

THIS CIRCULAR TO SHAREHOLDERS OF LAGENDA PROPERTIES BERHAD (“LPB” OR THE “COMPANY”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular (including the valuation certificate as set out in Appendix II of this Circular), makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



LAGENDA
PROPERTIES

LAGENDA PROPERTIES BERHAD

Registration No. 200101000008 (535763-A)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED ACQUISITION BY LAGENDA MERSING SDN BHD (A 70% OWNED INDIRECT SUBSIDIARY OF LPB) OF 2 PARCELS OF FREEHOLD LAND LOCATED IN KELAN KECHIL, MUKIM SENAI, DAERAH KULAI, NEGERI JOHOR FROM SERIEMAS DEVELOPMENT SDN. BERHAD FOR A TOTAL CASH CONSIDERATION OF RM396,358,146.36 (“PROPOSED ACQUISITION”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser

UOBKayHian

UOB KAY HIAN SECURITIES (M) SDN BHD

Registration No. 199001003423 (194990-K)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The resolution in respect of the Proposed Acquisition will be tabled at the extraordinary general meeting of the Company (“**EGM**”) which will be held on a fully virtual basis through live streaming and online remote voting via the online meeting platform at <https://web.vote2u.my> (Domain Registration No. with MYNIC: D6A471702) on Wednesday, 28 June 2023 at 12.00 p.m. or immediately following the conclusion or adjournment of the 22nd annual general meeting (“**AGM**”) of the Company scheduled to be held on the same day at 10.30 a.m., whichever is later. The Notice of EGM together with the Form of Proxy are enclosed in this Circular. This Circular together with the Administrative Guide are also available at the Company’s website at www.lagendaprops.com.

You are requested to complete, sign and return the enclosed Form of Proxy and deposit it at the business address of the Company at Level 4, No. 131, Persiaran PM 2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak Darul Ridzuan or email to Vote2u@agmostudio.com not less than 48 hours before the time and date appointed for holding the EGM or at any adjournment thereof. The completion and lodging of the Form of Proxy shall not preclude you from attending and voting in person at the EGM should you subsequently wish to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

Last day, date and time for lodging the Form of Proxy : Monday, 26 June 2023 at 12.00 p.m.

Day, date and time of the EGM : Wednesday, 28 June 2023 at 12.00 p.m., or immediately after the conclusion or adjournment (as the case may be) of the 22nd AGM of the Company, which will be held at the same venue and on the same day at 10.30 a.m.

This Circular is dated 12 June 2023

DEFINITIONS

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

“Act”	:	Companies Act 2016
“Agreed Rate”	:	RM8.50 per square foot
“Board”	:	The board of directors of LPB
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
“Circular”	:	This circular dated 12 June 2023, issued to the shareholders of the Company in relation to the Proposed Acquisition
“Director(s)”	:	Director(s) of LPB and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and Section 2(1) of the Act
“EGM”	:	Extraordinary general meeting of the Company
“EPS”	:	Earnings per share
“EPU”	:	Economic Planning Unit, Malaysia
“Final Survey”	:	A final survey on the Subject Lands conducted by a licensed surveyor appointed by LMSB pursuant to the terms and conditions of the SPA
“FYE”	:	Financial year ended/ending, as the case may be
“km”	:	Kilometres
“Laurelcap” or the “Valuer”	:	Laurelcap Sdn Bhd (Registration No. 200801005326 (806610-U))
“LDSB”	:	LPB Development Sdn Bhd (Registration No. 201801004165 (1266179-W)), a wholly-owned subsidiary of LPB
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities
“LMSB” or the “Purchaser”	:	Lagenda Mersing Sdn Bhd (Registration No. 202101021908 (1422208-V)), a 70% owned subsidiary of LDSB
“LPB” or the “Company”	:	Lagenda Properties Berhad (Registration No. 200101000008 (535763-A))
“LPB Group” or the “Group”	:	Collectively, LPB group of companies
“LPB Share(s)” or “Share(s)”	:	Ordinary share(s) in LPB
“LPD”	:	29 May 2023, being the latest practicable date prior to the date of this Circular
“MJSB”	:	Misi Jutari Sdn Bhd (Registration No. 200401006456 (644960-X))
“NA”	:	Net assets
“Party(ies)”	:	Collectively, or individually, LMSB and the Vendor
“Proposed Acquisition”	:	Proposed acquisition by LMSB of the Subject Lands for the Purchase Consideration, which will be satisfied entirely in cash

DEFINITIONS (Cont'd)

“Purchase Consideration”	:	RM396,358,146.36, being the final purchase consideration for the Proposed Acquisition as announced on 8 June 2023 and confirmed by the Vendor via its letter dated on 7 June 2023, further details on the final purchase consideration are set out in Section 1 and Section 2.8 of this Circular
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“SDSB” or the “Vendor”	:	Seriemas Development Sdn. Berhad (Registration No. 198401010032 (122570-H))
“SPA”	:	Conditional sale and purchase agreement entered into between LMSB and SDSB dated 13 February 2023 in relation to the Proposed Acquisition
“Subject Lands”	:	2 parcels of freehold land located in Kelan Kechil, Mukim Senai, Daerah Kulai, Negeri Johor registered under the titles nos. (i) HSD 74877, PTD 112724 and (ii) HSD 74878, PTD 112725, both located in Mukim Senai, Daerah Kulai, Negeri Johor
“UOBKH” or the “Principal Adviser”	:	UOB Kay Hian Securities (M) Sdn Bhd (Registration No. 199001003423 (194990-K))
“Valuation Certificate”	:	The valuation certificate on the Subject Lands dated 4 th April 2023 prepared by the Valuer, enclosed as Appendix II in this Circular
“Valuation Report”	:	The valuation report on the Subject Lands dated 4 th April 2023 prepared by the Valuer

All references to “we”, “us”, “our” and “ourselves” are to LPB. All references to “you” in this Circular are to the shareholders of LPB.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

Any discrepancies in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

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

TABLE OF CONTENTS

	PAGE
EXECUTIVE SUMMARY	iv
LETTER TO THE SHAREHOLDERS OF LPB IN RELATION TO THE PROPOSED ACQUISITION CONTAINING:-	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED ACQUISITION	2
3. RATIONALE AND JUSTIFICATION	8
4. INDUSTRY OVERVIEW AND PROSPECTS	10
5. RISK FACTORS	13
6. EFFECTS OF THE PROPOSED ACQUISITION	15
7. HIGHEST PERCENTAGE RATIO APPLICABLE	16
8. APPROVALS REQUIRED	16
9. CONDITIONALITY OF THE PROPOSED ACQUISITION AND OUTSTANDING CORPORATE PROPOSALS	17
10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM	17
11. DIRECTORS' STATEMENT	17
12. ESTIMATED TIMEFRAME FOR COMPLETION	17
13. EGM	17
14. FURTHER INFORMATION	18
APPENDICES	
I SALIENT TERMS OF THE SPA	19
II VALUATION CERTIFICATE OF THE SUBJECT LANDS	24
III FURTHER INFORMATION	31
NOTICE OF EGM	ENCLOSED
FORM OF PROXY	ENCLOSED

EXECUTIVE SUMMARY

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

Key Information	Description	Reference to Circular															
Summary of the Proposed Acquisition	The Proposed Acquisition entails the acquisition of the Subject Lands from SDSB for a total cash consideration of RM398,207,224.80, subject to the terms and conditions of the SPA. The Subject Lands will be acquired free from all encumbrances and on an “as is, where is” basis, and subject to all conditions of title (whether expressed or implied). The Purchase Consideration was subsequently adjusted and revised to RM396,358,146.36 pursuant to the terms of the SPA following the receipt of the Final Survey by the Purchaser and confirmation on the final purchase consideration by the Vendor.	Section 2															
Basis and justification of arriving at the purchase consideration	<p>The Initial Purchase Consideration (as defined in Section 1 of this Circular) was arrived at on a willing-buyer and willing-seller basis after taking into consideration the following factors:-</p> <p>(i) the total aggregate market value of the Subject Lands of RM401,000,000, as appraised by the Valuer, based on the comparison approach and the inspections of the Subject Lands held on 16 January 2023 and 24 March 2023. Further details of the valuation are set out in Section 2.2 of this Circular; and</p> <p>(ii) the rationale and justification of the Proposed Acquisition and future prospects of the Subject Lands as set out in Sections 3 and 4.3 of this Circular.</p>	Section 2.7															
Mode of settlement	<p>Pursuant to the terms of the SPA, the Purchase Consideration for the Subject Lands is to be satisfied by cash in the following manner:-</p> <table border="1"> <thead> <tr> <th>Payment Term</th> <th>Timing of settlement</th> <th>Purchase Consideration (RM)</th> </tr> </thead> <tbody> <tr> <td>2.0% of the Purchase Consideration</td> <td>Upon the execution of the letter of acceptance as earnest deposit, which was paid by LMSB to the Vendor on 2 December 2022</td> <td>7,964,144.00</td> </tr> <tr> <td>8.0% of the Purchase Consideration</td> <td>Upon the execution of the SPA as balance deposit which has been paid by LMSB to the Vendor on 13 February 2023</td> <td>31,856,578.00</td> </tr> <tr> <td>90.0% of the Purchase Consideration</td> <td>Within 90 days from the date the SPA becomes unconditional</td> <td>356,537,424.36</td> </tr> <tr> <td colspan="2">Total Purchase Consideration</td> <td>(1)396,358,146.36</td> </tr> </tbody> </table>	Payment Term	Timing of settlement	Purchase Consideration (RM)	2.0% of the Purchase Consideration	Upon the execution of the letter of acceptance as earnest deposit, which was paid by LMSB to the Vendor on 2 December 2022	7,964,144.00	8.0% of the Purchase Consideration	Upon the execution of the SPA as balance deposit which has been paid by LMSB to the Vendor on 13 February 2023	31,856,578.00	90.0% of the Purchase Consideration	Within 90 days from the date the SPA becomes unconditional	356,537,424.36	Total Purchase Consideration		(1)396,358,146.36	Section 2.8
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Total Purchase Consideration		(1)396,358,146.36															

EXECUTIVE SUMMARY (Cont'd)

Key Information	Description	Reference to Circular
	<p>Note:-</p> <p>(1) <i>The Purchase Consideration was derived at after taking into account the actual aggregate size of the Subject Lands pursuant to the findings of a land survey carried out by a licensed surveyor appointed by the Purchaser and concurred by the Vendor in terms of exclusion of Third Party Property (as defined in Section 1 of this Circular), in accordance with the Agreed Rate as stipulated in the SPA. The computation of the final size of the Subject Lands is subject to the Final Survey and the submission of final report to the Vendor within 3 months of the SPA.</i></p> <p><i>In this regard, the final Purchase Consideration has been confirmed by the Vendor via its letter dated 7 June 2023.</i></p>	
<p>Rationale and justification</p>	<p>The Proposed Acquisition is in line with our Group's overall strategy to expand its presence as a nationwide property developer, particularly in the niche segment of affordable township development, taking into consideration the following factors:-</p> <p>(i) our Group has undertaken deliberate landbanking strategies, targeting Johor, Selangor and Pahang, with the aim of expanding our Group's affordable property development footprint nationwide and diversifying our Group's geographical presence; and</p> <p>(ii) upon completion of the Proposed Acquisition, our Group's landbank will increase from approximately 3,726 acres to approximately 4,800 acres which is in line with our Group's business model and landbanking strategy to continuously roll out property development projects in strategic locations to serve the underserved affordable housing markets.</p> <p>Our Board also takes cognisance of the following factors pertaining to the prospects of the Subject Lands:-</p> <p>(i) the strategic location of the Subject Lands within the Kulai District;</p> <p>(ii) the competitive pricing strategy of LPB; and</p> <p>(iii) the ability of LPB to leverage on the sizeable untapped market in Johor.</p>	<p>Section 3</p>
<p>Risk factors</p>	<p>The potential risk factors of the Proposed Acquisition are as follows:-</p> <p>(i) acquisition risk;</p> <p>(ii) completion risk;</p> <p>(iii) risk of property overhang; and</p> <p>(iv) financing risk.</p>	<p>Section 5</p>

