

Unless otherwise stated, all abbreviations and defined terms contained in this Abridged Prospectus are defined in the “Definitions” section of this Abridged Prospectus.

No securities will be allotted or issued based on this Abridged Prospectus after 6 months from the date of this Abridged Prospectus.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF IN DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY. All enquiries concerning the Rights Issue, which is the subject matter of this Abridged Prospectus, should be addressed to the Company’s appointed share registrar for the Rights Issue, ShareWorks Sdn Bhd at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan, Malaysia (Tel: +603 6201 1120).

This Abridged Prospectus, together with the NPA and RSF (collectively, the “Documents”), will be despatched only to our Entitled Shareholders whose names appear on our Record of Depositors as at 5.00 p.m. on 19 May 2023 at their registered address in Malaysia or who have provided the Share Registrar with a registered address in Malaysia in writing by 5.00 p.m. on 19 May 2023. The Documents are not intended to (and will not be made to) comply with the laws of any country or jurisdiction other than Malaysia and are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any country or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal adviser and other professional advisers as to whether the acceptance or renunciation (as the case may be) of their entitlements to the Rights Issue, application for Excess RCULS with Warrants E, or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue would result in the contravention of any law of such countries or jurisdictions. We, Kenanga IB and/or the Advisers named herein shall not accept any responsibility or liability in the event that any acceptance and/or renunciation (as the case may be) of entitlements, application for Excess RCULS with Warrants E or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue made by any Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) are residents.

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of this Rights Issue. A copy of the Documents has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

The SC had on 12 December 2022 approved the application for the Rights Issue under Section 214(1) of the CMSA. Approval for the Rights Issue has been obtained from our shareholders at our extraordinary general meeting convened on 10 March 2023. Approval has been obtained from Bursa Securities via its letter dated 16 February 2023 for the admission of the RCULS and Warrants E to the Official List as well as the listing and quotation of the RCULS, Warrants E and the new Shares to be issued upon conversion of the RCULS and exercise of the Warrants E on the Main Market of Bursa Securities (subject to the conditions specified in the said letter), which will commence after, among others, receipt of confirmation from Bursa Depository that all the CDS Accounts of successful Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) have been duly credited with the RCULS and Warrants E allotted to them and notices of allotment have been despatched to them. However, such admission, listing and quotation are not an indication that Bursa Securities recommends the Rights Issue and are not to be taken as an indication of the merits of the Rights Issue.

The SC is not liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of this Abridged Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Abridged Prospectus.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” AS SET OUT IN SECTION 7 OF THIS ABRIDGED PROSPECTUS.

TWL

Holdings Berhad

TWL HOLDINGS BERHAD

Registration No. 199401039944 (325631-V)

(Incorporated in Malaysia under the Companies Act, 1965 and deemed registered under the Companies Act, 2016)

RENOUNCEABLE RIGHTS ISSUE OF UP TO RM111,279,632 NOMINAL VALUE OF 5,563,981,607 5-YEAR 5% REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS IN TWL HOLDINGS BERHAD (“TWL” OR THE “COMPANY”) (“RCULS”) AT 100% OF ITS NOMINAL VALUE OF RM0.02 EACH TOGETHER WITH UP TO 1,112,796,321 FREE DETACHABLE WARRANTS IN THE COMPANY (“WARRANTS E”) ON THE BASIS OF 10 RCULS TOGETHER WITH 2 FREE WARRANTS E FOR EVERY 10 EXISTING ORDINARY SHARES IN THE COMPANY HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY AT 5.00 P.M. ON 19 MAY 2023

Principal Adviser

Kenanga

KENANGA INVESTMENT BANK BERHAD

Registration No. 197301002193 (15678-H)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIMES

Entitlement Date : Friday, 19 May 2023 at 5.00 p.m.

Last date and time for:

Sale of Provisional Allotments : Friday, 26 May 2023 at 5.00 p.m.

Transfer of Provisional Allotments : Tuesday, 30 May 2023 at 4.30 p.m.

Acceptance and payment : Tuesday, 6 June 2023 at 5.00 p.m.

Excess RCULS with Warrants E Application and payment : Tuesday, 6 June 2023 at 5.00 p.m.

This Abridged Prospectus is dated 19 May 2023

ALL ABBREVIATIONS AND DEFINED TERMS CONTAINED IN THIS ABRIDGED PROSPECTUS ARE DEFINED IN THE "DEFINITIONS" SECTION OF THIS ABRIDGED PROSPECTUS UNLESS STATED OTHERWISE.

THE DIRECTORS OF THE COMPANY HAVE SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE, INCLUDING THE DOCUMENTS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THE SAID DOCUMENTATION. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS ABRIDGED PROSPECTUS FALSE OR MISLEADING.

KENANGA IB, BEING THE PRINCIPAL ADVISER FOR THE RIGHTS ISSUE, ACKNOWLEDGES THAT BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE.

THE VALUATION UTILISED FOR THE PURPOSE OF THE RIGHTS ISSUE SHOULD NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SECURITIES COMMISSION MALAYSIA, ON THE VALUE OF THE LANDS.

SHAREHOLDERS / INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

INVESTORS SHOULD NOTE THAT THEY MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THE ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THE ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO THE COMPANY.

SECURITIES ARE OFFERED TO THE PUBLIC ON THE PREMISE OF FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE, FOR WHICH ANY PERSON SET OUT IN SECTION 236 OF THE CMSA, IS RESPONSIBLE.

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF AND TO OBSERVE SUCH RESTRICTIONS.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THE DOCUMENTS.

DEFINITIONS

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

Abridged Prospectus	- This abridged prospectus dated 19 May 2023 in relation to the Rights Issue
Acquiror Companies	- Collectively, Tinta Kaca, Tinta Heights and Alma Land
Acquisitions	- Collectively, the EN10 Acquisition, EN11 Acquisition and HT4 Acquisition
Act	- Companies Act 2016 of Malaysia
Advisers	- Collectively, the Principal Adviser, company secretary, solicitors, Share Registrar for the Rights Issue, Trustee, reporting accountants and the Valuer, being the advisers appointed by the Company for the Rights Issue as disclosed in the Advisers' Directory
Alma Land	- Alma Land Development Sdn Bhd, a 70%-owned subsidiary of TWL Commodity
Base Case Scenario	- Assuming:- (i) none of the outstanding Warrants D which may be exercisable into new Shares as at the LPD are exercised into new Shares; and (ii) none of the Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors, prior to the Entitlement Date and all the Entitled Shareholders and/or their renounee(s) and/or their transferee(s) fully subscribe for their respective entitlements under the Rights Issue
Bermont Development	- Bermont Development Sdn Bhd, one of the Undertaking Shareholders
Bloomberg	- Bloomberg Finance Singapore L.P. and its affiliates
BNM	- Bank Negara Malaysia
Board	- Board of Directors of the Company
Bursa Depository	- Bursa Malaysia Depository Sdn Bhd
Bursa Securities	- Bursa Malaysia Securities Berhad
By-Laws	- By-laws governing the ESOS
CDS	- Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
CDS Account	- Securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and dealings in such securities by the depositor

DEFINITIONS (CONT'D)

Closing Date	- 6 June 2023 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Provisional Allotments and Excess RCULS with Warrants E
CMSA	- Capital Markets and Services Act, 2007
Conversion Period	- Any Market Day after the issue date of the RCULS and up to 5 years from the issue date of the RCULS
Conversion Price	- RM0.03, being the price to be satisfied in order for an RCULS holder to convert his RCULS into 1 new Share, subject to any adjustments in accordance with the provisions of the Trust Deed
Convertible Securities	- Collectively, the Warrants D and ESOS Options
COVID-19	- Coronavirus disease 2019
Deed Poll D	- Deed poll constituting the Warrants D dated 11 August 2021
Deed Poll E	- Deed poll constituting the Warrants E dated 26 April 2023 executed by the Company
Directors	- Directors of the Company
Documents	- Collectively, this Abridged Prospectus and the accompanying NPA and RSF
e-RSF	- Electronic RSF
EN10 Acquisition	- Acquisition by Tinta Kaca of the EN10 Land from SDP Bukit Raja for the EN10 Purchase Consideration
EN10 Land	- A parcel of freehold land measuring approximately 22,234 sqm held under Geran 318160, Lot 77716, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan
EN10 Novation Agreement	- Novation cum supplemental sale and purchase agreement dated 4 August 2022 between Tinta Kaca, INTA and SDP Bukit Raja for the EN10 Acquisition
EN10 Project	- Development of 715 units of affordable housing under the Rumah Selangorku scheme to be undertaken on the EN10 Land (as approved by LPHS vide its letters dated 13 February 2017, 29 March 2022, 21 April 2022, 26 May 2022, 20 June 2022 and 19 August 2022)
EN10 Purchase Consideration	- Cash consideration of RM10.00 million for the EN10 Acquisition
EN11 Acquisition	- Acquisition by Tinta Heights of the EN11 Land from SDP Bukit Raja for the EN11 Purchase Consideration
EN11 Land	- 16 parcels of lands collectively measuring approximately 17,915 sqm held under GRN 335734, Lot No. 92871 (previously H.S.(D) 318432, PT 35900) and H.S.(D) 318433 to H.S.(D) 318447, PT 35901 to PT 35915, all in Mukim Damansara, Daerah Petaling, Negeri Selangor. All the lands have freehold status save for PT 35915 which holds leasehold status. The land area of the 15 parcels of freehold land are approximately 17,669 sqm whereas the land area of the 1 parcel of leasehold land is approximately 246 sqm.

DEFINITIONS (CONT'D)

EN11 Land Proprietor	- Sime Darby Property (USJ) Sdn Bhd (formerly known as Lengkap Teratai Sdn Bhd)
EN11 Novation Agreement	- Novation cum supplemental sale and purchase agreement dated 4 August 2022 between Tinta Heights, INTA and SDP Bukit Raja for the EN11 Acquisition
EN11 Project	- Development of 746 units of affordable housing under the Rumah Selangorku scheme to be undertaken on the EN11 Land (as approved by LPHS vide its letters dated 13 February 2017, 29 March 2022, 21 April 2022, 26 May 2022, 20 June 2022 and 19 August 2022)
EN11 Purchase Consideration	- Cash consideration of RM12.00 million for the EN11 Acquisition
Entitled Shareholders	- Shareholders whose names appear in the Record of Depositors of the Company on the Entitlement Date
Entitlement Date	- 19 May 2023, being the date on which the names of the Shareholders must appear in the Record of Depositors as at 5.00 p.m. in order to be entitled to participate in the Rights Issue
EPS	- Earnings per Share
ESOS	- Existing employees' share options scheme of the Company which took effect on 5 January 2022 for a period of 5 years
ESOS Options	- Options granted under the ESOS pursuant to the By-Laws, where each holder of the ESOS Options can subscribe for 1 new Share for every 1 ESOS Option held
Excess RCULS with Warrants E	- RCULS with Warrants E which are not taken up or not validly taken up by the Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) by the Closing Date
Exercise Period	- A period of 3 years commencing from and including the date of issuance of the Warrants E to the close of business at 5.00 p.m. (Malaysia time) on the Market Day immediately preceding the date which is the 3rd anniversary from the date of issuance of the Warrants E
Exercise Price	- RM0.03, being the price at which 1 Warrant E is exercisable into 1 new Share, subject to adjustments in accordance with the provisions of the Deed Poll D
Foreign-Addressed Shareholders	- Entitled Shareholders who have not provided the Company an address in Malaysia for the service of the Documents
FPE	- Financial period ended
FYE	- Financial year ended / ending, as the case may be
GDC	- Gross development cost
GDV	- Gross development value
GL	- Gross loss
Government	- Government of Malaysia

DEFINITIONS (CONT'D)

GP	- Gross profit
HT4 Acquisition	- Acquisition by Alma Land Development Sdn Bhd of the HT4 Land from SDP Bukit Raja for the HT4 Purchase Consideration
HT4 Land	- A parcel of freehold land measuring approximately 35,440 sqm held under GRN 341627, Lot No. 92355 (previously H.S.(D) 315441, PT No. 35811), Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan
HT4 Land Proprietor	- Sime Darby Putra Heights Development Sdn Bhd (formerly known as Sime UEP Heights Sdn Bhd)
HT4 Novation Agreement	- Novation cum supplemental sale and purchase agreement dated 4 August 2022 between Alma Land Development Sdn Bhd, INTA and SDP Bukit Raja for the HT4 Acquisition
HT4 Project	- Development of 1,139 units of affordable housing under the Rumah Selangorku scheme to be undertaken on the HT4 Land (as approved by LPHS vide its letters dated 14 September 2017, 29 March 2022, 21 April 2022, 26 May 2022, 20 June 2022 and 19 August 2022)
HT4 Purchase Consideration	- Cash consideration of RM23.00 million for HT4 Acquisition
INTA	- Inta Development Sdn Bhd (now known as Samharris Development Sdn Bhd)
Issue Price	- The issue price of RM0.02 per RCULS
Kenanga IB or the Principal Adviser	- Kenanga Investment Bank Berhad
Lands	- Collectively, EN10 Land, EN11 Land and HT4 Land
LAT	- Loss after taxation
LBT	- Loss before taxation
Listing Requirements	- Main Market Listing Requirements of Bursa Securities, as amended from time to time
LPD	- 19 April 2023, being the latest practicable date prior to the printing of this Abridged Prospectus
LPHS	- Lembaga Perumahan dan Hartanah Selangor
LPS	- Loss per Share
LTD	- 25 April 2023, being the last trading day prior to the date on which the Conversion Price and Exercise Price were determined
Market Day	- Any day on which Bursa Securities is open for trading in securities

DEFINITIONS (CONT'D)

Maximum Scenario	<ul style="list-style-type: none"> - Assuming:- <ul style="list-style-type: none"> (i) all the outstanding Warrants D which may be exercisable into new Shares as at the LPD are exercised into new Shares; and (ii) all the Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors, <p>prior to the Entitlement Date and all the Entitled Shareholders and/or their renounee(s) and/or their transferee(s) fully subscribe for their respective entitlements under the Rights Issue</p>
MBSJ	<ul style="list-style-type: none"> - Majlis Bandaraya Subang Jaya
MCO	<ul style="list-style-type: none"> - Movement control order issued by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
Minimum Scenario	<ul style="list-style-type: none"> - Assuming:- <ul style="list-style-type: none"> (i) none of the outstanding Warrants D which may be exercisable into new Shares as at the LPD are exercised into new Shares; and (ii) none of the Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors, <p>prior to the Entitlement Date and the Rights Issue is undertaken on the Minimum Subscription Level</p>
Minimum Subscription Level	<ul style="list-style-type: none"> - Minimum subscription level of 1,250,000,000 RCULS together with 250,000,000 Warrants E at an issue price of RM0.02 per RCULS, to raise minimum proceeds of RM25.00 million
NA	<ul style="list-style-type: none"> - Net assets
NPA	<ul style="list-style-type: none"> - Notice of provisional allotment in relation to the Rights Issue
Novation Agreements	<ul style="list-style-type: none"> - Collectively, the EN10 Novation Agreement, EN11 Novation Agreement and HT4 Novation Agreement
Official List	<ul style="list-style-type: none"> - Official list of the Main Market of Bursa Securities
Previous Private Placement	<ul style="list-style-type: none"> - Private placement exercise previously undertaken by the Company which involved the issuance of 771,036,000 Shares, raising a total of approximately RM40.46 million and was completed on 15 April 2022
Previous Rights Issue with Warrants	<ul style="list-style-type: none"> - Rights issue with warrants exercise previously undertaken by the Company which involved the issuance of 1,101,479,634 Shares and 1,101,479,634 Warrants D, raising a total of approximately RM44.06 million and was completed on 11 October 2021
Principal SPAs	<ul style="list-style-type: none"> - 3 separate sale and purchase agreements dated 24 March 2022 between INTA and SDP Bukit Raja for the acquisition by INTA of the EN10 Land, EN11 Land and HT4 Land from SDP Bukit Raja for cash considerations of RM10.00 million, RM12.00 million and RM23.00 million respectively
Projects	<ul style="list-style-type: none"> - Collectively, the EN10 Project, EN11 Project and HT4 Project

DEFINITIONS (CONT'D)

Provisional Allotments	- The RCULS with Warrants E provisionally allotted to Entitled Shareholders
Purchase Consideration	- The total purchase consideration for the Acquisitions of RM45.00 million comprising RM10.00 million for the EN10 Acquisition, RM12.00 million for the EN11 Acquisition and RM23.00 million for the HT4 Acquisition
Qaisar	- Pembinaan Qaisar Sdn Bhd
Qaisar Acquisition	- Acquisition by TWL of 100% equity interest in Qaisar from the Qaisar Acquisition Vendors for a purchase consideration of RM35.00 million to be satisfied via RM10.00 million in cash and issuance of the Qaisar Acquisition Consideration Shares. For information, Qaisar has a turnkey contract dated 10 January 2022 to construct the Sentul Project.
Qaisar Acquisition Consideration Shares	- 555,555,556 new Shares to be issued to the Qaisar Acquisition Vendors at the issue price of RM0.045 each pursuant to the Qaisar Acquisition
Qaisar Acquisition Vendors	- Muhammad Afandi Bin Amir, Mohammad Ramadhan Bin Othman and Rising Applause Sdn Bhd
RCULS	- 5-year 5% redeemable convertible unsecured loan stocks in the Company to be issued pursuant to the Rights Issue
Record of Depositors	- A record of securities holders of the Company provided by Bursa Depository under the Rules of Bursa Depository
Rights Issue	- Renounceable rights issue of up to RM111,279,632 nominal value of 5,563,981,607 RCULS at 100% of its nominal value of RM0.02 each together with up to 1,112,796,321 free detachable Warrants E on the basis of 10 RCULS together with 2 free Warrants E for every 10 existing Shares held by the Entitled Shareholders on the Entitlement Date
RM and sen	- Ringgit Malaysia and sen respectively
RSF	- Rights subscription form in relation to the Rights Issue
Rules of Bursa Depository	- Rules of Bursa Depository as issued pursuant to the SICDA as amended from time to time
SC	- Securities Commission Malaysia
SDPB	- Sime Darby Property Berhad
SDP Bukit Raja	- Sime Darby Property (Bukit Raja) Sdn Bhd, the vendor for the Acquisitions
SDP USJ	- Sime Darby Property (USJ) Sdn Bhd (formerly known as Lengkap Teratai Sdn Bhd) being the previous registered owner of the EN10 Land. For information, the current registered owner of the EN10 Land is Tinta Kaca (upon completion of the EN10 Acquisition on 29 November 2022 and the subsequent transfer of ownership of the EN10 Land to Tinta Kaca on 9 February 2023)

DEFINITIONS (CONT'D)

Serdang Land Acquisition	- Acquisition by TWL Land Sdn Bhd (formerly known as Allfit Furniture Industries Sdn Bhd), a wholly-owned subsidiary of TWL, of a piece of vacant land in Serdang, Selangor measuring 8,479 sqm for a purchase consideration of RM13.90 million to be satisfied partly via RM0.50 million in cash and partly via issuance of new Shares. The Serdang Land Acquisition was announced on 25 April 2022 and was subsequently terminated on 30 December 2022.
Sentul Land	- A piece of freehold land held under Geran Mukim 2449, Lot 30195 (previously known as Geran Mukim 809, Lot 1132), Tempat Gombak Malay Reservation, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL measuring 12,080 sqm and gazetted as a Malay reserve land
Sentul Project	- Construction of a high-rise apartment complex building comprising 1,066 units of 3-bedroom apartments, multi-level car park podium and a podium floor of residence facilities as well as other ancillary works on the Sentul Land
Share Registrar	- ShareWorks Sdn Bhd, the Company's appointed share registrar for the Rights Issue
SICDA	- Securities Industry (Central Depositories) Act, 1991 of Malaysia
SOP	- Standard operating procedure
sqm	- Square meter
TEAP	- Theoretical ex-all price
Tinta Heights	- Tinta Heights Development Sdn Bhd, a wholly-owned subsidiary of TWL Commodity (previously an 80%-owned subsidiary of TWL Commodity)
Tinta Kaca	- Tinta Kaca Development Sdn Bhd, a wholly-owned subsidiary of TWL Commodity (previously an 80%-owned subsidiary of TWL Commodity)
Tinta Land	- Tinta Land Sdn Bhd, a company that is 80%-owned by Samudra Luas Sdn Bhd (a third party which is unrelated to TWL) and 20%-owned by INTA (the counterparty to TWL for the Novation Agreements)
Trustee	- Malaysian Trustees Berhad
Trust Deed	- Trust deed constituting the RCULS dated 26 April 2023 executed by the Company and the Trustee
TWL or the Company	- TWL Holdings Berhad
TWL Commodity	- TWL Commodity Sdn Bhd, a wholly-owned subsidiary of the Company
TWL Group or the Group	- Collectively, the Company and its subsidiaries
TWL Shares or Shares	- Ordinary shares in the Company
Undertakings	- The irrevocable and unconditional written undertakings from the Dato' Tan Wei Lian dated 3 August 2022 and 25 October 2022 as well as from Bermont Development dated 23 February 2023, details of which are set out in Section 3 of this Abridged Prospectus

DEFINITIONS (CONT'D)

Undertaking Shareholders	- Dato' Tan Wei Lian (Executive Chairman of the Company) and Bermont Development (shareholder of the Company)
VPC Alliance or the Valuer	- VPC Alliance (PJ) Sdn Bhd, an independent property valuer
VWAP	- Volume-weighted average market price
Warrants D	- Outstanding TWL warrants 2021 / 2024 issued by the Company pursuant to the Deed Poll D and expiring on 4 October 2024. Each Warrant D holder is entitled to subscribe for 1 new Share at the exercise price of RM0.04, subject to adjustments under circumstances prescribed in accordance with the terms and provisions of the Deed Poll D.
Warrants E	- Free detachable warrants in the Company to be issued together with the RCULS pursuant to the Rights Issue
Warrant E Holders	- Holders of the Warrants E

In this Abridged Prospectus, all references to “the Company” are to TWL and references to “we”, “us”, “our” and “ourselves” are to the Company and, where the context otherwise requires, the Company and/or the subsidiaries of the Company. All references to “you” in this Abridged Prospectus are to the Entitled Shareholders.

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

Any reference in this Abridged Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any discrepancies in the tables included in this Abridged Prospectus between the amounts listed, actual figures and the totals thereof are, unless otherwise explained, due to rounding.

Any reference to a time of day or date in this Abridged Prospectus shall be a reference to Malaysian time or date respectively, unless stated otherwise.

Certain statements in this Abridged Prospectus 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 Abridged Prospectus should not be regarded as a representation or warranty that the Company's plans and objectives will be achieved.

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ADVISERS' DIRECTORY

- PRINCIPAL ADVISER** : Kenanga Investment Bank Berhad
Level 17, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur
Wilayah Persekutuan
Tel : +603 - 2172 2888
Fax : +603 - 2172 2999
- COMPANY SECRETARY** : Heng Chiang Pooh (MAICSA 7009923 & SSM PC No. 201908001771)
62-2, Jalan 2A/27A
Section 1, Wangsa Maju
53300 Kuala Lumpur
Tel : +603 - 4148 1888
- SOLICITORS** : Messrs. Ching, Elaine & Co
Advocates & Solicitors
A-15-15, Tropicana Avenue
Persiaran Tropicana, PJU 13
47410 Petaling Jaya
Selangor Darul Ehsan
Tel : +603 - 7886 9289
- SHARE REGISTRAR FOR THE RIGHTS ISSUE** : ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Tel : +603 - 6201 1120
- TRUSTEE** : Malaysian Trustees Berhad
Level 11, Tower Three
RHB Centre, Jalan Tun Razak
50400 Kuala Lumpur
Tel : +603 – 9280 5950
Fax : +603 – 9280 5947
- REPORTING ACCOUNTANTS** : UHY
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : +603 – 2279 3088
Fax : +603 – 2279 3099

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ADVISERS' DIRECTORY (CONT'D)

VALUER : VPC Alliance (PJ) Sdn Bhd
No. 6, 1st Floor, Jalan SS 26/4
Taman Mayang Jaya
47301 Petaling Jaya
Selangor Darul Ehsan
Tel : +603 – 7880 0155
Fax : +603 – 7880 0166

Valuer-in-charge: Loo Boon Wei
Registration No.: V-988
Registered Valuer, Estate Agent and Property Manager of Board of Valuers, Appraisers, Estate Agents and Property Managers (BOVEAP);
Estate Agency Practice Committee (EAPC) of Board of Valuers, Appraisers, Estate Agents and Property Managers (BOVEAP) (2023-2024);
Secretary General of Malaysian Institute of Professional Estate Agents and Consultants (MIPEAC) (2022-2023);
Member of Malaysian Institute of Property and Facility Managers (MIPFM)
Member of Royal Institution of Surveyors Malaysia (RISM);
Member of Association of Valuers, Property Managers, Estate Agents and Property Consultants in the Private Sector Malaysia (PEPS)

STOCK EXCHANGE LISTING : Main Market of Bursa Securities

The professional experience and qualification of expert whose reports, summaries or statements are included in this Abridged Prospectus is set out below:-

VPC Alliance (PJ) Sdn Bhd

VPC Alliance is an established firm of property consultants, valuers, property managers and estate agents based in Petaling Jaya which provides services including valuation advisory and consultancy, property management and estate agency. VPC Alliance is registered with the Board of Valuers, Appraisers, Estate Agents & Property Managers (Registration No. VEPM (1) 0105).

Sr. Loo Boon Wei is an Executive Director of VPC Alliance since 2018. He has approximately 22 years of experience in real estate valuation, estate agency and property management. He is a Registered Valuer with the Board of Valuers, Appraisers, Estate Agents & Property Managers (Registration No. V-988) and holds a Bachelor of Science in Land Admin and Management from University of Technology Malaysia.

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SUMMARY OF THE RIGHTS ISSUE

This summary of the Rights Issue only highlights the key information from other parts of this Abridged Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Abridged Prospectus.

Key information	Summary			
(i) Number of RCULS to be issued and basis of allotment	Basis: 10 RCULS together with 2 free Warrants E for every 10 existing Shares held by the Entitled Shareholders. Please refer to Section 2.1 of this Abridged Prospectus for further information.			
		Minimum Scenario	Base Case Scenario	Maximum Scenario
	Number of RCULS to be issued	1,250,000,000	4,065,639,917	5,563,981,607
	Number of Warrants E attached	250,000,000	813,127,983	1,112,796,321
	The RCULS with Warrants E which are not taken up or not validly taken up by the Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) prior to the Closing Date shall be made available for excess applications. It is the intention of the Board to allot the Excess RCULS with Warrants E, if any, in a fair and equitable manner in the priority as set out in Section 11.8 of this Abridged Prospectus.			
(ii) Issue Price, Conversion Price and Exercise Price	Issue Price of the RCULS : RM0.02 per RCULS (equivalent to its nominal value)			
	Conversion Price of the RCULS : RM0.03 per RCULS (convertible into 1 new Share)			
	Exercise Price of the Warrants E : RM0.03 per Warrant E (payable for every 1 new Share)			
	Please refer to Section 2.2 of this Abridged Prospectus for further information.			
(iii) Minimum Subscription Level and Undertakings	The Rights Issue will be undertaken on a Minimum Subscription Level to raise a minimum of RM25.00 million. To meet the Minimum Subscription Level, the Company had on 3 August 2022, 25 October 2022 and 23 February 2023 procured the Undertakings from the Undertaking Shareholders, details of which are as follows:-			
	Undertaking Shareholders and undertaking amount	:	(i) Dato' Tan Wei Lian (Executive Chairman of TWL): RM20.00 million (ii) Bermont Development (a shareholder of the Company): RM5.00 million	
	Minimum RCULS to be subscribed for if none of the other Entitled Shareholders and/or their renounee(s) and/or their transferee(s) subscribe for the RCULS	:	1,250,000,000 RCULS (representing 30.75% of the total number of 4,065,639,917 RCULS available for subscription under the Base Case Scenario)	
	Existing direct shareholding as at the LPD		Total RCULS with Warrants E to be subscribed pursuant to the Undertakings	
Undertaking Shareholders	No. of Shares	%	No. of RCULS	No. of Warrants E
Dato' Tan Wei Lian	351,406,203	8.64	1,000,000,000	200,000,000
Bermont Development	5,180,900	0.13	250,000,000	50,000,000
	No. of Shares held after full conversion of the RCULS and assuming none of the other Entitled Shareholders subscribe for their RCULS			
	Surrender 3 RCULS without additional cash payment to arrive at the aggregate Conversion Price of RM0.06 for every 2 new Shares		Surrender 1 RCULS with additional cash payment of RM0.01 to arrive at the Conversion Price of RM0.03 for every 1 new Share	
Undertaking Shareholders	No. of Shares	%	No. of Shares	%
Dato' Tan Wei Lian	1,018,072,869	20.78	1,351,406,203	25.42
Bermont Development	171,847,566	3.51	255,180,900	4.80
	For avoidance of doubt, the Undertaking Shareholders are not obliged to subscribe for the RCULS pursuant to the Undertakings if the Minimum Subscription Level has been achieved via subscription by all other Entitled Shareholders and/or their renounee(s) and/or their transferee(s).			
	However, while the Undertaking Shareholders are not obliged to subscribe for the RCULS in such event, the Undertaking Shareholders may still choose to do so at their own discretion. At this juncture, the Undertaking Shareholders have not decided on whether they will subscribe for the RCULS in the event that the Minimum Subscription Level has been achieved.			
	Please refer to Section 3 of this Abridged Prospectus for further information.			

SUMMARY OF THE RIGHTS ISSUE (CONT'D)

Key information	Summary							
(iv) Utilisation of proceeds	The gross proceeds to be raised from the Rights Issue are intended to be utilised in the following manner:-							
		Intended timeframe for utilisation from completion of the Rights Issue	Minimum Scenario		Base Case Scenario		Maximum Scenario	
			RM'000	%	RM'000	%	RM'000	%
	(i) Purchase Consideration for the Acquisitions	Within 36 months	2,550	10.20	36,850	45.32	36,850	33.11
	(ii) Funding for the Projects	Within 36 months	22,450	89.80	43,268	53.21	73,235	65.81
	(iii) Estimated expenses for the Rights Issue	Immediate	-		1,195	1.47	1,195	1.08
	Total		25,000	100.00	81,313	100.00	111,280	100.00
	Please refer to Section 4 of this Abridged Prospectus for further information.							
(v) Risk factors	You should consider the following risk factors before subscribing for or investing in the Rights Issue:-							
	(a) the performance of the Group's property development business is dependent on the performance of the property market in Malaysia which is generally affected by, among others, government policies, economic conditions, population growth, changes in interest rates, income and inflation levels as well as demographic trends and may lead to low take-up rates, additional cost or delays in the launching of the Group's projects, as well as delay in the progress of existing property development projects;							
	(b) the Group's property development business is dependent on the timely completion of the property development projects which, in turn, is dependent on various external factors, some of which may be beyond the Group's control, such as obtaining regulatory approvals, shortage of raw materials, changes in regulatory environment, site accidents as well as the performance of the contractors and subcontractors;							
	(c) the Group's profitability may be affected by fluctuation in construction costs such as cost of materials (including steel and cement), labour costs, contractor fees and overheads;							
	(d) the Group may not be able to obtain or secure the necessary funding required to satisfy the balance Purchase Consideration or to meet the future capital requirements of the Group; and							
	(e) the Acquisitions may be terminated and may not be completed in the event that any balance of the Purchase Consideration is not paid within the prescribed timeframe.							
	Please refer to Section 7 of this Abridged Prospectus for further information.							
(vi) Procedures for acceptance and payment	Acceptance of and payment for the Provisional Allotments and the Excess RCULS with Warrants E must be made by way of the RSF enclosed together with this Abridged Prospectus or by way of electronic submission of e-RSF via the Share Registrar's Investor Portal at https://www.shareworks.com.my , and must be completed in accordance with the notes and instructions contained therein.							
	The last day, date and time for acceptance of and payment for the Provisional Allotments and the Excess RCULS with Warrants E is on Tuesday, 6 June 2023 at 5.00 p.m.							
	Please refer to Section 11 of this Abridged Prospectus for further information.							



Holdings Berhad

TWL HOLDINGS BERHAD

Registration No. 199401039944 (325631-V)

(Incorporated in Malaysia under the Companies Act, 1965 and deemed registered under the Companies Act, 2016)

Registered Office

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

19 May 2023

Board of Directors

Dato' Tan Wei Lian (Executive Chairman)

Dato' Syed Abdul Aziz bin Syed Hassan (Independent Non-Executive Deputy Chairman)

Tan Lee Chin (Managing Director)

Datin Sek Chian Nee (Executive Director)

Low Boon Chin (Independent Non-Executive Director)

Datin Sulizah binti A. Salam (Independent Non-Executive Director)

S Nagaraju A/L Sinniah (Independent Non-Executive Director)

Chua Eng Chin (Non-Independent Non-Executive Director)

To: Our Entitled Shareholders

Dear Sir / Madam,

RIGHTS ISSUE

1. INTRODUCTION

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

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

Subject	Original	Revised
Entitlement ratio	7 RCULS together with 2 Warrants E for every 10 existing Shares held by the Entitled Shareholders on the Entitlement Date	10 RCULS together with 2 Warrants E for every 10 existing Shares held by the Entitled Shareholders on the Entitlement Date

Subject	Original	Revised
Nominal value of RCULS	RM0.03	RM0.02
Illustrative conversion price of RCULS	RM0.06	RM0.03
Illustrative exercise price of Warrants E	RM0.04	RM0.03

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

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

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

- (i) admission of the RCULS and Warrants E to the Official List of the Main Market of Bursa Securities;
- (ii) listing and quotation of 5,563,981,607 RCULS⁽¹⁾ and 1,112,796,321 Warrants E⁽¹⁾; and
- (iii) listing and quotation of the new Shares to be issued pursuant to the conversion of the RCULS and exercise of the Warrants E.

Note:-

- (1) The SC had approved the issuance of up to RM114,475,239 nominal value of 5,723,761,927 RCULS based on the maximum potential enlarged total number of 5,723,761,927 issued Shares at the point of submission of the application for the Rights Issue to the SC.

