. RM1,258,104 to be retained by the Purchaser's Solicitors for onward transmission to the Director General of Inland Revenue ("**DGIR**") pursuant to Section 21B of the Real Property Gains Tax Act 1976 for the accounts of the Vendors and in accordance with terms of the Agreements; and
 - (ii) 5% of the Total Purchase Price, i.e RM2,096,840, shall be released to Vendors' Solicitors as stakeholder who shall only release the same to the Vendors upon Unconditional Date (as defined in item 3.5 below).

The Earnest Deposit and the Balance Deposit shall be collectively referred to as "**Deposit**".

- (c) The balance of the Total Purchase Price, i.e. RM37,743,120 ("**Balance Purchase Price**") shall be paid within three (3) months from the Unconditional Date ("**Completion Period**") to Vendors' Solicitors as a stakeholder who shall release the same to the Vendors in accordance with the terms and conditions of the Agreements.

3.2.2 In the event the Purchaser fails to pay the Balance Purchase Price within the Completion Period, the Vendors shall grant the Purchaser an automatic extension period of 1 month from the expiry of the Completion Period ("**Extended Completion Period**") to pay the Balance Purchase Price PROVIDED ALWAYS that the Purchaser shall pay to the Vendors interest on the unpaid amount at the rate of eight per centum (8%) per annum ("**Late Payment Interest**") calculated on a daily basis commencing from the day immediately after expiry of the Completion Period thereof till the date the Balance Purchase Price is paid in full on or before the last day of the Extended Completion Period. The Balance Purchase Price and the Late Payment Interest (if any) shall be paid simultaneously.

3.2.3 The completion of Agreement shall be inter-conditional upon the completion

of all the other SPAs. The day of receipt by the Vendors' Solicitors of the Balance Purchase Price and Late Payment Interest (if any) shall be referred to as the "**Completion Date**" which shall be a date falling within the Completion Period or Extended Completion Period, as the case may be.

3.2.4 Upon the date of the Agreements, the Vendors shall and/or shall cause to deliver and deposit the original Titles of the Lands to the Vendors' Solicitors as stakeholders and the Vendors' Solicitors shall provide such written confirmation of the custody of original Issue Document of Titles of Lands to the Purchaser's Solicitors within seven (7) days from the date of the Agreement.

3.2.5 The Vendors and the Purchaser ("**the Parties**") agree that if the position, measurement, boundaries and/or area of the Lands shown in the Agreements ("**Agreed Area**") shall be less than the actual area of the Lands and/or Titles ("**Actual Area**"), without prejudice to the Purchaser's rights in the terms of the Agreements, there shall be an adjustment of the Purchase Price for any difference (if any) which is less than five per centum (5%) of the area as shown in the Agreements calculated at the rate of Ringgit Malaysia Fifty (RM50.00) only per square foot basis ("**Adjustment Rate**") by deducting from the Balance Purchase Price an amount equivalent to the reduced area multiplied by the Adjustment Rate which is payable by the Purchaser in accordance with item 3.2.1(c) above.

3.2.6 The Parties hereby agree that any variation between the Actual Area and the Agreed Area which is more than five per centum (5%) of the area as shown in the Agreements shall be considered as a material variation in area. The Purchaser may by notice in writing to the Vendors, requiring the Vendors to :-

- (a) rectify the shortfall in area by reclaiming the area to meet the Actual Area at Vendor's own cost within ninety (90) days from the date of the written notice; and/or
- (b) continue with the Agreements and item 3.2.5 above shall apply mutatis mutandis.

3.2.7 In the event the Vendors shall fail or omit to rectify the scenario within the time period as granted by the Purchaser as stipulated in item 3.2.6 above, the Purchaser shall be further entitled to :-

- (a) Step in and to enter and remain upon the Lands to carrying out such work as stipulated in item 3.2.6(a) above and the cost of such work shall be a debt due and payable from the Vendors to the Purchaser; and/or
- (b) To effect item 3.2.6(b) above.

3.3 Conditions Precedent

The Proposed Acquisitions are conditional upon the Vendors obtaining the consents to transfer the Lands in favour of the Purchaser ("**Consents to Transfer**") and extraction of original Titles which have been duly registered under the names of

Vendors (if applicable) (“**the Condition Precedent**”) at the Vendors’ own cost and expenses within three (3) months from the date of the Agreements, subject to an automatic extension of one (1) month or such other period of time thereafter as the Parties may mutually agree (“**Conditional Period**”). The Purchaser hereby agrees and undertakes to furnish all documents and information as may be required to facilitate the application for the Consents to Transfer. In the event the Purchaser is obtaining a loan to finance the purchase of the Lands, the Vendors hereby endeavor to submit the applications for the Consents to Transfer together with the applications of consent(s) to charge in favour of the Purchaser’s financier(s) simultaneously to the relevant authorities at the Purchaser’s own cost and expense provided always that the Purchaser shall provide the duly signed application form (if necessary) and duly stamped letter of offer from the financier(s) within fourteen (14) working days from the date of the Agreements.