EXECUTIVE SUMMARY (Cont'd)

Key Information	Description	Reference to Circular
Approvals required	<p>The Proposed Acquisition is subject to the following approvals being obtained:-</p> <ul style="list-style-type: none">(i) the approval of our shareholders for the Proposed Acquisition at the forthcoming EGM;(ii) the approval of the Estate Land Board for the transfer of the Subject Lands from the Vendor to LMSB; and(iii) the approval from EPU as required under the EPU Guidelines.	Section 8
Conditionality of the Proposed Acquisition	<p>The Proposed Acquisition is not conditional upon any other corporate exercises undertaken or to be undertaken by our Company.</p>	Section 9
Directors' statement	<p>Our Board, after having considered all aspects of the Proposed Acquisition including but not limited to the salient terms of the SPA, basis and justification for the Purchase Consideration, and rationale of the Proposed Acquisition, is of the view that the Proposed Acquisition is in the best interest of our Group.</p> <p>Accordingly, our Board recommends that you vote in favour of the resolution pertaining to the Proposed Acquisition to be tabled at the forthcoming EGM.</p>	Section 11

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LAGENDA
PROPERTIES

LAGENDA PROPERTIES BERHAD

Registration No. 200101000008 (535763-A)
(Incorporated in Malaysia)

Registered office

5-9A, The Boulevard Offices
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Wilayah Persekutuan

12 June 2023

Board of Directors

Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin	<i>(Independent Non-Executive Chairman)</i>
Dato' Doh Jee Ming	<i>(Managing Director)</i>
Dr. Lim Pang Kiam	<i>(Independent Non-Executive Director)</i>
Looi Sze Shing	<i>(Independent Non-Executive Director)</i>
Myrzela Binti Sabtu	<i>(Independent Non-Executive Director)</i>
Dato' Mohamed Sharil Bin Mohamed Tarmizi	<i>(Independent Non-Executive Director)</i>

To: Our shareholders

Dear Sir/Madam,

PROPOSED ACQUISITION

1. INTRODUCTION

On 13 February 2023, UOBKH had, on behalf of our Board, announced that LMSB, had on the same date entered into the SPA with the Vendor for the proposed acquisition of the Subject Lands for a total cash consideration of RM398,207,224.80 ("**Initial Purchase Consideration**").

Pursuant to the SPA, LMSB had subsequently appointed a licensed surveyor to assess the size of the land area not owned by the Vendor which forms part of the Subject Lands ("**Land Survey**"). Upon completion of the Land Survey, LMSB noted that a plot of land amounting to 4.994 acres (or 2.0210 hectares) which presently forms part of the aggregate size of the Subject Lands amounting to 1,075.48 acres as reflected in the title deed, is not owned by the Vendor ("**Third Party Property**"). As a result thereof, LMSB had, on 7 March 2023, submitted the Land Survey findings to the Vendor and requested for concurrence from the Vendor on the exclusion of the Third Party Property from the computation of the final size of the Subject Lands.

On 10 April 2023, UOBKH had, on behalf of our Board, announced that SDSB had, on 29 March 2023, concurred with LMSB on the exclusion of the Third Party Property from the computation of the final size of the Subject Lands. It is a term of the SPA that in the event the actual area of the Subject Lands is less than what is initially stipulated in the SPA, the balance purchase price payable under the SPA will be deducted by an amount equivalent to the reduced land area multiplied by the Agreed Rate.

In this regard, the purchase consideration for the Proposed Acquisition was hence revised to RM396,358,146.36. The revised Purchase Consideration was derived at by deducting RM1,849,078.44 (being an amount equivalent to the land area of the Third Party Property of 4.994 acres or 2.0210 hectares multiplied by the Agreed Rate) from the Initial Purchase Consideration of RM398,207,224.80. Notwithstanding thereof and pursuant to terms of the SPA, the computation of the final size of the Subject Lands is subject to the Final Survey and the submission of a final report to the Vendor within 3 months of the SPA. Accordingly, the final purchase consideration of the Subject Lands is hence subject to a final adjustment* of actual aggregate size of the Subject Lands (if any) and the issuance of a certificate by the Vendor confirming the final purchase price of the Subject Lands prior to the completion of the SPA.

Note:-

* *The agreed adjustment mechanism pursuant to the SPA is set out below:-*

- (a) *such adjustment is subject to a maximum tolerance adjustment cap of one per centum (1%) of the final size of the Subject Lands ("Maximum Tolerance Cap") at the rate of RM8.50 per square foot in accordance with the report from the licensed surveyor; and*
- (b) *based on the Maximum Tolerance Cap (if enforced), the final purchase consideration will be arrived at based on the maximum adjusted land area of 439.59 hectares (1,086.24 acres), being the amount of RM402,190,835 (which will be the maximum amount required to be paid by LMSB to the Vendor for the Subject Lands post adjustment).*

The Purchaser had subsequently received the findings of the Final Survey on 1 June 2023 and noted that there was no change to the final size of the Subject Lands. As a result thereof, the Vendor had, via its letter dated 7 June 2023, confirmed that the final purchase consideration of the Subject Lands is RM396,358,146.36 based on the final land area size of 433.2124 hectares. Accordingly, on 8 June 2023, UOBKH had, on behalf of our Board, announced that the final Purchase Consideration is RM396,358,146.36 as per the announcement made on 10 April 2023.

Further details of the Proposed Acquisition are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE OUR SHAREHOLDERS WITH THE RELEVANT INFORMATION ON THE PROPOSED ACQUISITION AS WELL AS TO SEEK THE APPROVAL FROM OUR SHAREHOLDERS FOR THE RESOLUTION PERTAINING TO THE PROPOSED ACQUISITION TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE FORTHCOMING EGM AND THE FORM OF PROXY ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED ACQUISITION TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED ACQUISITION

2.1 Background information on the Proposed Acquisition

Subject to the terms and conditions of the SPA, the Vendor agrees to sell and LMSB agrees to purchase the Subject Lands, free from all encumbrances and on an "as is, where is" basis, and subject to all conditions of title (whether expressed or implied). The salient terms of the SPA are set out in **Appendix I** of this Circular.

2.2 Information on the Subject Lands

The Subject Lands are located in Kelan Kechil, Mukim Senai, Kulai, Johor, with strategic location within the proximity of multiple industrial parks and the region's economic hub of Johor Bahru, being just 18 km away from Senai International Airport with its associated logistics and industrial hubs, and 39 km away from Johor Bahru city centre.

Further information on the Subject Lands are set out below:-

Identification	:	Land 1, Kelan Kechil, Mukim Senai, Kulai, Johor (" Land 1 ")	Land 2, Kelan Kechil, Mukim Senai, Kulai, Johor (" Land 2 ")
Property details	:	A piece of agricultural land	A piece of agricultural land
Title particulars	:	HSD 74877, PTD 112724 Mukim Senai, Daerah Kulai, Negeri Johor	HSD 74878, PTD 112725 Mukim Senai, Daerah Kulai, Negeri Johor
Registered Owner	:	SDSB	SDSB
Tenure	:	Freehold	Freehold
Revised land area⁽¹⁾	:	307.95 hectares (approximately 760.96 acres)	125.26 hectares (approximately 309.53 acres)
Express conditions	:	None	None
Category of land use/planning details	:	Agricultural	Agricultural
Restrictions-in-interest	:	None	None
Encumbrances	:	None	None
Existing use	:	Palm oil plantation	Palm oil plantation
Date of inspection	:	16 January 2023 and 24 March 2023	16 January 2023 and 24 March 2023
Audited net book value	:	Not available ⁽²⁾	Not available ⁽²⁾
Valuer	:	Laurelcap	Laurelcap
Method of valuation	:	Comparison Approach	Comparison Approach
Market value appraised by the Valuer as at the date of inspection	:	RM401,000,000 (based on the revised land area as ascribed by Laurelcap)	

Notes:-

- (1) Pursuant to the concurrence of the Vendor on 29 March 2023, the parties had mutually agreed to exclude the Third Party Property from the computation of the final size of the Subject Lands.
- (2) The audited net book value of the Subject Lands is not available as LPB is not privy to such information from the Vendor.

Currently, the Subject Lands are generally planted with oil palm trees with a maturity of approximately 28 to 43 years. For information purposes, the oil palm trees were previously harvested and cultivated by Hockjoo Palmburg Plantation (M) Sdn Bhd ("**Operator**"), an independent estate operator appointed by the Vendor pursuant to an estate management service agreement between the Vendor and the Operator dated 22 March 2018 with a lease period commencing from 1 February 2018 and expiring on 31 January 2021 ("**EMSA**"). The EMSA has since expired on 31 January 2021 and no new estate management service agreement have been executed by the parties as at the LPD for the continuation of the estate management activities. As such, the Vendor was unable to obtain the relevant information relating to the production and contribution of the oil palm trees for the past 3 years for the purposes of disclosure in this Circular. Nevertheless, it should be noted that the existing oil palm trees have passed the average economic life span oil palm trees of 25 years, and will hence be producing less than average amount of fruits due to the extended life span. In this regard, such disclosures on the production and contribution of the oil palm trees may not be relevant to the shareholders in view that:-

- (a) the Proposed Acquisition was undertaken for property development purposes; and

- (b) our Group does not have any intention to harvest the existing crops for sale before undertaking the clearing activity of the oil palm trees for the purposes of developing the Proposed New Affordable Township (as defined herein).

As at the LPD, the Subject Lands do not have any conversion of land use approval (from agriculture to residential) and planning and development approvals. At this juncture, our Group estimates that the application for planning and development approvals for the Subject Lands shall be made in year 2024 and expects to obtain approval in year 2025. Such estimated timeline is however subject to, amongst others, time taken by the regulators in granting approvals as well as general market conditions.

The cost of conversion of category of land use in respect of the agricultural lands shall be borne by the Purchaser.

2.3 Information on the Vendor

SDSB is a private limited company duly incorporated in Malaysia on 4 July 1984 and having its registered office at 4th Floor, Balai PNB, 201-A, Jalan Tun Razak, 50400 Kuala Lumpur and place of business at No.1, Persiaran Impian Perdana, Saujana Impian, 43000 Kajang, Selangor. SDSB is a wholly-owned subsidiary of PNB Development Sdn. Berhad, which is, in turn, a subsidiary of Permodalan Nasional Berhad (a fund management company owned by the Ministry of Finance of Malaysia and Yayasan Pelaburan Bumiputra).

SDSB is primarily engaged in the business of development of real estate properties.

SDSB has a total issued share capital of RM2,500,000 comprising 2,500,000 ordinary shares as at the LPD.

The directors of SDSB are Rizal Rickman bin Ramli, Dato' Mohd Nizam bin Zainordin, Mazuki bin Abdullah @ Muhammad, Megat Rozlan bin Abdul Rahman and Mohamad Idros bin Mosin as at the LPD.

2.4 Information on LMSB

LMSB is a special purpose vehicle company incorporated in Malaysia between our Company and MJSB on 21 June 2021, and having its registered office at No. 131, Persiaran PM2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak and place of business at Level 4, No. 131, Persiaran PM2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak.

LMSB is principally involved in undertaking property development activities.

LMSB has a total issued share capital of RM250,000 comprising 250,000 ordinary shares as at the LPD.

The details of the shareholders of LMSB as at the LPD are as follows:-

	Direct		Indirect	
	No. of shares	(%)	No. of shares	(%)
LDSB	175,000	70.0	-	-
MJSB	75,000	30.0	-	-
LPB	-	-	⁽¹⁾ 175,000	70.0

Note:-

- (1) Deemed interested by virtue of its direct/indirect interest in LDSB, pursuant to Section 8 of the Act.