Subsequent to the approval from the SC, the maximum potential enlarged total number of issued Shares had reduced to 5,563,981,607 Shares mainly due to the termination of the Serdang Land Acquisition (which was to be satisfied by way of issuance of new Shares) on 30 December 2022. Hence, based on this Maximum Scenario, Bursa Securities had approved the issuance of up to 5,563,981,607 RCULS together with 1,112,796,321 Warrants E.

The approval of Bursa Securities for the Rights Issue is subject to the following conditions:-

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

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

On 10 March 2023, our shareholders had approved the Rights Issue at our extraordinary general meeting.

On 26 April 2023, Kenanga IB had, on behalf of the Board, announced the following:-

- (i) the Conversion Price has been fixed at RM0.03 per RCULS;
- (ii) the Exercise Price has been fixed at RM0.03 per Warrant E;
- (iii) the execution of the Trust Deed and the Deed Poll E; and
- (iv) the Entitlement Date for the Rights Issue has been fixed at 5.00 p.m. on 19 May 2023 together with other relevant dates pertaining to the Rights Issue.

No person is authorised to give any information or make any representation not contained in this Abridged Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by us or Kenanga IB.

YOU ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

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2. PARTICULARS OF THE RIGHTS ISSUE

2.1 Details of the Rights Issue

The Rights Issue entails the issuance of up to RM111,279,632 in nominal value of RCULS at 100% of its nominal value of RM0.02 each on the basis of 10 RCULS together with 2 Warrants E for every 10 Shares held by our Entitled Shareholders on the Entitlement Date.

The actual number of RCULS and Warrants E to be issued will depend on the total number of issued Shares held by our Entitled Shareholders on the Entitlement Date after taking into consideration any new Shares that may be issued arising from the exercise of the Warrants D and the Qaisar Acquisition as well as the eventual subscription level for the Rights Issue.

As at the LPD, our Company has 4,065,639,917 Shares in issue as well as the following:-

- (i) 942,786,134 Warrants D, which have an exercise price of RM0.04 each and are expiring on 4 October 2024 (for information, the Warrants D are currently out-of-the-money based on the 5-day VWAP of the Shares and the Warrants D up to and including the LPD of RM0.0495 and RM0.0147 respectively); and
- (ii) 555,555,556 Qaisar Acquisition Consideration Shares which may be issued pursuant to the Qaisar Acquisition⁽¹⁾.

Note:-

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

For information, Qaisar currently has a turnkey contract dated 10 January 2022 from Qaiser Harta PMC Sdn Bhd ("**Harta PMC**"), a joint-development partner of Syarikat Perumahan Negara Berhad ("**SPNB**"), to construct the Sentul Project.

The Qaisar Acquisition Consideration Shares are to be issued upon completion of certain stages of the Sentul Project in accordance with the schedule of payment stipulated in the Qaisar SSA. As at the LPD, the Sentul Project has yet to commence pending, amongst others, the obtainment of the Certificate of Share Unit Formula ("**SIFUS**") and the discharge of charge over the land on which the Sentul Project is to be constructed on. To this end, Bursa Securities had on 12 April 2023 approved the Company's application for an extension of time of 6 months until 18 August 2023 for the Company to complete the issuance of the Qaisar Acquisition Consideration Shares.

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

Assuming that:-

- (i) none of the 942,786,134 outstanding Warrants D as at the LPD are exercised into new Shares; and
- (ii) none of the 555,555,556 Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors,

prior to the Entitlement Date and all our Entitled Shareholders and/or their renounee(s) and/or their transferee(s) fully subscribe for their respective entitlements, the Rights Issue would entail the issuance of up to 4,065,639,917 RCULS together with up to 813,127,983 Warrants E under the Base Case Scenario.

Assuming that:-

- (i) all the 942,786,134 outstanding Warrants D as at the LPD are exercised into new Shares; and
- (ii) all the 555,555,556 Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors,

prior to the Entitlement Date, our Company would have an enlarged total number of 5,563,981,607 Shares in issue. Further to that, assuming all our Entitled Shareholders and/or their renounee(s) and/or their transferee(s) fully subscribe for their respective entitlements of the RCULS, the Rights Issue would entail the issuance of up to 5,563,981,607 RCULS together with 1,112,796,321 Warrants E under the Maximum Scenario.

Notwithstanding the above, the Rights Issue will be undertaken on the Minimum Subscription Level to raise a minimum of RM25.00 million which, based on the issue price of RM0.02 per RCULS, shall entail the subscription of an aggregate of 1,250,000,000 RCULS together with 250,000,000 Warrants E under the Minimum Scenario. To meet the Minimum Subscription Level, our Company has procured the Undertakings from the Undertaking Shareholders, details of which are set out in Section 3 of this Abridged Prospectus.

The total number of RCULS and Warrants E to be issued based on the respective scenarios are illustrated below:-

	Minimum Scenario	Base Case Scenario	Maximum Scenario
	No. of Shares	No. of Shares	No. of Shares
Total number of Shares as at the LPD	4,065,639,917	4,065,639,917	4,065,639,917
New Shares to be issued assuming full exercise of the Warrants D	-	-	942,786,134
Qaisar Acquisition Consideration Shares to be issued	-	-	555,555,556
Enlarged total number of Shares	4,065,639,917	4,065,639,917	5,563,981,607
No. of RCULS to be issued	1,250,000,000	4,065,639,917	5,563,981,607
No. of Warrants E to be issued	250,000,000	813,127,983	1,112,796,321

The Rights Issue is renounceable in full or in part. Accordingly, our Entitled Shareholders may subscribe for and/or renounce their entitlements to the RCULS in full or in part. The RCULS and Warrants E cannot be renounced separately. As such, our Entitled Shareholders who renounce all of their RCULS entitlements will not be entitled to the Warrants E attached thereto. If our Entitled Shareholders accept only part of their RCULS entitlements, they shall be entitled to the Warrants E in proportion to their acceptance of the RCULS entitlements.

The Warrants E are attached to the RCULS without any cost and will be issued only to Entitled Shareholders and/or their renounee(s) and/or their transferee(s) who subscribe for the RCULS. The Warrants E will be immediately detached from the RCULS upon issuance and traded separately on the Main Market of Bursa Securities.

The RCULS which are not taken up or not validly taken up by our Entitled Shareholders and/or their renounee(s) and/or their transferee(s) shall be made available for excess applications by other Entitled Shareholders and/or their renounee(s) and/or transferee(s). It is the intention of our Board to allot the Excess RCULS with Warrants E, if any, in a fair and equitable manner in the priority as set out in Section 11.8 of this Abridged Prospectus.

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

As you are an Entitled Shareholder, you will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such number of Provisional Allotments into your CDS Account and the RSF to enable you to subscribe for such Provisional Allotments as well as to apply for the Excess RCULS with Warrants E if you choose to do so. You may also subscribe for such Provisional Allotments via electronic submission of the e-RSF in accordance with the instructions set out in Section 11.5.2 of this Abridged Prospectus.

Notices of allotment will be despatched to the successful applicants of the RCULS with Warrants E within 8 Market Days from the last date for acceptance and payment of the RCULS with Warrants E or such other period as may be prescribed by Bursa Securities.

The RCULS and Warrants E will be admitted to the Official List and the listing and quotation of the RCULS and Warrants E on the Main Market of Bursa Securities will commence 2 Market Days upon the receipt by Bursa Securities of an application for quotation for these securities as specified under the Listing Requirements, which will include amongst others, confirmation that all notices of allotment have been despatched to the successful applicants, and after receipt of confirmation from Bursa Depository that all CDS Accounts of successful applicants have been duly credited with the RCULS and Warrants E.

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2.2 Basis of determining the Issue Price, the Conversion Price and the Exercise Price

(i) Issue Price and Conversion Price

The RCULS shall be issued at 100% of its nominal value of RM0.02 each. The nominal value was fixed after taking into consideration the total proceeds that may be raised to meet funding requirements of our Group as set out in Section 4 of this Abridged Prospectus.

The Conversion Price has been fixed at RM0.03 per RCULS after taking into consideration, amongst others, the TEAP of the Shares based on the 5-day VWAP of the Shares up to and including the LTD.

The Conversion Price represents a discount of 24.24% to the TEAP of RM0.0396 per Share, calculated based on the 5-day VWAP of the Shares up to and including the LTD of RM0.0479 per Share and the Exercise Price of RM0.03 per Warrant E.

(ii) Exercise Price

The Exercise Price has been fixed at RM0.03 per Warrant E after taking into consideration, amongst others, the TEAP of the Shares, based on the 5-day VWAP of the Shares up to and including the LTD.

The Exercise Price of RM0.03 per Warrant E represents a discount of 24.24% to the TEAP of RM0.0396 per Share, calculated based on the 5-day VWAP of the Shares up to and including the LTD of RM0.0479 per Share and the Conversion Price of RM0.03 per RCULS.

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

Please refer to Section 2.4 of this Abridged Prospectus for the ranking of the RCULS.

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

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

2.4 Salient terms of the RCULS

Issuer	:	TWL
Issue size	:	Up to RM111,279,632 nominal value of 5,563,981,607 RCULS at 100% of its nominal value of RM0.02 each.
Issue Price	:	Each RCULS shall be issued at 100% of its nominal value of RM0.02 each.
Form and denomination	:	The RCULS will be issued in registrable form and in denominations and multiples of RM0.02 each.
Board lot	:	For the purpose of trading on Bursa Securities, a board lot of RCULS shall be 100 units of RCULS, or such other number of units as may be prescribed by Bursa Securities.
Rating	:	Not applicable.
Issue Date	:	The issue date of the RCULS (" Issue Date ") shall be a Market Day to be mutually agreed between the Company and the Principal Adviser.
Tenure	:	5 years from the Issue Date (" Maturity Date ").
Conversion Period	:	On any Market Day after the Issue Date and up to the Maturity Date.
Coupon rate	:	Fixed rate of 5% per annum ⁽¹⁾ calculated on the nominal value of the RCULS then outstanding.

Note:-

(1) The coupon rate of 5% is arrived at after taking into consideration, amongst others, the funding requirements of the Group, the prevailing conventional fixed deposit rates between 2.30% to 3.10% offered by some of the financial institutions as well as the average effective borrowing cost of the Group of approximately 8.57%.

Coupon payment frequency	:	Semi-annually in arrears starting 6 months from the Issue Date.
Conversion Price	:	The Conversion Price of the RCULS to be converted into 1 new Share is RM0.03.
Adjustments in the Conversion Price and/or the nominal value of the RCULS	:	Subject to the provisions of the Trust Deed, the Conversion Price and/or the nominal value of the RCULS in issue may be subject to adjustments by the Board in consultation with an approved adviser appointed by the Company and/or the auditors in the event of any alteration in the share capital of the Company at any time during the Conversion Period, whether by way of, amongst others, rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction of capital, in accordance with the provisions of the Trust Deed.

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

Conversion rights : All RCULS holders have the right to convert, at any time during the Conversion Period, such amount of RCULS held into new Shares at the Conversion Price of RM0.03 in the following manner:-

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

Note:-

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

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

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

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

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

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

Automatic conversion at Maturity Date	<p>All the outstanding RCULS which have not been earlier converted or redeemed on the Maturity Date shall be automatically converted into new Shares at the Conversion Price on the Maturity Date (“Automatic Conversion”). In the event of an Automatic Conversion, the RCULS holders shall be deemed to have submitted a valid conversion notice on the Maturity Date for the purpose of converting such outstanding RCULS into fully paid new Shares.</p> <p>Any fractional new Shares arising from the Automatic Conversion shall be disregarded and be dealt with by the Board as it may deem fit and expedient and in the best interest of our Company.</p> <p>Coupon on the RCULS outstanding as at the Maturity Date shall upon the automatic conversion of the RCULS on the Maturity Date remain payable by the Company notwithstanding the conversion as at the Maturity Date.</p> <p>Subject to the Company giving a written notice to the RCULS holders of at least 30 days prior to the Maturity Date, the Company may redeem the outstanding RCULS (if not earlier converted) via cash at 100% of its nominal value, in whole or in part, on the Maturity Date. During such notice period but not later than the 8th Market Day before the Maturity Date, the RCULS holders shall be entitled to exercise their conversion rights.</p>
Redemption	<p>: The RCULS is redeemable via cash at 100% of its nominal value, in whole or in part, at any time during the tenure of the RCULS at the sole and absolute discretion of the Company subject to the Company giving a written notice to the RCULS holders of at least 30 days prior to intended redemption date (“Early Redemption”).</p> <p>During such notice period, but not later than the 8th market day before the Maturity Date, the RCULS holders will be entitled to exercise their conversion rights, subject to compliance with the conditions for conversion.</p> <p>Any redemption of the RCULS shall not prejudice the rights of the RCULS holders whose RCULS were so redeemed to receive any accrued but unpaid coupon up to the date of redemption where the accrued but unpaid coupon shall be calculated based on a semi-annual basis and shall accrue from day to day based on a 365 days’ calendar year.</p> <p>For the avoidance of doubt, the RCULS holders shall have no rights to request the Company to redeem any RCULS throughout the tenure.</p> <p>All RCULS which have been redeemed shall be cancelled and cannot be resold.</p>
Status and ranking of RCULS	<p>: The RCULS shall constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and, subject to the provisions contained in the Trust Deed, rank equally without discrimination, preference or priority among themselves and rank at least equally with all present and future direct, unconditional, unsecured and unsubordinated debts and obligations of the Company from time to time (except for those which are preferred by law).</p>

- Ranking of new Shares arising from the conversion of the RCULS : The new Shares to be issued arising from the conversion of the RCULS in accordance with the provisions of the Trust Deed shall, upon allotment, issuance and full payment of the Conversion Price of the RCULS, rank equally in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new Shares to be issued pursuant to the conversion of the RCULS.
- Rights to participate in any distribution or offer of further securities : The RCULS holders are not entitled to any voting rights and shall not have any participating rights in any distribution and/or offer of securities in the Company until and unless such RCULS holders convert their RCULS into new Shares.
- Amendments to the RCULS holders' rights : Save as otherwise provided in the Trust Deed, approval of the RCULS holders by way of special resolution is required to sanction any modification, variation, abrogation or compromise of or arrangement in respect of the rights of the RCULS holders.
- Rights of the RCULS holders on liquidation : If a resolution is passed for a voluntary winding-up of the Company while any of the RCULS remain capable of being converted, then:-
- (i) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the RCULS holders, or some person designated by them for such purpose, shall be a party, the terms of such scheme of arrangement if approved by a special resolution shall be binding on all the RCULS holders; and
 - (ii) in any other case every RCULS holders shall be entitled to upon and, subject to the Trust Deed, at any time within 21 days ("**Specified Period**") after the passing of such resolution for a members' voluntary winding-up of the Company, deliver to the Company a duly completed conversion notice in relation to the RCULS to elect to be treated as if he had, on the last day of the month immediately before the commencement of such winding-up, exercised the conversion rights to the extent specified in the conversion notice and be entitled to receive out of the assets of the Company which will be available in liquidation if he had on such date been the holder of the new Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon such election taking effect, all RCULS converted under such election shall cease to carry any coupon as from the last day of the month immediately before the month in which the RCULS are converted or deemed converted under this provision.

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

Events of default : Each of the following shall be an event of default:-

- (a) Non-payment: if the Company fails to pay coupon on the RCULS on the due dates thereof or if so payable, on demand, or if the Company fails to pay the cash in relation to the Early Redemption;
- (b) Breach of obligations: if the Company defaults in the performance and observance of any agreement, covenant, undertaking, stipulation, proviso or obligation herein contained and/or any other Issue Documents* and on the part of the Company to be performed and observed AND, where such default is capable of remedy, such default continues for a period of fourteen (14) Business Days** from the date of default or receipt by the Company of a notice in writing from the Trustee requiring the Company to remedy such default and where such default is not capable of remedy, the Trustee has certified in writing that the Trustee reasonably considers, in the Trustee's opinion, such default to be materially prejudicial to the interest of the RCULS holders;

** The Trust Deed, any other documents in connection with the RCULS and such other documents as may be required by the Trustee or by the relevant authorities to complete the transactions contemplated in the Trust Deed.*

*** A day (other than a Saturday, Sunday or a public holiday) on which banks and financial institutions under the Financial Services Act 2013 are generally open for banking business in Kuala Lumpur.*

- (c) Misrepresentation: if any representation, warranty or statement which is made (or acknowledged to have been made) by the Company in the Issue Documents or which is contained in any certificate, statement or notice provided under or in connection therewith proves to be incorrect in any material respect when made or, if repeated when repeated, with reference to the facts and circumstances then existing and such having a Material Adverse Effect*;

** An effect which, in the opinion of the Trustee in the case of the Issue Documents, might have a material adverse effect on:-*

- (i) *the business, assets, condition (financial or otherwise) or operations of the Company;*
 - (ii) *the ability of the Company to comply with the provisions contained in any of the Issue Documents;*
 - (iii) *the RCULS holder's interests under the Issue Documents;* or
 - (iv) *the validity or enforceability of any of the Issue Documents;*
- (d) Invalidity: if any provision of the Issue Documents is or becomes, for any reason invalid, illegal or unenforceable under the laws of any relevant jurisdiction;
 - (e) Change of business: if the Company changes or threatens to change the nature of its business or suspends or threatens to suspend a substantial part of its present business and the Trustee reasonably considers, in the Trustee's opinion, to be materially prejudicial to the interest of the RCULS holders;

- Events of default (cont'd) : (f) Default and Cross-default: if any other indebtedness of the Company becomes due and payable prior to its stated maturity or if the Company fails to pay any other indebtedness within fourteen (14) days after the due date for payment thereof or where the security created for any such other indebtedness becomes enforceable and such having a Material Adverse Effect;
- (g) Appointment of receiver, legal process:
- (1) if an encumbrancer takes possession of, or a trustee or administrative or other receiver or similar officer is appointed in respect of, all or any part of the business or assets of the Company and such having a Material Adverse Effect; or
- (2) if distress or any form of execution or other legal process is levied, enforced upon or sued out against all or any part of the business assets of the Company and is not stayed or discharged within twenty one (21) days after being levied, enforced or sued out and such having a Material Adverse Effect;
- (h) Inability to pay debts: if the Company is deemed unable to pay its debts within the meaning of Section 466 of the Act or becomes unable to pay its debts as they fall due or suspends or threatens to suspend making payments (whether of principal or coupon) with respect to all or any class of its debts;
- (i) Composition, winding up or bankruptcy:
- (1) if the Company convenes a meeting of its creditors or proposes or makes any arrangement or composition with, or any assignment for the benefit of, its creditors or a petition is presented (and is not stayed or discharged within thirty (30) days) or a meeting is convened for the purpose of considering a resolution for the winding up of, or for making an administration order against, the Company (other than for the purposes of and followed by a reconstruction previously approved by the Trustee, unless during or following such reconstruction the Company becomes or is declared to be insolvent); or
- (2) if any step is taken by the Company for the winding up, dissolution or liquidation or bankruptcy (voluntary or otherwise) of the Company;
- (j) Revocation of licence: if there is any revocation, withholding, invalidation or modification of any licence, authorisation or approval that impairs or prejudices the Company's ability to comply with the Conditions* or the provisions of the Issue Documents.

** The terms and conditions of the RCULS set out in the Trust Deed (as the same may from time to time be modified or amended in accordance with the provisions of the Trust Deed) and any reference to a specific condition shall be construed accordingly.*

- Events of default (cont'd) :
- (k) Legal proceedings: if any legal proceeding, suit or action is instituted against the Company which in the opinion of the Trustee could reasonably be expected to have a Material Adverse Effect on the financial condition of the Company or its ability to observe or perform its obligations under the Issue Documents;
 - (l) Analogous Events: anything analogous to any of the events set out in (g), (h) and (i) above occurs under any applicable law;
 - (m) Illegality: if it is or will become unlawful for the Company to perform or comply with any one or more of its obligations under any of the Issue Documents and in relation to the RCULS; and
 - (n) Section 366 of the Act: in addition and without prejudice to the generality of the clause on events of default, if a scheme of arrangement under Section 366 of the Act has been instituted against or undertaken by the Company (other than for the purpose of restructuring and such not having a Material Adverse Effect).

If any of the events of default occurs, the Trustee shall, upon the request of the RCULS holders by special resolution and subject to the Trustee being indemnified to its satisfaction by the RCULS holders, by written notice to the Company declare that:-

- (i) an event of default has occurred whereupon, notwithstanding the stated maturity of the RCULS, each of the RCULS shall mature; and
- (ii) the one hundred per centum (100%) nominal amount of the RCULS then outstanding together with coupon thereon shall immediately become due and payable by the Company as at the date of receipt by the Company of the said notice.

- Listing : The RCULS will be listed and traded on the Main Market of Bursa Securities. The listing and quotation of the RCULS on the Main Market of Bursa Securities is subject to a minimum of 100 holders of RCULS holding not less than 1 board lot each.
- Trust Deed : The RCULS shall be constituted by the Trust Deed.
- Governing laws : The RCULS and the Trust Deed shall be governed by the laws and regulations of Malaysia.

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2.5 Salient terms of the Warrants E

- Issuer : TWL
- Issue size : Up to 1,112,796,321 Warrants E
- Form and detachability : The Warrants E will be issued in registered form and constituted by the Deed Poll E. The Warrants E which are to be issued with the RCULS will immediately be detached from the RCULS upon allotment and issuance and will be traded separately on Bursa Securities.
- Board lot : For the purpose of trading on Bursa Securities, a board lot of Warrants E shall be 100 units of Warrants E, or such other number of units as may be prescribed by Bursa Securities.
- Tenure of the Warrants E : 3 years commencing on and including the date of issuance of the Warrants E.
- Exercise Period : The Warrants E may be exercised at any time within the Exercise Period i.e. a period of 3 years commencing from and including the date of issuance of the Warrants E to the close of business at 5.00 p.m. (Malaysia time) on the Market Day immediately preceding the date which is the 3rd anniversary from the date of issuance of the Warrants E. Any Warrants E not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.
- Exercise Price : RM0.03 per Warrant E.
The Exercise Price and/or the number of Warrants E in issue during the Exercise Period shall however be subject to adjustments under circumstances prescribed in accordance with the provisions of the Deed Poll E.
- Subscription rights : Each Warrant E shall entitle its registered holder to subscribe for 1 new Share at any time during the Exercise Period at the Exercise Price, subject to adjustments under circumstances prescribed in accordance with the provisions of the Deed Poll E.
- Adjustments to the Exercise Price and/or the number of Warrants E : Subject to the provisions of the Deed Poll E, the Exercise Price and/or the number of unexercised Warrants E in issue may be subject to adjustments by the Board in consultation with an approved adviser appointed by the Company and/or the auditors in the event of any alteration in the share capital of the Company at any time during the Exercise Period, whether by way of, amongst others, rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction of capital, in accordance with the provisions of the Deed Poll E.
- For the avoidance of doubt, the Deed Poll E does not include any provision for the extension or shortening of tenure of the Warrants E, changes to the number of shares received for the exercise of each Warrant E or changes to the pricing mechanism for the exercise of the Warrants E, except where these changes are adjustments following capitalisation issues, rights issue, bonus issue, consolidation or subdivision of shares or capital reduction exercises, in compliance with Paragraph 6.54(3) and Paragraph 6.54(4) of the Listing Requirements.

- Rights of the Warrant E holders : The Warrants E do not confer on their holders any voting rights or any right to participate in any form of distribution and/or offer of further securities in the Company until and unless such holders of Warrants E exercise their Warrants E for new Shares in accordance with the provisions of the Deed Poll E and such new Shares have been allotted and issued to such holders.
- Ranking of the new Shares to be issued pursuant to the exercise of the Warrants E : The new Shares to be issued arising from the exercise of the Warrants E in accordance with the provisions of the Deed Poll E shall, upon allotment, issuance and full payment of the Exercise Price, rank equally in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new Shares to be issued pursuant to the exercise of the Warrants E.
- Rights of the Warrant E holders in the event of winding up, liquidation, compromise and/or arrangement : Where a resolution has been passed for a members' voluntary winding-up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with 1 or more companies, then:-
- (i) for the purposes of such winding-up, compromise or arrangement (other than a compromise or arrangement in which the Company is the continuing corporation) to which the holders of the Warrants E (or some other persons designated by them for such purpose by special resolution) shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the holders of the Warrants E; and
 - (ii) every Warrant E holder shall be entitled to exercise his / her Warrants E at any time within 6 weeks after the passing of such resolution for a members' voluntary winding up of the Company or the granting of the court order approving the compromise or arrangement, whereupon the Company shall allot the relevant new Shares to the Warrant E holder credited as fully paid subject to the prevailing laws, and such Warrant E holder shall be entitled to receive out of the assets of the Company which would be available in liquidation if he / she had on such date been the holder of the new Shares to which he / she would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon the expiry of the above 6 weeks, all subscription rights of the Warrants E shall lapse and cease to be valid for any purpose.
- Modification of rights of Warrant E holders : Save as otherwise provided in the Deed Poll E, a special resolution of the Warrant E holders is required to sanction any modification, alteration or abrogation in respect of the rights of the Warrant E holders.

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

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

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

Transferability : The Warrants E shall be transferable in the manner provided under the SICDA and the Rules of Bursa Depository.

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

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

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3. MINIMUM SUBSCRIPTION LEVEL AND THE UNDERTAKINGS

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

In view of the above, our Board has determined to undertake the Rights Issue on the Minimum Subscription Level. To meet the Minimum Subscription Level, our Company has procured the Undertakings from the Undertaking Shareholders to apply and subscribe in full for their entitlement of RCULS and additional RCULS not taken up by other Entitled Shareholders by way of excess RCULS application, to the extent such that the aggregate subscription proceeds of the RCULS received by our Company arising from the subscription by all Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (including the Undertaking Shareholders, if necessary) amounts to not less than RM25.00 million.

For avoidance of doubt, the subscription of RCULS (including excess RCULS, where applicable) by Dato' Tan Wei Lian and Bermont Development pursuant to their Undertakings is for an amount of up to RM20.00 million and RM5.00 million respectively only. The details of the Undertakings under the Minimum Scenario are as follows:-

Undertaking Shareholders	Existing direct shareholding as at the LPD		Minimum RCULS with Warrants to be subscribed pursuant to the Undertakings	
	No. of Shares	% ⁽¹⁾	Subscription based on entitlement No. of RCULS	Subscription based on excess application No. of Warrants E No. of RCULS
Dato' Tan Wei Lian	351,406,203	8.64	351,406,203	70,281,240 648,593,797
Bermont Development	5,180,900	0.13	5,180,900	1,036,180 244,819,100
				129,718,760 48,963,820

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Undertaking Shareholders	Total RCULS with Warrants E to be subscribed pursuant to the Undertakings		Assuming none of the other Entitled Shareholders and/or their renounee(s) and/or their transferee(s) subscribe for their RCULS	
	No. of RCULS	No. of Warrants E	Surrender 3 RCULS without additional cash payment to arrive at the aggregate Conversion Price of RM0.06 for every 2 new Shares ⁽⁶⁾	Surrender 1 RCULS with additional cash payment of RM0.01 to arrive at the Conversion Price of RM0.03 for every 1 new Share ⁽⁷⁾
			No. of Shares	No. of Shares
Dato' Tan Wei Lian	1,000,000,000	200,000,000	(6)1,018,072,869	(7)1,351,406,203
Bermont Development	250,000,000	50,000,000	(6)171,847,566	(7)255,180,900

Undertaking Shareholders	No. of Shares held after the Rights Issue and assuming full exercise of the Warrants E		
	No. of Shares	% ⁽⁴⁾	No. of Shares
Dato' Tan Wei Lian	1,218,072,869	23.66	1,551,406,203
Bermont Development	221,847,566	4.31	305,180,900

Notes:-

- (1) Based on the issued share capital of 4,065,639,917 Shares as at the LPD.
- (2) Based on the enlarged issued share capital of 4,898,973,250 Shares after full conversion of the RCULS.
- (3) Based on the enlarged issued share capital of 5,315,639,917 Shares after full conversion of the RCULS.
- (4) Based on the enlarged issued share capital of 5,148,973,250 Shares after full conversion of the RCULS and full exercise of the Warrants E.
- (5) Based on the enlarged issued share capital of 5,565,639,917 Shares after full conversion of the RCULS and full exercise of the Warrants E.
- (6) This scenario illustrates the maximum potential shareholding of the Undertaking Shareholders should they decide to convert all of their RCULS without incurring any additional cash payment.

The maximum potential shareholding is computed as follows:-

$$\begin{aligned}
 \text{Maximum potential shareholding of Dato' Tan Wei Lian} &= \frac{1,000,000,000}{\text{RCULS}} \times \frac{2 \text{ new Shares}}{3 \text{ RCULS}} + \text{Existing shareholding as at the LPD} \\
 &= 666,666,666 + 351,406,203 \\
 &= 1,018,072,869
 \end{aligned}$$

$$\begin{aligned}
 \text{Maximum potential shareholding of Bermont Development} &= \frac{250,000,000}{\text{RCULS}} \times \frac{2 \text{ new Shares}}{3 \text{ RCULS}} + \text{Existing shareholding as at the LPD} \\
 &= 166,666,666 + 5,180,900 \\
 &= 171,847,566
 \end{aligned}$$

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

The maximum potential shareholding is computed as follows:-

$$\begin{aligned}
 \text{Maximum potential shareholding of Dato' Tan Wei Lian} &= \frac{1,000,000,000}{\text{RCULS}} \times \frac{1 \text{ new Share}}{1 \text{ RCULS}} + \text{Existing shareholding as at the LPD} \\
 &= 1,000,000,000 + 351,406,203 \\
 &= 1,351,406,203
 \end{aligned}$$

$$\begin{aligned}
 \text{Maximum potential shareholding of Bermont Development} &= \frac{250,000,000}{\text{RCULS}} \times \frac{1 \text{ new Share}}{1 \text{ RCULS}} + \text{Existing shareholding as at the LPD} \\
 &= 250,000,000 + 5,180,900 \\
 &= 255,180,900
 \end{aligned}$$

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

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

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

The Undertaking Shareholders' subscription for the RCULS pursuant to their Undertakings are not expected to give rise to any consequence of mandatory take-over offer obligation under the Malaysian Code on Take-Overs and Mergers, 2016 ("Code") and the Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC ("Rules") immediately after completion of the Rights Issue.

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

In the event that the Undertaking Shareholders fail to perform and observe their commitments pursuant to the Undertakings, the Minimum Subscription Level would not be achieved. Consequently, the Rights Issue shall be aborted and all application monies received by the Company pursuant to the Rights Issue will be refunded without interest to the Entitled Shareholders and/or their transferee(s) and/or their transferee(s) (if applicable) who have subscribed for the RCULS in accordance with Section 243 of the CMSA. Pursuant thereto, the Company will explore other fund raising avenues to meet its funding requirements at the relevant time. For the avoidance of doubt, the Undertaking Shareholders have confirmed that they will fully indemnify the Company and/or Kenanga IB against all or any losses, liabilities, damages, costs, fines or any expenses that it may occur or suffer as a result of their failure to perform and observe their commitments pursuant to the Undertakings.

As the Minimum Subscription Level will be fully satisfied via the Undertakings, our Company will not procure any underwriting arrangement for the remaining RCULS not subscribed for by other Entitled Shareholders. The Undertakings are not expected to result in any breach in the public shareholding spread requirement by our Company under Paragraph 8.02(1) of the Listing Requirements, which stipulates that a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders. As at the LPD, our Company does not hold any treasury shares.

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

Particulars	(I)		(II)	
	Existing direct shareholding as at the LPD	After the Rights Issue and assuming full conversion of the RCULS	After (I) and assuming full exercise of the Warrants E	% ⁽³⁾
	No. of Shares	No. of Shares	No. of Shares	
Issued share capital	4,065,639,917	5,315,639,917	5,565,639,917	100.00
Less:				
Directors ⁽⁴⁾ , substantial shareholders and their associates				
- Dato' Tan Wei Lian	351,406,203	⁽⁵⁾ 1,351,406,203	1,551,406,203	27.87
- Datin Sek Chian Nee	198,605,650	198,605,650	198,605,650	3.57
- Tan Lee Chin	7,431,675	7,431,675	7,431,675	0.13
- TWL Capital Berhad	631,573,400	631,573,400	631,573,400	11.35
- Bermont Development	⁽⁶⁾ -	⁽⁶⁾ -	305,180,900	5.48
Public shareholding spread	2,876,622,989	3,126,622,989	2,871,442,089	51.59

Notes:-

- (1) Based on the issued share capital of 4,065,639,917 Shares as at the LPD.
- (2) Based on the enlarged issued share capital of 5,315,639,917 Shares under the Minimum Scenario.
- (3) Based on the enlarged issued share capital of 5,565,639,917 Shares under the Minimum Scenario and assuming full exercise of the Warrants E.
- (4) Includes directors of subsidiaries of the Company. For information, none of the directors of subsidiaries of the Company hold any Shares as at the LPD.
- (5) Assuming all the RCULS issued under the Minimum Scenario are fully converted into new Shares based on the conversion mode of surrendering 1 RCULS (which are issued at the issue price of RM0.02 each) with additional cash payment of RM0.01 to arrive at the Conversion Price of RM0.03 for every 1 new Share.
- (6) Bermont Development is not a substantial Shareholder as at the LPD and will not be a substantial Shareholder after the Rights Issue and assuming full conversion of the RCULS. As such, Bermont Development's shareholding was not deducted when computing the public shareholding spread under these scenarios.

4. UTILISATION OF PROCEEDS

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

Utilisation of proceeds	Intended timeframe for utilisation from completion of the Rights Issue ⁽⁴⁾	Minimum Scenario RM'000	Base Case Scenario RM'000	Maximum Scenario RM'000
(i) Purchase Consideration for the Acquisitions	Within 36 months ⁽⁵⁾	2,550	36,850	36,850
(ii) Funding for the Projects	Within 36 months	22,450	43,268	73,235
(iii) Estimated expenses for the Rights Issue	Immediate	⁽²⁾ -	⁽³⁾ 1,195	⁽³⁾ 1,195
Total		⁽¹⁾ 25,000	81,313	⁽⁶⁾ 111,280

Notes:-

(1) Any additional proceeds raised in excess of this amount beyond the Minimum Scenario will be allocated up to its respective maximum allocation under the Base Case Scenario and Maximum Scenario in the following order:-

- (i) estimated expenses for the Rights Issue;
- (ii) Purchase Consideration for the Acquisitions; and
- (iii) funding for the Projects.