3.4 Non-fulfilment of Conditions Precedent

In the event the Condition Precedent cannot be fulfilled within the Conditional Period and the Parties fail to mutually agree on the extension time :-

- (i) the Purchaser shall be entitled to terminate the Agreements by a written notice of termination to the Vendors whereupon the Vendors shall refund or cause the Vendors’ Solicitors to refund to the Purchaser within seven (7) days from the date of the aforesaid notice of termination, the Deposit and all moneys, paid by the Purchaser to the Vendors under the Agreements, free of interest, thereafter the Agreements shall terminate immediately and be of no further effect whatsoever and neither party shall have any claim whatsoever against the other save for any antecedent breach of any of the provisions herein; or alternatively,
- (ii) the Parties may negotiate, discuss and/or render all necessary co-operation and assistance to the other party for the purpose of completion of the sale and purchase of the Lands in alternative lawful manner as the Parties may mutually agree.

3.5 Unconditional Date

The Agreements shall be rendered “**Unconditional**” upon the original of the Consents to Transfer are in receipt by the Purchaser’s Solicitors. The date of the receipt of the last original Consents to Transfer under the Agreement and/or other SPAs by the Purchaser’s Solicitors shall be the “**Unconditional Date**”.

3.6 Release of Balance Deposit

The Vendors’ Solicitors shall be authorised to release the Balance Deposit (less the RPGT Retention Sum) to the Vendors within seven (7) days from the Unconditional Date.

4. SOURCE OF FUNDING FOR THE PURCHASE PRICE

The Purchase Price is expected to be funded via a combination of internally generated funds and bank borrowings, the proportions of which will be determined

later after taking into consideration CHGP's gearing level, interest costs and cash reserves.

5. BASIS AND JUSTIFICATION FOR THE PURCHASE PRICE

The Purchase Price was arrived at on a 'willing seller-willing buyer' basis, after taking into consideration:-

- (a) The value of the Lands at RM84,000,000.00 as per the valuation report as at October 2023 appraised by the Vendor's valuer, namely Knight Frank Malaysia Sdn Bhd. The Purchase Price represents a discount of approximately 50% from the current market value of the Lands
- (b) The estimated gross development value ("GDV") of RM1,014 million of the Project proposed to be undertaken on the Lands. This estimated GDV is premised upon the planning permission to be procured for the development of the Lands at the plot ratio of 4.0.

6. RATIONALE AND PROSPECT OF THE PROPOSED ACQUISITION

CHGP and its subsidiaries ("CHGP Group") are involved in the property development business and the Proposed Acquisitions are in line with the overall strategy of CHGP Group to source for new landbank and expand its property development segment.

Given the strategic location of the Lands and barring any unforeseen circumstances, the Board is confident that the Proposed Acquisitions will contribute positively to the earnings of CHGP in future.

As such, the Proposed Acquisitions augur well for CHGP Group as they are in line with the group's strategy to strengthen its property development segment and at the same time, diversify its presence to Melaka.

7. RISK FACTORS

The potential risk factors relating to the Agreements, which may not be exhaustive, are as follows :-

(i) Completion risk

The Proposed Acquisitions are subject to the Conditions Precedent stated in the Agreements. There is no assurance that the Proposed Acquisitions could be completed with the timeframe as prescribed under the Agreements. The Board will take reasonable steps to ensure that such Conditions Precedent are met and fulfilled within the prescribed timeframe, besides ensuring every effort is made to obtain all the necessary approvals in order to complete the Proposed Acquisitions in a timely manner.

(ii) Financing risk

CHGP / the Purchaser will be seeking external financing to partially fund the Proposed Acquisitions. Its ability to arrange for external financing and the cost of such financing are dependent on numerous factors, including general

economic and capital market conditions, interest rates, credit availability from banks or other lenders, or any restrictions imposed by the Government as well as the political, social and economic conditions in Malaysia. The Group may also be exposed to fluctuations in interest rate movements. Any future significant fluctuation of interest rates could have an effect on the Group's cash flows and profitability. Nevertheless, CHGP will endeavor to manage its cash flow position and funding requirements prudently, to address the risk.

8. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITIONS

8.1 SHARE CAPITAL AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The Proposed Acquisitions will not have any effect on the issued and paid-up share capital of CHGP and the substantial shareholders' shareholdings of CHGP.

8.2 NET ASSETS ("NA") AND GEARING

The Proposed Acquisitions will not have a material effect on the NA of CHGP group for the financial year ending ("FYE") 31 December 2024. As set out in item 4, the Proposed Acquisitions will be funded through a combination of internally generated funds and bank borrowings, of which the final composition of the funding will be determined at a later stage.

For illustrative purposes, assuming that 70% of the Total Purchase Price which amounts to approximately RM29,355,760.00 is funded by bank borrowings with the balance funded via internally generated funds, the pro forma effects of the Proposed Acquisition on the consolidated NA and gearing of CHGP Group assuming that the Proposed Acquisition had been completed as at 31 December 2022 is as follows:

	Audited as at 31 December 2022	Adjusted for subsequent event	After Proposed Acquisition
	RM	RM	RM
Share capital	134,813,102	⁽¹⁾ 228,204,465	228,204,465
Treasury shares	(255,208)	(255,208)	(255,208)
Reserves	17,473,198	15,883,949	15,883,949
Retained earnings	58,980,697	58,980,697	⁽³⁾ 58,917,697
Equity attributable to owners' of the parent	211,011,789	302,813,903	302,750,903
Non-controlling interests	31,975,595	31,975,595	31,975,595
Total equity	242,987,384	334,789,498	334,726,498
Number of ordinary shares in issue	480,067,256	⁽⁵⁾ 605,281,524	⁽⁵⁾ 605,281,524
No of treasury shares	⁽²⁾ 700,000	700,000	700,000
NA per ordinary share (RM)	0.44	0.50	0.50
Borrowings	253,483,598	253,483,598	⁽⁴⁾ 282,839,358
Gearing ratio (times)	1.20	0.84	0.93

Notes:

- (1) After adjusting for the issuance of CHGP Shares for the following: -
 - a. 25,796,648 new shares at RM0.20 per CHGP Share pursuant to the exercise of Warrants after 31 December 2022 up to the date of this announcement, and;
 - b. 99,417,620 new shares pursuant to the private placement on 13 January 2023, 20 February 2023, 4 April 2023, 18 April 2023, 8 December 2023 and 27 December 2023 after 31 December 2022 up to the date of this announcement.
- (2) Excludes 700,000 treasury shares held by CHGP.
- (3) After deducting estimated expenses of RM63,000.00 for the Proposed Acquisition.
- (4) Assuming 70.0% of the total consideration amounting to RM29,355,760.00 is funded by bank borrowings and the balance is by cash.
- (5) Number of shares as at this announcement.

8.3 EARNINGS AND EARNINGS PER SHARE

The Proposed Acquisitions are not expected to have any material effect on the earnings and earnings per share of CHGP for FYE 31 December 2024. Nevertheless, the Proposed Acquisitions are expected to be earnings accretive when the Development materialises.

9. LIABILITIES TO BE ASSUMED

Save for any potential bank borrowings that may arise from funding the Total Purchase Price, there are no other liabilities, including contingent liabilities and guarantees to be assumed by CHGP pursuant to the Agreements.

10. HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable to the Proposed Acquisition pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is 19.87%, calculated based on the Purchase Price and the latest consolidated NA of CHGP Group as at 31 December 2022.

11. APPROVAL REQUIRED

The Agreements are not subject to the approval of the shareholders of CHGP.

The completion of the Agreements shall be inter-conditional upon the completion of all the SPAs.

The Agreements are subject to the Vendors obtaining the State Authority's consent to transfer the Lands in favour of the Purchaser.

The Agreements are not conditional upon any other corporate exercises undertaken or to be taken by CHGP.

12. INTEREST OF THE DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH THEM

None of the Directors and/or major shareholders and/or any person connected to the Directors and/or major shareholders of CHGP has any interest, either directly or indirectly in the Proposed Acquisitions.

13. STATEMENT BY THE BOARD OF DIRECTORS

The Board having considered all aspects of the Proposed Acquisitions, are of the opinion that the Proposed Acquisitions are in the best interest of the Company.

14. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Acquisitions are expected to be completed on by end of June 2024.

15. DOCUMENTS AVAILABLE FOR INSPECTION

A copy each of the Agreement is available for inspection at the Registered Office of CHGP at Suite 16.06, MWE Plaza, No. 8 Lebuq Farquhar, 10200 George Town, Pulau Pinang during normal working hours from Monday to Friday (except public holiday) for a period of 3 months from the date of this announcement.

This announcement is dated 16 January 2024.