The directors of LMSB are Dato' Doh Jee Ming, Lee Wei Jin and Surulhuda binti Md Tasir as at the LPD.

2.5 Information on MJSB

MJSB is a private limited company duly incorporated in Malaysia on 9 March 2004 and having its registered office and principal place of business at No. 81, 2nd Floor, Jalan Market, 30000 Ipoh, Perak.

MJSB is principally involved in undertaking property development activities.

MJSB has a total issued share capital of RM750,000 comprising 750,000 ordinary shares as at the LPD. The details of shareholders of MJSB are as follows:-

	Direct		Indirect	
	No. of shares	(%)	No. of shares	(%)
Surulhuda binti Md Tasir	375,000	50.0	-	-
Mohamad Aizat Eamir bin Ismail	375,000	50.0	-	-

The directors of MJSB are Surulhuda binti Md Tasir and Mohamad Aizat Eamir bin Ismail as at the LPD.

2.6 Information on LDSB

LDSB is a private limited company duly incorporated in Malaysia on 26 January 2018 and having its registered office at 5-9A, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan and principal place of business at Level 4, No. 131, Persiaran PM 2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak.

LDSB is principally involved in undertaking property development activities.

LDSB has a total issued share capital of RM1,000,000 comprising 1,000,000 ordinary shares as at the LPD. LDSB is a wholly-owned subsidiary of LPB.

The directors of LDSB are Dato' Doh Jee Ming and Lee Wei Jin as at the LPD.

2.7 Basis and justification of arriving at the Initial Purchase Consideration

The Initial Purchase Consideration was arrived at on a willing-buyer and willing-seller basis after taking into consideration the following factors:-

- (i) The total aggregate market value of the Subject Lands of RM401,000,000, as appraised by the Valuer and the inspections of the Subject Lands held on 16 January 2023 and 24 March 2023.

In arriving at the market value of the Subject Lands, the Valuer has adopted the comparison approach in the valuation of the Subject Lands. The comparison approach involves comparing the Subject Lands with recently transacted properties of similar nature or offers for sale or rental of similar properties in the locality. Relevant adjustments are then made for differences in location, shape of the lot, size, availability of site facilities, market conditions and other factors in order to arrive at a common basis for comparison.

The Valuer has only adopted this single method of valuation as the Valuer opines that the comparison approach is the best and only approach in this instance, as a result of the following factors:-

- There are consistent and recent transactions with similar characteristics as the Subject Lands and located in similar areas, which solidifies the price trend and thus favours the comparison approach.

- The zoning has changed from agriculture to residential which shows the Subject Lands have moved from traditional usage of plantation into development land. As such, the accuracy of using the income of the plantation in arriving at the Market Value would be diminished.
- There is no development order or any development planning of any sort at the current moment. Thus, the residual method would not be a suitable method of valuation in this instance.

Please refer to **Appendix II** of this Circular for the Valuation Certificate pertaining the valuation of the Subject Lands; and

- (ii) The rationale and justification of the Proposed Acquisition and future prospects of the Subject Lands as set out in **Sections 3 and 4.3** of this Circular.

The Initial Purchase Consideration was subsequently adjusted to exclude the Third Party Property and was revised to RM396,358,146.36 as per the announcements made on 10 April 2023 and 8 June 2023, further details of which are set out in **Section 1** of this Circular.

2.8 Mode of settlement

The Initial Purchase Consideration was adjusted in accordance with the Agreed Rate (as detailed in **Section 1** in this Circular) and was subsequently confirmed by the Vendor via its letter dated 7 June 2023.

The Purchase Consideration of the Subject Lands is to be satisfied in the following manner:-

Payment Term	Timing of settlement	Purchase Consideration (RM)
2.0% of the Purchase Consideration	Upon the execution of the letter of acceptance as earnest deposit, which was paid by LMSB to the Vendor on 2 December 2022, together with the executed letter of acceptance signed by LMSB on the same date	7,964,144.00
8.0% of the Purchase Consideration	Upon the execution of the SPA as balance deposit which has been paid by LMSB to the Vendor on 13 February 2023	31,856,578.00
90.0% of the Purchase Consideration ("Balance Purchase Consideration")	Within 90 days from the date the SPA becomes unconditional ⁽¹⁾ ("Completion Period")	⁽²⁾ 356,537,424.36
Total Purchase Consideration		⁽²⁾396,358,146.36

Notes:-

- (1) *In the event LMSB fails to pay the Balance Purchase Consideration within the Completion Period, the Vendor shall grant an extension of time of 30 days from the expiry of the Completion Period ("Extended Completion Period"), free from compensation, subject to LMSB providing documentation to the Vendor to show that LMSB has taken steps to secure funding necessary for payment of the Purchase Consideration.*

In the event LMSB fails to pay the Balance Purchase Consideration within the Extended Completion Period, the Vendor may grant to LMSB further extension of time to pay the Balance Purchase Consideration subject to LMSB paying to the Vendor ta'widh or compensation at the rate of 5% per annum on the Balance Purchase Consideration or any part thereof remaining outstanding, calculated on a daily basis from the day next after the expiry of the Extended Completion Period to the day the Balance Purchase Consideration is paid in full to the Vendor ("Compensation"). The Compensation shall be paid simultaneously with the payment of the Balance Purchase Consideration.

- (2) *As a result of the exclusion of the Third Party Property from the computation of the final size of the Subject Lands, the Purchase Consideration is derived at based on the terms of adjustment set out in the SPA – given the actual area of the Subject Land is less than that initially stipulated in the SPA, the size of the Third Party Property measuring approximately 4.994 acres (or 2.0210 hectares) shall be multiplied by the Agreed Rate as set out in the SPA, and such computed sum shall be deducted against the Initial Purchase Consideration. It is a term under the SPA for the computation of the final size of the Subject Lands to be subject to the Final Survey and the submission of a final report to the Vendor within 3 months of the SPA.*

Accordingly, the final purchase consideration of the Subject Lands is subject to a final adjustment of actual aggregate size of the Subject Lands (if any) and issuance of a certificate by the Vendor confirming the final purchase price of the Subject Lands prior to the completion of the SPA. The Purchaser had received the findings of the Final Survey on 1 June 2023 and noted that there was no change to the final size of the Subject Lands. The Vendor has consequently issued a letter of confirmation on 7 June 2023 confirming the sum of RM396,358,146.36 as the final purchase consideration of the Subject Lands based on the final land area size of 433.2124 hectares.

2.9 Source of funding

The Purchase Consideration payable in cash pursuant to the terms of the SPA shall be satisfied entirely via a combination of internally generated funds of our Group and bank borrowings.

Strictly for illustrative purposes, the breakdown and the proportion of the sources of funding are expected to be in the following manner:-

Source of funding	RM'million	%
Bank borrowings	320.00	80.73
Internally generated funds	76.36	19.27
Total	396.36	100.00

For information purposes, the actual breakdown and the proportion of the sources of funding can only be determined depending on the actual amount of bank borrowings to be secured by the Group.

2.10 Liabilities to be assumed

Save for the obligations and liabilities in and arising from, pursuant to or in connection with the SPA (which are customary in a sale and purchase transaction of properties including those key terms as disclosed in **Section 4 of Appendix I**), there are no other liabilities, including contingent liabilities and guarantees, to be assumed by our Group arising from the Proposed Acquisition.

2.11 Additional financial commitment required

Save for the Purchase Consideration and the related cost associated with the Proposed Acquisition, our Board does not expect to incur any other additional financial commitment required by our Group pursuant to the Proposed Acquisition.

Notwithstanding thereof, our Group will incur financial commitments for the development of the Proposed New Affordable Township on the Subject Lands. However, it is still preliminary at this juncture to affirm the details of the said development including amongst others, the total development costs, expected timeline of completion and funding requirements as our management is still currently in the midst of deliberating the detailed development plans for the Subject Lands.

3. RATIONALE AND JUSTIFICATION

The Proposed Acquisition is in line with our Group's overall strategy to expand its presence as a nationwide property developer, particularly in the niche segment of affordable township development, taking into consideration the following factors:-

- (a) given that our Group's existing affordable housing township projects are located in Perak and Kedah, our Group has undertaken deliberate landbanking strategies, targeting Johor, Selangor and Pahang, with the aim of expanding our Group's affordable property development footprint nationwide and diversifying our Group's geographical presence as well as ensuring a long term sustainable growth catering to the underserved affordable housing markets in the above mentioned regions; and
- (b) as at the third quarter of 2022, our Group has accumulated landbank in hand amounting to approximately 3,726 acres. Upon completion of the Proposed Acquisition, our Group's landbank size will increase to approximately 4,800 acres which is in line with our Group's business model of building landbank to cater for and accelerate its strategy of continuously rolling out property development projects located in strategic locations nationwide. This is in line with our Group's aspiration towards becoming a preferred affordable property developer.

Our Board also takes cognisance of the following factors pertaining to the prospects of the Subject Lands:-

(i) **The strategic location of the Subject Lands within the Kulai District**

- (a) The Subject Lands are connected via various major highways with accessibility to key commercial areas in the vicinity such as the Senai International Airport and Senai Airport City ("**SAC**") Industrial Park. These areas are well established economic centres that serve as a natural catchment pool for potential home-owners of affordable housing.
- (b) The immediate neighbourhoods surrounding the Subject Lands are mature residential developments of various sizes and designs, with certain parcels of vacant industrial and development lands, cementing strong demand for residential development around the Subject Lands.
- (c) The Subject Lands are located near to Johor Bahru, the capital of Johor, and is approximately a 39 km drive away from the Johor Bahru City Centre. As such, the population in Johor Bahru would be a key target market for the Subject Lands.

(ii) **The competitive pricing strategy of LPB**

Based on the Financial Stability Review – Second Half 2021 released by Bank Negara Malaysia, house prices in Johor are rated as severely unaffordable with a house price-to-income ratio* of 5.1 and above.

Based on the Financial Stability Review – Second Half 2022 released by Bank Negara Malaysia, the number of unsold housing units has been on a declining trend, but remained high compared to the historical average of 151,683 houses (4Q 2021 (peak): 183,918; 2015-2019 average: 130,210). Almost two-thirds of these units have remained unsold for more than three years, largely due to the price levels that are beyond the affordability of households.

LPB intends to maintain its competitive pricing strategy by pricing the houses to be developed on the Subject Lands at an affordable level to cater to the local population and the need of households in Johor.

Note:-

* *House price-to-income ratio refers to the ratio of median house price to annual median income of a particular state in 2020.*

(iii) **The ability of LPB to leverage on the sizeable untapped market in Johor**

Based on the latest available data (which is from the 2019 Johor Household Income and Basic Amenities Survey Report), out of approximately 879,300 households or about 3.8 million of total population in Johor, around 20% are living in rented units and around 2.5% are living in quarters. This provides a sizeable market base for LPB to tap into for the marketing and sale of its developments units.

(Source: Property Market Price & Rental Indices Q2 2022, National Property Information Centre; 2019 Johor Household Income and Basic Amenities Survey Report, Department of Statistics Malaysia; Financial Stability Review – Second Half 2021, Bank Negara Malaysia)

Our Board is of the view that the development of an affordable township within the Subject Lands would be ideal, leveraging on the strategic location and its accessibility. Based on feasibility studies conducted, our Group believes its niche focus on developing landed residential properties at affordable prices would enable it to strategically market its property offerings to the Johor market via development on the Subject Lands, particularly catering for the needs of B40 and M40 income groups in Johor. As at this juncture, the management of our Group intends to undertake the development of a large-scale affordable and self-sustaining township on the Subject Lands ("**Proposed New Affordable Township**"), spanning over 12,000 residential units accompanied by commercial portions with an estimated gross development value ("**GDV**") of approximately RM4.0 billion (approximately RM3.2 billion for residential component and approximately RM0.8 billion for commercial component), subject to final planning and approval. The estimated GDV of RM4.0 billion was estimated by the management based on the expected number of residential and commercial units to be developed on the Subject Lands (taking into consideration of industry norm and past experience) and an assumed indicative average selling price of RM270,000 per residential unit. It is pertinent to note that such assumptions/estimations made at this juncture (in particular, on the indicative selling prices of the units) is based on the current prevailing market conditions and average selling price of similar properties. The management has the right and may revise its mix of development elements, estimated construction budget and assumption parameters upwards or downwards depending on the prevailing market conditions at the various stages of the construction and development of the Proposed New Affordable Township.