(2) Under the Minimum Scenario, the estimated expenses for the Rights Issue of RM1.20 million shall be funded via internally generated funds.

(3) If the actual expenses incurred are higher than this budgeted amount, the deficit will be funded via the amount earmarked for funding for the Projects. Conversely, any surplus of funds following payment of expenses will be utilised as funding for the Projects.

(4) If our Company is unable to fully utilise the proceeds raised from the Rights Issue in accordance with the intended timeframes set out herein, the timeframe for utilisation of proceeds that has been allocated for the respective purposes will be extended and announced as well as disclosed in our Company's quarterly financial results announcements and annual reports until our Company has fully utilised the proceeds.

In the event of the following:-

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

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

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

- (6) Our Board wishes to highlight that this illustrative amount that would be raised under the Maximum Scenario is based on the assumption that:-
- (i) all the outstanding Warrants D which may be exercisable into new Shares as at the LPD are exercised into new Shares; and
 - (ii) all the Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors,

prior to the Entitlement Date and all our Entitled Shareholders and/or their renounee(s) and/or their transferee(s) fully subscribe for their respective entitlements of the RCULS.

Our Board is of the view that based on the timeline for implementation of the Rights Issue, the remaining tenure of the Warrants D and the current total number of Warrants D, it is unlikely for all the outstanding Warrants D to be exercised into new Shares prior to the Entitlement Date. Moreover, the Warrants D are currently out-of-the-money based on the 5-day VWAP of the Shares and the Warrants D up to and including the LPD of RM0.0495 and RM0.0147 respectively.

Further, our Board is of the view that based on the timeline for implementation of the Rights Issue and the current status of the Sentul Project as set out in Section 2.1 of this Abridged Prospectus, it is unlikely for the Qaisar Acquisition Consideration Shares to be issued prior to the Entitlement Date.

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

(i) Purchase Consideration for the Acquisitions

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

- (a) As at the LPD, a total of RM10.70 million has been paid to SDP Bukit Raja (out of which RM10.47 million has been borne by the Group and RM0.23 million has been borne by INTA⁽¹⁾). The remaining balance of RM34.30 million will be funded through the proceeds raised from the Rights Issue.

Note:-

(1) As at the date of the Novation Agreements:-

- (i) Tinta Kaca is 80% owned by TWL Commodity and 20% owned by INTA;
- (ii) Tinta Heights is 80% owned by TWL Commodity and 20% owned by INTA; and
- (iii) Alma Land is 70% owned by TWL Commodity and 30% owned by INTA.

Hence, this RM0.23 million represents INTA's portion of the first tranche payments for the EN10 Purchase Consideration, EN11 Purchase Consideration and HT4 Purchase Consideration, all of which were due prior to the execution of the Novation Agreements.

The breakdown is as follows:-

First tranche payments attributable to	EN10 Land		EN11 Land		HT4 Land	
	RM'000	%	RM'000	%	RM'000	%
TWL Commodity	160,000	80	192,000	80	322,000	70
INTA	40,000	20	48,000	20	138,000	30
	200,000	100	240,000	100	460,000	100

For information:-

- (i) INTA's 20% equity interest in Tinta Kaca was subsequently acquired by TWL Commodity on 27 December 2022 after full settlement of the EN10 Purchase Consideration on 29 November 2022. Pursuant thereto, Tinta Kaca is now a wholly-owned subsidiary of TWL Commodity; and
 - (ii) INTA's 20% equity interest in Tinta Heights was subsequently acquired by TWL Commodity on 11 April 2023. Pursuant thereto, Tinta Heights is now a wholly-owned subsidiary of TWL Commodity.
- (b) Subsequent to the First Announcement dated 16 August 2022, the Group had on 31 October 2022 and 25 November 2022 made payments totaling RM2.55 million to SDP Bukit Raja in respect of payment milestones that was due for the EN10 Acquisition, which was funded via internally generated funds. It is the intention of the Group to replenish such internally generated funds through the proceeds raised from the Rights Issue.

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

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

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

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

(ii) Funding for the Projects

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

	Minimum Scenario RM'000	Base Case Scenario RM'000	Maximum Scenario RM'000
Contractors for building and external works including suppliers for construction materials			
- EN10 Project	5,593	11,185	13,422
- EN11 Project	12,692	25,889	51,590
- HT4 Project	1,741	1,741	1,741
Consultants and relevant authorities			
- EN10 Project	1,002	2,003	3,005
- EN11 Project	1,027	2,055	3,082
- HT4 Project	395	395	395
Total	22,450	43,268	73,235

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

(iii) Estimated expenses for the Rights Issue

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

Estimated expenses	RM'000
Professional fees ⁽¹⁾	1,000
Fees to relevant authorities	180
Printing, despatch, advertising and meeting expenses	10
Miscellaneous expenses and contingencies	5
Total	1,195

Note:-

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

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

The exact quantum of proceeds that may be raised by our Company from the conversion of the RCULS and/or exercise of the Warrants E would depend on the actual number of RCULS converted during the Conversion Period and the conversion mode chosen by the RCULS holders as well as the actual number of Warrants E exercised during the Exercise Period. The proceeds from the conversion of the RCULS and/or exercise of the Warrants E will be received on an "as and when basis" over the Conversion Period and/or Exercise Period respectively.

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

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

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

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4.1. Background information on the Acquisitions

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

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

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

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

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

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

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

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

Further details on the Lands and the Projects are set out in Section 4.2 as well as Sections 6 and 7 of Appendix II of this Abridged Prospectus.

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

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

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

4.2 Information on the Lands and the Projects

4.2.1 EN10 Land and EN10 Project

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

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

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

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

Note:-

(1) SDP USJ was previously the registered owner of the EN10 Land. Upon completion of the EN10 Acquisition, the ownership of the EN10 Land has been transferred to Tinta Kaca on 9 February 2023. Thereafter, Tinta Kaca had, vide the letter dated 27 February 2023, informed MBSJ on the change of ownership of the EN10 Land.

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

4.2.2 EN11 Land and EN11 Project

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

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

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

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

The EN11 Project is expected to commence within 3 months from the approval for the development order being obtained and is expected to be completed in stages over a period of 3 years.

4.2.3 HT4 Land and HT4 Project

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

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

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

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

The HT4 Project is expected to commence within 3 months from the approval for the development order being obtained and is expected to be completed in stages over a period of 3 years.

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



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

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

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

(i) Previous Private Placement

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

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

Utilisation of proceeds	Intended timeframe for utilisation from 15 April 2022	Actual proceeds raised		Amount utilised as at the LPD		Balance available for utilisation	
		RM'000	%	RM'000	%	RM'000	%
(i) Funding for construction of the Sentul Project ⁽¹⁾	Within 24 months	39,519	97.7	421	35.3	39,098	99.6
(ii) Estimated expenses for the Previous Private Placement	Immediate	940	2.3	770	64.7	170	0.4
Total		40,459	100.0	1,191	100.0	39,268	100.0

Note:-

(1) The development order and the building plan for the Sentul Project has been obtained on 27 January 2022 and 14 September 2022 respectively. The Sentul Project is expected to commence construction in 1st quarter of 2024 subject to the SiFUS being obtained.

(ii) Previous Rights Issue with Warrants

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

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

Utilisation of proceeds	Intended timeframe for utilisation from 11 October 2021	Actual proceeds raised		Amount utilised as at the LPD		Balance available for utilisation	
		RM'000	%	RM'000	%	RM'000	%
(i) Funding for existing property development projects	Within 36 months	⁽¹⁾ 30,000	68.1	⁽²⁾ 980	18.5	29,020	74.9
(ii) Repayment of borrowings	Within 6 months	11,171	25.4	⁽³⁾ 1,427	27.0	9,744	25.1
(iii) Working capital	Within 24 months	2,067	4.7	2,067	39.0	-	-
(iv) Estimated expenses for the Previous Rights Issue with Warrants	Immediate	821	1.8	821	15.5	-	-
Total		44,059	100.0	5,295	100.0	⁽⁴⁾38,764	100.0

Notes:-

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

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

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

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

Upon approval, the merged project would comprise 1,000 units of affordable apartments and have an estimated GDV and GDC of RM330.0 million and RM260.9 million respectively (after including landowner's entitlement). The approval for the said amended development order is expected to be obtained by 2nd quarter of 2023.

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

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

6. RATIONALE FOR THE RIGHTS ISSUE

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

After due consideration of the various options available (e.g. private placement and bank borrowings), our Board is of the opinion that the Rights Issue is the most suitable means of fund raising for our Company for the following reasons:-

- (i) the Rights Issue will allow our Group to secure funding at a fixed funding cost of 5% per annum which is lower compared to the average effective borrowing cost of our Group of approximately 8.57%. In addition, the fixed funding cost also reduces our Group's exposure to interest rate fluctuations, which will in turn enable our Group to manage its cash flows more efficiently;
- (ii) the issuance of RCULS will not have an immediate dilution effect on our Group's EPS as the RCULS are expected to be converted over the Conversion Period as opposed to a fund raising exercise via rights issue of ordinary shares which will have an immediate upfront impact on our Group's EPS;
- (iii) the RCULS will provide an opportunity for our Entitled Shareholders to increase their equity participation in our Company through the conversion of the RCULS into new Shares during the Conversion Period; and
- (iv) our Entitled Shareholders stand to benefit from the periodic coupon payments for the RCULS, which are reasonably attractive as compared to the prevailing conventional fixed deposit rates of between 2.30% to 3.10% offered by some of the financial institutions.

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

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

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7. RISK FACTORS

You should carefully consider, in addition to the other information contained in this Abridged Prospectus, the following risk factors before subscribing for or investing in the Rights Issue:-

7.1 Risks relating to the Group

As at the LPD, our Group has 10 ongoing property development projects, out of which 7 of them are existing projects and 3 of them (i.e. the Projects) are new projects. Further details on these projects are set out in Section 8.4 of this Abridged Prospectus.

The risk factors relating to our Group's property development segment, which contributed 49.70% of the Group's audited total revenue in FYE 30 June 2022 but is expected to become the largest revenue contributor moving forward, are set out below:-

(i) **Our property development business is dependent on the prevailing market conditions of the property market in Malaysia**

The performance of our property development business is dependent on the performance of the property market in Malaysia in which we operate. The property market in Malaysia is generally affected by, among others, government policies, economic conditions, population growth, changes in interest rates, income and inflation levels as well as demographic trends.

Despite the reopening of the economy since April 2022, the domestic property market remains sluggish. In 2022, many developers held back their property launches and concentrated on launching affordable housing. The property market is not expected to fully recover to pre-pandemic levels in 2023, given the scenario of a possible global recession. As such, although the property market is currently recovering, there is no assurance that such recovery will continue to be sustainable moving forward.

If our Group's projects were to be launched under this current property market condition, our Group may not be able to achieve a high take-up rate. Further, our Group may have to incur additional cost to embark on more aggressive advertising and promotional activities.

Any deterioration in consumer sentiment or softening of the property market may lead to continued delay in the launching of our Group's projects. Alternatively, our Group may be required to recalibrate or revise the development plans of some of its projects to adjust and cater for the weaker market sentiment. In turn, this may result in longer payback period and/or lower profit margins for our Group's projects.

At this juncture, even after the COVID-19 outbreak has been contained and business and economic activities have fully resumed, there is no assurance that this will lead to a long-term improvement in consumer sentiment and performance of the property market. Even if there is an improvement in consumer sentiment and performance of the property market, there is no assurance that this will contribute positively to the take-up rate of our Group's property development projects.

In the worst case scenario, our Group may not be able to launch some of its projects and may have to ultimately abort such projects. In such event, some of the development expenditure incurred⁽¹⁾ for such aborted projects would be recognised as sunk costs and translate into impairment losses to our Group.

Note:-

(1) Certain development expenses incurred such as land enhancements (e.g. earthwork, drainage for flood prevention, retaining walls and levelling of land) may be retained as the carrying value of the land.

(ii) Delay in the completion of our property development projects

Our Group's property development business is also dependent on the timely completion of our property development projects. This, in turn, is dependent on various external factors, some of which may be beyond our control, such as obtaining regulatory approvals, shortage of raw materials, changes in regulatory environment, site accidents as well as the performance of our contractors and subcontractors.

The progress of all of our Group's existing property development projects have been affected by delays mainly due to the temporary suspension of construction activities from time to time during relevant stages of the MCO since March 2020 as well as difficulty in securing bridging loan from banks.

Even after the relaxation of the MCO, our Group's property development projects remains affected by delays mainly due to lack of funding.

For the Seri Kembangan Project, Bukit Serdang Project, Bukit Sri Putra and Bangsar South Luxury Condominium Project, our Group has yet to submit the application for development order and building plan approval due to lack of funding.

For the Alam Impian Residential Development Project, although the development orders were obtained in October 2020 and preliminary works (i.e. site clearance and earthworks) have been completed, the construction of this project did not progress further as our Group postponed its plan to submit the application for building plan approval due to lack of funding as well as the slower market conditions in the property sector. As such, our Group plans to apply for an extension of the development orders' validity period or resubmit the development orders by the 2nd quarter of 2023.

For the Aster Residence project, although the development order was obtained in December 2018 and preliminary works (i.e. site clearance and earthworks) have been completed, the construction of this project did not progress further as our Group postponed its plan to submit the application for building plan approval due to lack of funding. Further to that, our Group had obtained conditional approval for the amended development order on 20 January 2023 in relation to the increase in the scale of the project by incorporating additional land from an adjacent plot via a potential joint venture arrangement with the landowner. Upon approval, the Aster Residence would comprise 259 condominium units and car park podium.

For the Alam Impian Affordable Housing Project, our Group is currently in the process of applying for an amended development order to, amongst others, merge this project with the Alam Impian Commercial Development Project and modify their configuration. For information, the Alam Impian Commercial Development Project is a joint-development commercial project between Pembinaan Terasia Sdn Bhd (now known as Kejuruteraan TWL Sdn Bhd) (a wholly-owned subsidiary of the Company) and a landowner (namely Harapan Handal Sdn Bhd) comprising 38 units of 2- and 3-storey shop houses. Upon approval of the amended development order, the merged project would comprise 1,000 units of affordable apartments and have an estimated GDV and GDC of approximately RM330.0 million and RM260.9 million respectively (after including landowner's entitlement). The approval for the said amended development order is expected to be obtained by the 2nd quarter of 2023.

In relation to all the abovementioned projects, there is no assurance that our Group will be able to obtain the relevant approvals from the relevant authorities, or that our Group will be able to meet the conditions or requirements imposed by the relevant authorities, in a timely manner. If our Group is unable to meet the relevant authorities' conditions or requirements for its projects, our Group may be required to recalibrate the development plan for these projects, thus resulting in further delay. Any delay in obtaining the necessary approvals would consequently result in delay in the commencement of construction.

Any continued delay in the progress of our Group's projects may result in compensation to be paid by our Group to end-purchasers for liquidated damages and may also lead to cost overruns as our Group continues to incur site maintenance costs and other running costs. Our Group may also be required to recalibrate or revise the development plans of its projects, hence incurring further cost. In turn, these may lead to lower profit margin and thus negatively affect our Group's financial performance. Such unexpected increase in costs may also result in an increase in our Group's funding requirements, thus requiring our Group to undertake further fund raising exercises. If additional funding cannot be obtained, our Group may not be able to launch some of its projects and may have to ultimately abort such projects. In turn, some of the development expenditure incurred for such aborted projects would be recognised as sunk costs and translate into impairment losses to our Group. Any continued delay will also result in longer payback period for our Group's projects.

(iii) Cost fluctuation

Our profitability may be affected by fluctuation in construction costs which is inherent in our industry. Higher cost of materials (including steel and cement), labour costs, contractor fees and overheads will reduce our profit margin in the event we are unable to pass these increased costs to customers in the form of higher selling prices.

There is no assurance that any changes in the construction costs will not have any material adverse impact on our financial performance.

(iv) Our property development business is capital intensive in nature and is dependent on our ability to raise financing

The launching of new property development projects in the future would require significant capital expenditure, including for the acquisition of land. In order for our Group to meet such capital requirements, we will be required to raise sufficient financing via external debt financing, equity financing and/or internally generated funds. There is no assurance that financing, either on a short-term or a long-term basis, can be secured by our Group, or if available, such financing can be secured on terms favourable to us or will be sufficient for our future projects.

In the event that we are unable to secure the necessary financing or secure such financing on terms which are favourable to us, we may be unable to launch new property development projects in the future which in turn may adversely affect the business, financial performance and future prospects of our Group.

7.2 Risks relating to the Acquisitions

(i) Project risk

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

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

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

(ii) Funding risk

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

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

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

7.3 Risks relating to the Rights Issue

(i) Failure or delay in the completion of the Rights Issue

The Rights Issue is exposed to the risk that it may be terminated or delayed in the event of a material adverse change of events or circumstances (such as force majeure events including without limitation, acts of government, natural disasters, acts of terrorism, strikes, national disorder, declaration of a state of war or emergency, or any change in law, regulation, policy or ruling), which is beyond the control of our Group and the Principal Adviser, arising prior to the completion of the Rights Issue.

Although we will exercise our best endeavours to ensure the Rights Issue is successfully implemented, there can be no assurance that the abovementioned factors or events will not cause a failure or delay in the completion of the Rights Issue. If the Rights Issue cannot be implemented or is terminated due to a stop order issued by the SC under Section 245(1) of the CMSA, we will undertake the necessary procedures to ensure that the refund of monies is made in full without interest in respect of any application for the subscription of the RCULS, including the Excess RCULS with Warrants E, within 14 days after we become liable to do so, failing which we shall be liable to repay such monies with the interest of 10% per annum or at such rate as may be specified by the SC pursuant to Section 245(7) of the CMSA.

In the event the RCULS and Warrants E have been allotted to the successful Entitled Shareholders and/or their renouncee(s) and/or their transferee(s), if applicable, and the Rights Issue is subsequently aborted or terminated for reasons other than pursuant to a stop order by the SC, a return of monies to the holders of RCULS may only be achieved by way of a cancellation of the share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by way of special resolution in a general meeting and supported by either: -

- (a) consent by the creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances, or
- (b) a solvency statement from the directors.

There can be no assurance that such monies can be returned within a short period of time or at all under such circumstances.

(ii) Market risk

The market price of TWL Shares traded on Bursa Securities may experience fluctuations. Various factors could influence the fluctuations in the market price of TWL Shares including, amongst others, the prevailing market sentiment, the liquidity of TWL Shares, the volatility of equity markets, interest rates movements, the outlook of the industries in which our Group operates in as well as the corporate developments and future financial performance of our Group.

The market prices of the RCULS, like all listed securities traded on Bursa Securities, are subject to, amongst others, price discovery by investors and fluctuation in tandem with the overall outlook of the stock market in Malaysia and globally, and will be influenced by, amongst others, the market prices, the potential payments of dividends and volatility of our Shares as well as the remaining Conversion Period of the RCULS.

The value of the Warrants E depends on various factors, primarily the market price of our Shares, the Exercise Price, the remaining tenure of Warrants E, the volatility of our share price and the perceived risk-free rates applicable in the relevant markets.

Accordingly, there is no assurance that the market prices of the RCULS and Warrants E will be at a level that meets the specific investment objectives of the RCULS holders and Warrant E holders, and that the Conversion Price and the Exercise Price will be in-the-money during the Conversion Period and the Exercise Period respectively.

Furthermore, you are reminded that should the outstanding Warrants E expire at the end of its tenure, it will cease thereafter to be valid for any other purposes and hence, will no longer have any value.

(iii) Credit risk

The RCULS bear a fixed coupon rate of 5.0% per annum calculated on the outstanding nominal value of the RCULS, payable in arrears on a semi-annual basis. However, there is no assurance the Group will be able generate sufficient revenue and cash flow to service the coupon payments payable on the RCULS as and when they are due.

In this respect, our Group will endeavour to maintain prudent cash flow management and monitor its financial position regularly to fulfil its obligation to service the coupon payments in order to mitigate the credit risk of the RCULS and minimise any potential default in coupon payments.

However, upon the declaration of an event of default under the Trust Deed, the outstanding nominal value of the RCULS and all the accrued coupon payments will immediately be due and payable by our Company to the RCULS holders whereupon the Trustee shall be entitled to exercise their rights to enforce any provisions under the Trust Deed. Notwithstanding the declaration of an event of default and subject to compliance with the conditions for conversion of the RCULS, the RCULS holders shall have the right to convert their RCULS into new Shares at the Conversion Price at any time during the Conversion Period.

(iv) Potential dilution of existing shareholders' shareholding

Our Entitled Shareholders who do not subscribe for their entitlements under the Rights Issue will experience dilution in their existing shareholding in our Company as and when the RCULS are converted and/or the Warrants E are exercised into new Shares.

Consequently, their proportionate entitlement to any future dividends, rights, allotments and/or other distributions that our Company may declare, make or pay after completion of the Rights Issue will correspondingly be diluted.

(v) No prior market

There is no prior market for the RCULS and the Warrants E, and as such there is no assurance that an active market for the RCULS and the Warrants E will develop upon its listing and quotation on the Main Market of Bursa Securities, or, if developed, that such a market is sustainable or adequately liquid during the tenure of the RCULS and the Warrants E. The RCULS and the Warrants E will be traded on Bursa Securities at prices which relies on the market forces that are beyond the control of our Company.

(vi) Forward-looking statements and other information

Certain statements in this Abridged Prospectus are based on historical data, which may not be reflective of future results and others are forward-looking in nature, which are subject to uncertainties and contingencies. All statements, other than statements of historical data, included in this Abridged Prospectus, including without limitation, those regarding the financial position, risk factors, prospects and future plans of our Group are forward-looking statements.

Such forward-looking statements are based on the estimates and assumptions made by our Company, unless stated otherwise, and although our Board believes these forward-looking statements to be reasonable at this point in time given the prevailing circumstances, they 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 future results, performance or achievements expressed or implied in such forward-looking statements.

In light of these uncertainties, the inclusion of such forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by the Company, the Principal Adviser and/or other Advisers in relation to the Rights Issue that the plans and objectives of the Group will be achieved.

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8. INDUSTRY OVERVIEW AND PROSPECTS OF THE GROUP

8.1 Overview and outlook of the Malaysian economy

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

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

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

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

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

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

Headline and core inflation are expected to moderate over the course of 2023, but will continue to be elevated amid lingering demand and cost factors. The extent of upward pressures to inflation will remain partly contained by existing price controls and fuel subsidies, and the remaining spare capacity in the economy. The balance of risk to the inflation outlook is tilted to the upside and continues to be highly subject to any changes to domestic policy on subsidies and price controls, as well as global commodity price developments.

On 9 March 2023, the Monetary Policy Committee (“**MPC**”) of Bank Negara Malaysia decided to maintain the Overnight Policy Rate (“**OPR**”) at 2.75 percent.

(Source: Monetary Policy Statement, Bank Negara Malaysia, 9 March 2023)

8.2 Overview and outlook of the property market in Malaysia

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

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

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

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

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

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

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

The construction sector contracted by 2.1% in the first half (“H1”) of 2022, mainly due to lower construction activities in civil engineering and residential buildings subsectors. In contrast, non-residential buildings and specialized construction activities subsectors registered a growth during the same period, in line with expansion in business activities, albeit rising prices of construction-related materials. The sector is expected to turn around in the second half with an expansion rate of 6.9%, supported by positive growth in all subsectors. Improvement in private investment and robust domestic economic activities are anticipated to increase demand for more industrial buildings. In addition, the acceleration of major infrastructure projects will continue to drive the sector’s performance. The development of residential property is expected to remain active supported by continuous implementation of measures under the Budget 2022 including a total government guarantee of up to RM2 billion to banks via Skim Jaminan Kredit Perumahan (SJKP) as well as housing projects for low income group with an allocation of RM1.5 billion. In 2022, the sector is projected to rebound by 2.3%.

(Source: Economic Outlook 2023, Ministry of Finance)

8.3 Overview and outlook of the construction industry in Malaysia

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

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

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

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

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

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

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

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

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

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

8.4 Prospects and future plans of the Group

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

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

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

Notes:-

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

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

- (5) The Bukit Serdang Project is a project undertaken by Tiger Synergy Land Sdn Bhd (a wholly-owned subsidiary of the Company) with an estimated GDV and GDC of approximately RM249.9 million and RM189.8 million respectively. The expected profits to be derived from this project is approximately RM60.1 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the building plan approval is obtained.
- The proposed development project is still in the planning and design stage and the Group will be applying for the development order from the relevant authorities at a later stage. Once the development order has been obtained, the Group will apply for the building plan approval.
- (6) The Alam Impian Residential Development Project is a joint-development project between Tiger Synergy Development Sdn Bhd (now known as TWL Builders Sdn Bhd) (a wholly-owned subsidiary of the Company) and 3 landowners (namely Pentas Irama Sdn Bhd, Elitprop Sdn Bhd and Greatprop Development Sdn Bhd) with an estimated GDV and GDC of approximately RM196.8 million and RM182.6 million respectively (including estimated landowners' entitlement). The expected profits to be derived from this project is approximately RM14.2 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the building plan approval is obtained.
- The development orders for the 3 parcels of land have been obtained on 22 October 2020 and 23 October 2020. The development orders are currently valid until 22 October 2021 and 23 October 2021 respectively. Notwithstanding that, the Group postponed its plan to submit the application for building plan approval due to lack of funding as well as the slower market conditions in the property sector. As such, the Group plans to apply for an extension of the development orders' validity period or resubmit the development orders by the 2nd quarter of 2023.
- Once the extension for the development order has been obtained, the Group will apply for the building plan approval. The Alam Impian Residential Development Project is expected to be launched and commence construction in 2023 and be completed within 3 years.
- (7) The Bukit Sri Putra Project is a project undertaken by Teladan Bina Sdn Bhd (a wholly-owned subsidiary of the Company) for the development of 571 units of affordable apartments with an estimated GDV and GDC of approximately RM160.2 million and RM123.6 million respectively. The expected profits to be derived from this project is approximately RM36.6 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the building plan approval is obtained.
- The proposed development project is still in the planning and design stage and the Group will be applying for the development order from the relevant authorities at a later stage. Once the development order has been obtained, the Group will apply for the building plan approval.
- (8) The Aster Residence is a project undertaken by Promosi Juara Sdn Bhd (a wholly-owned subsidiary of the Company) with an estimated GDV and GDC of approximately RM72.1 million and RM58.5 million respectively. The expected profits to be derived from this project is approximately RM13.6 million.
- Nevertheless, the Group had on 21 July 2022 submitted an application for an amended development order to increase the scale of the project by incorporating additional land from an adjacent plot via a potential joint venture arrangement with the landowner. Upon approval, the Aster Residence would comprise 259 condominium units and car park podium. This project will have an estimated GDV and GDC of approximately RM117.3 million and RM89.3 million respectively and the conditional approval for the development order has been obtained on 20 January 2023.

- (9) The Alam Impian Affordable Housing Project is a joint-development project between Pembinaan Terasia Sdn Bhd (now known as Kejuruteraan TWL Sdn Bhd) (a wholly-owned subsidiary of the Company) and 2 landowners (namely Credence Property Management Sdn Bhd and LJ Development (KL) Sdn Bhd, who is a related party by virtue of its directors being family members of Dato' Tan Wei Lian (Executive Chairman of the Company), Tan Lee Chin (Managing Director of the Company) and Datin Sek Chian Nee (Executive Director of the Company)) with an estimated GDV and GDC of approximately RM176.0 million and RM144.0 million (including estimated landowners' entitlement) respectively. The expected profits to be derived from this project is approximately RM32.0 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the approval for the building plan is obtained.
- Nevertheless, the Group is currently in the process of applying for an amended development order to, amongst others, merge this project with the Alam Impian Commercial Development Project and modify their configuration. For information, the Alam Impian Commercial Development Project is a joint-development project between Pembinaan Terasia Sdn Bhd (now known as Kejuruteraan TWL Sdn Bhd) (a wholly-owned subsidiary of the Company) and a landowner (namely Harapan Handal Sdn Bhd) with an estimated GDV and GDC of approximately RM52.4 million and RM41.1 million respectively (after excluding landowner's entitlement).
- Upon approval of the amended development order, the merged project would comprise 1,000 units of affordable apartments and have an estimated GDV and GDC of approximately RM330.0 million and RM260.9 million respectively (after including landowner's entitlement). The approval for the said amended development order is expected to be obtained by the 2nd quarter of 2023.
- (10) The Bangsar South Luxury Condominium Project is a joint-development project between Tiger Synergy Housing Development Sdn Bhd (now known as TWL Housing Development Sdn Bhd) (a wholly-owned subsidiary of the Company) and 4 landowners (namely Tristar Frontier Sdn Bhd, Nujade Garden Sdn Bhd, MHB Property Development Sdn Bhd and Credence Property Management Sdn Bhd) with an estimated GDV and GDC of approximately RM450.0 million and RM322.5 million (including estimated landowners' entitlement) respectively. The expected profits to be derived from this project is approximately RM127.5 million. The GDV and GDC currently provided is only an estimated sum which is still subject to adjustments until the approval for the building plan is obtained.

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

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

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

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

The Sentul Project is expected to contribute positively to the future earnings of the Group via the contract sum to be derived from the Turnkey Contract. As at the LPD, the Qaisar Acquisition has become unconditional and the Qaisar Acquisition Consideration Shares are to be issued upon completion of certain stages of the Sentul Project in accordance with the schedule of payment stipulated in the Qaisar SSA. As at the LPD, the Sentul Project has yet to commence pending, amongst others, the obtainment of the Certificate of Share Unit Formula ("**SIFUS**") and the discharge of charge over the land on which the Sentul Project is to be constructed on. To this end, Bursa Securities had on 12 April 2023 approved our Company's application for an extension of time of 6 months until 18 August 2023 for our Company to complete the issuance of the Qaisar Acquisition Consideration Shares.

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

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

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

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

8.5 Value creation to the Company and its Shareholders

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

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

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

Note:-

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

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

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

After taking into consideration the utilisation of proceeds from the Rights Issue as set out in Section 4 of this Abridged Prospectus, the prospects and outlook of the property market and construction industry in Malaysia as set out in Sections 8.2 and 8.3 of this Abridged Prospectus, the prospects and future plans of our Group as set out in Section 8.4 of this Abridged Prospectus, the value creation to our Company and its securities holders as set out in Section 8.5 of this Abridged Prospectus as well as the effects of the Rights Issue in Section 9 of this Abridged Prospectus, the Rights Issue is adequate to address our Group's financial concerns at this juncture.

9. EFFECTS OF THE ACQUISITIONS AND THE RIGHTS ISSUE

9.1 Share capital

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

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

	Minimum Scenario		Base Case Scenario		Maximum Scenario	
	No. of shares	Share capital RM	No. of shares	Share capital RM	No. of shares	Share capital RM
Issued share capital as at the LPD	4,065,639,917	363,115,748	4,065,639,917	363,115,748	4,065,639,917	363,115,748
New Shares to be issued assuming full exercise of the Warrants D	-	-	-	-	942,786,134	(1)51,853,237
Qaisar Acquisition Consideration Shares to be issued	-	-	-	-	555,555,556	(2)25,000,000
New Shares to be issued assuming full conversion of the RCULS	4,065,639,917	363,115,748	4,065,639,917	363,115,748	5,563,981,607	439,968,985
New Shares to be issued assuming full exercise of the Warrants E	833,333,333	(3)25,000,000	2,710,426,611	(4)81,312,798	5,563,981,607	(5)166,919,448
	250,000,000	(6)7,500,000	813,127,983	(6)24,393,839	1,112,796,321	(6)33,383,890
Enlarged issued share capital	5,148,973,250	395,615,748	7,589,194,511	468,822,386	12,240,759,535	640,272,323

Notes:-

- (1) Based on the exercise price of RM0.04 per Warrant D and the allocated fair value of RM0.0150 per Warrant D.
- (2) Based on the issue price of RM0.045 per Qaisar Acquisition Consideration Share.
- (3) Assuming all the 1,250,000,000 RCULS issued under the Minimum Scenario are fully converted into 833,333,333 new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the aggregate Conversion Price of RM0.06 for every 2 new Shares.
- (4) Assuming all the 4,065,639,917 RCULS issued under the Base Case Scenario are fully converted into 2,710,426,611 new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the aggregate Conversion Price of RM0.06 for every 2 new Shares.
- (5) Assuming all the 5,563,981,607 RCULS issued under the Maximum Scenario are fully converted into 5,563,981,607 new Shares based on the conversion mode of surrendering 1 RCULS (which are issued at the issue price of RM0.02 each) with additional cash payment of RM0.01 to arrive at the Conversion Price of RM0.03 for every 1 new Share.
- (6) Based on an exercise price of RM0.03 per Warrant E.