Notwithstanding the above, it should be noted that the management is still currently in the midst of deliberating the detailed development plans for the Subject Lands. Hence, it is still preliminary at this juncture to affirm the details of the said development including amongst others, the total development costs, expected timeline of completion, funding requirements and estimated profits to be derived from the said development. Feasibility studies will be conducted to assess the risk-reward profile for the potential development, which will be highly dependent on the approvals to be obtained from relevant authorities and the demands of end purchasers.

4. INDUSTRY OVERVIEW AND PROSPECTS

4.1 Overview and outlook of the Malaysian economy

The global gross domestic product (“GDP”) growth in 2022 moderated to 3.4% reflecting the economic slowdown in advanced economies as well as emerging market and developing economies (EMDEs). Despite the softened global growth, Malaysia’s economy recorded a strong growth of 8.7% in 2022, exceeding the initial projection of 6.5% - 7%, whereby real output value reached above the pre-pandemic level. The commendable performance was driven by domestic demand and improved labour market in line with the transition to the endemic phase. These resulted from an increase in economic activities which include household spending, investment and tourism. Subsequently, encouraging expansion in all economic sectors primarily the services and manufacturing have also provided continuous impetus to the significant economic growth in 2022. Furthermore, the growth was attributed to robust external demand, especially among Malaysia’s major trading partners.

In 2023, global growth is expected to further soften at 2.9% on the back of persistent pressures such as inflation, tightening global financial conditions and economic deceleration among major economies. Meanwhile, Malaysia’s economic growth is projected to moderate amid the signs of weakness in the global growth momentum. The growth will be mainly supported by steady domestic demand primarily private expenditure as well as initiatives under the Budget 2023 and development expenditure under the Twelfth Malaysia Plan, 2021 – 2025 (12MP). However, a slowdown in external demand is expected to moderate exports growth, particularly in the electrical and electronic (E&E) products and major commodities.

On the supply side, all economic sectors are expected to remain in the positive growth trajectory in 2023, driven by the services and manufacturing sectors. Other sectors, namely agriculture, mining and construction are also expected to grow further in line with the improvement in economic activities. However, downside risks such as prolonged geopolitical conflict, climate-related disasters and persistently high inflation are expected to further hampering the global economic growth, hence, affecting Malaysia’s performance. Overall, the nation’s GDP is forecast to grow approximately 4.5% in 2023.

(Source: Updates on Economic & Fiscal Outlook and Revenue Estimates 2023, Ministry of Finance of Malaysia)

4.2 Overview and outlook of the Johor property market

The property market performance recorded an uptick in the first half of 2022 (H1 2022) compared to the same period last year (H1 2021). A total of 188,002 transactions worth RM84.40 billion were recorded, signifying an increase of 34.5% in volume and 36.1% in value compared to the same period in the previous year.

The residential sub-sector led the overall property market, with a contribution of 61.8% to the total transaction volume. This was followed by agriculture sub-sector (22.1%), commercial (8.1%), development land and others (6.0%) and industrial (2.0%). In terms of value, residential took the lead with 54.1% share, followed by commercial (16.6%), industrial (12.7%), agriculture (10.2%) and development land and others (6.4%).

Probing further into the Johor residential subsector, the affordability issues are acute. This is evidenced by the fact that a huge pricing mismatch exists in the Johor residential property market. According to the Financial Stability Review – Second Half 2021 report released by Bank Negara Malaysia, house prices in Johor is rated as severely unaffordable with a house price-to-income ratio of 5.1⁽¹⁾ and above.

In addition, there is also a severe housing supply and demand mismatch in Johor, particularly in the segment of residential properties priced below RM300,000 (“**Johor Affordable Housing**”). During the twelve months from in year 2022, the number of properties transacted in the Johor Affordable Housing segment is around 13,066 units but only around 866 Johor Affordable Housing units were launched in the same period. These data points evidences a clear lack of new Johor Affordable Housing being supplied into the market which does not match up to the corresponding significant demand.

The demand for Johor Affordable Housing is also backed by data evidencing that out of 19,721 overhang residential units⁽²⁾ in Johor as at Q4 2022, only about 4% of them are priced at RM300,000 and below and with the aforementioned price, only about 2% of them are landed affordable housing, while only about 8% of the total overhang residential units is priced between RM300,000 and RM500,000, and with the same price range, only about 2% of them are landed residential units. Significantly, given our Group’s focus on landed affordable housing below RM300,000 – our Group stands to benefit from participating in a sector that has a clear lack of supply but a strong level of demand.

Notes:-

(1) *House price-to-income ratio refers to the ratio of median house price to annual median income of a particular state in 2020.*

(2) *Overhang residential unit data is inclusive of SOHO and serviced apartments.*

(Source: Property Market Report First Half 2022, Valuation and Property Services Department, Ministry of Finance Malaysia, Bank Negara Malaysia, National Property Information Centre)

4.3 Prospects of the Subject Lands

Our Group is positive of the prospects of the Subject Lands after taking into consideration the following:-

- (i) The Subject Lands are strategically located within the Kulai District, approximately 18 km from Senai International Airport, 19 km from SAC Industrial Park, 49 km from Tuas Checkpoint and 39 km from Johor Bahru City Centre. It is accessible from numerous highways and expressways, such as the North-South Highway, Pasir Gudang Highway, Skudai Pontian Highway as well as the Singapore-Malaysia Expressway.
- (ii) The acquisition of the Subject Lands is expected to further enhance our Group's landbank portfolio. The proposed development of the Proposed New Affordable Township on the Subject Lands is also expected to augur well and contribute positively to the future earnings and profitability of our Group, given the resilient demand for affordable homes in the Johor region.
- (iii) According to the 2019 Johor Household Income and Basic Amenities Survey Report, there are about 879,300 households or about 3.8 million of total population in Johor, out of which around 20% are living in rented units and around 2.5% are living in quarters. This data indicates the presence of a sizeable untapped market in Johor.
- (iv) Based on the market study and assessment carried out by the management, there is a severe mismatch of housing supply and demand to be addressed in Johor, particularly in the Johor Affordable Housing segment. During the twelve months period in year 2022, the number of properties transacted in the Johor Affordable Housing segment is approximately 13,066 units but the number of properties launched during the same period was only approximately 866 Johor Affordable Housing units.

(Source: 2019 Johor Household Income and Basic Amenities Survey Report, Department of Statistics Malaysia)

The Proposed Acquisition is also in line with the expansionary efforts of our Group to meet the needs of most Malaysian home buyers under the B40 and M40 income groups. It is also pertinent to note that the Proposed Acquisition and the Proposed New Affordable Township will also serve as a strategic platform for our Group to expand its property development footprint to the southern region, and a step forward for our Group to achieve its aspiration towards becoming a preferred affordable property developer.

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5. RISK FACTORS

5.1 Acquisition risk

There is no assurance that the anticipated benefits arising from the Proposed Acquisition will be realised or that the Subject Lands will be able to generate sufficient returns to our Group in relation to its further investments or development undertaken in the Subject Lands, if any.

The Proposed Acquisition will also expose our Group to risks inherent in the property development industry, in which our Group is already involved in. Such risks may include, but are not limited to, adverse changes in real estate market prices, changes in demand for types of residential properties, competition from other property developers, labour and material supply shortages and fluctuations in the prices of building materials and costs of labour.

Nevertheless, our Company will closely monitor and constantly assess the prevailing economic and market conditions as well as the progress of the anticipated recovery of the property development industry.

Our Board has also exercised due care in considering the potential risks and benefits associated with the Proposed Acquisition and is optimistic of the potential benefits to be derived from the Proposed Acquisition.

5.2 Completion risk

The Proposed Acquisition is subject to, amongst others, the approval of our shareholders to be obtained at the forthcoming EGM of our company as well as the fulfilment of other conditions precedent stipulated in the SPA as disclosed in **Appendix I** of this Circular. In the event any of the conditions precedent are not fulfilled or waived, as the case may be, the Proposed Acquisition may be delayed or terminated, and the potential benefits arising therefrom may not materialise.

We will take all reasonable steps to ensure all conditions precedent and obligation pursuant to the SPA are satisfied within the stipulated timeframe to ensure the timely completion of the Proposed Acquisition.

5.3 Risk of property overhang

Our Group may be exposed to the property overhang situation in Johor, commonly caused by over-supply and low demand for properties and other factors such as economic downturns and unfavourable financial conditions. There may be possibility of the occurrence of further property overhang at the time of completion of any future developments undertaken on the Subject Lands and its surroundings.

Out of 19,721 overhang residential units in Johor as at Q4 2022, only about 4% of them are priced at RM300,000 and below, and with the aforementioned price, only about 2% of them are landed affordable housing while only about 8% of the total overhang residential units is priced between RM300,000 and RM500,000, and with the same price range, only about 2% of them are landed residential units. This indicates the risk of residential property overhang is minimal to our Group's business model that focuses on providing landed affordable homes priced at RM300,000 and below.

Nevertheless, our Group will closely monitor the developments in the property market as well as undertake management planning prior to finalisation and/or launches of development plans for the Subject Lands. In addition, our Group is also expected to benefit from policies tabled during the Johor State Government Budget 2023, which encourages the development of affordable housing.

5.4 Financing risk

Our Group will seek external financing to finance part of the Purchase Consideration as well as potentially obtaining additional borrowings to fund the development costs for the Subject Lands. Our Group's ability to obtain external financing and the costs of such financing are dependent on numerous factors, including general economic conditions, interest rates, credit availability from the banks or other lenders, or any restriction imposed by the Government of Malaysia and political, social and economic conditions in Malaysia.

There can be no assurance that the necessary financing will be available in amounts or on terms acceptable to our Group. In addition, our Group could potentially be exposed to fluctuation in interest rates on such external financing obtained, leading to higher borrowing costs that may adversely affect our Group's financial performance, as well as its ability to service future loan repayment obligations.

Nevertheless, the management will actively review our Group's debt portfolio, by taking into consideration the level, structure and nature of our Group's borrowings and seeking to adopt cost effective and optimal mix of financing options.

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6. EFFECTS OF THE PROPOSED ACQUISITION

6.1 Share capital and substantial shareholders' shareholding

As the Proposed Acquisition does not involve any issuance of new LPB Shares, there will be no impact on the issued share capital of LPB and substantial shareholders' shareholdings in LPB.