9.2 NA and gearing

The Acquisitions are not expected to have any immediate material effect on the NA and gearing of our Group. The pro forma effects of the Rights Issue on the NA and gearing of our Group are as follows:-

Minimum Scenario

	Unaudited as at 31 December 2022 RM'000	(i) After the subsequent events ⁽¹⁾ RM'000	(ii) After (i) and the Rights Issue ^{(2)/(3)} RM'000	(iii) After (ii) and assuming full conversion of the RCULS ⁽⁴⁾ RM'000	(iv) After (iii) and assuming full exercise of the Warrants E ⁽⁵⁾ RM'000
Share capital	358,587	363,116	353,641	378,641	395,616
Warrant reserve	15,377	14,142	23,617	23,617	14,142
RCULS – equity element	-	-	21,185	-	-
Retained earnings	26,821	26,821	25,626	19,376	19,376
Shareholders' equity / NA	400,785	404,079	424,069	421,634	429,134
Non-controlling interests	5	5	5	5	5
Total equity	400,790	404,084	424,074	421,639	429,139
No. of Shares in issue ('000) NA per Share (RM)	3,983,290 0.10	4,065,640 0.10	4,065,640 0.10	4,898,973 0.09	5,148,973 0.08
Total borrowings (RM'000) Gearing (times)	11,207 0.03	11,207 0.03	16,227 0.04	11,207 0.03	11,207 0.03

Notes:-

- (1) After accounting for the issuance of 82,350,400 new Shares pursuant to the exercise of Warrants D from 1 January 2023 up to the LPD.
- (2) Based on the following:-
 - (i) issuance of 1,250,000,000 RCULS at the issue price of RM0.02 each together with 250,000,000 Warrants E; and
 - (ii) the estimated equity component of the RCULS arising from the Rights Issue, which is determined by deducting the fair value of the liability component of the RCULS of RM5.02 million, which is estimated by deducting the discounted coupon payments (discounted over the tenure of 5 years at an effective annual interest rate of 8.57% based on the average effective borrowing cost of the Group) from the gross proceeds to be raised under the Rights Issue. The equity component of the RCULS also includes the resulting deferred tax asset arising from the initial recognition of the liability component of the RCULS of RM1.20 million, which is recognised based on the Malaysian statutory tax rate of 24%.
- (3) After accounting for the creation of warrant reserve based on the issuance of 250,000,000 Warrants E at an allocated fair value of RM0.0379 per Warrant E and estimated expenses incidental to the Rights Issue of RM1.20 million.
- (4) Assuming all the 1,250,000,000 RCULS issued under the Minimum Scenario are fully converted into 833,333,333 new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the aggregate Conversion Price of RM0.06 for every 2 new Shares.
- (5) Based on an exercise price of RM0.03 per Warrant E and after accounting for the reversal of warrant reserve.

Base Case Scenario

	Unaudited as at 31 December 2022 RM'000	(I) After the subsequent events ⁽¹⁾ RM'000	(II) After (I) and the Rights Issue ⁽²⁾⁽³⁾ RM'000	(III) After (II) and assuming full conversion of the RCULS ⁽⁴⁾ RM'000	(IV) After (III) and assuming full exercise of the Warrants E ⁽⁵⁾ RM'000
Share capital	358,587	363,116	332,298	413,611	468,822
Warrant reserve	15,377	14,142	44,959	44,959	14,142
RCULS – equity element	-	-	68,904	-	-
Retained earnings	26,821	26,821	25,626	5,298	5,298
Shareholders' equity / NA	400,785	404,079	471,788	463,868	488,262
Non-controlling interests	5	5	5	5	5
Total equity	400,790	404,084	471,793	463,873	488,267
No. of Shares in issue ('000)	3,983,290	4,065,640	4,065,640	6,776,067	7,589,195
NA per Share (RM)	0.10	0.10	0.12	0.07	0.06
Total borrowings (RM'000)	11,207	11,207	27,535	11,207	11,207
Gearing (times)	0.03	0.03	0.06	0.02	0.02

Notes:-

- (1) After accounting for the issuance of 82,350,400 new Shares pursuant to the exercise of Warrants D from 1 January 2023 up to the LPD.
- (2) Based on the following:-
 - (i) issuance of 4,065,639,917 RCULS at the issue price of RM0.02 each together with 813,127,983 Warrants E; and
 - (ii) the estimated equity component of the RCULS arising from the Rights Issue, which is determined by deducting the fair value of the liability component of the RCULS of RM16.33 million, which is estimated by deducting the discounted coupon payments (discounted over the tenure of 5 years at an effective annual interest rate of 8.57% based on the average effective borrowing cost of the Group) from the gross proceeds to be raised under the Rights Issue. The equity component of the RCULS also includes the resulting deferred tax asset arising from the initial recognition of the liability component of the RCULS of RM3.92 million, which is recognised based on the Malaysian statutory tax rate of 24%.
- (3) After accounting for the creation of warrant reserve based on the issuance of 813,127,983 Warrants E at an allocated fair value of RM0.0379 per Warrant E and estimated expenses incidental to the Rights Issue of RM1.20 million.
- (4) Assuming all the 4,065,639,917 RCULS issued under the Base Case Scenario are fully converted into 2,710,426,611 new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the aggregate Conversion Price of RM0.06 for every 2 new Shares.
- (5) Based on an exercise price of RM0.03 per Warrant E and after accounting for the reversal of warrant reserve.

Maximum Scenario

	Unaudited as at 31 December 2022 RM'000	(I) After the subsequent events ⁽¹⁾ RM'000	(II) After (I) and assuming full exercise of the Warrants D and issuance of the Qaisar Acquisition Consideration Shares ⁽²⁾ RM'000	(III) After (II) and the Rights Issue ⁽³⁾⁽⁴⁾ RM'000	(IV) After (III) and assuming full conversion of the RCULS ⁽⁵⁾ RM'000	(V) After (IV) and assuming full exercise of the Warrants E ⁽⁶⁾ RM'000
Share capital	358,587	363,116	439,969	397,794	564,713	640,272
Warrant reserve	15,377	14,142	-	42,175	42,175	-
RCULS – equity element	-	-	-	94,298	-	-
Retained earnings	26,821	26,821	26,821	25,626	(2,193)	(2,193)
Shareholders' equity / NA	400,785	404,079	466,790	559,893	604,695	638,079
Non-controlling interests	5	5	5	5	5	5
Total equity	400,790	404,084	466,795	559,898	604,700	638,084
No. of Shares in issue ('000)	3,983,290	4,065,640	5,563,982	5,563,982	11,127,963	12,240,760
NA per Share (RM)	0.10	0.10	0.08	0.10	0.05	0.05
Total borrowings (RM'000)	11,207	11,207	11,207	33,552	11,207	11,207
Gearing (times)	0.03	0.03	0.02	0.06	0.02	0.02

Notes:-

- (1) After accounting for the issuance of 82,350,400 new Shares pursuant to the exercise of Warrants D from 1 January 2023 up to the LPD.
- (2) After assuming:-
 - (i) all the 942,786,134 outstanding Warrants D as at the LPD are exercised into new Shares at the exercise price of RM0.04 each; and
 - (ii) all the 555,555,556 Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors.
- (3) Based on the following:-
 - (i) issuance of 5,563,981,607 RCULS at the issue price of RM0.02 each together with 1,112,796,321 Warrants E; and
 - (ii) the estimated equity component of the RCULS arising from the Rights Issue, which is determined by deducting the fair value of the liability component of the RCULS of RM22.34 million, which is estimated by deducting the discounted coupon payments (discounted over the tenure of 5 years at an effective annual interest rate of 8.57% based on the average effective borrowing cost of the Group) from the gross proceeds to be raised under the Rights Issue. The equity component of the RCULS also includes the resulting deferred tax asset arising from the initial recognition of the liability component of the RCULS of RM5.36 million, which is recognised based on the Malaysian statutory tax rate of 24%.
- (4) After accounting for the creation of warrant reserve based on the issuance of 1,112,796,321 Warrants E at an allocated fair value of RM0.0379 per Warrant E and estimated expenses incidental to the Rights Issue of RM1.20 million.
- (5) Assuming all the 5,563,981,607 RCULS issued under the Maximum Scenario are fully converted into 5,563,981,607 new Shares based on the conversion mode of surrendering 1 RCULS (which are issued at the issue price of RM0.02 each) with additional cash payment of RM0.01 to arrive at the Conversion Price of RM0.03 for every 1 new Share.
- (6) Based on an exercise price of RM0.03 per Warrant E and after accounting for the reversal of warrant reserve.

9.3 Substantial Shareholders' shareholdings

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

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

Minimum Scenario

Substantial Shareholders	As at the LPD			(i) After assuming full conversion of the RCULS ⁽⁷⁾			
	Direct		Indirect	Direct		Indirect	
	No. of Shares	(1)%		No. of Shares	(2)%		No. of Shares
Dato' Tan Wei Lian	351,406,203	8.64	⁽⁴⁾ 837,610,725	20.60	1,018,072,869	⁽⁴⁾ 837,610,725	17.10
Datin Sek Chian Nee	198,605,650	4.88	⁽⁵⁾ 990,411,278	24.36	198,605,650	⁽⁵⁾ 1,657,077,944	33.83
Tan Lee Chin	7,431,675	0.18	⁽⁶⁾ 1,181,585,253	29.06	7,431,675	⁽⁶⁾ 1,848,251,919	37.73
TWL Capital Berhad	631,573,400	15.53	-	-	631,573,400	-	-

Substantial Shareholders	(ii) After (i) and assuming full exercise of the Warrants			
	Direct		Indirect	
	No. of Shares	(3)%		
Dato' Tan Wei Lian	1,218,072,869	23.66	⁽⁴⁾ 837,610,725	16.27
Datin Sek Chian Nee	198,605,650	3.86	⁽⁵⁾ 1,857,077,944	36.07
Tan Lee Chin	7,431,675	0.14	⁽⁶⁾ 2,048,251,919	39.78
TWL Capital Berhad	631,573,400	12.27	-	-

Notes:-

- (1) Based on the issued share capital of 4,065,639,917 Shares.
- (2) Based on the enlarged issued share capital of 4,898,973,250 Shares.
- (3) Based on the enlarged issued share capital of 5,148,973,250 Shares.
- (4) Deemed interest by virtue of his spouse's (Datin Sek Chian Nee) and sister's (Tan Lee Chin) shareholding in the Company as well as his interest in TWL Capital Berhad.

- (5) Deemed interest by virtue of her spouse's (Dato' Tan Wei Lian) and sister-in-law's (Tan Lee Chin) shareholding in the Company as well as her interest in TWL Capital Berhad.
- (6) Deemed interest by virtue of her brother's (Dato' Tan Wei Lian) and sister-in-law's (Datin Sek Chian Nee) shareholding in the Company as well as her brother's (Dato' Tan Wei Lian) interest in TWL Capital Berhad.
- (7) Assuming all the RCULS issued under the Minimum Scenario are fully converted into new Shares based on the conversion mode of surrendering 3 RCULS (which are issued at the issue price of RM0.02 each) without additional cash payment to arrive at the aggregate Conversion Price of RM0.06 for every 2 new Shares.

Base Case Scenario

Substantial Shareholders	As at the LPD				(i) After assuming full conversion of the RCULS ⁽⁷⁾			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Tan Wei Lian	351,406,203	8.64	⁽⁴⁾ 837,610,725	20.60	585,677,005	8.64	⁽⁴⁾ 1,396,017,875	20.60
Datin Sek Chian Nee	198,605,650	4.88	⁽⁵⁾ 990,411,278	24.36	331,009,416	4.88	⁽⁵⁾ 1,650,685,463	24.36
Tan Lee Chin	7,431,675	0.18	⁽⁶⁾ 1,181,585,253	29.06	12,386,125	0.18	⁽⁶⁾ 1,969,308,755	29.06
TWL Capital Berhad	631,573,400	15.53	-	-	1,052,622,333	15.53	-	-

Substantial Shareholders	(ii) After (i) and assuming full exercise of the Warrants E			
	Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%
Dato' Tan Wei Lian	655,958,245	8.64	⁽⁴⁾ 1,563,540,020	20.60
Datin Sek Chian Nee	370,730,546	4.88	⁽⁵⁾ 1,848,767,718	24.36
Tan Lee Chin	13,872,460	0.18	⁽⁶⁾ 2,205,625,805	29.06
TWL Capital Berhad	1,178,937,013	15.53	-	-

Notes:-

- (1) Based on the issued share capital of 4,065,639,917 Shares.
- (2) Based on the enlarged issued share capital of 6,776,066,528 Shares.
- (3) Based on the enlarged issued share capital of 7,589,194,511 Shares.

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

Maximum Scenario

Substantial Shareholders	(i) As at the LPD				(ii) After assuming full exercise of the Warrants D and issuance of the Qaisar Acquisition Consideration Shares			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Tan Wei Lian	351,406,203	8.64	(5)837,610,725	20.60	351,406,203	6.32	(5)837,610,725	15.05
Datin Sek Chian Nee	198,605,650	4.88	(6)990,411,278	24.36	198,605,650	3.57	(6)990,411,278	17.80
Tan Lee Chin	7,431,675	0.18	(7)1,181,585,253	29.06	7,431,675	0.13	(7)1,181,585,253	21.24
TWL Capital Berhad	631,573,400	15.53	-	-	631,573,400	11.35	-	-

Substantial Shareholders	(ii) After (i) and assuming full conversion of the RCULS ⁽⁸⁾				(iii) After (ii) and assuming full exercise of the Warrants E			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%	No. of Shares	(4)%	No. of Shares	(4)%
Dato' Tan Wei Lian	702,812,406	6.32	(5)1,675,221,450	15.05	773,093,646	6.32	(5)1,842,743,595	15.05
Datin Sek Chian Nee	397,211,300	3.57	(6)1,980,822,556	17.80	436,932,430	3.57	(6)2,178,904,811	17.80
Tan Lee Chin	14,863,350	0.13	(7)2,363,170,506	21.24	16,349,685	0.13	(7)2,599,487,556	21.24
TWL Capital Berhad	1,263,146,800	11.35	-	-	1,389,461,480	11.35	-	-

Notes:-

- (1) Based on the issued share capital of 4,065,639,917 Shares.
- (2) Based on the enlarged issued share capital of 5,563,981,607 Shares.
- (3) Based on the enlarged issued share capital of 11,127,963,214 Shares.
- (4) Based on the enlarged issued share capital of 12,240,759,535 Shares.
- (5) Deemed interest by virtue of his spouse's (Datin Sek Chian Nee) and sister's (Tan Lee Chin) shareholding in the Company as well as his interest in TWL Capital Berhad.
- (6) Deemed interest by virtue of her spouse's (Dato' Tan Wei Lian) and sister-in-law's (Tan Lee Chin) shareholding in the Company as well as her interest in TWL Capital Berhad.
- (7) Deemed interest by virtue of her brother's (Dato' Tan Wei Lian) and sister-in-law's (Datin Sek Chian Nee) shareholding in the Company as well as her brother's (Dato' Tan Wei Lian) interest in TWL Capital Berhad.
- (8) In order to show the maximum potential enlarged total number of issued Shares arising from the conversion of the RCULS, this has been illustrated on the assumption that all the RCULS issued under the Maximum Scenario are fully converted into new Shares based on the conversion mode of surrendering 1 RCULS (which are issued at the issue price of RM0.02 each) with additional cash payment of RM0.01 to arrive at the Conversion Price of RM0.03 for every 1 new Share.

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9.4 Earnings and EPS

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

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

For illustration, assuming the Rights Issue had been completed at the beginning of the FYE 30 June 2022, the pro forma effects of the Rights Issue on the consolidated losses and LPS of our Company are as follows:-

	Audited FYE 30 June 2022	(I)		(II)			(III)		
		After subsequent events ⁽¹⁾	After (I) and assuming full conversion of the RCULS	After (I) and assuming full conversion of the RCULS		After (II) and assuming full exercise of the Warrants E			
				Minimum Scenario	Base Case Scenario	Maximum Scenario	Minimum Scenario	Base Case Scenario	Maximum Scenario
LAT attributable to owners of the Company (RM'000)	(17,716)	(17,716)	(2)(18,911)	(2)(18,911)	(2)(18,911)	(2)(18,911)	(2)(18,911)	(2)(18,911)	
Weighted average no. of Shares ('000)	2,535,075	3,050,559	3,883,892	5,760,986	(3)10,112,882	4,133,892	6,574,114	(3)11,225,679	
LPS (sen)	(0.70)	(0.58)	(0.49)	(0.33)	(0.19)	(0.46)	(0.29)	(0.17)	

Notes:-

- (1) After accounting for the issuance of 356,790,200 new Shares pursuant to the exercise of ESOS Options and 158,693,500 new Shares pursuant to the exercise of Warrants D from 1 July 2022 up to the LPD. For the purposes of illustration, we have assumed that these Shares were issued at the beginning of the FYE 30 June 2023.
- (2) After accounting for estimated expenses incidental to the Rights Issue of RM1.20 million.
- (3) After assuming:-
 - (i) all the 942,786,134 outstanding Warrants D as at the LPD are exercised into new Shares at the exercise price of RM0.04 each; and
 - (ii) all the 555,555,556 Qaisar Acquisition Consideration Shares are issued to the Qaisar Acquisition Vendors, prior to the Entitlement Date.

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

9.5 Convertible Securities

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

9.5.1 Warrants D

As at the LPD, there are 942,786,134 Warrants D, which have an exercise price of RM0.04 each and are expiring on 4 October 2024.

Pursuant to the provisions of the Deed Poll D:-

- (i) there shall be no adjustment to the number of Warrants D arising from the Rights Issue; and
- (ii) consequential to the Rights Issue, the exercise price of Warrants D is to be adjusted based on the following formula:-

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

where:-

C = the 5-day VWAP of each Share up to and including the Market Day immediately preceding the date on which the capital distribution or as the case may be, the offer or invitation is publicly announced to Bursa Securities or (failing such announcement), immediately preceding the date of the announcement of the Entitlement Date of the capital distribution or, as the case may be, of the offer or invitation or (where appropriate), any relevant date as may be determined by the issuer in consultation with the approved adviser;

D = (aa) in the case of an offer or invitation to acquire or subscribe for Shares by way of rights or acquire or subscribe for securities convertible into or with rights to acquire or subscribe for Shares, the value of rights attributable to 1 Share (as defined below); or

(bb) in the case of any other transaction, the fair market value, as determined by the issuer in consultation with the approved adviser, of that portion of the capital distribution attributable to 1 Share; and

P = existing exercise price of the Warrants D.

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

$$\frac{C - E}{F + 1}$$

where:-

C = as set out above;

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

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

Based on the 5-day VWAP of the Shares up to and including the last Market Day immediately preceding the date of first announcement of the Rights Issue of RM0.0644, the Issue Price of RM0.02 and the Conversion Price of RM0.03, the adjusted exercise price of the Warrants D is computed as follows:-

$$\begin{aligned}\text{Adjusted exercise price of} &= \frac{0.0644 - \frac{0.0644 - 0.03}{1.5 + 1}}{0.0644} \times 0.04 \\ \text{Warrants D} &= \text{RM0.0314} \\ &= \text{RM0.04}^{(1)}\end{aligned}$$

Note:-

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

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

9.5.2 ESOS Options

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

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

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10. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND MATERIAL TRANSACTIONS

10.1 Working capital and sources of liquidity

Our Group's working capital is funded through our Group's existing cash and bank balances, cash generated from operating activities, credit facilities from financial institutions and proceeds from the issuance of equity securities.

As at the LPD, our Group's cash and bank balances and fixed deposits stood at RM74.7 million and RM24.0 million respectively, and our Group does not have any unutilised credit facilities from financial institutions.

Apart from the sources of liquidity described above, our Group does not have access to other material unused sources of liquidity as at the LPD.

Our Board confirmed that, after taking into consideration our Group's existing cash and bank balances, our Group's existing borrowing obligations, our Group's future payment obligations in relation to the coupon payments for the RCULS and the proceeds to be raised from the Rights Issue, our Group has sufficient working capital for its current level of operations for a period of 12 months from the date of this Abridged Prospectus.

10.2 Borrowings

As at the LPD, our Group's total outstanding borrowings (all of which are interest bearing and denominated in RM) are set out as follows:-

Borrowings	RM'000
<u>Long term borrowings</u>	
- Term loans	15,352
- Hire purchase	65
<u>Short term borrowings</u>	
- Term loans	1,422
- Hire purchase	215
Total	17,054

Our Group has not defaulted on payments of either interest and/or principal sums on any borrowings for the FYE 30 June 2022 and subsequent financial period up to the LPD.

10.3 Contingent liabilities

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

10.4 Material commitments

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

10.5 Material transactions

As at the LPD, save for the Rights Issue, our Board confirmed that there are no other material transactions which may have a material effect on our Group's operations, financial position and results since our Group's latest unaudited consolidated financial statements for the 6-month FPE 31 December 2022.

11. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE/TRANSFER AND EXCESS APPLICATION

Full instructions for the acceptance of and payment for the Provisional Allotments as well as Excess RCULS with Warrants E and the procedures to be followed should you and/or your renounee(s) and/or your transferee(s) (if applicable) wish to sell or transfer all or any part of your Provisional Allotments as well as instructions to apply for Excess RCULS with Warrants E are set out in this Abridged Prospectus and the accompanying RSF.

You and/or your renounee(s) and/or your transferee(s) (if applicable) are advised to read this Abridged Prospectus, the accompanying RSF and the notes and instructions contained therein carefully. In accordance with the CMSA, the RSF must not be circulated unless accompanied by this Abridged Prospectus.

Acceptance of and payment for the Provisional Allotments which do not conform strictly to the terms of this Abridged Prospectus, the RSF or the notes and instructions contained therein or which are illegible may not be accepted at the absolute discretion of our Board.

11.1 General

As you are an Entitled Shareholder, you will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such number of Provisional Allotments into your CDS Account and the RSF to enable you to subscribe for such Provisional Allotments as well as to apply for the Excess RCULS with Warrants E if you choose to do so.

This Abridged Prospectus and the RSF are also available at the registered office of the Company, the Share Registrar's website at <https://www.shareworks.com.my> or on Bursa Malaysia Berhad's website at <https://www.bursamalaysia.com>.

11.2 NPA

The Provisional Allotments are prescribed securities under Section 14(5) of the SICDA and therefore, all dealings in the Provisional Allotments will be by book entries through CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. As an Entitled Shareholder, you and/or your renounee(s) and/or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making the applications to subscribe for the Provisional Allotments or to apply for Excess RCULS with Warrants E.

11.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Allotments and the Excess RCULS with Warrant E is **5.00 p.m. on Tuesday, 6 June 2023**.

Within 5 Market Days after the Closing Date, the Company will make the relevant announcement on Bursa Malaysia Berhad's website in relation to the subscription rate of the Rights Issue and the outcome of the allocation of the excess RCULS with Warrants E, if any.

11.4 Methods of acceptance and application

You may subscribe for the Provisional Allotments as well as apply for Excess RCULS with Warrants E, if you choose to do so, using either of the following methods:-

<u>Method</u>	<u>Category of Entitled Shareholders</u>
RSF	All Entitled Shareholders
e-RSF	All Entitled Shareholders

11.5 Procedures for acceptance and payment

11.5.1 By way of RSF

Acceptance of and payment for the Provisional Allotment must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances and/or payments which do not conform to the terms of this Abridged Prospectus, the RSF and the notes and instructions contained therein or which are illegible may not be accepted at the absolute discretion of the Board.

If you and/or your renounee(s) and/or transferee(s) (if applicable) wishes to accept the Provisional Allotments, either in full or in part, please complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed and signed RSF together with the relevant payment must be sent to our Share Registrar using the reply envelope provided (at your own risk) by ordinary post, courier or delivery by hand at the following address:-

ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Telephone number: 03-6201 1120
Email : ir@shareworks.com.my

so as to arrive not later than **5.00 p.m. on Tuesday, 6 June 2023**.

If you, your renounee(s) and/or transferee(s) (if applicable) lose, misplace or for any other reasons require another copy of the RSF, you, your renounee(s) and/or transferee(s) (if applicable) may obtain additional copies from your stock broker, our Share Registrar at the address stated above, at our registered office or the website of Bursa Malaysia Berhad (<https://www.bursamalaysia.com>).

1 RSF can only be used for acceptance of Provisional Allotments standing to the credit of 1 CDS Account. Separate RSFs must be used for the acceptance of Provisional Allotments standing to the credit of more than 1 CDS Account. If successful, the RCULS with Warrants E subscribed by you and/or your renounee(s) and/or transferee(s) (if applicable) will be credited into the CDS Account(s) as stated in the completed RSF(s).

A reply envelope is enclosed with this Abridged Prospectus. To facilitate the processing of the RSF by the Share Registrar, you are advised to use 1 reply envelope for each completed RSF.

You should take note that a trading board lot for the RCULS and Warrants E will comprise 100 RCULS and 100 Warrants E respectively. Successful applicants of the RCULS will be given free Warrants E on the basis of 2 Warrants E for every 10 RCULS successfully subscribed for, or 1 Warrant E for every 5 RCULS successfully subscribed for. The minimum number of Provisional Allotments that can be subscribed for is 1 RCULS. Fractions of RCULS with Warrants E, if any, shall be disregarded and dealt with in such manner as our Board shall in their absolute discretion deem fit, expedient and in the best interest of our Company.

If acceptance and payment for the Provisional Allotments (whether in full or in part) is not received by our Share Registrar by **5.00 p.m. on Tuesday, 6 June 2023**, being the last time and date for acceptance and payment, you and/or your renounee(s) and/or transferee(s) (if applicable) will be deemed to have declined the Provisional Allotments and it will be cancelled. Our Board will then have the right to allot such RCULS with Warrants E not taken up to applicants who have applied for Excess RCULS with Warrants E in the manner set out in Section 11.8 of this Abridged Prospectus. Our Board reserves the right to accept any application in full or in part only without assigning any reasons.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE MADE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE PROVISIONAL ALLOTMENTS ACCEPTED IN THE FORM OF BANKER'S DRAFT(S) OR CASHIER'S ORDER(S) DRAWN ON A BANK IN MALAYSIA CROSSED "ACCOUNT PAYEE ONLY" AND MADE PAYABLE TO "TWL RIGHTS ISSUE ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME IN BLOCK LETTERS, CONTACT NUMBER AND CDS ACCOUNT NUMBER SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR BY THE CLOSING DATE.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE OF RCULS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

YOU SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN. APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

WHERE AN APPLICATION IS NOT ACCEPTED OR ACCEPTED ONLY IN PART, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE MADE BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

ALL RCULS AND WARRANTS E TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WILL BE ALLOTTED BY WAY OF CREDITING SUCH RCULS AND WARRANTS E INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/OR THEIR RENOUNCEE(S) AND/OR TRANSFEREE(S) (IF APPLICABLE). NO PHYSICAL SHARE OR WARRANT CERTIFICATES WILL BE ISSUED.

11.5.2 By way of electronic submission of the e-RSF

The electronic submission of the e-RSF is available to you, your renounee(s) and/or transferee(s) upon your login to the Share Registrar's Investor Portal at <https://www.shareworks.com.my>. You are advised to read the instructions as well as the terms and conditions of the electronic submission of the e-RSF.

The electronic submission of the e-RSF is available to all Entitled Shareholders who are registered users of the Share Registrar's Investor Portal at <https://www.shareworks.com.my>. You are no longer required to complete and lodge the physical RSF to ShareWorks Sdn Bhd for the Rights Issue, if you have successfully lodged the e-RSF on the acceptance for the Provisional Allotments and the application for Excess RCULS with Warrants E by way of electronic submission of e-RSF.

Entitled Shareholders who wish to subscribe for the RCULS with Warrants E and apply for the Excess RCULS with Warrants E by way of electronic submission of the e-RSF, shall take note of the following:-

- (a) the electronic submission of the e-RSF will be closed at **5.00 p.m on Tuesday, 6 June 2023**. All valid electronic submission of the e-RSF received by the Share Registrar is irrevocable and cannot be subsequently withdrawn;
- (b) the electronic submission of the e-RSF must be made in accordance with the procedures and terms and conditions of the electronic submission of the e-RSF, this Abridged Prospectus and the notes and conditions contained in the RSF. Any incomplete or incorrectly completed e-RSF submitted via the Share Registrar's Investor Portal may or may not be accepted at the absolute discretion of the Board.
- (c) your application for the RCULS with Warrants E and Excess RCULS with Warrants E must be accompanied by the remittance in RM via internet bank transfer, the bank account details as follows:-

Name of Bank: MALAYAN BANKING BERHAD
 Name of Account: TWL RIGHTS ISSUE ACCOUNT
 Bank Account No.: 5550 6912 2607

You are required to pay an additional fee of RM15.00 being the stamp duty and handling fee for each electronic submission of the e-RSF.

- (d) All Entitled Shareholders who wish to submit by way of electronic submission of the e-RSF are required to follow the procedures and read the terms and conditions as stated below:-
 - (i) Procedures

	Procedures	Action
	User registration	
1.	Register as a user with the Investor Portal	<ul style="list-style-type: none"> • Access the website at https://www.shareworks.com.my. Click Investor Portal. Refer to the online help tutorial for assistance. • Read and agree to the terms and conditions and confirm the declaration. • Upon submission of your registration, your account will be activated within one working day.

		<ul style="list-style-type: none"> If you have already registered an account with Investor Portal, you are not required to register again.
Electronic submission of e-RSF		
2.	Sign in to Investor Portal	<ul style="list-style-type: none"> Login with your user ID and password for electronic submission of the e-RSF before the Closing Date.
3.	Complete the electronic submission of e-RSF	<ul style="list-style-type: none"> Open the corporate exercise "RIGHTS ISSUE FOR TWL HOLDINGS BERHAD". Key in your full name, CDS account number, contact number, the number of units for acceptance of your RCULS with Warrants E and Excess RCULS with Warrants E (if you choose to apply for additional RCULS with Warrants E). Upload the proof of payment(s) and print your e-RSF for your reference and record. Ensure all information in the form is accurate and then submit the form.

If you encounter any problems during the registration or submission, please email our Share Registrar at support@shareworks.com.my for assistance.

(ii) Terms and conditions of the electronic submission of the e-RSF

By submitting your acceptance of the RCULS with Warrants E and application of the Excess RCULS with Warrants E (if applicable) by way of electronic submission of the e-RSF:-

(A) You acknowledge that your submission by way of electronic submission of the e-RSF is subject to the risks of electrical, electronic, technical, transmission, communication and computer related faults and breakdowns, fires and other events beyond our control or our Share Registrar and irrevocably agree that if:-

- (i) our Company or our Share Registrar does not receive your electronic submission of the e-RSF; or
- (ii) data on the e-RSF is wholly or partially lost, corrupted or inaccessible, or not transmitted,

your electronic submission of the e-RSF will be deemed as failed and not to have been made.

Our Company and our Share Registrar will not be held liable for any delays, failures or inaccuracies in the processing of your electronic submission of the e-RSF due to the above reasons and you further agree that you may not make any claims whatsoever against us or our Share Registrar for any loss, compensation or damage in relation to the unsuccessful or failure of your electronic submission of the e-RSF.

- (B) You will ensure that all information provided by you in the e-RSF is identical with the information in the records of Bursa Depository and further agree and confirm that in the event the said information differs from the records of Bursa Depository, your application by way of electronic submission of the e-RSF may be rejected at the absolute discretion of our Board without assigning any reason.
- (C) You agree that your application shall not be deemed to have been accepted by reason of the remittance have been made.
- (D) You agree that all the RCULS and Warrants E to be issued pursuant to the Rights Issue will be allotted by way of crediting the RCULS and Warrants E into your CDS Account. No physical share or warrant certificates will be issued.
- (E) You agree that our Company and our Share Registrar reserve the right to reject your application which does not conform to these terms and conditions.
- (F) If your application is successful, a notice of allotment will be issued and despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date.
- (G) Where your application is not accepted or accepted only in part, the full amount or the balance of the application monies, as the case may be, shall be refunded without interest by banker's cheque within 15 Market Days from the Closing Date and will be despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk.

11.6 Procedures for part acceptance

You are entitled to accept part of your Provisional Allotments, provided always that the minimum number of RCULS that may be subscribed or accepted is 1 RCULS. Fractions of RCULS with Warrants E, if any, shall be disregarded and dealt with in such manner as our Board shall in their absolute discretion deem fit, expedient and in the best interests of our Company.

You must complete both Part I(A) and II of the RSF by specifying the number of RCULS with Warrants E which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the same manner as set out in Section 11.5 of this Abridged Prospectus.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.

11.7 Procedures for sale or transfer of the Provisional Allotments

As the Provisional Allotments are prescribed securities, should you wish to sell or transfer all or part of your entitlement to the Provisional Allotments to 1 or more persons, you may do so through your stockbroker without first having to request for a split of the Provisional Allotments standing to the credit of your CDS Account. To sell or transfer all or part of your entitlement to the Provisional Allotments, you may sell such entitlement in the open market during the period up to the last date and time for sale or transfer of the Provisional Allotments (in accordance with the Rules of Bursa Depository) or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository during period up to the last date and time for transfer of the Provisional Allotments (in accordance with the Rules of Bursa Depository).

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. IN SELLING OR TRANSFERRING ALL OR PART OF YOUR PROVISIONAL ALLOTMENTS, YOU ARE NOT REQUIRED TO DELIVER ANY DOCUMENT (INCLUDING THE RSF) TO YOUR STOCKBROKER IN RESPECT OF THE PORTION OF THE PROVISIONAL ALLOTMENTS SOLD OR TRANSFERRED. YOU ARE HOWEVER ADVISED TO ENSURE THAT YOU HAVE SUFFICIENT NUMBER OF PROVISIONAL ALLOTMENTS STANDING TO THE CREDIT OF YOUR CDS ACCOUNT THAT IS AVAILABLE FOR SETTLEMENT OF THE SALE OR TRANSFER.

Renouncee(s) and transferee(s) of the Provisional Allotments may obtain a copy of this Abridged Prospectus and the RSF from their stockbrokers, our Share Registrar or at our registered office. This Abridged Prospectus and the RSF are also available on Bursa Malaysia Berhad's website at www.bursamalaysia.com.

If you have sold or transferred only part of the Provisional Allotments, you may still accept the balance of the Provisional Allotments by completing Parts I(A) and II of the RSF and delivering the completed RSF together with the full amount payable on the balance of the RCULS with Warrants E applied for to our Share Registrar. Please refer to Section 11.5 of this Abridged Prospectus for the procedures for acceptance and payment.

11.8 Procedures for application for the Excess RCULS with Warrants E

11.8.1 By way of RSF

If you wish to apply for additional RCULS with Warrants E in excess of your entitlement, you may do so by completing Part I(B) of the RSF (in addition to Parts I(A) and II). A combined remittance for the Excess RCULS with Warrants E can be made together with your entitlements. The completed RSF together with the payment must be received by the Share Registrar no later than **5.00 p.m. on Tuesday, 6 June 2023**, being the last time and date for Excess RCULS with Warrants E Applications and payment.

The payment must be made for the exact amount payable for the Provisional Allotments subscribed for and application for Excess RCULS with Warrants E. Any excess or insufficient payment may be rejected at the absolute discretion of the Board. Cheques or other mode(s) of payment not prescribed in Section 11.5.1 of this Abridged Prospectus are not acceptable.

11.8.2 By way of electronic submission of the e-RSF

You may apply for the Excess RCULS with Warrants E via the electronic submission of the e-RSF in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess RCULS with Warrants E by following the steps as set out in Section 11.5.2 of this Abridged Prospectus. The electronic submission of the e-RSF for Excess RCULS with Warrants E will be made on, and subject to, the same terms and conditions set out in Section 11.5.2 of this Abridged Prospectus.

It is the intention of our Board to allot the Excess RCULS with Warrants E, if any, in a fair and equitable manner to our Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) who have applied for Excess RCULS with Warrants E in the following priority:-

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, on a pro-rata basis and in board lots, to the Entitled Shareholders who have applied for Excess RCULS with Warrants E, calculated based on their respective shareholdings in the Company as at the Entitlement Date;
- (iii) thirdly, on a pro-rata basis and in board lots, to the Entitled Shareholders who have applied for Excess RCULS with Warrants E, calculated based on the quantum of their respective Excess RCULS with Warrants E Applications; and
- (iv) finally, on a pro-rata basis and in board lots, to the renounee(s) and/or transferee(s) (if applicable) who have applied for Excess RCULS with Warrants E, calculated based on the quantum of their respective Excess RCULS with Warrants E applied for.

In the event there is any remaining balance of the Excess RCULS with Warrants E after carrying out steps (i) to (iv) set out above, steps (ii) to (iv) will be repeated again in the same sequence to allocate the remaining balance of the Excess RCULS with Warrants E until such balance is fully allocated.

Nevertheless, the Board reserves the right to allocate any Excess RCULS with Warrants E applied for under Part I(B) of the RSF in such manner as the Board deems fit, expedient and in the best interests of the Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of the Board as set out in step (i) to (iv) above is achieved. The Board also reserves the right at its absolute discretion not to accept any application for Excess RCULS with Warrants E, in full or in part, without assigning any reason thereto.

Within 5 Market Days after the Closing Date, the Company will make the relevant announcement on Bursa Malaysia Berhad's website in relation to the subscription rate of the Rights Issue and the outcome of the allocation of the excess RCULS with Warrants E, if any.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF THE BOARD.

NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE EXCESS RCULS WITH WARRANTS E APPLICATION OR APPLICATION MONIES IN RESPECT THEREOF. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU AND/OR YOUR RENOUNCEE(S) AND/OR YOUR TRANSFEREE(S) BY ORDINARY POST TO THE ADDRESS AS SHOWN ON BURSA DEPOSITORY'S RECORD AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICATIONS FOR EXCESS RCULS WITH WARRANTS E SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. THE BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL APPLICATIONS FOR EXCESS RCULS WITH WARRANTS E, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE MADE BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED BY ORDINARY POST TO THE ADDRESS AS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

11.9 Procedures for acceptance by renouncee(s) and/or transferee(s)

As a transferee and/or renouncee, the procedures for acceptance, selling or transferring of Provisional Allotments, applying for the Excess RCULS with Warrants E and/or payment is the same as that which is applicable to the Entitled Shareholders as described in Sections 11.3 to 11.8 of this Abridged Prospectus. Please refer to the relevant sections for the procedures to be followed.

If you wish to obtain a copy of this Abridged Prospectus and/or accompanying RSF, you can request the same from the registered office of the Company, the Share Registrar's website (<https://www.shareworks.com.my>) or Bursa Malaysia Berhad's website (<https://www.bursamalaysia.com>).

TRANSFEREES AND/OR RENOUNCEES ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.

11.10 Form of issuance

Bursa Securities has already prescribed the securities of our Company listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the RCULS and Warrants E are prescribed securities and, as such, all dealings with such securities will be by book entries through CDS Accounts and shall be governed by the SICDA and the Rules of Bursa Depository. Failure to comply with these specific instructions or inaccuracy of the CDS Account number may result in your application being rejected.

Your subscription for the RCULS with Warrants E shall signify your consent to receiving such RCULS with Warrants E as deposited securities that will be credited directly into your CDS Account. No physical certificates will be issued. All Excess RCULS with Warrants E allotted shall be credited directly into the CDS Accounts of successful applicants.

11.11 Laws of foreign countries or jurisdictions

The Documents have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any jurisdiction other than Malaysia. The Rights Issue to which the Documents relate is only available to Entitled Shareholders receiving the Documents electronically or otherwise within Malaysia.

The Documents are not intended to be (and will not be) issued, circulated or distributed in any country or jurisdiction other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any countries or jurisdictions other than the laws of Malaysia.

Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue only to the extent that it would be lawful to do so.

The Principal Adviser, our Company and our Directors and officers (collectively, the “Parties”) would not, in connection with the Rights Issue, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are or may be subject. Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are solely responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject. The Parties do not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable), is or will become unlawful, unenforceable, voidable or void in any such jurisdiction.

Accordingly, the Documents have not been (and will not be) sent to the Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) may collect the Documents from our Share Registrar, in which event our Share Registrar will be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid Documents.

The Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and we will be entitled to be fully indemnified and held harmless by such Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. The Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) will have no claims whatsoever against the Parties in respect of their rights and entitlements under the Rights Issue. Such Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue.

By signing any of the forms in the Documents, the Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) the Parties that:-

- (i) the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue, be in breach of the laws of any jurisdiction to which those Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are or may be subject to;
- (ii) Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation;
- (iii) Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation, be in breach of the laws of any jurisdiction to which that person is or may be subject to;
- (iv) Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are aware that the Provisional Allotments can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;

- (v) Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) have obtained a copy of this Abridged Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the Parties and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the RCULS and Warrants E; and
- (vi) Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the RCULS and Warrants E, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the RCULS and Warrants E.

Persons receiving the Documents (including, without limitation, custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations.

No person in any territory outside of Malaysia receiving this Abridged Prospectus and/or its accompanying Documents may treat the same as an offer, invitation or solicitation to subscribe for or acquire any RCULS and Warrants E unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

We reserve the right, in our absolute discretion, to treat any acceptance of the RCULS with Warrants E as invalid, if we believe that such acceptance may violate applicable legal or regulatory requirements. The Provisional Allotments relating to any acceptance which is treated as invalid will be included in the pool of excess RCULS with Warrants E available for excess application by the other Entitled Shareholders.

You and/or your renounee(s) and/or transferee(s) (if applicable) will also have no claims whatsoever against the Parties in respect of your, and/or your renounee(s)'s and/or transferee(s)'s entitlement under the Rights Issue or to any net proceeds thereof.

NOTWITHSTANDING ANYTHING HEREIN, THE FOREIGN-ADDRESSED SHAREHOLDERS AND ANY OTHER PERSON HAVING POSSESSION OF THIS ABRIDGED PROSPECTUS AND/OR ITS ACCOMPANYING DOCUMENTS ARE ADVISED TO INFORM THEMSELVES OF AND TO OBSERVE ANY LEGAL REQUIREMENTS APPLICABLE TO THEM.

12. TERMS AND CONDITIONS

The issuance of the RCULS and Warrants E pursuant to the Rights Issue is governed by the terms and conditions as set out in this Abridged Prospectus, the Trust Deed, the Deed Poll E, the NPA and RSF.

13. FURTHER INFORMATION

You are requested to refer to the enclosed Appendix I for further information.

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



TAN LEE CHIN
Managing Director

APPENDIX I – INFORMATION ON THE COMPANY

1. SHARE CAPITAL

As at the LPD, the issued share capital of the Company is RM363,115,748 comprising 4,065,639,917 Shares.

2. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Please refer to Section 9.3 of this Abridged Prospectus for information on the substantial Shareholders' shareholdings before and after the Rights Issue.

3. DIRECTORS

The details of the Board as at the LPD are set out in the table below:-

Name (Designation)	Age	Address	Nationality
Dato' Tan Wei Lian (Executive Chairman)	55	5084, Jalan Kilat 70200 Seremban Negeri Sembilan	Malaysian
Dato' Syed Abdul Aziz bin Syed Hassan (Independent Non-Executive Deputy Chairman)	60	18, Jalan 6/5D Puncak Bangi 43650 Bandar Baru Bangi Selangor	Malaysian
Tan Lee Chin (Managing Director)	54	5084, Jalan Kilat 70200 Seremban Negeri Sembilan	Malaysian
Datin Sek Chian Nee (Executive Director)	56	5084, Jalan Kilat 70200 Seremban Negeri Sembilan	Malaysian
S Nagaraju A/L Sinniah (Independent Non-Executive Director)	54	No 409 Jalan Desa Utama Taman Desa, Jalan Klang Lama 58100 Kuala Lumpur	Malaysian
Low Boon Chin (Independent Non-Executive Director)	75	No. 180, Taman Templer Jalan Tun Dr Ismail 70200 Seremban Negeri Sembilan	Malaysian
Datin Sulizah binti A. Salam (Independent Non-Executive Director)	58	21, Jalan 14/3 Taman TAR 68000 Ampang Selangor	Malaysian
Chua Eng Chin (Non-Independent Non- Executive Director)	64	259, Lorong S2A7/6 Green Street Homes, Seremban 2 70300 Seremban Negeri Sembilan	Malaysian

Save for Dato' Tan Wei Lian, Tan Lee Chin and Datin Sek Chian Nee, none of the Directors have any direct and/or indirect shareholding in the Company as at the LPD. Please refer to Section 9.3 of this Abridged Prospectus on the pro forma effects of the Rights Issue on their shareholdings.

APPENDIX I – INFORMATION ON THE COMPANY (CONT'D)**4. HISTORICAL FINANCIAL INFORMATION**

A summary of the historical financial information of the Group is as follows:-

Historical financial performance

	Audited			Unaudited	
	18-month FPE 31 December 2019 ⁽¹⁾	18-month FPE 30 June 2021 ⁽²⁾	FYE 30 June 2022	6-month FPE 31 December 2021	6-month FPE 31 December 2022
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	19,849	12,542	35,100	11,389	9,277
Cost of sales	(16,150)	(26,225)	(28,211)	(10,531)	(6,107)
GP / (GL)	3,699	(13,683)	6,889	858	3,170
Other income	91	734	965	593	160
Net gain on impairment of financial instruments	-	346	454	-	-
Administrative and operating expenses	(11,686)	(9,010)	(25,265)	(2,646)	(7,636)
Finance costs	(1,369)	(1,053)	(718)	(53)	(335)
(LBT)	(9,265)	(22,666)	(17,675)	(1,248)	(4,641)
Taxation	(39)	52	(41)	-	-
(LAT)	(9,304)	(22,614)	(17,716)	(1,248)	(4,641)
(LAT) attributable to:-					
- owners of the Company	(9,304)	(22,614)	(17,716)	(1,248)	(4,641)
- minority interest	-	-	-	-	-
GP / (GL) margin (%)	18.63	(109.10)	19.62	7.53	34.17
(LAT) margin (%)	(46.87)	(180.31)	(50.47)	(10.96)	(50.03)
Weighted average no. of Shares in issue ('000)	1,023,483	1,464,333	2,535,075	2,570,120	3,983,289
EPS/ (LPS)					
- basic (sen)	(0.91)	(1.54)	(0.70)	(0.05)	(0.12)
- diluted (sen)	(0.90)	(1.54)	(0.60)	(0.05)	(0.12)
Dividend (sen)	-	-	-	-	-
Current ratio	13.75	9.49	21.30	11.68	19.78

Notes:-

- (1) On 26 September 2019, the Company announced that the Board had approved the change in the financial year end of the Company from 30 June to 31 December to provide adequate time for the newly appointed auditors (i.e. Messrs Morison AAC PLT who was appointed on 25 September 2019) to perform and complete the audit. Thus, the next audited financial statements of the Company were for a period of 18 months from 1 July 2018 to 31 December 2019.
- (2) On 30 November 2020, the Company announced that the Board had approved the change in the financial year end of the Company from 31 December to 30 June to allow the Group to enable better coordination and management of reporting duties and to provide adequate time for the new auditor to be appointed to perform and complete the audit (for information, UHY was subsequently appointed on 19 February 2021 to replace Messrs Morison AAC PLT who have indicated that they do not wish to seek for reappointment). Thus, the next audited financial statements of the Company were for a period of 18 months from 1 January 2020 to 30 June 2021.

APPENDIX I – INFORMATION ON THE COMPANY (CONT'D)

Historical financial position

	Audited			Unaudited
	As at 31 December 2019	As at 30 June 2021	As at 30 June 2022	As at 31 December 2022
	RM'000	RM'000	RM'000	RM'000
Non-current assets	140,970	223,932	234,704	245,076
Current assets	169,142	76,609	160,686	174,084
Total assets	310,112	300,541	395,390	419,160
Share capital	225,005	233,128	319,808	358,587
Warrant reserve	5,810	-	16,522	15,377
ESOS reserve	-	-	10,339	-
Retained earnings	65,995	49,178	31,462	26,821
Equity attributable to owners of the parent	296,810	282,306	378,131	400,785
Non-controlling interests	-	-	5	5
Total equity	296,810	282,306	378,136	400,790
Non-current liabilities	1,003	10,158	9,708	9,571
Current liabilities	12,299	8,077	7,546	8,799
Total liabilities	13,302	18,235	17,254	18,370
Total equity and liabilities	310,112	300,541	395,390	419,160

Historical cash flow

	Audited			Unaudited
	18-month FPE 31 December 2019	FYE 30 June 2021	FYE 30 June 2022	6-month FPE 31 December 2022
	RM'000	RM'000	RM'000	RM'000
Net cash from / (used in)				
Operating activities	(78,713)	2,055	(25,192)	(5,556)
Investing activities	(271)	34	(39,078)	8,221
Financing activities	80,595	6,673	94,297	27,259
Net increase / (decrease) in cash and cash equivalents	1,611	8,762	30,027	29,924
Cash and cash equivalents at beginning of the year / period	271	1,882	10,644	40,671
Cash and cash equivalents at end of the year / period	1,882	10,644	40,671	70,595

APPENDIX I – INFORMATION ON THE COMPANY (CONT'D)

(i) 6-month FPE 31 December 2022 vs 6-month FPE 31 December 2021

The Group's revenue for 6-month FPE 31 December 2022 decreased by RM2.11 million or 18.54% as compared to 6-month FPE 31 December 2021. The lower revenue was mainly contributed by lower contribution from the trading of gloves but was partly offset by higher billings from construction works.

Notwithstanding the lower revenue, the Group recorded a higher GP of RM3.17 million (GP margin of 34.17%) in 6-month FPE 31 December 2022 as compared to a GP of RM0.86 million (GP margin of 7.53%) in 6-month FPE 31 December 2021, representing an increase of RM2.31 million or 269.46%. The higher GP was mainly contributed by the higher profit margin from construction works.

Despite the higher GP, the Group recorded a higher LAT of RM4.64 million in 6-month FPE 31 December 2022 as compared to RM1.25 million in 6-month FPE 31 December 2021. The higher LAT was mainly contributed by higher share-based payment from the issuance of ESOS amounting to RM5.30 million (6-month FPE 31 December 2021: Nil).

The Group recorded a net increase in cash and cash equivalents of RM29.92 million (6-month FPE 31 December 2021: net increase of RM34.75 million) mainly due to proceeds raised from the exercise of ESOS Options and exercise of Warrants D amounting to RM18.94 million and RM3.05 million respectively as well as the withdrawal of fixed deposit amounting to RM8.30 million.

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

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

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

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

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

- (a) higher expenses of RM1.50 million for various corporate proposals during the year; and

APPENDIX I – INFORMATION ON THE COMPANY (CONT'D)

- (b) higher share-based payment expenses of RM18.86 million arising from the exercise of ESOS Options (18-month FPE 30 June 2021: RM1.81 million).

The Group recorded a net increase in cash and cash equivalents of RM30.03 million for FYE 30 June 2022 (18-month FPE 30 June 2021: net increase of RM8.76 million) mainly due to proceeds raised from the Previous Rights Issue with Warrants, Previous Private Placement as well as the exercise of ESOS Options amounting to RM44.06 million, RM40.46 million and RM10.16 million respectively. However, this was partly offset by the following:-

- (a) placement of fixed deposits of RM31.98 million;
- (b) acquisition of quoted shares in Sentoria Group Berhad and China Ouhua Winery Holdings Limited of RM6.77 million; and
- (c) net cash used in operating activities amounting to RM25.19 million.

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

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

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

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

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

The Group recorded a net increase in cash and cash equivalents of RM8.76 million in 18-month FPE 30 June 2021 (18-month FPE 31 December 2019: net increase of RM1.61 million) mainly due to the following:-

- (a) proceeds raised from the issuance of redeemable convertible notes amounting to RM3.00 million;
- (b) drawdown of term loan amounting to RM2.54 million;
- (c) proceeds raised from the exercise of ESOS Options amounting to RM2.48 million; and
- (d) net cash generated from operating activities of RM2.05 million.

APPENDIX I – INFORMATION ON THE COMPANY (CONT'D)**5. HISTORICAL SHARE PRICES**

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

	High	Low
	RM	RM
2022		
May	0.085	0.065
June	0.080	0.060
July	0.075	0.040
August	0.070	0.045
September	0.055	0.045
October	0.050	0.035
November	0.040	0.025
December	0.040	0.035
2023		
January	0.050	0.035
February	0.055	0.040
March	0.055	0.040
April	0.055	0.040
Last transacted market price on 15 August 2022, being the last Market Day immediately prior to the first announcement of the Rights Issue (RM)	0.060	
Last transacted market price on 17 May 2023, being the Market Day immediately prior to the ex-date for the Rights Issue (RM)	0.040	
Last transacted market price on the LPD (RM)	0.045	

(Source: Bloomberg)

6. OPTION TO SUBSCRIBE FOR SHARES

As at the LPD, save as disclosed below and the Provisional Allotments as well as Excess RCULS with Warrants E, no option to subscribe for any securities of the Company has been granted or is entitled to be granted to any person:-

- (i) under the ESOS, the Company may grant ESOS Options to subscribe for new Shares up to but not exceeding 15% of the Company's total number of issued Shares (excluding treasury shares, if any) at any point of time during the duration of 5 years from the effective date of the ESOS (i.e. 5 January 2022). The exercise price for such ESOS Options shall be determined by the Board at its discretion upon recommendation of the ESOS committee based on the 5-day VWAP of the Shares immediately prior to the date of offer with a discount of not more than 10%.

As at the LPD, the Company has up to 44,055,787 ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS.

Notwithstanding the above, the Company has undertaken not to grant any further ESOS Options until the completion of the Rights Issue.

APPENDIX I – INFORMATION ON THE COMPANY (CONT'D)

7. MATERIAL CONTRACTS

Save for the Novation Agreements, the Board confirmed that there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Group during the 2 years preceding the date of this Abridged Prospectus.

8. MATERIAL LITIGATION

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

9. CONSENTS

- (i) The written consents of the company secretary, Principal Adviser, the solicitors, Share Registrar, Trustee, Valuer and reporting accountants for the Rights Issue for the inclusion in this Abridged Prospectus of their names and all references thereto in the form and context in which they appear have been given before the issuance of this Abridged Prospectus and have not been subsequently withdrawn.
- (ii) The written consent of Bloomberg for the inclusion in this Abridged Prospectus of its name and citation of the market data made available to its subscribers in the form and context in which such name and market data appear has been given before the issuance of this Abridged Prospectus and has not been subsequently withdrawn.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at T3-13A-20, Level 13A, Menara 3, 3 Towers, No. 296 Jalan Ampang, 50450 Kuala Lumpur, Malaysia during normal business hours from Monday to Friday (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:-

- (i) the Constitution of the Company;
- (ii) the Undertakings referred to in Section 3 of this Abridged Prospectus;
- (iii) the letters of consent referred to in Section 9 of this Appendix I;
- (iv) the Novation Agreements and Principal SPAs referred to in Appendix II of this Abridged Prospectus as well as the extension letters referred to in Sections 9.1(iv), 9.2(iv) and 9.3(iv) of Appendix II of this Abridged Prospectus;
- (v) the Deed Poll E;
- (vi) the Trust Deed; and
- (vii) the valuation certificate and valuation reports on the Lands prepared by the Valuer.

APPENDIX I – INFORMATION ON THE COMPANY (CONT'D)

11. RESPONSIBILITY STATEMENT

- (i) The Board has seen and approved this Abridged Prospectus, together with the NPA and RSF, and they collectively and individually accept full responsibility for the completeness and accuracy of the information contained therein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in these documents false or misleading.
- (ii) Kenanga IB, being the Principal Adviser for the Rights Issue, acknowledges that, based on all available information and to the best of its knowledge and belief, this Abridged Prospectus constitutes full and true disclosure of all material facts concerning the Rights Issue.

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APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS**1. Mode of satisfaction**

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

(i) EN10 Acquisition

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

Notes:-

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

(ii) EN11 Acquisition

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

Note:-

- (1) Paid by INTA prior to the execution of the Principal SPA for the EN11 Land. As at the date of the EN11 Novation Agreement, Tinta Heights was 80% owned by TWL Commodity and 20% owned by INTA. As such, 80% of this sum has been reimbursed by TWL Commodity to INTA on 23 December 2022. For information, INTA's 20% equity interest in Tinta Heights was subsequently acquired by TWL Commodity on 11 April 2023. Pursuant thereto, Tinta Heights is now a wholly-owned subsidiary of TWL Commodity.

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)**(iii) HT4 Acquisition**

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

Note:-

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

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

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

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

2. Source of funding

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

3. Basis and justification for the Purchase Consideration

The Purchase Consideration was agreed upon after taking into consideration the market value of the Lands. Based on the valuation reports on the Lands prepared by the Valuer, the total market value of the Lands is RM53.57 million (on as is basis) and RM55.20 million (assuming the development orders for the Projects have been obtained from MBSJ⁽¹⁾).

The summary of the valuations are set out below:-

Market value	EN10 Land RM'000	EN11 Land RM'000	HT4 Land RM'000
Assuming the development orders for the respective Projects have been obtained from MBSJ	14,000	15,200	26,000
As is basis	13,640	15,130	24,800

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

Note:-

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

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

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

For the avoidance of doubt, the necessary approvals from LPHS and MMKN for the Projects have been obtained by INTA prior to the Novation Agreements. As the LPHS' approval letters for the Projects were previously issued to INTA, after completion of the Principal SPAs and the Novation Agreements, the Acquiror Companies will write in to LPHS to procure that fresh approval letters are issued to the Acquiror Companies for them to undertake the Projects on the same terms and specifications as set out in the LPHS's approval letters, and will seek the cooperation and assistance of INTA where necessary. This would mainly be procedural in nature and is not expected to have significant impact on the estimated timeline for the Projects.

For the avoidance of doubt, MMKN is a state council that conducts meetings to make policy decisions which are implemented upon by state institutions such as LPHS. In view thereof, as the necessary approvals from MMKN for the Projects have already been obtained earlier, it is sufficient for the Acquiror Companies to write in to LPHS and no further action or engagement with MMKN is required.

The Purchase Consideration represents a discount of 16.00% to the total market value of the Lands on as is basis, and 18.48% to the total market value of the Lands assuming the development orders for the Projects have been obtained from MBSJ.

4. Liabilities to be assumed

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

5. Additional financial commitment

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

6. Information on the Lands

6.1 EN10 Land

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

Description	: A vacant parcel of residential land
Location	: Fronts onto Jalan Subang Mas, Taman Pinggiran USJ
Title particulars	: Geran 318160, Lot 77716, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan
Registered owner ⁽¹⁾	: Tinta Kaca
Beneficial owner ⁽¹⁾	: Tinta Kaca
Land area	: 22,234 sqm
Tenure	: Freehold
Category of land use	: “Bangunan”
Express condition	: “Bangunan Kediaman”
Restriction in interest	: None
Encumbrances	: Charged to OSK Capital Sdn Bhd on 22 February 2023
Market value	: Based on the valuation report prepared by the Valuer (date of valuation: 31 January 2023):- (i) Assuming the development order for the EN10 Project is obtained from MBSJ: RM14.00 million (residual method) (ii) As is basis: RM13.64 million (comparison method)

Note:-

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

6.2 EN11 Land

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS

Description	: a) 1 vacant parcel of residential land held under Lot No. 92871 (previously held under Lot No. PT 35900); b) 14 vacant parcels of commercial land held under Lot No. PT 35901 to PT 35914; and c) 1 vacant parcel of industrial land held under Lot No. PT 35915
Location	: Fronts onto Jalan Subang Mas, Taman Pinggiran USJ
Title particulars	: Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan
Registered owner ⁽¹⁾	: Sime Darby Property (USJ) Sdn Bhd (formerly known as Lengkap Teratai Sdn Bhd)
Beneficial owner ⁽¹⁾	: SDP Bukit Raja
Encumbrances	: None
Market value	: Based on the valuation report prepared by the Valuer (date of valuation: 31 January 2023):- (i) Assuming the development order for the EN11 Project is obtained from MBSJ: RM15.20 million (residual method) (ii) As is basis: RM15.13 million (comparison method)

Note:-

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

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

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

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APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)**6.3 HT4 Land**

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

Description	: A vacant parcel of residential land
Location	: Fronts onto Persiaran Putra Perdana, Putra Heights, Subang Jaya
Title particulars	: GRN 341627, Lot No. 92355 (previously H.S.(D) 315441, PT No. 35811), Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan
Registered owner ⁽¹⁾	: Sime Darby Putra Heights Development Sdn Bhd (formerly known as Sime UEP Heights Sdn Bhd)
Beneficial owner ⁽¹⁾	: SDP Bukit Raja
Land area	: 35,440 sqm
Tenure	: Freehold
Category of land use	: “Bangunan”
Express condition	: “Bangunan Kediaman”
Restriction in interest	: None
Encumbrances	: None
Market value	: Based on the valuation report prepared by the Valuer (date of valuation: 31 January 2023):- (i) Assuming the development order for the HT4 Project is obtained from MBSJ: RM26.00 million (residual method) (ii) As is basis: RM24.80 million (comparison method)

Note:-

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

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)**7. Information of the Projects****7.1 EN10 Project**

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

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

Note:-

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

As the EN10 Acquisition has been completed following the full settlement of the EN10 Purchase Consideration on 29 November 2022 and registration of land title in favour of Tinta Kaca on 9 February 2023, Tinta Kaca will write in to LPHS to procure that fresh approval letters are issued to Tinta Kaca for it to undertake the EN10 Project, after the approval for the development order has been obtained from MBSJ as described below. This would mainly be procedural in nature and is not expected to have significant impact on the estimated timeline for the EN10 Project.

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

Note:-

(1) SDP USJ was previously the registered owner of the EN10 Land. After the completion of the EN10 Acquisition following full settlement of the EN10 Purchase Consideration on 29 November 2022, the ownership of the EN10 Land was transferred to Tinta Kaca on 9 February 2023. Thereafter, Tinta Kaca had, vide the letter dated 27 February 2023, informed MBSJ on the change of ownership of the EN10 Land.

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

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)**7.2 EN11 Project**

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

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

Note:-

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

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

In relation to the above, at this juncture, Tinta Heights has not written in to LPHS as the EN11 Acquisition has not been completed pending full payment of the EN11 Purchase Consideration under the EN11 Principal SPA.

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

The EN11 Project is expected to commence within 3 months from the approval for the development order being obtained and is expected to be completed in stages over a period of 3 years.

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)**7.3 HT4 Project**

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

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

Note:-

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

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

In relation to the above, at this juncture, Alma Land has not written in to LPHS as the HT4 Acquisition has not been completed pending full payment of the HT4 Purchase Consideration under the HT4 Principal SPA.

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

The HT4 Project is expected to commence within 3 months from the approval for the development order being obtained and is expected to be completed in stages over a period of 3 years.

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

8. Salient terms of the Novation Agreements

8.1 EN10 Novation Agreement

(i) Novation

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

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

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

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

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

(ii) Corporate guarantee

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

Note:-

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

8.2 EN11 Novation Agreement

(i) Novation

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

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

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

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

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

(ii) Corporate guarantee

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

Note:-

- (1) For information, as at the date of the EN11 Novation Agreement, Tinta Heights was 80% owned by TWL Commodity and 20% owned by INTA. Subsequently, INTA's 20% equity interest in Tinta Heights was acquired by TWL Commodity on 11 April 2023.

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

8.3 HT4 Novation Agreement

(i) Novation

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

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

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

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

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

(ii) Corporate guarantee

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

Note:-

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)**9. Salient terms of the Principal SPAs**

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

9.1 EN10 Principal SPA**(i) Purchase consideration and manner of payment**

The EN10 Purchase Consideration is RM10.00 million.

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

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

(ii) Conditions precedent

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

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

Note:-

(1) The EN10 LPHS' Approval is subject to, amongst others, the following being incorporated / addressed in the development of the EN10 Project:-

- (i) modern and up-to-date house design taking into account aspects of sustainability and low maintenance costs in terms of building materials and the environment;
- (ii) the provision of adequate and comfortable basic and public facilities such as kindergartens, children's playgrounds, musollahs, public halls, joint management body offices (JMB), community shops/stalls and so on must comply with the standard of MBSJ;
- (iii) the needs of the elderly and persons with disabilities (OKU) are taken into account;
- (iv) the concept of a good neighbourhood is implemented;
- (v) the construction to be commenced in January 2023 and completed in January 2026*.

* *This is only an estimated timeframe. As at the LPD, the construction of the EN10 Project has not commenced pending the approval of the development order by MBSJ which is expected to be obtained by the second quarter of 2023. As such, the construction of the EN10 Project is now expected to commence within 3 months from the approval for the development order being obtained. Thereafter, Tinta Kaca will inform LPHS on the actual construction commencement date.*
- (vi) the construction of Rumah Selangorku to be prioritised or built together with other types of components and MBSJ will impose a "Stop Work Order" for the development of the EN10 Project if the conditions are not met;
- (vii) a list of buyers' names must be obtained from LPHS through Sistem Pendaftaran Permohonan Hartanah Negeri Selangor;
- (viii) failure to obtain a list of names of the buyers from LPHS may result in a fine of 10% of the house's sales value for each house unit sold;
- (ix) increase in density to 130 units per acre is subject to the approval of MBSJ*; and

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

* *The application for the increase in density has been included in the application for development order which has been submitted by SDP USJ as the then registered owner and Tinta Kaca as the developer on 14 September 2022.*

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

(x) the developer / new landowner are responsible for fulfilling the obligations that have been set out in the approval letters by submitting a proposed project implementation schedule for the purpose of monitoring to LPHS as soon as the approval of MMKN is obtained*.

* *The said schedule has been submitted and LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the EN10 Project from June 2022 to January 2023. As at the LPD, the construction of the EN10 Project has not commenced pending the approval of the development order by MBSJ which is expected to be obtained by the second quarter of 2023. As such, the construction of the EN10 Project is now expected to commence within 3 months from the approval for the development order being obtained. Thereafter, Tinta Kaca will inform LPHS on the actual construction commencement date.*

(bb) Tinta Kaca having obtained a letter of waiver from MBSJ to waive the conditions and requirements currently imposed on SDPB vide MBSJ's Letter as the master developer to construct and/or develop the Public Amenities (as defined in Section 9.1(iv) of Appendix II of this Abridged Prospectus) or in the event such waiver is not granted, a variation of the terms and conditions of the requirements to construct and/or develop Public Amenities, the terms of which shall be acceptable to SDP Bukit Raja ("**MBSJ's Variation Letter**"), being obtained by Tinta Kaca at its own cost and expense on or before the expiry of the EN10 Purchaser's Conditional Period.

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

Notes:-

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

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

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

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

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

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

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

Note:-

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

(iii) Unconditional date

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

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

(iv) Collaboration to build public amenities

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

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

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

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

Note:-

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

(v) Construction of EN10 RSKU Scheme

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

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

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

Tinta Kaca agrees and undertakes that Tinta Kaca shall:-

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

Note:-

- (1) LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the EN10 RSKU Scheme from June 2022 to January 2023. As at the LPD, the construction of the EN10 Project has not commenced pending the approval of the development order by MBSJ which is expected to be obtained by the second quarter of 2023. As such, the construction of the EN10 Project is now expected to commence within 3 months from the approval for the development order being obtained. Thereafter, Tinta Kaca will inform LPHS on the actual construction commencement date.
- (b) launch or cause to be launched the individual units comprised in EN10 RSKU Scheme to be built on the EN10 Land for sale to the eligible end-purchasers on or before 30 June 2022 or such later date as SDP Bukit Raja may reasonably agree (“**EN10 Launch Date**”) and in this respect, SDP Bukit Raja agrees that Tinta Kaca shall be entitled to postpone the EN10 Launch Date to such later date as may be approved by LPHS and/or MBSJ for the EN10 Construction Commencement Date to take place; and
 - (c) complete the construction of the EN10 RSKU Scheme on the EN10 Land together with issuance of the certificate of completion and compliance (“CCC”) on or before 30 June 2025 or such later date as may be allowed by LPHS and MBSJ in writing (“**EN10 Construction Completion Date**”).

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

(vi) Termination

- (a) At any time before Tinta Kaca's launch of the EN10 RSKU Scheme on the EN10 Land, SDP Bukit Raja shall be entitled to give notice to Tinta Kaca terminating the EN10 Principal SPA if:-
- (aa) Tinta Kaca fails to pay the EN10 Purchase Consideration or any balance thereof which has become due and payable to SDP Bukit Raja upon the provisions for acceleration of payment under Section 9.1(vi)(b) below having been triggered;
 - (bb) Tinta Kaca fails, refuses, neglects to (i) commence the construction of the EN10 RSKU Scheme by the EN10 Construction Commencement Date or (ii) launch for sale the EN10 RSKU Scheme on the EN10 Land on or before the expiry of the EN10 Launch Date;
 - (cc) Tinta Kaca fails, neglects or refuses to perform or comply with any of its covenants and obligations under the EN10 Principal SPA and fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Tinta Kaca to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;
 - (dd) if any of the EN10 Conditions Precedent shall not have been fulfilled on or before the respective Conditional Periods due to the act, negligence, omission or delay on the part of Tinta Kaca;
 - (ee) in the event the termination of the Related SPA⁽¹⁾⁽²⁾ which is due to no fault or breach by SDPLA;

Notes:-

- (1) As defined in Section 9.1(ii)(a)(cc) of Appendix II of this Abridged Prospectus.
- (2) As Tinta Kaca has no control over the Related SPA, Tinta Land (being the new purchaser who will take over INTA's obligations under the Related SPA through a separate novation agreement) has provided a letter of indemnity to indemnify Tinta Kaca against all and any actions, proceedings, demands, claims and/or suits whatsoever brought against Tinta Kaca and/or all and any claims, charges, fees, costs, expenses, fines, penalties, losses and/or damages which Tinta Kaca suffer or incur arising from Tinta Land's non-completion and/or non-fulfilment of all the terms and conditions in the Related SPA leading to termination of the Related SPA which in turn leading to termination of the EN10 Principal SPA by SDP Bukit Raja including but not limited to, amongst others, the forfeiture of the EN10 Deposit (as defined in Section 9.1(vi)(d) below).