6.2 NA per share and gearing

For illustration purposes, based on the latest audited consolidated financial statements of LPB as at 31 December 2022 on the assumption that Proposed Acquisition had been effected on that date, the pro forma effect of the Proposed Acquisition on the audited consolidated NA per share and gearing of our Group are as follows:-

	Audited as at 31 December 2022 (RM'000)	Proforma I (¹)After subsequent events up to the LPD (RM'000)	Proforma II After Proforma I and the Proposed Acquisition (RM'000)
Ordinary shares	333,171	333,171	333,171
Other reserves	(8,631)	(8,631)	(8,631)
Retained earnings	691,609	662,299	(²)646,069
Equity attributable to the owners of our Company/NA	1,016,149	986,839	970,609
Non-controlling interests	8	8	8
Total equity	1,016,157	986,847	970,617
No. of shares in issue ('000)	837,327	837,327	837,327
NA per share (RM)	1.21	1.18	1.16
Total borrowings (RM'000)	386,203	386,203	(³)706,203
Gearing (times)	0.38	0.39	0.73
Cash equivalents (RM'000)	441,796	315,946	(²)(⁴)263,176
Net gearing (times)	(0.05)	0.07	0.46

Notes:-

- (1) After accounting for the following:-
- (i) interim dividend of 3.5 sen per Share in respect of the FYE 31 December 2022, amounting to approximately RM29.31 million, which was paid on 17 April 2023;
 - (ii) a sum of approximately RM31.86 million being 8.0% of the Purchase Consideration, which has been paid to the Vendor upon the execution of the SPA as balance deposit on 13 February 2023.
 - (iii) After deducting the balance payment of the purchase consideration amounting to approximately RM64.68 million in relation to the acquisition of 42 block titles of development/agricultural land in Mukim Durian Sebatang, Daerah Hilir Perak, Perak which was announced on 9 August 2022.
- (2) After deducting the estimated expenses in relation to the Proposed Acquisition amounting to approximately RM16.23 million which consist of stamp duty of approximately RM15.91 million and professional fees of approximately RM0.32 million.
- (3) Based on the assumption that the Purchase Consideration is partially satisfied through bank borrowings amounting to RM320.0 million.
- (4) Based on the assumption that the Purchase Consideration is partially satisfied through internally generated funds amounting to RM36.54 million.

6.3 Earnings and EPS

The Proposed Acquisition is not expected to have a material impact on our Group's earnings and EPS for the FYE 31 December 2023.

For illustrative purposes only, based on the audited consolidated statements of profit or loss and other comprehensive income of LPB for the FYE 31 December 2022 and assuming that the Proposed Acquisition had been effected on 1 January 2022 (being the beginning of the FYE 31 December 2022), the pro forma effects of the Proposed Acquisition on the earnings and EPS of the LPB Group are as follows:-

	FYE 31 December 2022	Proforma I After the Proposed Acquisition
PAT attributable to the owners of the Company (RM'000)	178,257	⁽¹⁾ 165,777
Total number of shares in issue ('000)	837,327	837,327
EPS (sen)	21.29	19.80

Note:-

- (1) *After deducting the professional fees in relation to the Proposed Acquisition amounting to approximately RM0.32 million and estimated post-tax interest expenses of approximately RM12.16 million in respect of the bank borrowings expected to be secured to fund the Proposed Acquisition at an indicative pre-tax interest rate of 5.0% per annum or post-tax interest rate of 3.8% per annum (bank borrowings to be secured of RM320 million x post-tax interest rate of 3.8% per annum = RM12.16 million).*

The slight decrease in our EPS above is based on the assumption that costs are incurred to secure and complete the Proposed Acquisition without any revenue and profit to be generated from development of the Subject Lands within the proforma period.

Notwithstanding the slight decrease in our EPS above, the Proposed Acquisition and the future development of the Subject Lands are expected to contribute positively to the future earnings of our Group.

7. HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable to the Proposed Acquisition pursuant to Paragraph 10.02(g) of the Listing Requirements is approximately 39.01%, calculated based on the latest audited consolidated financial statements of LPB (i.e. FYE 31 December 2022).

8. APPROVALS REQUIRED

The Proposed Acquisition is subject to the following being obtained:-

- (i) the approval of our shareholders for the Proposed Acquisition at the forthcoming EGM;
- (ii) the approval of the Estate Land Board⁽¹⁾ for the transfer of the Subject Lands from the Vendor to LMSB; and
- (iii) the approval from EPU⁽²⁾ as required under the EPU Guidelines.

Notes:-

- (1) *The application for the approval of the Estate Land Board has been made on 22 May 2023 and LPB expects the approval to be obtained within 4 to 6 months thereafter.*
- (2) *The application for the approval of the EPU has been made 10 April 2023 and LPB expects the approval to be obtained within 1 month from the LPD.*

9. CONDITIONALITY OF THE PROPOSED ACQUISITION AND OUTSTANDING CORPORATE PROPOSALS

The Proposed Acquisition is not conditional upon any other corporate exercises undertaken or to be undertaken by our Company.

As at the LPD, save for the Proposed Acquisition, there are no other outstanding corporate proposals that have been announced by our Company which are yet to be completed.

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

As at the LPD, none of our directors, major shareholders of LPB and persons connected with them have any interest, direct or indirect, in the Proposed Acquisition.

11. DIRECTORS' STATEMENT

Our Board, after having considered all aspects of the Proposed Acquisition including but not limited to the salient terms of the SPA, basis and justification for the Purchase Consideration, and rationale of the Proposed Acquisition, is of the view that the Proposed Acquisition is in the best interest of our Group.

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

12. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Acquisition is expected to be completed 2nd quarter of 2024, based on the following tentative timeline:-

Date	Event(s)
28 June 2023	<ul style="list-style-type: none">• EGM
2 nd quarter of 2024	<ul style="list-style-type: none">• Fulfilment of the conditions precedent in respect of the SPA• Completion of the Proposed Acquisition

13. EGM

The resolution in respect of the Proposed Acquisition will be tabled at the EGM which will be held on a fully virtual basis through live streaming and online remote voting via the online meeting platform at <https://web.vote2u.my> (Domain Registration No. with MYNIC: D6A471702) on Wednesday, 28 June 2023 at 12.00 p.m. or immediately following the conclusion or adjournment of the 22nd annual general meeting of our Company scheduled to be held on the same day at 10.30 a.m., whichever is later. The Notice of EGM together with the Form of Proxy are enclosed in this Circular. This Circular together with the Administrative Guide are also available at our Company's website at www.lagendaprops.com.

You are requested to complete, sign and return the enclosed Form of Proxy and deposit it at the business address of our Company at Level 4, No. 131, Persiaran PM 2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak Darul Ridzuan or email to Vote2u@agmostudio.com not less than 48 hours before the time and date appointed for holding the EGM or at any adjournment thereof. The completion and lodging of the Form of Proxy shall not preclude you from attending and voting in person at the EGM should you subsequently wish to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

14. FURTHER INFORMATION

You are advised to refer to the appendices set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
LAGENDA PROPERTIES BERHAD

DATO' DOH JEE MING
Managing Director

SALIENT TERMS OF THE SPA

The salient terms of the SPA in relation to the Proposed Acquisition are set out as follows:-

1. BASIS OF SALE

The Subject Lands is to be sold by the Vendor to LMSB on an “as is, where is” basis with vacant possession, free from encumbrances but subject to all restrictions-in-interest and conditions of title, whether express or implied on the title in respect of the Subject Lands upon the terms and conditions in the SPA.

2. PURCHASE PRICE

The purchase price of the Subject Lands, calculated at the rate of Ringgit Malaysia Eight and Fifty Sen (RM8.50) per square foot based on the size of the Subject Lands as set out in the issue document title of the Subject Lands of 435.2334 hectares (“**Area of Subject Lands**”), shall be Ringgit Malaysia Three Hundred Ninety Eight Million Two Hundred Seven Thousand Two Hundred and Twenty Four and Sen Eighty (**RM398,207,224.80**) only (“**Purchase Price**”) exclusive of any applicable government tax.

The Purchase Price shall be paid by LMSB in the following manner:-

- (a) A sum of Ringgit Malaysia Seven Million Nine Hundred Sixty Four Thousand One Hundred and Forty Four (**RM7,964,144.00**) being an earnest deposit which is equivalent to two per centum (2%) of the Purchase Price (“**Earnest Deposit**”), exclusive of any applicable government tax, has been duly paid by the Purchaser to the Vendor towards the Purchase Price upon the Purchaser’s acceptance of the Letter of Acceptance on 2 December 2022 and LMSB hereby acknowledges receipt of same.
- (b) A sum of Ringgit Malaysia Thirty One Million Eight Hundred Fifty Six Thousand Five Hundred and Seventy Eight (**RM31,856,578.00**) only being eight per centum (8%) of the Purchase Price (“**Balance Deposit**”), exclusive of any applicable government tax, shall be paid by the Purchaser to the Vendor upon execution of the SPA.
- (c) A sum of Ringgit Malaysia Three Hundred Fifty Eight Million Three Hundred Eighty Six Thousand Five Hundred and Two and Sen Eighty (**RM358,386,502.80**) only being ninety per centum (90%) of the Purchase Price (“**Balance Purchase Price**”), exclusive of any applicable government tax, shall be paid directly to the Vendor within the Completion Period.

In the event that the LMSB fails to pay the Balance Purchase Price within 90 days from the date the SPA becomes unconditional (“**Completion Period**”), the Vendor shall grant LMSB an extension of time of thirty (30) days from the expiry of the Completion Period (“**Extended Completion Period**”) to pay the Balance Purchase Price, free from compensation, subject to LMSB providing documentation to the Vendor to show that LMSB has taken steps to secure funding necessary for payment of the Purchase Price.

In the event LMSB fails to pay the Balance Purchase Price within the Extended Completion Period, the Vendor may grant to LMSB further extension of time to pay the Balance Purchase Price subject to LMSB paying to the Vendor *ta'widh* at the rate of five per centum (5%) per annum on the Balance Purchase Price or any part thereof remaining outstanding, calculated on a daily basis from the day next after the expiry of the Extended Completion Period to the day the Balance Purchase Price is paid in full to the Vendor (“**Compensation**”). The Compensation shall be paid simultaneously with the payment of the Balance Purchase Price.

SALIENT TERMS OF THE SPA (Cont'd)

3. ADJUSTMENT OF PURCHASE PRICE

Notwithstanding the Purchase Price stated in **Section 2** above, parties agree that pending the completion of the SPA and subject to the Final Survey provided that it is a licensed surveyor approved by the Vendor, at the cost and expense of LMSB.

LMSB shall procure for the survey to be completed and the final report submitted to the Vendor within three (3) months from the date of the SPA without any further extension of time, failing which the rights under this Section 3 shall lapse and have no further effect without any notice:-

- (a) In the event the actual aggregate size of the Subject Lands is less or more than 435.2334 hectares, as stipulated in the SPA ("**Agreed Area**"), no discrepancy or inaccuracy shall annul the sale herein except that the Purchase Price shall be adjusted accordingly, at a maximum tolerance adjustment cap of one per centum (1%) of the Agreed Area only at the rate of Ringgit Malaysia Eight and Fifty Sen (RM8.50) per square foot in accordance with the report from the licensed surveyor. A certificate to be issued by the Vendor confirming the adjusted Purchase Price shall be final and conclusive evidence, and shall not be subject to any appeal or review whatsoever provided that it is in accordance with the report of the licensed surveyor.
- (b) In computing the final size of the Subject Lands, parties hereby agree and acknowledge that the following shall apply:-
- (i) In relation to parts of the Subject Lands which is unusable due to compulsory acquisition under the Land Acquisition Act 1960 which have occurred prior to the date of the SPA, such parts shall be excluded from the final size of the Subject Lands.
- (ii) Prior to the execution of the SPA, LMSB has, at its own costs and expenses, obtained a report from a licensed surveyor that a plot of land amounting to 4.994 acres which presently forms part of the aggregate size of the Subject Lands and is reflected as such in the issue document of title to the Subject Lands is not owned by the Vendor ("**Third Party Property**"). The Purchaser shall provide a copy of this report to the Vendor within two (2) weeks from the date of the SPA and this Third Party Property shall be excluded from the final size of the Subject Lands.

In the event the Vendor does not agree with the findings of this report, the Vendor shall provide a notice of objection to LMSB with details of objection within two (2) weeks from the Vendor's receipt of the report and shall procure and cause a licensed surveyor, at the cost and expense of the Vendor, to conduct an additional survey on the Third Party Property and other disputed areas within three (3) months from the date of the SPA*. The findings as determined by the licensed surveyor shall, in the absence of manifest error, be conclusive, final and binding on the parties.

Note:-

* On 10 April 2023, UOBKH had on behalf of LPB, announced on Bursa Securities that the Vendor had on 29 March 2023, concurred with LMSB on the exclusion of the Third Party Property from the final size of the Subject Lands. Accordingly, the total land size of the Subject Lands announced on 13 February 2023 has been revised from 1,075.480 acres to 1,070.486 acres.