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

- (cc) SDP Bukit Raja is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to SDP Bukit Raja under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
 - (dd) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any the substantial parts of the assets or undertaking of SDP Bukit Raja.
- (d) Upon issuance of a notice terminating the EN10 Principal SPA under the provisions of Section 9.1(vi)(c) above (i.e Tinta Kaca's right to terminate), SDP Bukit Raja shall refund any remaining monies received by SDP Bukit Raja as part of the EN10 Purchase Consideration (save for 10% of the EN10 Purchase Consideration ("**EN10 Deposit**")) free of interest to Tinta Kaca by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.
- (e) If the notice terminating the EN10 Principal SPA was given under the provisions of Section 9.1(vi)(a) above (i.e. Tinta Kaca's event of default) before Tinta Kaca's launch of the EN10 RSKU Scheme on the EN10 Land then SDP Bukit Raja shall be entitled to forfeit the EN10 Deposit together with any late payment interest accrued under the relevant clause of the EN10 Principal SPA in relation to late payment of the EN10 Purchase Consideration as agreed liquidated damages.
- (f) If the notice terminating the EN10 Principal SPA was given under the provisions of Section 9.1(vi)(b) above (i.e. Tinta Kaca's right to terminate), SDP Bukit Raja shall pay a further sum equivalent to the EN10 Deposit as agreed liquidated damages by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.

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APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)**9.2 EN11 Principal SPA****(i) Purchase consideration and manner of payment**

The EN11 Purchase Consideration is RM12.00 million.

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

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

(ii) Conditions precedent

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

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

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

Note:-

(1) The EN11 LPHS' Approval is subject to, amongst others, the following being incorporated / addressed in the development of the EN11 Project:-

- (i) modern and up-to-date house design taking into account aspects of sustainability and low maintenance costs in terms of building materials and the environment;
- (ii) the provision of adequate and comfortable basic and public facilities such as kindergartens, children's playgrounds, musollahs, public halls, joint management body offices (JMB), community shops/stalls and so on must comply with the standard of MBSJ;
- (iii) the needs of the elderly and persons with disabilities (OKU) are taken into account;
- (iv) the concept of a good neighbourhood is implemented;
- (v) the construction to be commenced in July 2023 and completed in June 2026*;

* *This is only an estimated timeframe. The development order of the EN11 Project is expected to be obtained by the third quarter of 2023. As such, the construction of the EN11 Project is expected to commence within 3 months from the approval for the development order being obtained.*

- (vi) the construction of Rumah Selangorku to be prioritised or built together with other types of components and MBSJ will impose a "Stop Work Order" for the development of EN11 Project if the conditions are not met;
- (vii) a list of buyers' names must be obtained from LPHS through Sistem Pendaftaran Permohonan Hartanah Negeri Selangor;
- (viii) failure to obtain a list of names of the buyers from LPHS may result in a fine of 10% of the house's sales value for each house unit sold;
- (ix) increase in density to 130 units per acre is subject to the approval of the MBSJ*; and

* *The application for MBSJ's approval will be submitted by EN11 Land Proprietor as the registered owner and Tinta Heights as the developer in due course.*

- (x) the developer / new landowner are responsible for fulfilling the obligations that have been set out in the approval letters by submitting a proposed project implementation schedule for the purpose of monitoring to LPHS as soon as the approval of the MMKN is obtained*.

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

* *The said schedule has been submitted and LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the EN11 Project from October 2022 to July 2023. The development order of the EN11 Project is expected to be obtained by the third quarter of 2023. As such, the construction of the EN11 Project is expected to commence within 3 months from the approval for the development order being obtained.*

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

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

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

Notes:-

(1) "Related Land" refers to 3 parcels of land measuring a total of 30.25 hectares held under HSD 130457 to H.S.(D) 130459, PT No. 46702 to PT 46704, all located at Mukim Kapar, Daerah Klang, Negeri Selangor Darul Ehsan.

(2) It is the intention of SDPB (being the shareholder of SDP Bukit Raja and SDPLA) to dispose of the Lands and the Related Land as a package as all these 4 parcels of land have the RSKU Condition attached to them.

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

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

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

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

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

Note:-

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

(iii) Unconditional date

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

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

(iv) Collaboration to build public amenities

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

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

Note:-

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

(v) Construction of EN11 RSKU Scheme

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

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

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

Tinta Heights agrees and undertakes that Tinta Heights shall:-

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

Note:-

- (1) LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the EN11 RSKU Scheme from October 2022 to July 2023. The development order of the EN11 Project is expected to be obtained by the third quarter of 2023. As such, the construction of the EN11 Project is expected to commence within 3 months from the approval for the development order being obtained.

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

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

(vi) Termination

- (a) At any time before Tinta Heights' launch of the EN11 RSKU Scheme on the EN11 Land, SDP Bukit Raja shall be entitled to give notice to Tinta Heights terminating the EN11 Principal SPA if:-
- (aa) Tinta Heights fails to pay the EN11 Purchase Consideration or any balance thereof which has become due and payable to SDP Bukit Raja upon the provisions for acceleration of payment under Section 9.2(vi)(b) below having been triggered;
- (bb) Tinta Heights fails, refuses, neglects to (i) commence the construction of the EN11 RSKU Scheme by the EN11 Construction Commencement Date or (ii) launch for sale the EN11 RSKU Scheme on the EN11 Land on or before the expiry of the EN11 Launch Date;
- (cc) Tinta Heights fails, neglects or refuses to perform or comply with any of its covenants and obligations under the EN11 Principal SPA and fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Tinta Heights to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

- (dd) if any of the EN11 Conditions Precedent shall not have been fulfilled on or before the respective Conditional Periods due to the act, negligence, omission or delay on the part of Tinta Heights;
- (ee) in the event the termination of the Related SPA⁽¹⁾⁽²⁾ which is due to no fault or breach by SDPLA;

Notes:-

- (1) As defined in Section 9.1(ii)(a)(cc) of Appendix II of this Abridged Prospectus.
 - (2) As Tinta Heights has no control over the Related SPA, Tinta Land (being the new purchaser who will take over INTA's obligations under the Related SPA through a separate novation agreement) has provided a letter of indemnity to indemnify Tinta Heights against all and any actions, proceedings, demands, claims and/or suits whatsoever brought against Tinta Heights and/or all and any claims, charges, fees, costs, expenses, fines, penalties, losses and/or damages which Tinta Heights suffer or incur arising from Tinta Land's non-completion and/or non-fulfilment of all the terms and conditions in the Related SPA leading to termination of the Related SPA which in turn leading to termination of the EN11 Principal SPA by SDP Bukit Raja including but not limited to, amongst others, the forfeiture of the EN11 Deposit (as defined in Section 9.2(vi)(d) below).
- (ff) any of the representations or warranties of Tinta Heights is found to be untrue or inaccurate or misleading and Tinta Heights fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Tinta Heights to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;
 - (gg) Tinta Heights is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to Tinta Heights under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
 - (hh) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, the substantial parts of the assets or undertaking of Tinta Heights.

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

- (b) If Tinta Heights fails or neglects to (i) pay any of the instalments of the EN11 Purchase Consideration which have become due and payable to SDP Bukit Raja for more than 30 days or (ii) rectify any breach of its covenants and obligations under the EN11 Principal SPA within the stipulated time period as required by SDP Bukit Raja under the provisions of Section 9.2(vi)(a) above, then without prejudice to SDP Bukit Raja's rights and remedies under the EN11 Principal SPA, SDP Bukit Raja shall be entitled, by written notice to Tinta Heights to accelerate the completion of the sale and purchase herein and to require Tinta Heights to fully settle the remaining portion of the EN11 Purchase Consideration, regardless of whether or not such instalments shall have become due and payable to SDP Bukit Raja in accordance with Section 9.2(i) of Appendix II of this Abridged Prospectus and in such event, Tinta Heights shall be liable to pay the remaining unpaid instalments of the EN11 Purchase Consideration immediately within 14 days from the date of Tinta Heights' receipt of SDP Bukit Raja's said written notice demanding for payment the remaining portion of the EN11 Purchase Consideration.
- (c) At any time before Tinta Heights' launch of the EN11 RSKU Scheme on the EN11 Land, Tinta Heights shall be entitled to terminate the EN11 Principal SPA by giving a notice to SDP Bukit Raja if:-
- (aa) SDP Bukit Raja fails, neglects or refuses to complete the sale of EN11 Land under the EN11 Principal SPA or fails, neglects or refuses to rectify such breach within 30 days from the date of Tinta Heights' written notice requiring SDP Bukit Raja to remedy such breach or such extended period as Tinta Heights may agree to together with documentary evidence of such breach;
- (bb) any of the representations or warranties of SDP Bukit Raja is found to be untrue or inaccurate or misleading and SDP Bukit Raja fails, neglects or refuses to rectify such breach within 30 days from the date of the Tinta Heights' written notice requiring SDP Bukit Raja to remedy such breach or such extended period as Tinta Heights may agree to together with documentary evidence of such breach;
- (cc) SDP Bukit Raja is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to SDP Bukit Raja under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
- (dd) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any the substantial parts of the assets or undertaking of SDP Bukit Raja.
- (d) Upon issuance of a notice terminating the EN11 Principal SPA under the provisions of Section 9.2(vi)(c) above (i.e Tinta Heights' right to terminate), SDP Bukit Raja shall refund any remaining monies received by SDP Bukit Raja as part of the EN11 Purchase Consideration (save for 10% of the EN11 Purchase Consideration ("**EN11 Deposit**")) free of interest to Tinta Heights by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

- (e) If the notice terminating the EN11 Principal SPA was given under the provisions of Section 9.2(vi)(a) above (i.e. Tinta Heights' event of default) before Tinta Heights' launch of the EN11 RSKU Scheme on the EN11 Land then SDP Bukit Raja shall be entitled to forfeit the EN11 Deposit together with any late payment interest accrued under the relevant clause of the EN11 Principal SPA in relation to late payment of the EN11 Purchase Consideration as agreed liquidated damages.
- (f) If the notice terminating the EN11 Principal SPA was given under the provisions of Section 9.2(vi)(b) above (i.e. Tinta Heights' right to terminate), SDP Bukit Raja shall pay a further sum equivalent to the EN11 Deposit as agreed liquidated damages by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.

9.3 HT4 Principal SPA**(i) Purchase consideration and manner of payment**

The HT4 Purchase Consideration is RM23.00 million.

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

Timing of payment	RM
Prior to the execution of the HT4 Principal SPA	460,000
On or before 31 December 2024	940,000
On or before 30 April 2025	2,500,000
On or before 30 June 2025	3,450,000
On or before 30 August 2025	3,000,000
On or before 31 October 2025	5,750,000
On or before 31 December 2025	6,900,000
Total	23,000,000

(ii) Conditions precedent

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

Note:-

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

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

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

Note:-

(1) The HT4 LPHS' Approval is subject to, amongst others, the following being incorporated / addressed in the development of the HT4 Project:-

- (i) modern and up-to-date house design taking into account aspects of sustainability and low maintenance costs in terms of building materials and the environment;
- (ii) the provision of adequate and comfortable basic and public facilities such as kindergartens, children's playgrounds, musollahs, public halls, joint management body offices (JMB), community shops/stalls and so on must comply with the standard of MBSJ;
- (iii) the needs of the elderly and persons with disabilities (OKU) are taken into account;
- (iv) the concept of a good neighbourhood is implemented;
- (v) the construction to be commenced in July 2024 and completed in June 2027*;

* This is only an estimated timeframe. The development order of the HT4 Project is expected to be obtained by the second quarter of 2024. As such, the construction of the HT4 Project is expected to commence within 3 months from the approval for the development order being obtained.

- (vi) the construction of Rumah Selangorku to be prioritised or built together with other types of components and MBSJ will impose a "Stop Work Order" for the development of HT4 Project if the conditions are not met;

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

- (vii) a list of buyers' names must be obtained from LPHS through Sistem Pendaftaran Permohonan Hartanah Negeri Selangor;
 - (viii) failure to obtain a list of names of the buyers from LPHS may result in a fine of 10% of the house's sales value for each house unit sold;
 - (ix) payment of a contribution of RM5 million to Petaling Jaya City Council (MBPJ) for the construction (community center) at Jalan PJU 1A/19 within 6 months from the date of MMKN's approval*;
 - * *For information, the contribution of RM5.0 million has been made by SDPB to MBPJ in December 2017.*
 - (x) increase in density to 130 units per acre is subject to the approval of the MBSJ*; and
 - * *The application for MBSJ's approval will be submitted by HT4 Land Proprietor as the registered owner and Alma Land as the developer in due course.*
 - (xi) the developer / new landowner are responsible for fulfilling the obligations that have been set out in the approval letters by submitting a proposed project implementation schedule for the purpose of monitoring to LPHS as soon as the approval of the MMKN is obtained*.
 - * *The said schedule has been submitted and LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the HT4 Project from December 2023 to July 2024. The development order of the HT4 Project is expected to be obtained by the second quarter of 2024. As such, the construction of the HT4 Project is expected to commence within 3 months from the approval for the development order being obtained.*
- (bb) Alma Land having obtained a letter of waiver from MBSJ to waive the conditions and requirements currently imposed on SDPB vide MBSJ's Letter as the master developer to construct and/or develop the Public Amenities (as stated in Section 9.1(iv) of Appendix II of this Abridged Prospectus) or in the event such waiver is not granted, a variation of the terms and conditions of the requirements to construct and/or develop Public Amenities, the terms of which shall be acceptable to SDP Bukit Raja (i.e. MBSJ's Variation Letter, as stated in Section 9.1(ii)(a)(bb) of Appendix II of this Abridged Prospectus), being obtained by Alma Land at its own cost and expense on or before the expiry of the HT4 Purchaser's Conditional Period.

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

Notes:-

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

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

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

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

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

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

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

Note:-

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

(iii) Unconditional date

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

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

(iv) Collaboration to build public amenities

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

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

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

Note:-

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

(v) Construction of HT4 RSKU Scheme

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

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

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

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

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

Alma Land agrees and undertakes that Alma Land shall:-

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

Note:-

- (1) LPHS had vide its letter dated 20 June 2022 approved the extension of the commencement date for the construction of the HT4 RSKU Scheme from December 2023 to July 2024. The development order of the HT4 Project is expected to be obtained by the second quarter of 2024. As such, the construction of the HT4 Project is expected to commence within 3 months from the approval for the development order being obtained.

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

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

(vi) Termination

- (a) At any time before Alma Land's launch of the HT4 RSKU Scheme on the HT4 Land, SDP Bukit Raja shall be entitled to give notice to Alma Land terminating the HT4 Principal SPA if:-
- (aa) Alma Land fails to pay the HT4 Purchase Consideration or any balance thereof which has become due and payable to SDP Bukit Raja upon the provisions for acceleration of payment under Section 9.3(vi)(b) below having been triggered;
- (bb) Alma Land fails, refuses, neglects to (i) commence the construction of the HT4 RSKU Scheme by the HT4 Construction Commencement Date or (ii) launch for sale the HT4 RSKU Scheme on the HT4 Land on or before the expiry of the HT4 Launch Date;

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

- (cc) Alma Land fails, neglects or refuses to perform or comply with any of its covenants and obligations under the HT4 Principal SPA and fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Alma Land to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;
- (dd) if any of the HT4 Conditions Precedent shall not have been fulfilled on or before the respective Conditional Periods due to the act, negligence, omission or delay on the part of Alma Land;
- (ee) in the event the termination of the Related SPA⁽¹⁾⁽²⁾ which is due to no fault or breach by SDPLA;

Notes:-

- (1) As defined in Section 9.1(ii)(a)(cc) of Appendix II of this Abridged Prospectus.
 - (2) As Alma Land has no control over the Related SPA, Tinta Land (being the new purchaser who will take over INTA's obligations under the Related SPA through a separate novation agreement) has provided a letter of indemnity to indemnify Alma Land against all and any actions, proceedings, demands, claims and/or suits whatsoever brought against Alma Land and/or all and any claims, charges, fees, costs, expenses, fines, penalties, losses and/or damages which Alma Land suffer or incur arising from Tinta Land's non-completion and/or non-fulfilment of all the terms and conditions in the Related SPA leading to termination of the Related SPA which in turn leading to termination of the HT4 Principal SPA by SDP Bukit Raja including but not limited to, amongst others, the forfeiture of the HT4 Deposit (as defined in Section 9.3(vi)(d) below).
- (ff) any of the representations or warranties of Alma Land is found to be untrue or inaccurate or misleading and Alma Land fails, neglects or refuses to rectify such breach within 30 days from the receipt of SDP Bukit Raja's written notice requiring Alma Land to remedy such breach or such extended period as SDP Bukit Raja may agree to together with documentary evidence of such breach;
 - (gg) Alma Land is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to Alma Land under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
 - (hh) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, the substantial parts of the assets or undertaking of Alma Land.

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

- (b) If Alma Land fails or neglects to (i) pay any of the instalments of the HT4 Purchase Consideration which have become due and payable to SDP Bukit Raja for more than 30 days or (ii) rectify any breach of its covenants and obligations under the HT4 Principal SPA within the stipulated time period as required by SDP Bukit Raja under the provisions of Section 9.3(vi)(a) above, then without prejudice to SDP Bukit Raja's rights and remedies under the HT4 Principal SPA, SDP Bukit Raja shall be entitled, by written notice to Alma Land to accelerate the completion of the sale and purchase herein and to require Alma Land to fully settle the remaining portion of the HT4 Purchase Consideration, regardless of whether or not such instalments shall have become due and payable to SDP Bukit Raja in accordance with Section 9.3(i) of Appendix II of this Abridged Prospectus and in such event, Alma Land shall be liable to pay the remaining unpaid instalments of the HT4 Purchase Consideration immediately within 14 days from the date of Alma Land's receipt of SDP Bukit Raja's said written notice demanding for payment the remaining portion of the HT4 Purchase Consideration.
- (c) At any time before Alma Land's launch of the HT4 RSKU Scheme on the HT4 Land, Alma Land shall be entitled to terminate the HT4 Principal SPA by giving a notice to SDP Bukit Raja if:-
- (aa) SDP Bukit Raja fails, neglects or refuses to complete the sale of HT4 Land under the HT4 Principal SPA or fails, neglects or refuses to rectify such breach within 30 days from the date of Alma Land's written notice requiring SDP Bukit Raja to remedy such breach or such extended period as Alma Land may agree to together with documentary evidence of such breach;
- (bb) any of the representations or warranties of SDP Bukit Raja is found to be untrue or inaccurate or misleading and SDP Bukit Raja fails, neglects or refuses to rectify such breach within 30 days from the date of the Alma Land's written notice requiring SDP Bukit Raja to remedy such breach or such extended period as Alma Land may agree to together with documentary evidence of such breach;
- (cc) SDP Bukit Raja is or becomes, or is adjudicated or found to be insolvent or commits any act of insolvency or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to SDP Bukit Raja under any law regulation or procedure relating to reconstruction or adjustment of its debts; or
- (dd) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any the substantial parts of the assets or undertaking of SDP Bukit Raja.
- (d) Upon issuance of a notice terminating the HT4 Principal SPA under the provisions of Section 9.3(vi)(c) above (i.e Alma Land's right to terminate), SDP Bukit Raja shall refund any remaining monies received by SDP Bukit Raja as part of the HT4 Purchase Consideration (save for 10% of the HT4 Purchase Consideration ("**HT4 Deposit**")) free of interest to Alma Land by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.

APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

- (e) If the notice terminating the HT4 Principal SPA was given under the provisions of Section 9.3(vi)(a) above (i.e. Alma Land's event of default) before Alma Land's launch of the HT4 RSKU Scheme on the HT4 Land then SDP Bukit Raja shall be entitled to forfeit the HT4 Deposit together with any late payment interest accrued under the relevant clause of the HT4 Principal SPA in relation to late payment of the HT4 Purchase Consideration as agreed liquidated damages.
- (f) If the notice terminating the HT4 Principal SPA was given under the provisions of Section 9.3(vi)(b) above (i.e. Alma Land's right to terminate), SDP Bukit Raja shall pay a further sum equivalent to the HT4 Deposit as agreed liquidated damages by way of depositing the same with SDP Bukit Raja's solicitors as stakeholders within 30 days of such termination notice.

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APPENDIX II – FURTHER INFORMATION ON THE ACQUISITIONS (CONT'D)

10. Background information on INTA

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

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

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

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

Note:-

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

11. Background information on SDP Bukit Raja

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

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

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

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS

MASTER VALUATION CERTIFICATE OF

THREE (3) PROPERTIES FOR THE PURPOSE OF SUBMISSION TO SECURITIES COMMISSION MALAYSIA ("SCM") IN CONJUNCTION WITH THE RENOUNCEABLE RIGHTS ISSUE OF UP TO RM111,279,632 NOMINAL VALUE OF 5,563,981,607 5-YEAR 5% REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS IN TWL ("RCULS") AT 100% OF ITS NOMINAL VALUE OF RM0.02 EACH TOGETHER WITH UP TO 1,112,796,321 FREE DETACHABLE WARRANTS IN TWL ("WARRANTS E") ON THE BASIS OF 10 RCULS TOGETHER WITH 2 FREE WARRANTS E FOR EVERY 10 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS OF TWL ("RIGHTS ISSUE").

INTERNATIONAL PROPERTY CONSULTANTS, VALUERS AND AGENTS

VPC Alliance (PJ) Sdn. Bhd.

No. 6, 1st Floor, Jalan SS 26/4,
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47301 Petaling Jaya, Selangor
Tel: 03-7880 0155
Fax: 03-7880 0166
Email: vpcpjadmin@gmail.com

Other VPC MALAYSIA Offices

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Email: vpcpg.kelvin@gmail.com

VPC Alliance (Kajang) Sdn. Bhd.
27-1, Jalan Reko Sentral 2,
Reko Sentral, Off Jalan Reko,
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Fax: 03-87416180
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VPC Alliance (KL) Sdn. Bhd.
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VPC Alliance (Sabah) Sdn. Bhd.
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VPC Alliance (Alor Setar) Sdn. Bhd.
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Email: vpcakd@yahoo.com.my

VPC Alliance (Sabah) Sdn. Bhd.
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88000 Kota Kinabalu, Sabah
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Email: vpcem888@gmail.com

VPC Alliance (Sarawak) Sdn. Bhd.
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Email: vpcckch@gmail.com

VPC Alliance (East Coast) Sdn. Bhd.
129A, Jalan Temerloh,
28400 Mentakab, Pahang
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Fax: 09-2779977
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APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

VPC Alliance (PJ) Sdn. Bhd. Co. No. 199901004304 (479204-W) VEPM (1) 0105
International Property Consultants, Valuers & Agents

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Selangor Darul Ehsan, Malaysia.

Tel : 03-7880 0155
Fax : 03-7880 0166
Email : vpcpjadmin@gmail.com
Website : <http://www.vpcpjproperty.com.my/>

Directors
Francis Loh FRICS MIS (M)
Tan Beng Sock ANZIV FIS (M)
James Wong BA MIS (M)
Kelvin Tan APICS MIS (M)
Caroline Sebangkit B.Sc APICS
Tan Lee Kang B.Sc MIS (M) APICS
Chew Kwong Cheong B.Surv MIS (M)
Loo Boon Wei B.Sc MRISM

Our Ref: VPCPJ/23/60298/LBW/Vince &
VPCPJ/23/60299/LBW/Vince &
VPCPJ/23/60300/LBW/Vince

3rd March 2023

The Board of Directors,
TWL Holdings Berhad,
Unit No. T3-13A-20,
Level 13A, Menara 3, 3 Towers,
No. 296, Jln Ampang,
50450 Kuala Lumpur.

Attn: Ms. Shirley Tan Lee Chin (Managing Director)

Dear Madam,

CERTIFICATE OF VALUATION OF THREE (3) PROPERTIES FOR THE PURPOSE OF SUBMISSION TO SECURITIES COMMISSION MALAYSIA (“SCM”) IN CONJUNCTION WITH THE RENOUNCEABLE RIGHTS ISSUE OF UP TO RM111,279,632 NOMINAL VALUE OF 5,563,981,607 5-YEAR 5% REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS IN TWL (“RCULS”) AT 100% OF ITS NOMINAL VALUE OF RM0.02 EACH TOGETHER WITH UP TO 1,112,796,321 FREE DETACHABLE WARRANTS IN TWL (“WARRANTS E”) ON THE BASIS OF 10 RCULS TOGETHER WITH 2 FREE WARRANTS E FOR EVERY 10 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS OF TWL (“RIGHTS ISSUE”).

We were instructed by **TWL Holdings Berhad (“TWL”)** to assess the Market Value on the three (3) properties for the purpose of submission to SCM in relation to the Rights Issue, as follows:-

- (i) A vacant parcel of residential land held under Lot No. 77716 (“EN10 Land”);
- (ii) A vacant parcel of residential land held under Lot No. 92355 (“HT4 Land”);
- (iii) A vacant parcel of residential land held under Lot No. 92871, fourteen (14) vacant parcels of commercial lands held under Lot No. PT 35901 to PT 35914 and a vacant parcel of industrial land held under Lot No. PT 35915 (“EN11 Land”);

(collectively, referred to as the “Subject Properties”).

We have prepared and provided this Master Valuation Certificate which outlines the key factors that have been considered in arriving at the opinion of the Market Value of the above captioned properties and reflects all information known by us and based on present market conditions.

This valuation and contents of this certificate have been prepared in accordance with the Asset Valuations Guidelines issued by the Securities Commission Malaysia and Malaysian Valuation Standards issued by the Boards of Valuers, Appraisers, Estate Agents and Property Managers Malaysia.

VPC
MALAYSIA

Malaysia
Petaling Jaya
Johor Bahru
Penang
Kuala Lumpur
Ayer Selar
Pahang
Kota Kinabalu
Kuching

Affiliated Offices
Singapore
Jakarta
Surabaya
Bangkok



APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

The basis of the valuation is Market Value which is defined by the Malaysian Valuation Standards 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”.

We have conducted a physical inspection of the Subject Properties on 31st January 2023. The material date of valuation is taken as at 31st January 2023.

This Master Valuation Certificate should be read in conjunction with the full Reports and Valuations.

INTEREST TO BE VALUED

EN10 Land	
Basis 1	On ‘ As Is Where Is Basis ’, as a vacant parcel of residential land
Basis 2	On the assumption that the planning permission has been obtained from Majlis Bandaraya Subang Jaya for the proposed development of 715 units of Rumah Selangorku as per approval letters issued by Lembaga Perumahan Dan Hartanah Selangor (“ LPHS ”) bearing reference no. LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5)

HT4 Land	
Basis 1	On ‘ As Is Where Is Basis ’, as a vacant parcel of residential land
Basis 2	On the assumption that the planning permission has been obtained from Majlis Bandaraya Subang Jaya for the proposed development of 1,139 units of Rumah Selangorku as per approval letters issued by LPHS bearing reference no. LPHS.UPP.600-3/1/178(4) and LPHS.UPD.600-3/1/8(5)

EN11 Land	
Basis 1	On ‘ As Is Where Is Basis ’, as one (1) vacant parcel of residential land, fourteen (14) vacant parcels of commercial lands and one (1) vacant parcel of industrial land designated for electric substation
Basis 2	On the assumption that the planning permission has been obtained from Majlis Bandaraya Subang Jaya for the proposed development of 746 units of Rumah Selangorku as per approval letters issued by LPHS bearing reference no. LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5)

If any party wishes to rely on the valuation based on the additional assumption(s) as stated above, then appropriate professional advice should be sought since the value reported is based on an assumption(s) that is/are not yet or fully realized.

METHOD OF VALUATION

For information, as at the date of valuation, the approval for the development of the Subject Properties has been granted by **LPHS** but the planning permission approval has not been granted by MBSJ.

Under **Basis 1**, in arriving at the Market Value, we have adopted the **Comparison Approach** as the only preferred and appropriate method of valuation for **Basis 1**. Without the planning permission approval by MBSJ, the Income Approach by Residual Method may not be appropriate as it requires many assumptions and estimations regarding the hypothetical improvements that the end-result is very much speculative and subjective.

Under **Basis 2**, based on the assumption that the planning permission has been obtained from MBSJ with approved development plan, the primary method adopted will be **Income Approach by Residual Method** supported by the **Comparison Approach** as a cross-check. The Valuation Methodologies are as follows: -

Comparison Approach

Utilizing the Comparison Approach, transactions and asking prices of similar properties in the locality are analysed for comparison purposes and adjustments are made for location, size, present market trends and other differences.

Income Approach – Residual Method

This method entails the determination of the total Gross Development Value (**GDV**) and deducting from this the Gross Development Cost (**GDC**) which includes amongst others costs of construction and site works, professional fees, interest on capital borrowed and contingencies and deduction of the developer's risk and profit. The residual value of the **Subject Properties** is then discounted for the period of development to arrive at the current market value of the **Subject Properties**. For an on-going project development, the GDC would be the cost to completion.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**OPINION OF VALUE**

The table below is a summary of market values for the properties valued: -

No.	Property Details	Market Value (Basis 1)	Market Value (Basis 2)
1	Lot No. 77716, Mukim of Damansara, District of Petaling, State of Selangor. A vacant parcel of residential land. (Our Ref: VPCPJ/23/60298/LBW/Vince)	RM13,640,000/-	RM14,000,000/-
2	Lot No. 92355, Mukim of Damansara, District of Petaling, State of Selangor. A vacant parcel of residential land. (Our Ref: VPCPJ/23/60299/LBW/Vince)	RM24,800,000/-	RM26,000,000/-
3	Lot No. 92871, PT 35901 to PT 35915, Mukim of Damansara, District of Petaling, State of Selangor. A vacant parcel of residential land, fourteen (14) vacant parcels of commercial lands and a vacant parcel of industrial land. (Our Ref: VPCPJ/23/60300/LBW/Vince)	RM15,130,000/-	RM15,200,000/-

Yours faithfully,

VPC ALLIANCE (PJ) SDN BHD

LOO BOON WEI

MPEPS, MMIPFM, MRISM

Registered Valuer (V 988)

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)



VALUATION CERTIFICATE OF A VACANT PARCEL OF RESIDENTIAL LAND HELD UNDER INDIVIDUAL TITLE NO. GERAN 318160, LOT NO. 77716, MUKIM OF DAMANSARA, DISTRICT OF PETALING, STATE OF SELANGOR.

(Our Ref: VPCPJ/23/60298/LBW/Vince)

TERMS OF REFERENCE

The **EN10 Land** i.e. Lot 77716 was granted approval for the development of 715 units of Rumah Selangorku vide approval letters issued by **Lembaga Perumahan Dan Hartanah Selangor (“LPHS”)** bearing Reference No. Bil(3)LPHS/2250/SPP/17 dated 13th February 2017 as well as LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5) dated 21st April 2022. The total units of Rumah Selangorku are subject to the maximum density limit and the planning permission approval by **MBSJ**.

PROPERTY IDENTIFICATION

The Property	:	Lot 77716 – A vacant parcel of residential land
Location	:	Along Jalan Subang Mas, Subang Jaya, Selangor Darul Ehsan.
Title Particulars	:	Title No. Geran 318160, Lot No. 77716, Mukim of Damansara, District of Petaling, State of Selangor.
Land Area	:	22,234 square metres (i.e. approximately 239,325 square feet)
Tenure	:	Freehold
Category of Land Use	:	“Bangunan”
Registered Owner	:	Tinta Kaca Development Sdn. Bhd.
Express Condition	:	“Bangunan Kediaman”
Restriction-In-Interest	:	“Tiada”
Encumbrances/ Endorsement	:	-

Note:

- a) The above search at the relevant Land Office is conducted to establish the title particulars and relevant to the valuation of the EN10 Land only. Although we have conducted a title search, we do not accept any responsibility for the accuracy, correctness of the title particulars and legal validity of the title. We recommend that legal advice be sought to verify the above title particulars from the relevant professional i.e. a solicitor.
- b) The interest in the property is regulated vide a Sale and Purchase Agreement dated 24th March 2022 (“SPA”) between Sime Darby Property (Bukit Raja) Sdn. Bhd. (“SDP Bukit Raja”) (the Vendor) and Inta Development Sdn. Bhd. (“INTA”) (the Purchaser) (“SPA”).

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

Sime Darby Property (USJ) Sdn. Bhd. (“SDP USJ”) (formerly known as Lengkap Teratai Sdn. Bhd.) was previously the registered owner of the EN10 Land. By a sale and purchase agreement dated 1st July 2008, SDP USJ had sold the EN10 Land to SDP Bukit Raja. SDP Bukit Raja has since fully settled the purchase price contemplated in the said sale and purchase agreement and henceforth, the EN10 Land remained registered in the name of SDP USJ notwithstanding that SDP Bukit Raja has become the beneficial owner of the EN10 Land.

Subsequently, INTA had on 4th August 2022 entered into a novation agreement with SDP Bukit Raja and Tinta Kaca Development Sdn Bhd (“TKD”), a wholly owned subsidiary of TWL Commodity Sdn Bhd (“TWLC”) which in turn is a wholly owned subsidiary of TWL (“Novation Agreement”) whereby INTA has agreed to irrevocably novate and transfer all its rights, title, interest, liabilities and obligations in and to the SPA (which includes the variations / amendments pursuant to the terms and conditions thereof) to TKD.

Thereafter, following the completion of the sale and purchase of the EN10 Land by TKD via the SPA and the Novation Agreement, TKD became the registered and beneficial owner of the EN10 Land upon the transfer of the ownership of the EN10 Land to TKD on 9th February 2023.

GENERAL DESCRIPTION

Lot 77716 is located along Jalan Subang Mas, Subang Jaya. It is located within a residential development known as Taman Pinggiran USJ, Subang Jaya. The site boundaries are demarcated by metal hoarding. The main entrance is secured with a pair of metal hoarding gates. The site is generally flat in terrain and it is sited about the same level of the frontage road, Jalan Subang Mas. During our inspection, we note that the site is being cleared.

APPROVED DEVELOPMENT BY LPHS

No.	Date of Approval	Development	Reference No.
1	13 th February 2017	Approval to develop total 362 units of Rumah Selangorku.	Bil(3)LPHS/2250/SPP/17
2	21 st April 2022	Approval to increase the development of Rumah Selangorku from 362 units to 715 units.	LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5)

Lot 77716 is designated for residential use as per the express condition stated in the document of title.

VALUATION APPROACH

In arriving at the Market Value of the EN10 Land, we have adopted the Comparison Method for Basis 1 and the Income Approach by Residual Method for Basis 2 as follows:-

THE COMPARISON APPROACH

Utilizing the Comparison Approach, transactions and asking prices of similar properties in the locality are analysed for comparison purposes and adjustments are made for location, size, present market trends and other differences.

THE INCOME APPROACH BY RESIDUAL METHOD

This method entails the determination of the total Gross Development Value (**GDV**) and deducting from this the Gross Development Cost (**GDC**) which includes amongst others costs of construction and site works, professional fees, interest on capital borrowed and contingencies and deduction of the developer's risk and profit. The residual value of the **EN10 Land** is then discounted for the period of development to arrive at the current market value of the **EN10 Land**. For an on-going project development, the GDC would be the cost to completion.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**BASIS 1 – COMPARISON APPROACH FOR LOT 77716**

There is a lack of available sale evidence of similar properties in the vicinity of the EN10 Land. As such, we have considered the recorded sales of similar properties located further away from the EN10 Land. Recent transactions of vacant residential land and land zoned for residential use within the District of Klang and Petaling which are pertinent to substantiate a value indication for the EN10 Land are reviewed and these sales are shown as follows:-

Comparable	Comparable 1	Comparable 2	Comparable 3
Legal Description	Title No. Geran Mukim 1419, Lot No. 2399, Mukim and District of Klang, State of Selangor	Title No. Geran Mukim 5434, Lot No. 1886, Mukim and District of Klang, State of Selangor	Title No. Geran 311673, Lot No. 76869, Mukim of Damansara, District of Petaling, State of Selangor
Type of Title	Individual	Individual	Individual
Type of Property	A vacant parcel of development land (zoning: residential)	A vacant parcel of development land (zoning: residential)	A vacant parcel of residential land
Location	Lot 2399, Jalan Mantap 25/126, Off Jalan Bukit Kemuning, Taman Sri Muda, Shah Alam.	Lot 1886, off Jalan Sungai Kandis, Shah Alam.	Lot 76869, Jalan Lelangit U8/45, Bukit Jelutong, Shah Alam.
Land Area	196,021 square feet (i.e. approximately 4.50 acres)	197,377 square feet (i.e. approximately 4.53 acres)	792,673 square feet (i.e. approximately 18.20 acres)
Tenure	Freehold	Freehold	Freehold
Date of Transaction	10 th September 2020	19 th August 2020	10 th July 2020
Consideration	RM11,761,200/-	RM12,829,559/-	RM34,500,000/-
Seller	Yong Chong Seong and 2 others	Whitestone Paradise Sdn. Bhd.	Bear Canyon Sdn. Bhd.
Buyer	Federlite Holdings Sdn. Bhd.	Sejiwaraga Sdn. Bhd.	Nature Century Development Sdn. Bhd.
Sources	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)		
Analysis	RM60.00 per square foot	RM65.00 per square foot	RM43.52 per square foot
Adjustment	General adjustments are made on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact.		
Adjustment Price	RM57.00 per square foot	RM71.50 per square foot	RM52.23 per square foot

The above sales transactions range from RM43.52 to RM65.00 psf. We have made adjustments on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact. After consideration, Comparable 1 has been adopted as the best comparable because it has the lowest net adjustment of -5% compared to Comparable 2 and Comparable 3 which have net adjustments of +10% and +20% respectively. Thereafter, we have adopted a round value of RM13,640,000 (analysed to about RM56.99 psf) in our valuation as a fair representation.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**BASIS 2 – THE INCOME APPROACH BY RESIDUAL METHOD****DETERMINATION OF GDV**

The selling price of the Rumah Selangorku units has been fixed by **LPHS** and stated in the approval letter bearing Reference No. LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5) issued by **LPHS** dated 21st April 2022.

For information, as at the date of valuation, the approval for the development of the EN10 Land has been granted by **LPHS** but the planning permission approval has not been granted by **MBSJ**.

Based on the assumption under Basis 2 that the planning permission has been obtained from **MBSJ** with approved development plan, the development components approved by **MBSJ** for the EN10 Land (i.e. number of units as well as the selling price for each type of the development components) are assumed to be the same as the development components which have been approved by **LPHS**.

The details of the development components are as follows: -

Development Components	No. of units	GDV (RM)
Rumah Selangorku Type C – RM150,000/-	70	10,500,000.00
Rumah Selangorku Type E – RM250,000/-	645	161,250,000.00
Total GDV		171,750,000.00

DETERMINATION OF GDC

Based on the feasibility study, the estimated gross development cost of the **EN10 Land** is RM154,782,577.00 comprising the following: -

No.	Description	Amount (RM)
i)	Construction Cost	111,848,952.00
ii)	Statutory Contributions	5,794,875.00
iii)	Professional Fees	4,220,900.00
iv)	Sales Marketing & Administration Cost	7,370,000.00
v)	Financing Cost	2,361,600.00
vi)	Developer's Profit	23,186,250.00
	Total	154,782,577.00

RESIDUAL METHOD CALCULATION AND FACTS TAKEN INTO CONSIDERATION

In arriving at the Market Value by using the Residual Method, we have taken into account the following factors:-

- a) Approval letter issued by **LPHS** bearing Reference No. LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5) both dated 21st April 2022 to increase the development of Rumah Selangorku from 362 units to 715 units. The total units of Rumah Selangorku approved by **MBSJ** are assumed to be the same as the total units of Rumah Selangorku which have been approved by **LPHS**.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

- b) The selling prices adopted for the Rumah Selangorku (Type C) at RM150,000/- per unit and Rumah Selangorku (Type E) at RM250,000/- per unit as per the approval letter issued by **LPHS** bearing Reference No. LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5) both dated 21st April 2022.
- c) The estimated gross development cost is based on the information provided by the client.
- d) Taking into consideration the location, specification of the project, current market condition and risk factors, we have adopted the developer's profit at the rate of 13.5% of the GDV.
- e) We have adopted the development period of 36 months by taking into account of the time needed to complete the EN10 Land.
- f) To compute the present value, we have adopted 6.56% per annum as the discount factor to reflect the commercial risk involved in property development.

THE PARAMETERS ADOPTED IN THE RESIDUAL METHOD ARE AS FOLLOWS:

Description	Remarks
Gross Development Value (GDV) at RM171,750,000.00	The GDV calculation is based on the selling price stated in the approval letter issued by LPHS bearing Reference No. LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5) both dated 21 st April 2022.
Gross Development Cost (GDC) at RM154,782,577.00	The estimated GDC provided by the client comprises of: - 1) Construction cost (includes contingencies) at RM111,848,952.00 2) Statutory Contributions at RM5,794,875.00 3) Professional Fees at RM4,220,900.00 4) Sales Marketing & Administration Cost at RM7,370,000.00 5) Financing Cost at RM2,361,600.00 6) Developer's Profit at RM23,186,250.00
Construction Cost of Building (Apartment) at RM77,503,235.29	We have cross-checked the Construction Cost of Building (Apartment) against the industry's average building construction costs for similar type of properties as published in JUBM & Arcadis Construction Cost Handbook Malaysia 2022, which is about RM95 per sq. ft. to RM126 per sq. ft. Based on this, we are of the opinion that the Construction Cost adopted for Building (Apartment) of RM103.50/sq.ft. is in line with the market practice for this type of property.
Construction Cost of Infrastructure and Preliminary at RM6,670,000.00	We have referred to the industry average costing and awarded contracts for similar projects, the construction cost of infrastructure (road and drainage, sewer line, water reticulation) and preliminary are in line with the market practice.
Construction Cost of Carpark at RM25,482,600.00	Construction cost for elevated car parks as published in JUBM & Arcadis Construction Cost Handbook Malaysia 2022 is about RM10,715 per car parking bay to RM17,970 per car parking bay based on a standard car parking bay at 124 square feet. Based on this, we are of the opinion that the Construction Cost adopted for Carpark of RM16,200 per car parking bay is in line with the market practice.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

Description	Remarks
Contingencies at RM2,193,116.71	We have adopted a rate of 2% of total infrastructure, preliminary, building and carpark construction cost as contingencies to be fair representation and reflective of market industry for the intended development.
Statutory Contributions at RM5,794,875.00	The Statutory Contributions comprising Development Charges, contributions to Indah Water Konsortium, SYABAS and Tenaga Nasional Berhad (TNB) as well as cost to obtain Certificate of Share Unit Formula (SiFUS) are based on the information by the relevant authorities and cost estimations provided by the developer. The total Statutory Contributions is RM5,794,875.00, i.e. approximately 3.37% of the Gross Development Value which falls within the range of normal market practice of 2% to 4%.
Professional Fees at RM4,220,900.00	The professional fees are based on the legal fee and consultant's fees. The total Professional Fees is RM4,220,900.00, i.e. approximately 3.77% of the total construction cost, which is slightly below the normal market practice of approximately 4%. This is reasonable because the EN10 Land is being planned to be developed into a low-cost affordable housing project under the Rumah Selangorku government scheme. As such, the developer is likely to be able to negotiate for professional fees which are lower than the market rates.
Sales Marketing & Administration Cost at RM7,370,000.00	The Sales Marketing & Administration Cost comprises project management, sales related cost, sales commission and showroom. The total Sales Marketing & Administration Cost is RM7,370,000.00, i.e. approximately 4.29% of the total Gross Development Value, which is lower than the range of normal market practice of 5% to 8%. This figure was adopted because this is a low-cost affordable housing project under the Rumah Selangorku government scheme, therefore the marketing cost is expected to be lower than average.
Financing Cost at RM2,361,600.00	As of 12 th December 2022, the bank's Standardised Base Rate (SBR) is at 2.75%, Base Rate (BR) ranges from 2.75% to 4.22%, and Base Lending Rate (BLR) ranges from 6.35% to 6.87%. As of 3 rd February 2023, our verbal enquiry with banks revealed that 6.56% per annum is within the current market rate. Thus, the Financing Cost is RM2,361,600.00 based on a development period of 3 years with 6.56% interest rate. In our opinion, the projected finance cost is reasonable.
Developer's Profit at 13.5% of GDV at RM23,186,250.00	Based on the "Property Developers' Cost Structure" published by The Real Estate and Housing Developers' Association Malaysia (Rehda) on 30 th March 2022, the property developers' profit margins are shrinking and now at around 15% of the GDV. This is due to rising GDC, especially compliance costs with regards to property projects which are seeing the developer's profit margins being squeezed. We have adopted a developer's profit at 13.5% of the GDV in our computation. We are of the opinion that the rate is fair after taking into consideration the risk involved in developing a high-rise affordable housing scheme in this economic climate.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)



Description	Remarks
Development Period at 3 years	Based on the approval letter issued by LPHS dated 20th June 2022, the Rumah Selangorku is to be completed in 3 years (36 months). We are of the view that the development period of 3 years (36 months) is reasonable after having considered the current property market condition, demand, take-up rates and sales performance of other similar developments, the type and intensity of the development, the product features being offered as well as the potential impact during this recovery stage after the Covid-19 pandemic. We have also referred to the Housing Development (Control and Licensing) Regulations 1989 (“HDR”), whereby Regulation 11 provides that the time of delivery of vacant possession for high-rise properties (under Schedule H) is 36 months.
Present Value at 6.56%	To compute the Present Value, we have adopted 6.56% per annum as the discount factor to reflect the commercial risk involved in the property development. As of 3 rd February 2023, our verbal enquiry with banks revealed that the bridging financing rate is between 5% to 8% depending on the developer’s profile. After considering the bridging financing rate, we are of the opinion that the discount rate adopted at 6.56% per annum is consistent with the current market rate.

SUMMARY OF RESIDUAL METHOD CALCULATION

Total GDV	RM 171,750,000.00
Less: Total Construction Cost	RM 131,596,327.00
	RM 40,153,673.00
Less: Developer’s Profit @ 13.50% of GDV	RM 23,186,250.00
Residual Value in 3 years	RM 16,967,423.00
Discount Factor for 3 years @ 6.56% per annum	0.8264515
	RM 14,022,752.19
Say	RM 14,000,000.00

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**BASIS 2 – COMPARISON APPROACH FOR LOT 77716**

There is a lack of available sale evidence of similar properties in the vicinity of the EN10 Land. As such, we have considered the recorded sales of similar properties located further away from the EN10 Land. Recent transactions of vacant residential land and land zoned for residential use within the District of Klang and Petaling which are pertinent to substantiate a value indication for the EN10 Land are reviewed and these sales are shown as follows: -

Comparable	Comparable 1	Comparable 2	Comparable 3
Legal Description	Title No. Geran Mukim 1419, Lot No. 2399, Mukim and District of Klang, State of Selangor	Title No. Geran Mukim 5434, Lot No. 1886, Mukim and District of Klang, State of Selangor	Title No. Geran 311673, Lot No. 76869, Mukim of Damansara, District of Petaling, State of Selangor
Type of Title	Individual	Individual	Individual
Type of Property	A vacant parcel of development land (zoning: residential)	A vacant parcel of development land (zoning: residential)	A vacant parcel of residential land
Location	Lot 2399, Jalan Mantap 25/126, Off Jalan Bukit Kemuning, Taman Sri Muda, Shah Alam.	Lot 1886, off Jalan Sungai Kandis, Shah Alam.	Lot 76869, Jalan Lelangit U8/45, Bukit Jelutong, Shah Alam.
Land Area	196,021 square feet (i.e. approximately 4.50 acres)	197,377 square feet (i.e. approximately 4.53 acres)	792,673 square feet (i.e. approximately 18.20 acres)
Tenure	Freehold	Freehold	Freehold
Date of Transaction	10 th September 2020	19 th August 2020	10 th July 2020
Consideration	RM11,761,200/-	RM12,829,559/-	RM34,500,000/-
Seller	Yong Chong Seong and 2 others	Whitestone Paradise Sdn. Bhd.	Bear Canyon Sdn. Bhd.
Buyer	Federlite Holdings Sdn. Bhd.	Sejiwaraga Sdn. Bhd.	Nature Century Development Sdn. Bhd.
Sources	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)		
Analysis	RM60.00 per square foot	RM65.00 per square foot	RM43.52 per square foot
Adjustment	General adjustments are made on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact.		
Adjustment Price	RM58.50 per square foot	RM73.13 per square foot	RM53.32 per square foot

The above sales transactions range from RM43.52 to RM65.00 psf. We have made adjustments on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact. After consideration, Comparable 1 has been adopted as the best comparable because it has the lowest net adjustment of -2.5% compared to Comparable 2 and Comparable 3 which have net adjustments of +12.5% and +22.5% respectively. Thereafter, we have adopted a round value of RM14,000,000 (analysed to about RM58.50 psf) in our valuation as a fair representation.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**RECONCILIATION OF VALUE**

Method of Valuation	Derivation of Values
Basis 1 – On “As is Where is” as a vacant parcel of residential land with LPHS approval only	
Comparison Approach	RM13,640,000/-
Basis 2 – On the assumption that the planning permission has been obtained from MBSJ	
Income Approach by Residual Method	RM14,000,000/-
Comparison Approach	RM14,000,000/-

We have adopted the Comparison Approach as the most appropriate method of valuation methodology in assessing the Market Value of the EN10 Land for Basis 1 whilst Income Approach by Residual Method as the most appropriate method of valuation methodology in assessing the Market Value of the EN10 Land for Basis 2.

Under Basis 2, the Income Approach by Residual Method of valuation derives the land value by estimating values of hypothetically improved properties representing the highest and best use of the site or in the case of a site with master planning approval, the approved development and thereafter deducting estimated construction costs. In our assessment for land intended for future development which has yet to obtain planning permission approval from MBSJ but was granted the planning approval from **LPHS**, it would be more appropriate to adopt the Income Approach by Residual Method as the primary method of valuation because our valuation would rely on the approved development with the approved development components as opposed to those lands intended for future development (without definite building plan).

Under Basis 2, the Comparison Approach is suitable to serve as a secondary approach (cross-check) in this valuation because of the scarcity of comparables with similar location, development type and conditions as the EN10 Land in order to arrive at a meaningful conclusion of the Market Value. The EN10 Land, with the relevant approvals awarded (i.e. **LPHS**’ approval to develop Rumah Selangorku) has become unique in nature, and hence adjustments made to the comparables to mimic the EN10 Land would be difficult and arbitrary.

Therefore, under Basis 2, we have adopted the Income Approach by Residual Method as the primary approach in determining the Market Value of the EN10 Land supported by the Comparison Approach as a cross-check of valuation under Basis 2.

VALUATION

Taking into consideration all relevant factors, it is our opinion that the Market Value of the **EN10 Land** held under Individual Title No. Geran 318160, Lot No. 77716, Mukim of Damansara, District of Petaling, State of Selangor, in its existing condition with vacant possession and free from encumbrances, under **Basis 1** at **RM13,640,000/- (Ringgit Malaysia: THIRTEEN MILLION, SIX HUNDRED AND FORTY THOUSAND Only)** and **Basis 2** at **RM14,000,000/- (Ringgit Malaysia: Fourteen Million Only)**.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

**VALUATION CERTIFICATE OF A VACANT PARCEL OF RESIDENTIAL LAND HELD UNDER
INDIVIDUAL TITLE NO. GERAN 341627, LOT NO. 92355, MUKIM OF DAMANSARA, DISTRICT
OF PETALING, STATE OF SELANGOR.**

(Our Ref: VPCPJ/23/60299/LBW/Vince)

TERMS OF REFERENCE

The **HT4 Land** i.e. Lot No. 92355 (previously held under Lot No. PT 35811 (formerly known as Lot 81255 and Lot 81256)) was granted approval for the development of 1,139 units of Rumah Selangorku vide approval letters issued by **Pejabat Tanah dan Galian Selangor (“PTGS”)** bearing Reference No. Bil(23)d/m.PTGS/08/PB01/039/042014 dated 15th January 2015 and **LPHS** bearing Reference No. LPHS.UPP.600-3/1/178(3) dated 14th September 2017, Bil.(9)d/m.LPHS/PBGN/UPD/5/07/12 Jld.16 dated 11th May 2016, LPHS.UPP.600-3/1/178(4) and LPHS.UPD.600-3/1/8(5) dated 21st April 2022. The total units of Rumah Selangorku are subject to the maximum density limit and the planning permission approval by **MBSJ**.

PROPERTY IDENTIFICATION

The Property	:	Lot 92355 – A vacant parcel of residential land
Location	:	Along Persiaran Putra Perdana, Putra Heights, Subang Jaya, Selangor Darul Ehsan.
Title Particulars	:	Title No. Geran 341627, Lot No. 92355, Mukim of Damansara, District of Petaling, State of Selangor.
Land Area	:	35,440 square metres (i.e. approximately 381,473 square feet)
Tenure	:	Freehold
Category of Land Use	:	“Bangunan”
Registered Owner	:	Sime Darby Putra Heights Development Sdn Bhd
Express Condition	:	“Bangunan Kediaman”
Restriction-In-Interest	:	“Tiada”
Encumbrances/ Endorsement	:	-

Note:

- a) **The above search at the relevant Land Office is conducted to establish the title particulars and relevant to the valuation of the HT4 Land only. Although we have conducted a title search, we do not accept any responsibility for the accuracy, correctness of the title particulars and legal validity of the title. We recommend that legal advice be sought to verify the above title particulars from the relevant professional i.e. a solicitor.**

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

- b) The interest in the property is regulated vide a Sale and Purchase Agreement dated 24th March 2022 (“SPA”) between Sime Darby Property (Bukit Raja) Sdn. Bhd. (“SDP Bukit Raja”) (the Vendor) and Inta Development Sdn. Bhd. (“INTA”) (the Purchaser) (“SPA”).

Sime Darby Putra Heights Development Sdn. Bhd. (“SDPH”) (formerly known as Sime UEP Heights Sdn. Bhd.) was previously the registered owner of the HT4 Land. By a sale and purchase agreement dated 1st July 2008, SDPH had sold the HT4 Land to SDP Bukit Raja. SDP Bukit Raja has since fully settled the purchase price contemplated in the said sale and purchase agreement and henceforth, the HT4 Land remained registered in the name of SDPH notwithstanding that SDP Bukit Raja has become the beneficial owner of the HT4 Land.

Subsequently, INTA had on 4th August 2022 entered into a novation agreement with SDP Bukit Raja and Alma Land Development Sdn Bhd (“ALD”), a 70%-owned subsidiary of TWL Commodity Sdn Bhd (“TWLC”) which in turn is a wholly owned subsidiary of TWL (“Novation Agreement”) whereby INTA has agreed to irrevocably novate and transfer all its rights, title, interest, liabilities and obligations in and to the SPA (which includes the variations / amendments pursuant to the terms and conditions thereof) to ALD.

GENERAL DESCRIPTION

Lot 92355 is located along Persiaran Putra Perdana, Putra Heights, Subang Jaya. It is located within a residential development known as Putra Heights, Subang Jaya. During the course of our inspection, we note that the site is partially overgrown with trees and shrubs. The terrain at the western portion of the site is sloping downwards.

APPROVED DEVELOPMENT BY LPHS

No.	Date of Approval	Development	Reference No.
1	15 th January 2015	Approval to develop total 2,216 units of Rumah Selangorku on the HT4 Land with another two lot of land known as Lot PT 35001 and PT 35002.	Bil(23)d/m.PTGS/08/PB01/039/042014
2	14 th September 2017	Approval to develop total 812 units of Rumah Selangorku.	LPHS.UPP.600-3/1/178(3)
3	21 st April 2022	Approval to increase the development of Rumah Selangorku from 812 units to 1,139 units.	LPHS.UPP.600-3/1/178(4)

Lot 92355 is designated for residential use as per the express condition stated in the document of title.

VALUATION APPROACH

In arriving at the Market Value of the HT4 Land, we have adopted the Comparison Method for Basis 1 and the Income Approach by Residual Method for Basis 2 as follows:-

THE COMPARISON APPROACH

Utilizing the Comparison Approach, transactions and asking prices of similar properties in the locality are analysed for comparison purposes and adjustments are made for location, size, present market trends and other differences.

THE INCOME APPROACH BY RESIDUAL METHOD

This method entails the determination of the total Gross Development Value (**GDV**) and deducting from this the Gross Development Cost (**GDC**) which includes amongst others costs of construction and site works, professional fees, interest on capital borrowed and contingencies and deduction of the developer's risk and profit. The residual value of the **HT4 Land** is then discounted for the period of development to arrive at the current market value of the **HT4 Land**. For an on-going project development, the GDC would be the cost to completion.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**BASIS 1 – COMPARISON APPROACH FOR LOT 92355**

There is a lack of available sale evidence of similar properties in the vicinity of the HT4 Land. As such, we have considered the recorded sales of similar properties located further away from the HT4 Land. Recent transactions of vacant residential land and land zoned for residential use within the District of Klang and Petaling which are pertinent to substantiate a value indication for the HT4 Land are reviewed and these sales are shown as follows:-

Comparable	Comparable 1	Comparable 2	Comparable 3
Legal Description	Title No. Geran Mukim 1419, Lot No. 2399, Mukim and District of Klang, State of Selangor	Title No. Geran Mukim 5434, Lot No. 1886, Mukim and District of Klang, State of Selangor	Title No. Geran 311673, Lot No. 76869, Mukim of Damansara, District of Petaling, State of Selangor
Type of Title	Individual	Individual	Individual
Type of Property	A vacant parcel of development land (zoning: residential)	A vacant parcel of development land (zoning: residential)	A vacant parcel of residential land
Location	Lot 2399, Jalan Mantap 25/126, Off Jalan Bukit Kemuning, Taman Sri Muda, Shah Alam.	Lot 1886, off Jalan Sungai Kandis, Shah Alam.	Lot 76869, Jalan Lelangit U8/45, Bukit Jelutong, Shah Alam.
Land Area	196,021 square feet (i.e. approximately 4.50 acres)	197,377 square feet (i.e. approximately 4.53 acres)	792,673 square feet (i.e. approximately 18.20 acres)
Tenure	Freehold	Freehold	Freehold
Date of Transaction	10 th September 2020	19 th August 2020	10 th July 2020
Consideration	RM11,761,200/-	RM12,829,559/-	RM34,500,000/-
Seller	Yong Chong Seong and 2 others	Whitestone Paradise Sdn. Bhd.	Bear Canyon Sdn. Bhd.
Buyer	Federlite Holdings Sdn. Bhd.	Sejiwaraga Sdn. Bhd.	Nature Century Development Sdn. Bhd.
Sources	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)		
Analysis	RM60.00 per square foot	RM65.00 per square foot	RM43.52 per square foot
Adjustment	General adjustments are made on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact.		
Adjustment Price	RM51.00 per square foot	RM65.00 per square foot	RM56.58 per square foot

The above sales transactions range from RM43.52 to RM65.00 psf. We have made adjustments on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact. After consideration, Comparable 2 has been adopted as the best comparable because it has 0% net adjustment compared to Comparable 1 and Comparable 3 which have net adjustments of -15% and +30% respectively. Thereafter, we have adopted a round value of RM24,800,000 (analysed to about RM65.01 psf) in our valuation as a fair representation.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**BASIS 2 – THE INCOME APPROACH BY RESIDUAL METHOD****DETERMINATION OF GDV**

The selling price of the Rumah Selangorku has been fixed by **LPHS** and stated in the approval letter bearing Reference No. LPHS.UPP.600-3/1/178(4) issued by **LPHS** dated 21st April 2022.

For information, as at the date of valuation, the approval for the development of the HT4 Land has been granted by **LPHS** but the planning permission approval has not been granted by MBSJ.

Based on the assumption under Basis 2 that the planning permission has been obtained from MBSJ with approved development plan, the development components approved by MBSJ for the HT4 Land (i.e. number of units as well as the selling price for each type of the development components) are assumed to be the same as the development components which have been approved by **LPHS**.

The details of the development components are as follows: -

Development Components	No. of units	GDV (RM)
Rumah Selangorku Type C – RM150,000/-	114	17,100,000.00
Rumah Selangorku Type E – RM250,000/-	1,025	256,250,000.00
Total GDV		273,350,000.00

DETERMINATION OF GDC

Based on the feasibility study, the estimated gross development cost of the **HT4 Land** is RM241,802,839.20 comprising the following: -

No.	Description	Amount (RM)
i)	Construction Cost	174,110,779.20
ii)	Statutory Contributions	9,225,675.00
iii)	Professional Fees	6,587,735.00
iv)	Sales Marketing & Administration Cost	11,434,000.00
v)	Financing Cost	3,542,400.00
iv)	Developer's Profit	36,902,250.00
	Total	241,802,839.20

RESIDUAL METHOD CALCULATION AND FACTS TAKEN INTO CONSIDERATION

In arriving at the Market Value by using the Residual Method, we have taken into account the following factors:-

- a) Approval letter issued by **LPHS** bearing Reference No. LPHS.UPP.600-3/1/178(4) dated 21st April 2022 to increase the development of Rumah Selangorku from 812 units to 1,139 units. The total units of Rumah Selangorku approved by **MBSJ** are assumed to be the same as the total units of Rumah Selangorku which have been approved by **LPHS**.
- b) The selling prices adopted for the Rumah Selangorku (Type C) at RM150,000/- per unit and Rumah Selangorku (Type E) at RM250,000/- per unit as per the approval letter issued by **LPHS** bearing Reference No. LPHS.UPP.600-3/1/178(4) dated 21st April 2022.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

- c) The estimated gross development cost is based on the information provided by the client.
- d) Taking into consideration the location, specification of the project, current market condition and risk factors, we have adopted the developer's profit at the rate of 13.5% of the GDV.
- e) We have adopted the development period of 36 months by taking into account of the time needed to complete the HT4 Land.
- f) To compute the present value, we have adopted 6.56% per annum as the discount factor to reflect the commercial risk involved in property development.

THE PARAMETERS ADOPTED IN THE RESIDUAL METHOD ARE AS FOLLOWS:

Description	Remarks
Gross Development Value (GDV) at RM273,350,000.00	The GDV calculation is based on the selling price stated in the approval letter issued by LPHS bearing Reference No. LPHS.UPP.600-3/1/178(4) issued by LPHS dated 21st April 2022.
Gross Development Cost (GDC) at RM241,802,839.20	The estimated GDC provided by the client comprises of: - 1) Construction cost (includes contingencies) at RM174,110,779.20 2) Statutory Contributions at RM9,225,675.00 3) Professional Fees at RM6,587,735.00 4) Sales Marketing & Administration Cost at RM11,434,000.00 5) Financing Cost at RM3,542,400.00 6) Developer's Profit at RM36,902,250.00
Construction Cost of Building (Apartment) at RM123,432,882.35	We have cross-checked the Construction Cost of Building (Apartment) against the industry's average building construction costs for similar type of properties as published in JUBM & Arcadis Construction Cost Handbook Malaysia 2022, which is about RM95 per sq. ft. to RM126 per sq. ft. Based on this, we are of the opinion that the Construction Cost adopted for Building (Apartment) of RM103.50/sq.ft. is in line with the market practice for this type of property.
Construction Cost of Infrastructure and Preliminary at RM6,670,000.00	We have referred to the industry average costing and awarded contracts for similar projects, the construction cost of infrastructure (road and drainage, sewer line, water reticulation) and preliminary are in line with the market practice.
Construction Cost of Carpark at RM40,593,960.00	Construction cost for elevated car parks as published in JUBM & Arcadis Construction Cost Handbook Malaysia 2022 is about RM10,715 per car parking bay to RM17,970 per car parking bay based on a standard car parking bay at 124 square feet. Based on this, we are of the opinion that the Construction Cost adopted for Carpark of RM16,200 per car parking bay is in line with the market practice.
Contingencies at RM3,413,936.85	We have adopted a rate of 2% of total infrastructure, preliminary, building and carpark construction cost as contingencies to be fair representation and reflective of market industry for the intended development.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

Description	Remarks
Statutory Contributions at RM9,225,675.00	The Statutory Contributions comprising Development Charges, contributions to Indah Water Konsortium, SYABAS and Tenaga Nasional Berhad (TNB) as well as cost to obtain Certificate of Share Unit Formula (SiFUS) are based on the information by the relevant authorities and cost estimations provided by the developer. The total Statutory Contributions is RM9,225,675.00, i.e. approximately 3.38% of the Gross Development Value which falls within the range of normal market practice of 2% to 4%.
Professional Fees at RM6,587,735.00	The professional fees are based on the legal fee and consultant's fees. The total Professional Fees is RM6,587,735.00, i.e. approximately 3.78% of the total construction cost, which is slightly below the normal market practice of approximately 4%. This is reasonable because the HT4 Land is being planned to be developed into a low-cost affordable housing project under the Rumah Selangorku government scheme. As such, the developer is likely to be able to negotiate for professional fees which are lower than the market rates.
Sales Marketing & Administration Cost at RM11,434,000.00	The Sales Marketing & Administration Cost comprises project management, sales related cost, sales commission and showroom. The total Sales Marketing & Administration Cost is RM11,434,000.00, i.e. approximately 4.18% of the total Gross Development Value, which is lower than the range of normal market practice of 5% to 8%. This figure was adopted because this is a low-cost affordable housing project under the Rumah Selangorku government scheme, therefore the marketing cost is expected to be lower than average.
Financing Cost at RM3,542,400.00	As of 12 th December 2022, the bank's Standardised Base Rate (SBR) is at 2.75%, Base Rate (BR) ranges from 2.75% to 4.22%, and Base Lending Rate (BLR) ranges from 6.35% to 6.87%. As of 3 rd February 2023, our verbal enquiry with banks revealed that 6.56% per annum is within the current market rate. Thus, the Financing Cost is RM3,542,400.00 based on a development period of 3 years with 6.56% interest rate. In our opinion, the projected finance cost is reasonable.
Developer's Profit at 13.5% of GDV at RM36,902,250.00	Based on the "Property Developers' Cost Structure" published by The Real Estate and Housing Developers' Association Malaysia (Rehda) on 30 th March 2022, the property developers' profit margins are shrinking and now at around 15% of the GDV. This is due to rising GDC, especially compliance costs with regards to property projects which are seeing the developer's profit margins being squeezed. We have adopted a developer's profit at 13.5% of the GDV in our computation. We are of the opinion that the rate is fair after taking into consideration the risk involved in developing a high-rise affordable housing scheme in this economic climate.
Development Period at 3 years	Based on the approval letter issued by LPHS dated 20th June 2022, the Rumah Selangorku is to be completed in 3 years (36 months). We are of the view that the development period of 3 years (36 months) is reasonable after having considered the current property market condition, demand, take-up rates and sales performance of other similar developments, the type and intensity of the development, the product features being offered as well as the potential impact during this recovery stage after the Covid-19 pandemic. We have also referred to the Housing Development (Control and Licensing) Regulations 1989 ("HDR"), whereby Regulation 11 provides that the time of delivery of vacant possession for high-rise properties (under Schedule H) is 36 months.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)



Description	Remarks
Present Value at 6.56%	To compute the Present Value, we have adopted 6.56% per annum as the discount factor to reflect the commercial risk involved in the property development. As of 3 rd February 2023, our verbal enquiry with banks revealed that the bridging financing rate is between 5% to 8% depending on the developer's profile. After considering the bridging financing rate, we are of the opinion that the discount rate adopted at 6.56% per annum is consistent with the current market rate.