- (c) Any payment resulting from the adjustment and required to be paid by the party concerned shall be adjusted accordingly and proportionately upon the settlement of the Balance Purchase Price and until and unless the same is paid it will constitute a debt due from that party.

SALIENT TERMS OF THE SPA (Cont'd)

The parties hereby agree that any payment resulting from the adjustment shall be settled in the following manner:-

- (i) In the event the actual area is less than the Agreed Area, by deducting from the Balance Purchase Price an amount equivalent to the reduced area multiplied by the Agreed Rate, the balance of which is payable by LMSB in accordance with **Section 2** above.
- (ii) In the event the actual area is more than the Agreed Area, by adding to the Balance Purchase Price an amount equivalent to the increased area multiplied by the Agreed Rate, and such amount shall be paid by LMSB together with the Balance Purchase Price which is payable by LMSB in accordance with **Section 2** above.

4. **CONDITIONS PRECEDENT**

The sale and purchase of the Subject Lands shall be subject to and conditional upon the following approvals being obtained:-

- (a) if applicable, the approval of the Estate Land Board for the transfer of the Subject Lands from the Vendor to LMSB as required under Section 214A of National Land Code (Revised 2020) which shall be applied for by and at the expense of the Vendor;
- (b) if applicable, an approval from the EPU of the Prime Minister's Department of Malaysia as required under the guidelines on the acquisition of properties issued by EPU effective on 1 March 2014 applicable to the sale and purchase of Subject Lands, which shall be applied for by the Purchaser at their own cost and expenses; and
- (c) LMSB shall procure the approval from the shareholders of LPB, for the purchase of the Subject Lands in accordance with the terms of the SPA,

(collectively, "**Conditions Precedent**").

The Conditions Precedent shall be fulfilled within the period of 6 months from the date of SPA ("**Conditional Period**") or the period of 3 months automatically extended from the expiry of Conditional Period or such longer period as may be mutually agreed between the Vendor and LMSB to fulfil the Conditions Precedent, which the approval for any such extension shall not be unreasonably withheld ("**Extended Conditional Period**").

The SPA shall become unconditional on the date the last of all the Conditions Precedent being fulfilled or complied with in accordance with the terms in the SPA.

If the Conditions Precedent are not fulfilled by the expiry of the Conditional Period or the Extended Conditional Period, as the case may be, either the Vendor or LMSB may rescind the SPA by written notice to the other Party and the SPA shall thereafter cease to have any effect and shall become null and void, and neither of the parties shall have any further claims against the other save and except for any antecedent breach. Thereafter, the Vendor shall be at liberty to dispose of and/or otherwise deal with the Subject Lands in whatever manner the Vendor shall think fit without reference to LMSB.

SALIENT TERMS OF THE SPA (Cont'd)

In the event of such notice of termination being given, the Vendor or the Vendor's solicitors (as the case may be) shall, within 6 months from either the date of written notice of termination by the Vendor or date of receipt of the written notice of termination from LMSB (as the case may be), refund all monies paid by LMSB towards the Purchase Consideration under the SPA free from compensation failing which ta'widh at the rate 2% per annum on such amount outstanding shall be payable by the Vendor to LMSB from the expiry of the said 6 months period until the date the same is fully refunded to LMSB, provided always that LMSB shall simultaneously with the receipt of the said monies:-

- (i) return to the Vendor all documents of the Vendor which have been delivered to LMSB or LMSB's solicitors with the Vendor's interest in the Subject Lands intact;
- (ii) withdraw or cause to be withdrawn any private caveat lodged by LMSB or the LMSB's financier, if any;
- (iii) re-deliver vacant possession of the Subject Lands to the Vendor if the same has been delivered to LMSB, in its original state and condition; and
- (iv) at its own costs and expense at all times to withdraw any encumbrances created on the Subject Lands by LMSB, LMSB's financier or any other persons acting on their behalf as the case may be, if any.

5. COMPLETION

The completion of the sale and purchase of the Subject Lands shall take place on the date of the Vendor's receipt of the Balance Purchase Consideration, ta'widh (if any) together with apportionment of all outgoings provided always that it shall be a date which falls within the Completion Period or the Extended Completion Period, as the case may be.

6. DEFAULT BY PURCHASER

In the event LMSB fails to comply with any of LMSB's obligations under the SPA and to complete the sale and purchase of the Subject Lands (including but without limitation to the failure to pay the Balance Purchase Consideration in accordance with the terms of the SPA), the sum of RM39,820,722.48 only being 10% of the Purchase Consideration as agreed liquidated damages ("**Agreed Liquidated Damages**") shall be forfeited in favour of the Vendor and all payments made in excess of the Agreed Liquidated Damages shall be refunded or cause to be refunded to LMSB free from compensation within 6 months from the date of such forfeiture failing which ta'widh at the rate of 2% per annum on such amount outstanding shall be payable by the Vendor to LMSB from the expiry of the said 6 months period until the date the same is fully refunded to LMSB provided that LMSB shall, simultaneously with the receipt of the said monies, at LMSB's own costs and expense, redeliver vacant possession of the Subject Lands to the Vendor (where vacant possession has been delivered to LMSB) and return all Vendor's documents earlier received by LMSB with the Vendor's rights and interest intact.

Thereafter the SPA is terminated and shall be of no force or effect and neither Party shall have any further claims against the other. The Vendor shall be entitled to resell or otherwise dispose of the Subject Lands at such price and in such manner and to such other person as the Vendor shall deem fit without having to account to LMSB for any profit made on such resale.

SALIENT TERMS OF THE SPA (Cont'd)

7. DEFAULT BY VENDOR

In the event the Vendor fails to comply with any of the Vendor's obligations under the SPA and to complete the sale and purchase of the Subject Lands, LMSB shall, without prejudice to other rights and remedies of LMSB has a right exercisable at its absolute discretion, either:-

- (a) to seek specific performance of the sale and purchase of the Subject Lands, if LMSB is ready, willing and able to fulfil all the LMSB's obligations under the SPA, in which event the Vendor shall be liable to pay LMSB all costs and expenses incurred by LMSB in connection therewith; or
- (b) to terminate the SPA by notice in writing to the Vendor, in which event the Vendor shall within 6 months upon receipt of such termination notice refund all monies paid by LMSB under the SPA free from compensation and additionally pay a sum equivalent to the Agreed Liquidated Damages to LMSB, failing which ta'widh at the rate of 2% per annum on such amount outstanding shall be payable by the Vendor to LMSB from the expiry of the said 6 months period until the date the same is fully refunded to LMSB. Simultaneously with the receipt of the said monies, LMSB shall, at its own costs and expense, redeliver vacant possession of the Subject Lands to the Vendor (where vacant possession has been delivered LMSB) and return all Vendors' documents earlier received by LMSB with the Vendor's rights and interest intact. Thereafter the SPA shall be terminated and of no force or effect and neither Party shall have any claim against the other. The Vendor shall then be at liberty to sell or otherwise to dispose of the Subject Lands at such price and in such other manner and to such other person as the Vendor shall think fit without reference to LMSB.

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VALUATION CERTIFICATE OF THE SUBJECT LANDS



Trust | Integrity | Expertise

VALUATION CERTIFICATE

Date : 4th April 2023
Our Ref No. : LC/VAL/23/013618/NG-CV

PRIVATE & CONFIDENTIAL

BOARD OF DIRECTORS

Legenda Properties Berhad
Level 4, No. 131, Persiaran PM2/1,
Pusat Bandar Seri Manjung Seksyen 2,
32040 Seri Manjung, Perak Darul Ridzuan

Dear Sirs,

VALUATION CERTIFICATE FOR TWO (2) CONTIGUOUS PARCELS OF AGRICULTURAL LAND WITH RESIDENTIAL DEVELOPMENT POTENTIAL IDENTIFIED AS PTD 112724 AND PTD 112725, JALAN KULAI – KOTA TINGGI, 81000 KULAI, JOHOR DARUL TAKZIM HELD UNDER TITLE NO. HSD 74877 (LOT NO. PTD 112724) AND HSD 74878 (LOT NO. PTD 112725), BOTH IN MUKIM OF SENAI, DISTRICT OF KULAI, STATE OF JOHOR DARUL TAKZIM (HEREINAFTER REFERRED TO AS THE “SUBJECT PROPERTIES”)

We refer to the instructions by **Legenda Properties Berhad** (“LPB” or the “Company”) to provide an opinion on the **Market Value** of the abovementioned Subject Properties for the purpose of submission to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) in respect of the proposed acquisition by **Legenda Mersing Sdn Bhd** (a 70% owned indirect subsidiary of LPB) (“**LMSB**”) of the Subject Properties from **Seriemas Development Sdn Bhd** (“**Vendor**”) for a total purchase consideration of RM 396,358,146.36 (“**Proposed Acquisition**”).

The Subject Properties were inspected on January 16th, 2023 and March 24th, 2023. The relevant date of valuation for this valuation exercise coincides with the latest date of inspection, i.e. March 24th, 2023.

The Valuation had been carried out in accordance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards (“**MVS**”) issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia and with the necessary professional responsibility and due diligence.

The basis of valuation adopted is the **Market Value** which is defined by the MVS to be “the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

The Valuation Certificate should be read in conjunction with the full Valuation Report (Ref Nos: LC/VAL/23/013618/NG) prepared by Laurelcap Sdn Bhd for submission to Bursa Securities which details the basis under which the valuations have been prepared.

Laurelcap Sdn. Bhd.

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- Registered Valuers
- Property Managers
- Estate Agents
- Development Consultants
- Project Managers
- Researchers



VALUATION CERTIFICATE OF THE SUBJECT LANDS (Cont'd)



IDENTIFICATION OF SUBJECT PROPERTIES	
Address:	PTD 112724 and PTD 112725, Jalan Kulai – Kota Tinggi, 81000 Kulai, Johor Darul Takzim
Type of Properties:	Two (2) contiguous parcels of agricultural land with residential development potential
Date of Inspection:	January 16 th , 2023 and March 24 th , 2023
Date of Valuation:	For the purpose of this valuation exercise, the material date of valuation is the date of inspection, i.e. March 24 th , 2023
Registered Owner:	Golden Hope Development Sdn Bhd* (1/1 share) <i>Note:-</i> <i>* Golden Hope Development Sdn Bhd is the former name of the Vendor. The Vendor is in the midst of amending the Title Details to reflect its current company name, i.e. Seriemas Development Sdn Bhd.</i>
Title Particulars:	HSD 74877 (Lot No. PTD 112724) and HSD 74878 (Lot No. PTD 112725), both in Mukim of Senai, District of Kulai, State of Johor Darul Takzim
Tenure:	Term in perpetuity
Category of Land Use:	"Tiada"
Express Condition:	"Tiada"
Restriction in Interest:	"Tiada"
Land Area:	<p>LMSB had appointed a licensed surveyor to conduct a final survey on the Subject Properties pursuant to the Sale and Purchase Agreement dated February 13th, 2023 signed between the Vendor and LMSB in relation to the Proposed Acquisition ("SPA"), whereby the survey is to be completed and the final report is to be submitted to the Vendor within 3 months from the date of the SPA. Prior to the execution of the SPA and as disclosed within Section 3.5(b)(ii) of the SPA, LMSB had obtained a report from a licensed surveyor that a plot of land amounting to 4.994 acres (2.0210 hectares) (which presently forms part of the aggregate size of the Subject Properties of 1,075.48 acres as reflected as such in the title) is not owned by the Vendor ("Third Party Property"). This was further confirmed via the letters issued by a licensed surveyor from Jurukur Makmur via Reference No. JM/2107/23/PB2 dated March 3rd, 2023 and March 14th, 2023. The Vendor had subsequently confirmed that they do not have any objection to the exclusion of Third Party Property measuring 4.994 acres from the final land area of the Subject Properties. This was confirmed via the letter by the Purchaser to the Vendor dated April 4th, 2023 on the exclusion of the aforesaid 4.994 acres.</p> <p>In view of the above, for the purpose of this valuation exercise, we have deducted the land area of the Third Party Property from the land area of Lot No. PTD 112724, resulting in a reduction in the aggregate size of the Subject Properties. A summary of the final land area adopted is shown overleaf.</p>