SUMMARY OF RESIDUAL METHOD CALCULATION

Total GDV	RM 273,350,000.00
Less: Total Construction Cost	RM 204,900,589.20
	RM 68,449,410.80
Less: Developer's Profit @ 13.50% of GDV	RM 36,902,250.00
Residual Value in 3 years	RM 31,547,160.80
Discount Factor for 3 years @ 6.56% per annum	0.8264515
	RM 26,072,198.36
Say	RM 26,000,000.00

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**BASIS 2 – COMPARISON APPROACH FOR Lot 92355**

There is a lack of available sale evidence of similar properties in the vicinity of the HT4 Land. As such, we have considered the recorded sales of similar properties located further away from the HT4 Land. Recent transactions of vacant residential land and land zoned for residential use within the District of Klang and Petaling which are pertinent to substantiate a value indication for the HT4 Land are reviewed and these sales are shown as follows: -

Comparable	Comparable 1	Comparable 2	Comparable 3
Legal Description	Title No. Geran Mukim 1419, Lot No. 2399, Mukim and District of Klang, State of Selangor	Title No. Geran Mukim 5434, Lot No. 1886, Mukim and District of Klang, State of Selangor	Title No. Geran 311673, Lot No. 76869, Mukim of Damansara, District of Petaling, State of Selangor
Type of Title	Individual	Individual	Individual
Type of Property	A vacant parcel of development land (zoning: residential)	A vacant parcel of development land (zoning: residential)	A vacant parcel of residential land
Location	Lot 2399, Jalan Mantap 25/126, Off Jalan Bukit Kemuning, Taman Sri Muda, Shah Alam.	Lot 1886, off Jalan Sungai Kandis, Shah Alam.	Lot 76869, Jalan Lelangit U8/45, Bukit Jelutong, Shah Alam.
Land Area	196,021 square feet (i.e. approximately 4.50 acres)	197,377 square feet (i.e. approximately 4.53 acres)	792,673 square feet (i.e. approximately 18.20 acres)
Tenure	Freehold	Freehold	Freehold
Date of Transaction	10 th September 2020	19 th August 2020	10 th July 2020
Consideration	RM11,761,200/-	RM12,829,559/-	RM34,500,000/-
Seller	Yong Chong Seong and 2 others	Whitestone Paradise Sdn. Bhd.	Bear Canyon Sdn. Bhd.
Buyer	Federlite Holdings Sdn. Bhd.	Sejiwaraga Sdn. Bhd.	Nature Century Development Sdn. Bhd.
Sources	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)		
Analysis	RM60.00 per square foot	RM65.00 per square foot	RM43.52 per square foot
Adjustment	General adjustments are made on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact.		
Adjustment Price	RM52.50 per square foot	RM66.63 per square foot	RM57.67 per square foot

The above sales transactions range from RM43.52 to RM65.00 psf. We have made adjustments on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact. After consideration, Comparable 2 has been adopted as the best comparable because it has the lowest net adjustment of +3% compared to Comparable 1 and Comparable 3 which have net adjustments of -13% and +33% respectively. Thereafter, we have adopted a round value of RM25,400,000 (analysed to about RM66.58 psf) in our valuation as a fair representation.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**RECONCILIATION OF VALUE**

Method of Valuation	Derivation of Values
Basis 1 – On “As is Where is” as a vacant parcel of residential land with LPHS approval only	
Comparison Approach	RM24,800,000/-
Basis 2 – On the assumption that the planning permission has been obtained from MBSJ	
Income Approach by Residual Method	RM26,000,000/-
Comparison Approach	RM25,400,000/-

We have adopted the Comparison Approach as the most appropriate method of valuation methodology in assessing the Market Value of the HT4 Land for Basis 1 whilst Income Approach by Residual Method as the most appropriate method of valuation methodology in assessing the Market Value of the HT4 Land for Basis 2.

Under Basis 2, the Income Approach by Residual Method of valuation derives the land value by estimating values of hypothetically improved properties representing the highest and best use of the site or in the case of a site with master planning approval, the approved development and thereafter deducting estimated construction costs. In our assessment for land intended for future development which has yet to obtain planning permission approval from MBSJ but was granted the planning approval from **LPHS**, it would be more appropriate to adopt the Income Approach by Residual Method as the primary method of valuation because our valuation would rely on the approved development with the approved development components as opposed to those lands intended for future development (without definite building plan).

Under Basis 2, the Comparison Approach is suitable to serve as a secondary approach (cross-check) in this valuation because of the scarcity of comparables with similar location, development type and conditions as the HT4 Land in order to arrive at a meaningful conclusion of the Market Value. The HT4 Land, with the relevant approvals awarded (i.e. **LPHS**’ approval to develop Rumah Selangorku) has become unique in nature, and hence adjustments made to the comparables to mimic the HT4 Land would be difficult and arbitrary.

Therefore, under Basis 2, we have adopted the Income Approach by Residual Method as the primary approach in determining the Market Value of the HT4 Land supported by the Comparison Approach as a cross-check of valuation under Basis 2.

VALUATION

Taking into consideration all relevant factors, it is our opinion that the Market Value of the **HT4 Land** held under Individual Title No. Geran 341627, Lot No. 92355, Mukim of Damansara, District of Petaling, State of Selangor, in its existing condition with vacant possession and free from encumbrances, under **Basis 1** at **RM24,800,000/- (Ringgit Malaysia: Twenty Four Million and Eight Hundred Thousand Only)** and **Basis 2** at **RM26,000,000/- (Ringgit Malaysia: Twenty Six Million Only)**.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

ONE (1) VACANT PARCEL OF RESIDENTIAL LAND HELD UNDER INDIVIDUAL TITLE NO. GERAN 335734, LOT NO. 92871; FOURTEEN (14) VACANT PARCELS OF COMMERCIAL LANDS HELD UNDER INDIVIDUAL TITLE NO. HS(D) 318433 TO HS(D) 318446, LOT NO. PT 35901 TO PT 35914; ONE (1) VACANT PARCEL OF INDUSTRIAL LAND DESIGNATED FOR ELECTRIC SUBSTATION HELD UNDER INDIVIDUAL TITLE NO. HS(D) 318447, LOT NO. PT 35915; ALL WITHIN MUKIM OF DAMANSARA, DISTRICT OF PETALING, STATE OF SELANGOR.

(Our Ref: VPCPJ/23/60300/LBW/Vince)

TERMS OF REFERENCE

The EN11 Land i.e. Lot No. 92871 (previously held under Lot No. PT 35900), PT 35901 to PT 35915 was granted approval for the development of 746 units of Rumah Selangorku vide approval letters issued by **LPHS** bearing Reference No. Bil(3)LPHS/2250/SPP/17 dated 13th February 2017, LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5) dated 21st April 2022. The total units of Rumah Selangorku are subject to the maximum density limit and the planning permission approval by MBSJ.

PROPERTY IDENTIFICATION

The Property : a) Lot 92871 – A vacant parcel of residential land
 b) PT 35901 to PT 35914 – Fourteen (14) parcels of commercial lands
 c) PT 35915 – A vacant parcel of industrial land

Location : Along Jalan Subang Mas, Subang Jaya, Selangor Darul Ehsan.

Title Particulars :

Title No.	Lot No.	Land Area (sq. m.)	Land Area (sq. ft.)
GERAN 335734	92871	15,626	168,197
HS(D) 318433	PT 35901	156.92	1,689
HS(D) 318434	PT 35902	144.11	1,551
HS(D) 318435	PT 35903	144.11	1,551
HS(D) 318436	PT 35904	144.11	1,551
HS(D) 318437	PT 35905	144.11	1,551
HS(D) 318438	PT 35906	144.11	1,551
HS(D) 318439	PT 35907	144.11	1,551
HS(D) 318440	PT 35908	144.11	1,551
HS(D) 318441	PT 35909	144.11	1,551
HS(D) 318442	PT 35910	144.11	1,551
HS(D) 318443	PT 35911	144.11	1,551
HS(D) 318444	PT 35912	144.11	1,551
HS(D) 318445	PT 35913	144.11	1,551
HS(D) 318446	PT 35914	156.92	1,689
HS(D) 318447	PT 35915	246.26	2,651
Total		17,915.42 sq. m. (approx. 4.427 acres)	192,838 sq. ft.
All within Mukim of Damansara, District of Petaling, State of Selangor			

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)



Tenure	:	a) Lot 92871, PT 35901 to PT 35914 – Freehold b) PT 35915 – Leasehold interest for 99 years expiring on 12 th December 2116
Category of Land Use	:	a) Lot 92871, PT 35901 to PT 35914 – “Bangunan” b) PT 35915 – “Perusahaan”
Registered Owner	:	Sime Darby Property (USJ) Sdn. Bhd.
Express Condition	:	a) Lot 92871 – “Bangunan Kediaman” b) PT 35901 to PT 35914 – “Bangunan Perniagaan” c) PT 35915 – “Perusahaan Berat”
Restriction-In-Interest	:	a) Lot 92871, PT 35901 to PT 35914 – “Tiada” b) PT 35915 – i. “Tanah ini boleh dipindah milik, dipajak atau digadai setelah mendapat kebenaran Pihak Berkuasa Negeri.” ii. “Tanah ini hendaklah digunakan semata-mata untuk tujuan tapak pencawang elektrik sahaja.”
Encumbrances/ Endorsement	:	-

Note:

- a) As per the “Restriction-In-Interest” in the Title No. HSD 318447, Lot No. PT 35915 is intended to be use for “Pencawang Elektrik” only. Therefore, the client has specifically instructed us to disregard the Market Value of Lot No. PT 35915 in this report and valuation.
- b) The above search at the relevant Land Office is conducted to establish the title particulars and details relevant to the valuation of the EN11 Land only. Although we have conducted a title search, we do not accept any responsibility for the accuracy, correctness of the title particulars and legal validity of the title. We recommend that legal advice be sought to verify the above title particulars from the relevant professional i.e. a solicitor.
- c) The interest in the property is regulated vide a Sale and Purchase Agreement dated 24th March 2022 (“SPA”) between Sime Darby Property (Bukit Raja) Sdn. Bhd. (“SDP Bukit Raja”) (the Vendor) and Inta Development Sdn. Bhd. (“INTA”) (the Purchaser) (“SPA”).

Sime Darby Property (USJ) Sdn. Bhd. (“SDP USJ”) (formerly known as Lengkap Teratai Sdn. Bhd.) was previously the registered owner of the EN11 Land. By a sale and purchase agreement dated 1st July 2008, SDP USJ had sold the EN11 Land to SDP Bukit Raja. SDP Bukit Raja has since fully settled the purchase price contemplated in the said sale and purchase agreement and henceforth, the EN11 Land remained registered in the name of SDP USJ notwithstanding that SDP Bukit Raja has become the beneficial owner of the EN11 Land.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

Subsequently, INTA had on 4 August 2022 entered into a novation agreement with SDP Bukit Raja and Tinta Heights Development Sdn Bhd (“THD”), a 80%-owned subsidiary of TWL Commodity Sdn Bhd (“TWLC”) which in turn is a wholly owned subsidiary of TWL (“Novation Agreement”) whereby INTA has agreed to irrevocably novate and transfer all its rights, title, interest, liabilities and obligations in and to the SPA (which includes the variations / amendments pursuant to the terms and conditions thereof) to THD.

GENERAL DESCRIPTION

Lot 92871, PT 35901 to PT 35915 is located along Jalan Subang Mas, Subang Jaya. It is located within a residential development known as Taman Pinggiran USJ, Subang Jaya. The site boundaries are demarcated by metal hoarding. The main entrance is secured with a pair of metal hoarding gates. The site is generally flat in terrain and lies above the street elevations. During our inspection, we note that the site is being cleared.

PROPOSED DEVELOPMENT

No.	Date of Approval	Development	Reference No.
1	13 th February 2017	Approval to develop total 380 units of Rumah Selangorku and 14 units of shop-office.	Bil(3)LPHS/2250/SPP/17
2	21 st April 2022	Approval to increase the development of Rumah Selangorku from 380 units to 746 units and 14 units of shop-office has been removed.	LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5)

Lot 92871 is designated for residential use, Lot PT 35901 to PT 35914 are designated for commercial use and Lot PT 35915 is designated for heavy industrial use as per the express condition stated in the document of title.

VALUATION APPROACH

In arriving at the Market Value of the EN11 Land, we have adopted the Comparison Method for Basis 1 and the Income Approach by Residual Method for Basis 2 as follows:-

THE COMPARISON APPROACH

Utilizing the Comparison Approach, transactions and asking prices of similar properties in the locality are analysed for comparison purposes and adjustments are made for location, size, present market trends and other differences.

THE INCOME APPROACH BY RESIDUAL METHOD

This method entails the determination of the total Gross Development Value (**GDV**) and deducting from this the Gross Development Cost (**GDC**) which includes amongst others costs of construction and site works, professional fees, interest on capital borrowed and contingencies and deduction of the developer's risk and profit. The residual value of the **EN11 Land** is then discounted for the period of development to arrive at the current market value of the **EN11 Land**. For an on-going project development, the GDC would be the cost to completion.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**BASIS 1 – COMPARISON APPROACH FOR LOT 92871**

There is a lack of available sale evidence of similar properties in the vicinity of the EN11 Land. As such, we have considered the recorded sales of similar properties located further away from the EN11 Land. Recent transactions of vacant residential land and land zoned for residential use within the District of Klang and Petaling which are pertinent to substantiate a value indication for the EN11 Land are reviewed and these sales are shown as follows:-

Comparable	Comparable 1	Comparable 2	Comparable 3
Legal Description	Title No. Geran Mukim 1419, Lot No. 2399, Mukim and District of Klang, State of Selangor	Title No. Geran Mukim 5434, Lot No. 1886, Mukim and District of Klang, State of Selangor	Title No. Geran 311673, Lot No. 76869, Mukim of Damansara, District of Petaling, State of Selangor
Type of Title	Individual	Individual	Individual
Type of Property	A vacant parcel of development land (zoning: residential)	A vacant parcel of development land (zoning: residential)	A vacant parcel of residential land
Location	Lot 2399, Jalan Mantap 25/126, Off Jalan Bukit Kemuning, Taman Sri Muda, Shah Alam.	Lot 1886, off Jalan Sungai Kandis, Shah Alam.	Lot 76869, Jalan Lelangit U8/45, Bukit Jelutong, Shah Alam.
Land Area	196,021 square feet (i.e. approximately 4.50 acres)	197,377 square feet (i.e. approximately 4.53 acres)	792,673 square feet (i.e. approximately 18.20 acres)
Tenure	Freehold	Freehold	Freehold
Date of Transaction	10 th September 2020	19 th August 2020	10 th July 2020
Consideration	RM11,761,200/-	RM12,829,559/-	RM34,500,000/-
Seller	Yong Chong Seong and 2 others	Whitestone Paradise Sdn. Bhd.	Bear Canyon Sdn. Bhd.
Buyer	Federlite Holdings Sdn. Bhd.	Sejwaraga Sdn. Bhd.	Nature Century Development Sdn. Bhd.
Sources	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)		
Analysis	RM60.00 per square foot	RM65.00 per square foot	RM43.52 per square foot
Adjustment	General adjustments are made on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact.		
Adjustment Price	RM61.50 per square foot	RM76.38 per square foot	RM55.49 per square foot

The above sales transactions range from RM43.52 to RM65.00 psf. We have made adjustments on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact. After consideration, Comparable 1 has been adopted as the best comparable because it has the lowest net adjustment of +2.5% compared to Comparable 2 and Comparable 3 which have net adjustments of +17.5% and +27.5% respectively. Thereafter, we have adopted a round value of RM10,340,000 (analysed to about RM61.48 psf) in our valuation as a fair representation.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**BASIS 1 – COMPARISON APPROACH FOR LOT NO. PT 35901 TO PT 35914**

There is a lack of available sale evidence of similar properties in the vicinity of the EN11 Land. As such, we have considered the recorded sales of similar properties located further away from the EN11 Land:-

Comparable	Comparable 1	Comparable 2	Comparable 3
Legal Description	Title No. HS(D) 16603, No. PT 13242, Mukim and District of Klang, State of Selangor	Title No. HS(M) 6739, No. PT 5193, Mukim and District of Petaling, State of Selangor	Title No. Geran 236901, Lot No. 87411, Mukim and District of Petaling, State of Selangor
Type of Title	Individual	Individual	Individual
Type of Property	A vacant parcel of commercial land (intermediate lot)	A vacant parcel of commercial land (end lot)	A vacant parcel of commercial land (corner lot)
Location	PT 13242 (Lot 38496), off Jalan Omboh 34/1, Alpine Industrial Area, Seksyen 34 Shah Alam.	PT 5193 (Lot 92437), Jalan Bakawali, Kampung Batu 14, Puchong.	Lot 87411, off Jalan TPT 1, Taman Puchong Tekali, Puchong.
Land Area	2,400 square feet	1,602 square feet	4,058 square feet
Tenure	Freehold	Leasehold interest for 99 years expiring on 18 th February 2084	Freehold
Date of Transaction	25 th January 2021	17 th November 2020	17 th November 2020
Consideration	RM480,000/-	RM330,000/-	RM1,004,845/-
Seller	SKS Vacations Sdn Bhd	Radzali Bin Mohd Yunus	Tekali Prospecting Sendirian Berhad
Buyer	Oscar Tyre Sdn Bhd	Sarmila A/P Givananthan	Pacific Grandland Sdn Bhd
Sources	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)		
Analysis	RM200.00 per square foot	RM205.99 per square foot	RM247.62 per square foot
Adjustment	General adjustments are made on the location, accessibility, position, land size, tenure, exposed, site clearance / improvement, and Covid-19 impact.		
Adjustment Price	RM210.00 per square foot	RM215.06 per square foot	RM284.76 per square foot

The above sales transactions range from RM200.00 to RM247.62 psf. We have made adjustments on the location, accessibility, position, land size, tenure, exposed, site clearance / improvement, and Covid-19 impact. After consideration, Comparable 2 has been adopted as the best comparable because it has the lowest net adjustment of +4% compared to Comparable 1 and Comparable 3 which have net adjustments of +5% and +15% respectively. Thereafter, we have adopted a round value of RM330,000 (analysed to about RM212.77 psf) for intermediate lot (PT 35902 to PT 35913) and a round value of RM415,000 (analysed to about RM245.17 psf) for corner lot (PT 35901 and PT 35914) in our valuation as a fair representation.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**MARKET VALUE OF SUBJECT PROPERTY UNDER BASIS 1 DERIVED FROM THE COMPARISON APPROACH**

Title No.	Lot No.	Land Area (sq. m.)	Land Area (sq. ft.)	Market Value (RM/-)
GERAN 335734	92871	15,626	168,197	10,340,000
HS(D) 318433	PT 35901	156.92	1,689	415,000
HS(D) 318434	PT 35902	144.11	1,551	330,000
HS(D) 318435	PT 35903	144.11	1,551	330,000
HS(D) 318436	PT 35904	144.11	1,551	330,000
HS(D) 318437	PT 35905	144.11	1,551	330,000
HS(D) 318438	PT 35906	144.11	1,551	330,000
HS(D) 318439	PT 35907	144.11	1,551	330,000
HS(D) 318440	PT 35908	144.11	1,551	330,000
HS(D) 318441	PT 35909	144.11	1,551	330,000
HS(D) 318442	PT 35910	144.11	1,551	330,000
HS(D) 318443	PT 35911	144.11	1,551	330,000
HS(D) 318444	PT 35912	144.11	1,551	330,000
HS(D) 318445	PT 35913	144.11	1,551	330,000
HS(D) 318446	PT 35914	156.92	1,689	415,000
HS(D) 318447	PT 35915	246.26	2,651	* Nil
Total				15,130,000

* Note: As per the “Restriction-In-Interest” in the Title No. HSD 318447, Lot No. PT 35915 is intended to be use for “Pencawang Elektrik” only. Therefore, the client has specifically instructed us to disregard the Market Value of Lot No. PT 35915 in this report and valuation.

BASIS 2 – THE INCOME APPROACH BY RESIDUAL METHOD**DETERMINATION OF GDV**

The selling price of the Rumah Selangorku has been fixed by **LPHS** and stated in the approval letter bearing Reference No. LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5) both issued by **LPHS** dated 21st April 2022.

For information, as at the date of valuation, the approval for the development of the EN11 Land has been granted by **LPHS** but the planning permission approval has not been granted by MBSJ.

Based on the assumption under Basis 2 that the planning permission has been obtained from MBSJ with approved development plan, the development components approved by MBSJ for the EN11 Land (i.e. number of units as well as the selling price for each type of the development components) are assumed to be the same as the development components which have been approved by **LPHS**.

The details of the development components are as follows: -

Development Components	No. of units	GDV (RM)
Rumah Selangorku Type C – RM150,000/-	75	11,250,000.00
Rumah Selangorku Type E – RM250,000/-	671	167,750,000.00
Total GDV		179,000,000.00

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**DETERMINATION OF GDC**

Based on the feasibility study, the estimated gross development cost of the **EN11 Land** is RM160,642,643.80 comprising the following: -

No.	Description	Amount (RM)
i)	Construction Cost	116,378,968.80
ii)	Statutory Contributions	6,041,700.00
iii)	Professional Fees	4,232,175.00
iv)	Sales Marketing & Administration Cost	7,660,000.00
v)	Financing Cost	2,164,800.00
vi)	Developer's Profit	24,165,000.00
	Total	160,642,643.80

RESIDUAL METHOD CALCULATION AND FACTS TAKEN INTO CONSIDERATION

In arriving at the Market Value by using the Residual Method, we have taken into account the following factors:-

- a) Approval letter issued by **LPHS** bearing Reference No. LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5) both dated 21st April 2022 to increase the development of Rumah Selangorku from 380 units to 746 units. The total units of Rumah Selangorku approved by **MBSJ** are assumed to be the same as the total units of Rumah Selangorku which have been approved by **LPHS**.
- b) The selling prices adopted for the Rumah Selangorku (Type C) at RM150,000/- per unit and Rumah Selangorku (Type E) at RM250,000/- per unit as per the approval letter issued by **LPHS** bearing Reference No. LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5) both dated 21st April 2022.
- c) The estimated gross development cost is based on the information provided by the client.
- d) Taking into consideration the location, specification of the project, current market condition and risk factors, we have adopted the developer's profit at the rate of 13.5% of the GDV.
- e) We have adopted the development period of 36 months by considering the time needed to complete the EN11 Land.
- f) To compute the present value, we have adopted 6.56% per annum as the discount factor to reflect the commercial risk involved in property development.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)



THE PARAMETERS ADOPTED IN THE RESIDUAL METHOD ARE AS FOLLOWS:

Description	Remarks
Gross Development Value (GDV) at RM179,000,000.00	The GDV calculation is based on the selling price stated in the approval letters issued by LPHS bearing Reference No. LPHS.UPP.600-3/1/57(4) and LPHS.UPD.600-3/1/10(5) dated 21 st April 2022.
Gross Development Cost (GDC) at RM160,642,643.80	The estimated GDC provided by the client comprises of: - 1) Construction cost (includes contingencies) at RM116,378,968.80 2) Statutory Contributions at RM6,041,700.00 3) Professional Fees at RM4,232,175.00 4) Sales Marketing & Administration Cost at RM7,660,000.00 5) Financing Cost at RM2,164,800.00 6) Developer's Profit at RM24,165,000.00
Construction Cost of Building (Apartment) at RM80,839,588.24	We have cross-checked the Construction Cost of Building (Apartment) against the industry's average building construction costs for similar type of properties as published in JUBM & Arcadis Construction Cost Handbook Malaysia 2022, which is about RM95 per sq. ft. to RM126 per sq. ft. Based on this, we are of the opinion that the Construction Cost adopted for Building (Apartment) of RM103.50/sq.ft. is in line with the market practice for this type of property.
Construction Cost of Infrastructure and Preliminary at RM6,670,000.00	We have referred to the industry average costing and awarded contracts for similar projects, the construction cost of infrastructure (road and drainage, sewer line, water reticulation) and preliminary are in line with the market practice.
Construction Cost of Carpark at RM26,587,440.00	Construction cost for elevated car parks as published in JUBM & Arcadis Construction Cost Handbook Malaysia 2022 is about RM10,715 per car parking bay to RM17,970 per car parking bay based on a standard car parking bay at 124 square feet. Based on this, we are of the opinion that the Construction Cost adopted for Carpark of RM16,200 per car parking bay is in line with the market practice.
Contingencies at RM2,281,940.56	We have adopted a rate of 2% of total infrastructure, preliminary, building and carpark construction cost as contingencies to be fair representation and reflective of market industry for the intended development.
Statutory Contributions at RM6,041,700.00	The Statutory Contributions comprising Development Charges, contributions to Indah Water Konsortium, SYABAS and Tenaga Nasional Berhad (TNB) as well as cost to obtain Certificate of Share Unit Formula (SiFUS) are based on the information by the relevant authorities and cost estimations provided by the developer. The total Statutory Contributions is RM6,041,700.00, i.e. approximately 3.38% of the Gross Development Value which falls within the range of normal market practice of 2% to 4%.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)

Description	Remarks
Professional Fees at RM4,232,175.00	The professional fees are based on the legal fee and consultant's fees. The total Professional Fees is RM4,232,175.00, i.e. approximately 3.64% of the total construction cost, which is slightly below the normal market practice of approximately 4%. This is reasonable because the EN11 Land is being planned to be developed into a low-cost affordable housing project under the Rumah Selangorku government scheme. As such, the developer is likely to be able to negotiate for professional fees which are lower than the market rates.
Sales Marketing & Administration Cost at RM7,660,000.00	The Sales Marketing & Administration Cost comprises project management, sales related cost, sales commission and showroom. The total Sales Marketing & Administration Cost is RM7,660,000.00, i.e. approximately 4.28% of the total Gross Development Value, which is lower than the range of normal market practice of 5% to 8%. This figure was adopted because this is a low-cost affordable housing project under the Rumah Selangorku government scheme, therefore the marketing cost is expected to be lower than average.
Financing Cost at RM2,164,800.00	As of 12 th December 2022, the bank's Standardised Base Rate (SBR) is at 2.75%, Base Rate (BR) ranges from 2.75% to 4.22%, and Base Lending Rate (BLR) ranges from 6.35% to 6.87%. As of 3 rd February 2023, our verbal enquiry with banks revealed that 6.56% per annum is within the current market rate. Thus, the Financing Cost is RM2,164,800.00 based on a development period of 3 years with 6.56% interest rate. In our opinion, the projected finance cost is reasonable.
Developer's Profit at 13.5% of GDV at RM24,165,000.00	Based on the "Property Developers' Cost Structure" published by The Real Estate and Housing Developers' Association Malaysia (Rehda) on 30 th March 2022, the property developers' profit margins are shrinking and now at around 15% of the GDV. This is due to rising GDC, especially compliance costs with regards to property projects which are seeing the developer's profit margins being squeezed. We have adopted a developer's profit at 13.5% of the GDV in our computation. We are of the opinion that the rate is fair after taking into consideration the risk involved in developing a high-rise affordable housing scheme in this economic climate.
Development Period at 3 years	Based on the approval letter issued by LPHS dated 20th June 2022, the Rumah Selangorku is to be completed in 3 years (36 months). We are of the view that the development period of 3 years (36 months) is reasonable after having considered the current property market condition, demand, take-up rates and sales performance of other similar developments, the type and intensity of the development, the product features being offered as well as the potential impact during this recovery stage after the Covid-19 pandemic. We have also referred to the Housing Development (Control and Licensing) Regulations 1989 ("HDR"), whereby Regulation 11 provides that the time of delivery of vacant possession for high-rise properties (under Schedule H) is 36 months.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)



Description	Remarks
Present Value at 6.56%	To compute the Present Value, we have adopted 6.56% per annum as the discount factor to reflect the commercial risk involved in the property development. As of 3 rd February 2023, our verbal enquiry with banks revealed that the bridging financing rate is between 5% to 8% depending on the developer's profile. After considering the bridging financing rate, we are of the opinion that the discount rate adopted at 6.56% per annum is consistent with the current market rate.

SUMMARY OF RESIDUAL METHOD CALCULATION

Total GDV	RM 179,000,000.00
Less: Total Construction Cost	RM 136,477,643.80
	RM 42,522,356.20
Less: Developer's Profit @ 13.50% of GDV	RM 24,165,000.00
Residual Value in 3 years	RM 18,357,356.20
Discount Factor for 3 years @ 6.56% per annum	0.8264515
	RM 15,171,464.57
Say	RM 15,200,000.00

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**BASIS 2 – COMPARISON APPROACH FOR LOT NO. PT 35900 TO PT 35915 [PREVIOUSLY HELD UNDER LOT 66668 (5.742 ACRES)]**

There is a lack of available sale evidence of similar properties in the vicinity of the EN11 Land. As such, we have considered the recorded sales of similar properties located further away from the EN11 Land. Recent transactions of vacant residential land and land zoned for residential use within the District of Klang and Petaling which are pertinent to substantiate a value indication for the EN11 Land are reviewed and these sales are shown as follows:-

Comparable	Comparable 1	Comparable 2	Comparable 3
Legal Description	Title No. Geran Mukim 1419, Lot No. 2399, Mukim and District of Klang, State of Selangor	Title No. Geran Mukim 5434, Lot No. 1886, Mukim and District of Klang, State of Selangor	Title No. Geran 311673, Lot No. 76869, Mukim of Damansara, District of Petaling, State of Selangor
Type of Title	Individual	Individual	Individual
Type of Property	A vacant parcel of development land (zoning: residential)	A vacant parcel of development land (zoning: residential)	A vacant parcel of residential land
Location	Lot 2399, Jalan Mantap 25/126, Off Jalan Bukit Kemuning, Taman Sri Muda, Shah Alam.	Lot 1886, off Jalan Sungai Kandis, Shah Alam.	Lot 76869, Jalan Lelangit U8/45, Bukit Jelutong, Shah Alam.
Land Area	196,021 square feet (i.e. approximately 4.50 acres)	197,377 square feet (i.e. approximately 4.53 acres)	792,673 square feet (i.e. approximately 18.20 acres)
Tenure	Freehold	Freehold	Freehold
Date of Transaction	10 th September 2020	19 th August 2020	10 th July 2020
Consideration	RM11,761,200/-	RM12,829,559/-	RM34,500,000/-
Seller	Yong Chong Seong and 2 others	Whitestone Paradise Sdn. Bhd.	Bear Canyon Sdn. Bhd.
Buyer	Federlite Holdings Sdn. Bhd.	Sejiwaraga Sdn. Bhd.	Nature Century Development Sdn. Bhd.
Sources	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)		
Analysis	RM60.00 per square foot	RM65.00 per square foot	RM43.52 per square foot
Adjustment	General adjustments are made on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact.		
Adjustment Price	RM60.00 per square foot	RM74.75 per square foot	RM56.58 per square foot

The above sales transactions range from RM43.52 to RM65.00 psf. We have made adjustments on the location, accessibility, shape, terrain, land use, land size, planning approval, site clearance / improvement, negative factor, and Covid-19 impact. After consideration, Comparable 1 has been adopted as the best comparable because it has 0% net adjustment compared to Comparable 2 and Comparable 3 which have net adjustments of +15% and +30% respectively. Thereafter, we have adopted a round value of **RM15,000,000** (analysed to about RM59.97 psf) in our valuation as a fair representation.

A confirmation letter provided by **TWL** dated 7th February 2023 as per **APPENDIX I** stated that **TWL** will converting the Commercial Lands and Industrial Land into residential lands and thereafter amalgamate all the 16 parcels of the Land into 1 parcel of residential land for the Proposed Development (land area 5.742 acres) as approved by **LPHS** in its approval letter as dated 21st April 2022. Hence, the adjustment above is based on the land area 5.742 acres.

APPENDIX III – VALUATION CERTIFICATE IN RELATION TO THE LANDS (CONT'D)**RECONCILIATION OF VALUE**

Method of Valuation	Derivation of Values
Basis 1 – On “As is Where is” as a vacant parcel of residential land with LPHS approval only	
Comparison Approach	RM15,130,000/-
Basis 2 – On the assumption that the planning permission has been obtained from MBSJ	
Income Approach by Residual Method	RM15,200,000/-
Comparison Approach	RM15,000,000/-

We have adopted the Comparison Approach as the most appropriate method of valuation methodology in assessing the Market Value of the EN11 Land for Basis 1 whilst Income Approach by Residual Method as the most appropriate method of valuation methodology in assessing the Market Value of the EN11 Land for Basis 2.

Under Basis 2, the Income Approach by Residual Method of valuation derives the land value by estimating values of hypothetically improved properties representing the highest and best use of the site or in the case of a site with master planning approval, the approved development and thereafter deducting estimated construction costs. In our assessment for land intended for future development which has yet to obtain planning permission approval from MBSJ but was granted the planning approval from **LPHS**, it would be more appropriate to adopt the Income Approach by Residual Method as the primary method of valuation because our valuation would rely on the approved development with the approved development components as opposed to those lands intended for future development (without definite building plan).

Under Basis 2, the Comparison Approach is suitable to serve as a secondary approach (cross-check) in this valuation because of the scarcity of comparables with similar location, development type and conditions as the EN11 Land in order to arrive at a meaningful conclusion of the Market Value. The EN11 Land, with the relevant approvals awarded (i.e. **LPHS**’ approval to develop Rumah Selangorku) has become unique in nature, and hence adjustments made to the comparables to mimic the EN11 Land would be difficult and arbitrary.

Therefore, under Basis 2, we have adopted the Income Approach by Residual Method as the primary approach in determining the Market Value of the EN11 Land supported by the Comparison Approach as a cross-check of valuation under Basis 2.

VALUATION

Taking into consideration all relevant factors, it is our opinion that the Market Value of the **EN11 Land** held under Individual Title No. GRN 335734, Lot No. 92871 and Individual Title No. HSD 318433 to HSD 318447, Lot No. PT 35901 to PT 35915, Mukim of Damansara, District of Petaling, State of Selangor, in its existing condition with vacant possession and free from encumbrances, under **Basis 1** at **RM15,130,000/- (Ringgit Malaysia: Fifteen Million, One Hundred and Thirty Thousand Only)** and **Basis 2** at **RM15,200,000/- (Ringgit Malaysia: Fifteen Million and Two Hundred Thousand Only)**.