VALUATION CERTIFICATE OF THE SUBJECT LANDS (Cont'd)



Land Area: (cont'd)	Lot No	PTD 112724	PTD 112725
	Land Area as per Title	3,099,694.00 sq.m.	1,252,640.00 sq.m.
	Third Party Property	20,210.00 sq.m.	-
	Land Area Adopted	3,079,484.00 sq.m.	1,252,640.00 sq.m.
	Total	4,332,124.00 sq.m. (1,070.49 acre)	
	<p>Notwithstanding the above, Section 3.5(a) of the SPA states that in the event the actual aggregate size of the Subject Properties is less or more than 435.2334 hectares ("Title Area"), no discrepancy or inaccuracy shall annul the sale herein except that the purchase consideration shall be adjusted accordingly, at a maximum tolerance adjustment cap of one per centum (1%) of the Title Area only at the rate of RM 8.50 per square foot in accordance with the report from the licensed surveyor. With the maximum tolerance adjustment cap of one per centum (1%), the minimum land area is only approximately 430.88 hectares (1,064.73 acres) with a purchase consideration of RM 394,226,660.04 whilst the maximum land area is about 439.59 hectares (1,086.24 acres) with a purchase consideration of RM 402,190,834.99.</p>		
Location:	<p>The Subject Properties are situated along the Kulai – Kota Tinggi trunk road, beginning at the 39 kilometre ("km") stone travelling from Kulai to Kota Tinggi and ending near the junction leading to the Jumbo Mushroom Agricultural Farm. They are located approximately 39.00 km north-west of Johor Bahru City Centre and about 3.50 km north of Kulai town centre respectively. The lands are easily accessible from Johor Bahru City Centre via Jalan Tun Abdul Razak turning off onto Lebuhraya Skudai, merging onto Lebuhraya Senai, and finally exiting onto the Kulai – Kota Tinggi trunk road for about 4 km. The Subject Properties are sited on the western side of the aforementioned road.</p> <p>The immediate surrounding comprises mainly of oil palm plantations with pockets of industrial lands and buildings lined along Jalan Kulai – Kota Tinggi. Towards the south-western direction lies the Kulai town centre whilst the Senai International Airport is situated about 18.00 km south-east of the Subject Properties.</p> <p>The Majlis Perbandaran Kulai ("MPK") is located approximately 3.50 km south whilst the Mydin Hypermarket in Kulai is sited about 5.50 km south-west of the Subject Properties respectively. Situated on the eastern peripheral of the Subject Properties are two well-known memorial parks namely the Kulai Chinese Memorial Park and Nirvana Memorial Park Kulai. Towards the northern flank of the Subject sites lie an array of tourist spots such as the Putuo Village, a Buddhist Sanctuary, the Jumbo Mushroom Agricultural Farm and the well-known Bamboo Café.</p>		
Description of the Properties:	<p>Based on our site inspection and topography plan, the terrain of Subject Properties are generally undulating in nature and are covered with oil palm plantation. There is a dirt road entrance to each land sited on the eastern flank, fronting onto Jalan Kulai – Kota Tinggi. We have also noted that there is a pond located on the south-eastern corner of the site. The pond measures about 2.70 acres in area and about 5.50 metres deep from the frontage road of Jalan Kulai – Kota Tinggi.</p> <p>In addition, a Tenaga Nasional Berhad ("TNB") transmission line is seen passing through the south-western boundary of Lot No. PTD 112725. The estimated length of the transmission line on Lot No. PTD 112725 is approximately 903.00 metres (2,962.74 feet), about 90.00 metres (295.29 feet) wide, and encompassing an area of approximately 60,774.64 sq.m. (15.02 acres) as informed by the planning department of MPK.</p> <p>Generally, the terrain of the Subject Properties slopes downwards from the southern boundary towards the northern boundary with a few peaks spread across the land. The highest point is situated at the south-western corner of the site at approximately 95.00 metres above sea level whilst the lowest point is located at the north-east boundary at about 30.00 metres above sea level.</p>		

VALUATION CERTIFICATE OF THE SUBJECT LANDS (Cont'd)



Description of the Properties: (cont'd)	During the course of inspection, it is noted that the oil palm trees on the Subject Properties have been harvested and cultivated by an operator via an Estate Management Services Agreement dated March 22 nd , 2018. The total land area cultivated with oil palm trees is about 775.00 acres. These trees were planted in 1980, 1986, 1987, 1992 and 1995 based on information provided by the Vendor, therefore making the trees approximately 43, 37, 36, 31 and 28 years old respectively at the date of valuation.
Planning Details:	<p>Verbal enquiries with the planning department of MPK and with reference to the "Rancangan Tempatan Daerah Johor Bahru & Kulai 2025 (Penggantian)" revealed that the Subject Properties are located within an area zoned for residential use, classified under Class A3 and with a maximum permissible density of 40 unit/acre. Moreover, the Subject Properties are sited in a special zone which allows for mixed development, subject to approval by Jawatankuasa Perancang Negeri (JPN).</p> <p>We have also noted that a proposed outer ring road and a secondary distribution road going through the northern portion of the Subject Properties. Verbal enquiries with the planning department revealed that the proposed roads are in its preliminary stage and are subject to changes.</p>

METHOD OF VALUATION

In arriving at the Market Value of the Subject Properties, we have adopted only one method of valuation. We are of the opinion that the Comparison Approach is the best and only approach in this instance, as a result of the following factors:-

- There are consistent and recent transactions with similar characteristics as the Subject Properties and located in similar areas, which solidifies the price trend and thus favours the Comparison Approach.
- The zoning has changed from agriculture to residential which shows the Subject Properties have moved from traditional usage of plantation into development land. As such, the accuracy of using the income of the plantation in arriving at the Market Value would be diminished.
- There is no Development Order or any development planning of any sort at the current moment. Thus, the Residual Method would not be a suitable method of valuation in this instance.

Comparison Approach

We have adopted the Comparison Approach in valuing the Subject Properties. This method involves comparing the Subject Properties with recently transacted properties of a similar nature or offers for sale/rental of similar properties in the area. Adjustments are then made for differences in location, shape of the lot, size, site facilities available, market conditions and other factors in order to arrive at a common basis for comparison.

Recent transactions of development land of similar nature within the neighbourhood which are pertinent to substantiate a value indication for the subject are reviewed and these sales are listed below.

COMPARABLES	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3
Source	Announcements on Bursa Securities dated 09/11/2022 (Lot 2699) and 30/11/2022 (Lot 300)	Announcement on Bursa Securities dated 07/05/2021	Announcements on Bursa Securities dated 21/09/2020 and 04/05/2021
Description	Two (2) Parcels of Industrial Development Land	Eight (8) Parcels of Residential Development Land	Eight (8) Parcels of Residential Development Land
Identification of Land/Address	Lot 2699 and Lot 300, Jalan Indah Gemilang, Taman Perindustrian Cemerlang, 81800 Ulu Tiram, Johor Darul Takzim	Lot 805, PTD 105777, PTD 195575, PTD 195577, PTD 156486, PTD 156485, PTD 195576 and PTD 195578, Jalan Sungai Tiram, 81800 Ulu Tiram, Johor Darul Takzim	Lot Nos. 3002, 3003, 3010, 3011, 166152, 166154, 166156 and 166158, Off Jalan Kangkar Pulai, Bersebelahan Taman Pulai Mutiara 2, 81300 Johor Bahru, Johor Darul Takzim

VALUATION CERTIFICATE OF THE SUBJECT LANDS (Cont'd)



COMPARABLES	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3
Date of Sale and Purchase Agreement	09/11/2022 (Lot 2699) and 30/11/2022 (Lot 300)	07/05/2021	21/09/2020
Category Of Land Use	Agriculture	Agriculture, save for Lot 805 (None)	Agriculture
Zoning	Industrial	Residential	Residential
Vendor	Tan Teng Chiu and Tan Chuan Hong (Lot 2699) & Tan Kim Yan (Lot 300)	Pelangi Sdn Bhd	Lee Pineapple Company (Pte) Limited
Purchaser	Paragon Globe Berhad	Scientex Berhad	Scientex Berhad
Tenure	Freehold	Freehold	Freehold
Total Land Area	462,353.00 sq.m. (114.25 acres)	3,883,820.77 sq.m. (959.721 acres)	817,267.88 sq.m. (201.95 acres)
Consideration	RM 81,018,000.00	RM 518,146,000.00	RM 184,736,937.00
Analysis (per square feet ("psf"))	RM 16.28 psf	RM 12.39 psf	RM 21.00 psf
Adjustments	General adjustments are made for time and various factors inclusive of location, accessibility, tenure, size, shape of the lot, zoning, terrain, market conditions and other factors.		
Adjusted Price	RM 7.49 psf	RM 8.60 psf	RM 12.33 psf

It is noted that the approximate land price of Comparables 1, 2, and 3, were hovering between RM 12.39 psf and RM 21.00 psf. Adjustments were made to reflect the differences between the Subject Properties and Comparables (i.e. time, location, access, shape, size, zoning, terrain, frontage and transmission line) to arrive at a final adjusted price of RM 7.49 psf to RM 12.33 psf. The total adjustments between the comparable ranges from -54% to -32%. We have noted that the quantum of the adjustments is typically attributed to the location and land area, due to limited transactions of identical lands within the state of Johor.

Taking into consideration of the differences of the Subject Properties and the comparables, we have adopted Comparable 2 as the most appropriate comparable due to the following characteristics: -

- the land area of Comparable 2 (i.e. 959.72 acres) is most similar to the Subject Properties (i.e. 1,070.49 acres) among the comparables;
- both the Subject Properties and Comparable 2 are residential development lands;
- it is the median adjusted price per square feet among the comparables; and
- the comparable has the least quantum of adjustment (i.e. -32%).

From the above analysis, we have adopted an estimated price per square feet of **RM 8.60 psf**, which represents the average adjusted price per square feet of Comparable 2, to estimate the average price per square feet of the Subject Properties, which translates into a Total Market Value of **RM 401,000,000.00** for the Subject Properties (based on the total land area of 4,332,124.00 sq.m. (46,630,982.74 sq.ft.) and rounded down to the nearest million). The Market Value of each land is then apportioned from the Total Market Value, with consideration of additional adjustments due to size and transmission line to reflect a differential pricing for each land.

The following are some of the pertinent factors considered in arriving at the Market Value for the Subject Properties.

- We have noted a TNB transmission line passing through Lot No. PTD 112725. Verbal enquiries with the Local Authority revealed that TNB has paid a sum to the land owner when obtaining the Right of Way. Enquiries with the land owner revealed that the Right of Way was made before they took ownership of the land. With the absence of endorsement in the title, we strongly believe the Right of Way was made using a Wayleave Agreement. Under the Wayleave Agreement, the land owner holds the ownership of the land and the land under the transmission line (also known as Transmission Corridor) has limited usage such as plantation of trees not more than 1.8 metres, car park, oxidation pond, pond for rearing fish and roads or tracks. For the purpose of this valuation, we have adopted the titled land area inclusive of the Transmission Corridor and made a downward adjustment for the limited usage within the Transmission Corridor and the negative effects on its neighbouring lands during development.

VALUATION CERTIFICATE OF THE SUBJECT LANDS (Cont'd)



- ii) We have noted that the Third Party Property measuring approximately 4.994 acres situated in the middle of Lot No. PTD 112724, forms part of the aggregate size of the Subject Properties and is reflected as such in the title. As the Third Party Property is not owned by the Vendor, we have deducted the land area of the Third Party Property from the aggregate size of the Subject Properties.
- iii) We have also considered the access required for the Third Party Property. As the Subject Properties is a development land for a new township, it will have internal access roads which can be designed taking into consideration access roads leading to and fro the Third Party Property, thus harmonizing with the township. With that said, we do not foresee the access to the Third Party Property to have a material impact to the Market Value of the Subject Properties.
- iv) The area in which the Subject Properties are located has been transforming from agriculture into a residential or mixed development due to the frontage onto Jalan Kulai – Kota Tinggi, as evidenced by the change of zoning from agriculture to residential or mixed development as per our enquiries with the planning department of MPK and information obtained from the Rancangan Tempatan Daerah Johor Bahru & Kulai 2025 (Penggantian).
- v) We do not foresee the two (2) proposed roads going through the northern portion of the Subject Properties to have a material impact to the Market Value as the proposed roads are in its preliminary stage and are subject to changes. Furthermore, in view that the intended use of the Subject Properties is for a township development, the increased accessibility may prove to be beneficial for the development of the Subject Properties.
- vi) The two (2) memorial parks situated opposite of the Subject Properties do not have a negative impact to the marketability of the lands, as demonstrated by similar projects such as Nilai Utama located next to Nilai Memorial Park, Taman Bukit Jambul situated adjacent to Nirvana Memorial Park, Bayan Lepas Penang and Taman Seputeh sited near the Kwong Tong Cemetery in Kuala Lumpur. All of these residential schemes did not see a drop in value due to the close proximity of the memorial parks. Therefore, we envisage the same would apply in this instance.
- vii) The oil palm management is currently operated by the operator under the EMSA which has lapsed, whilst the EMSC has yet to be accepted by the operator. Under Clause 8.1 of the EMSA and Clause 10.0 of the EMSC, the landlord has the right to develop the said estate into residential, commercial or industrial development(s) or to sell the Land to any third party. The landlord would then have to give a written notice to the operator of the affected area, and the operator would have to vacate the affected area within one (1) month of the notice. We view this clause to be similar as the landowner delivering vacant possession to the purchaser and in line with the basis of valuation. Hence, we do not foresee the existing EMSA and EMSC to have a material impact to the Market Value of the Subject Properties.

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VALUATION CERTIFICATE OF THE SUBJECT LANDS (Cont'd)



VALUATION CONCLUSION

Having taken into consideration all the relevant and pertinent factors, we are of the opinion that the **Market Value** of the interest in perpetuity in two (2) contiguous parcels of residential development land identified as PTD 112724 and PTD 112725, Jalan Kulai – Kota Tinggi, 81000 Kulai, Johor Darul Takzim held under Title No. HSD 74877 (Lot No. PTD 112724) and HSD 74878 (Lot No. PTD 112725), both in Mukim of Senai, District of Kulai, State of Johor Darul Takzim in their existing physical conditions with vacant possession and subject to their titles being free from encumbrances, good, marketable and registerable as of **March 24th, 2023** is:-

PTD 112724	-	RM 288,390,000.00	(Ringgit Malaysia : Two Hundred Eighty Eight Million Three Hundred And Ninety Thousand Only)
PTD 112725	-	RM 112,610,000.00	(Ringgit Malaysia : One Hundred Twelve Million Six Hundred And Ten Thousand Only)
Total Market Value	-	RM 401,000,000.00	(Ringgit Malaysia : Four Hundred And One Million Only)

The above Valuation has been carried out by Sr Stanley Toh Kim Seng,
For and on behalf of Laurelcap Sdn. Bhd.



Sr STANLEY TOH KIM SENG
BSc (Hons) Estate Management,
MRISM, MRICS, MPEPS, MMIPFM, ICVS, MBVAM
Registered Valuer (V-927)

Note: This Valuation Certificate and the corresponding Valuation Report was peer reviewed by Mr Tan San Yew (Peer Reviewer)(V-607) from Laurelcap (HQ) Sdn Bhd

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board, who collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT**2.1 UOBKH**

UOBKH, being the Principal Adviser for the Proposed Acquisition, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

2.2 Laurelcap

Laurelcap, being the Valuer for the Proposed Acquisition, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, Valuation Certificate and all references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTERESTS**3.1 UOBKH**

UOBKH has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser to LPB for the Proposed Acquisition.

3.2 Laurelcap

Laurelcap has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Valuer for the Subject Lands.

4. MATERIAL LITIGATION

As at the LPD, the Vendor confirmed that there are no material litigations, claims and/or arbitration involving the Subject Lands, and the Vendor confirmed that there is no proceeding, pending or threatened, involving the Subject Lands.

FURTHER INFORMATION (Cont'd)

5. MATERIAL COMMITMENTS

As at the LPD, save for the following, our Board is not aware of any material commitments incurred or known to be incurred by our Group that has not been provided for which, upon becoming enforceable, may have a material impact on the profits or net asset position of our Group:-

	(RM'000)
Authorised and contracted for acquisition of development land	56,342

6. CONTINGENT LIABILITIES

As at the LPD, there are no contingent liabilities incurred or known to be incurred which upon becoming enforceable, may have a material impact on the profits or net asset position of our Group.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of our Company at 5-9A, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan during normal business hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:-

- (i) the constitution of our Company;
- (ii) the SPA;
- (iii) the Valuation Report and Valuation Certificate referred to in **Appendix II** of this Circular pertaining to the valuation of the Subject Lands issued by Laurelcap;
- (iv) the letters of consent and declaration of conflict of interest referred to in **Sections 2 and 3** of this **Appendix III**;
- (v) the audited consolidated financial statements of our Group for the past 2 FYEs 31 December 2021 and 31 December 2022; and
- (vi) the latest unaudited quarterly results of our Group for the 3-month financial period ended 31 March 2023.

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LAGENDA
PROPERTIES

LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008 (535763-A))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting (“**EGM**”) of Lagenda Properties Berhad (“**LPB**” or the “**Company**”) will be conducted on a fully virtual basis through live streaming and online remote voting via the online meeting platform at <https://web.vote2u.my> (Domain Registration No. with MYNIC: D6A471702) on Wednesday, 28 June 2023 at 12.00 p.m. or immediately following the conclusion or adjournment of the 22nd annual general meeting of the Company scheduled to be held on the same day at 10.30 a.m., whichever is later, for the purpose of considering and if thought fit, passing with or without modification, the following resolution:-

ORDINARY RESOLUTION

PROPOSED ACQUISITION BY LAGENDA MERSING SDN BHD (“LMSB”) (A 70% OWNED INDIRECT SUBSIDIARY OF LPB) OF 2 PARCELS OF FREEHOLD LAND LOCATED IN KELAN KECHIL, MUKIM SENAI, DAERAH KULAI, NEGERI JOHOR FROM SERIEMAS DEVELOPMENT SDN. BERHAD (“SDSB”) FOR A TOTAL CASH CONSIDERATION OF RM396,358,146.36 (“PROPOSED ACQUISITION”)

“**THAT** subject to the relevant approvals being obtained, approval be and is hereby given to LPB to undertake the Proposed Acquisition (details of which are set out in the circular to the shareholders of LPB dated 12 June 2023 (“**Circular**”)) in accordance with the terms and conditions as stipulated in the conditional sale and purchase agreement entered into between LMSB and SDSB dated 13 February 2023 (salient terms of which are set out in **Appendix I** of the Circular) (“**SPA**”) and such other terms and conditions as the parties to the SPA may mutually agree upon in writing or which are imposed by the relevant authorities;

AND THAT the Board of Directors of the Company (“**Board**”) be and is hereby authorised to act, for and on behalf of the Company, and to take all such steps and do all such acts, matters and things as the Board deems fit or may consider necessary, desirable, appropriate or expedient to implement, finalise and give full effect to the Proposed Acquisition and all agreements entered into pursuant to the Proposed Acquisition with full power to give all or any notices, directions, consents and authorisations in respect of any matter arising under or in connection with the Proposed Acquisition, and to assent to any condition, modification, variation and/or amendment relating to the Proposed Acquisition as may be approved/required by the relevant regulatory authorities and/or as the Board deems fit.”

By order of the Board
LAGENDA PROPERTIES BERHAD

SIEW SUET WEI (SSM PC No. 202008001690) (MAICSA 7011254)

LIM YEN TENG (SSM PC No. 201908000028) (LS 0010182)

LIEW SEE SEE (SSM PC No. 202008001371) (MAICSA 7062468)

Joint Company Secretaries

Kuala Lumpur
12 June 2023

Notes:-

1. The EGM of the Company will be conducted entirely on a virtual basis through live streaming and online remote voting using the Remote Participation and Voting Facilities ("**RPV Facilities**") provided by Agmo Digital Solutions Sdn Bhd on its website at <https://web.vote2u.my>. Please follow the procedures provided in the Administrative Guide for the EGM in order to register, participate and vote remotely via the RPV Facilities.
2. According to the Revised Guidance Note and FAQs, an online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Companies Act 2016 provided that the online platform is located in Malaysia and all meeting participants of a fully virtual general meeting are to participate in the meeting online.
3. Only members whose names appear on the Record of Depositors on 19 June 2023 ("**General Meeting Record of Depositors**") shall be entitled to attend, speak and vote at the EGM.
4. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
5. A member shall be entitled to appoint not more than two proxies to attend and vote at the EGM. Where a member appoints more than one proxy, the appointment shall be invalid unless the member specifies the proportions of his/her holdings to be represented by each proxy.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under Securities Industry (Central Depositories) Act, 1991 ("**SICDA**") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
8. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions at the EGM shall be put by way of poll.
9. The Form of Proxy duly completed must be deposited at the business address of the Company at Level 4, No. 131, Persiaran PM 2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak Darul Ridzuan not less than 48 hours before the time of holding the EGM or any adjournment thereof. Alternatively, the Form of Proxy may also be lodged electronically via the Vote2U Online at <https://web.vote2u.my> not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof, resolutions set out above are to be voted by poll. Kindly refer to the Administrative Guide for the EGM for further information on the electronic lodgement of proxy form.

PERSONAL DATA PRIVACY

By submitting a Form of Proxy or an instrument appointing a representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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LAGENDA PROPERTIES BERHAD
(Registration No. 200101000008 (535763-A))
(Incorporated in Malaysia)

FORM OF PROXY

No. of Ordinary Share(s) Held		
CDS Account No.		
If more than one proxy is appointed, please specify the proportion of your vote in percentage represented by each proxy:	Proxy 1 %	Proxy 2 %

I/We* _____
(Full Name in Block Letters)

NRIC / Passport No.* _____ of _____

(Address)

being a member of Lagenda Properties Berhad, hereby appoint:

Proxy 1

Full Name (Block Letters)	NRIC / Passport No.*	Email Address	Contact No.
Full Address			

and/or* failing him/her*

Proxy 2

Full Name (Block Letters)	NRIC / Passport No.*	Email Address	Contact No.
Full Address			

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Extraordinary General Meeting ("EGM") of the Company to be held on a fully virtual basis through live streaming and online remote voting via the online meeting platform at <https://web.vote2u.my> (Domain Registration No with MYNIC: D6A471702) on Wednesday, 28 June 2023 at 12.00 p.m. or immediately following the conclusion or adjournment of the 22nd annual general meeting of the Company scheduled to be held on the same day at 10.30 a.m., whichever is later.

* *delete as appropriate*

(Please indicate with an "X" in the boxes provided how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.)

	Ordinary Resolution	For	Against
1.	Proposed Acquisition		

Dated this day of, 2023.

.....
Signature(s) / Common Seal of Member

Notes:-

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PERSONAL DATA PRIVACY

By submitting a Form of Proxy or an instrument appointing a representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 12 June 2023.

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**THE COMPANY SECRETARIES
LAGENDA PROPERTIES BERHAD**
Level 4, No. 131, Persiaran PM 2/1
Pusat Bandar Seri Manjung Seksyen 2
32040 Seri Manjung
Perak Darul Ridzuan

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