

YNH PROPERTY BHD ("YNH" or "the Company")

PROPOSED DISPOSAL BY KAR SIN BERHAD, A WHOLLY-OWNED SUBSIDIARY OF YNH OF PROPERTY ON ALL THAT FREEHOLD VACANT LAND IN THE MUKIM OF KUALA LUMPUR, DAERAH KUALA LUMPUR, NEGERI WILAYAH PERSEKUTUAN KUALA LUMPUR FOR A TOTAL CASH CONSIDERATION OF RM170.00 MILLION ONLY TO SUNWAY LIVING SPACE SDN BHD ("PROPOSED DISPOSAL")

- SUPPLEMENTAL AGREEMENT IN RESPECT OF THE SALE AND PURCHASE AGREEMENT DATED 12 MAY 2023 ("SUPPLEMENTAL SPA")

1. AFFECTED TERMS AND CONDITIONS

The affected terms and conditions in the Sale and Purchase Agreement ("SPA") dated 12 May 2023 as varied by the Supplemental SPA are as follows:

No.	Clause	SPA dated 12 May 2023	Affected terms and conditions of the SPA as varied by the Supplemental SPA dated 10 November 2023
1.	Clause 1A	<p>CONDITIONS PRECEDENT</p> <p>(a) The SPA shall be among other conditional upon the following (hereinafter collectively referred to as "the Conditions Precedent"):</p> <p>(i) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own costs and expense, the original copy of an extension of the validity of the First Development Order until 6 August 2023;</p>	<p>Clause 1A of the SPA shall be deleted in its entirety and replaced and substituted with the following:</p> <p>(a) This Supplemental SPA shall be conditional upon the following (hereinafter collectively referred to as "the Conditions Precedent"):</p> <p>(i) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own costs and expense, the original copy of an extension of the validity of the First Development Order until 6 August 2023;</p>

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| <p>(ii) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own costs and expense, Four (4) certified true copies (duly certified by the Vendor's company's secretary) of the Vendor's Board of Directors' resolution authorizing and approving the purchase of the Property by the Vendor upon the terms and conditions appearing in the Sub-Sale Agreement;</p> <p>(iii) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's company secretary) of the Vendor's members' resolution authorizing and approving the purchase of the Property by the Vendor upon the terms and conditions appearing in the Sub-Sale Agreement;</p> <p>(iv) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's Holding company's secretary) of the Vendor's Holding Company's Members' Resolution in general meeting authorizing and approving the purchase of the Property by the Vendor upon the terms and conditions appearing in the Sub-Sale Agreement;</p> <p>(v) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own costs and expense, Four (4) certified true copies (duly certified by the Vendor's company's secretary) of the Vendor's Board of Directors' resolution authorizing and approving the Vendor to enter into the Supplementary Agreement upon the terms and conditions appearing in the</p> | <p>(ii) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own costs and expense, Four (4) certified true copies (duly certified by the Vendor's company's secretary) of the Vendor's Board of Directors' resolution authorizing and approving the purchase of the Property by the Vendor upon the terms and conditions appearing in the Sub-Sale Agreement;</p> <p>(iii) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's company secretary) of the Vendor's members resolution authorizing and approving the purchase of the Property by the Vendor upon the terms and conditions appearing in the Sub-Sale Agreement;</p> <p>(iv) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's Holding company's secretary) of the Vendor's Holding Company's Members' Resolution In general meeting authorizing and approving the purchase of the Property by the Vendor upon the terms and conditions appearing in the Sub-Sale Agreement;</p> <p>(v) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own costs and expense, Four (4) certified true copies (duly certified by the Vendor's company's secretary) of the Vendor's Board of Directors' resolution authorizing and approving the Vendor to enter into the Supplementary Agreement upon the terms and conditions appearing in</p> |
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Supplementary Agreement;

- (vi) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's company secretary) of the Vendor's members' resolution authorizing and approving the Vendor to enter into the Supplementary Agreement upon the terms and conditions appearing in the Supplementary Agreement;
- (vii) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's holding company's secretary) of the Vendor's holding company's members' resolution in general meeting authorizing and approving the Vendor to enter into the Supplementary Agreement upon the terms and conditions appearing in the Supplementary Agreement;
- (viii) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies (duly certified by the Vendor's company secretary) of the Vendor's Board of Directors' resolution authorizing the sale of the Property to the Purchaser upon the terms and conditions in the SPA;
- (ix) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's company secretary and the Vendor's Holding company's secretary) of the Vendor's and the Vendor's holding company's members'

the Supplementary Agreement;

- (vi) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's company secretary) of the Vendor's members' resolution authorizing and approving the Vendor to enter into the Supplementary Agreement upon the terms and conditions appearing in the Supplementary Agreement;
- (vii) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's holding company's secretary) of the Vendor's holding company's members' resolution In general meeting authorizing and approving the Vendor to enter Into the Supplementary Agreement upon the terms and conditions appearing In the Supplementary Agreement;
- (viii) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies (duly certified by the Vendor's company secretary) of the Vendor's Board of Directors' resolution authorizing the sale of the Property to the Purchaser upon the terms and conditions in the Supplemental SPA;
- (ix) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's company secretary and the Vendor's Holding company's secretary) of the Vendor's and the Vendor's holding company's members'

resolution in general meeting authorizing the sale of the Property to the Purchaser upon the terms and conditions in the SPA (hereinafter referred to as **“the Vendor’s Members’ Resolution & Vendor’s Holding Company’s Members’ Resolution”**);

- (x) The Registered Proprietor having obtained and delivered to the Purchaser’s Solicitors, at the Vendor’s cost and expenses, Four (4) certified true copies (duly certified by the Registered Proprietor’s company secretary) of the Registered Proprietor’s Board of Directors’ resolution authorizing and approving the Registered Proprietor to enter into the SPA, including consenting the sale of the Property to the Purchaser upon the terms and conditions in the SPA;
- (xi) The Registered Proprietor having obtained and delivered to the Purchaser’s Solicitors, at the Vendor’s cost and expenses, Four (4) certified true copies (duly certified by the Registered Proprietor’s company secretary) of the Registered Proprietor’s members’ resolution authorizing and approving the Registered Proprietor to enter into the SPA, including consenting the sale of the Property to the Purchaser upon the terms and conditions in the SPA;
- (xii) The First Beneficial Owner having obtained and delivered to the Purchaser’s Solicitors, at the Vendor’s cost and expenses, Four (4) certified true copies (duly certified by the First Beneficial Owner’s company secretary) of the First Beneficial Owner’s Board of Directors’ resolution authorizing and approving the First

resolution in general meeting authorizing the sale of the Property to the Purchaser upon the terms and conditions in the Supplemental SPA (hereinafter referred to as **“the Vendor’s Members’ Resolution & Vendor’s Holding Company’s Members’ Resolution”**);

- (x) The Registered Proprietor having obtained and delivered to the Purchaser’s Solicitors, at the Vendor’s cost and expenses, Four (4) certified true copies (duly certified by the Registered Proprietor’s company secretary) of the Registered Proprietor’s Board of Directors’ resolution authorizing and approving the Registered Proprietor to enter into the Supplemental SPA, including consenting the sale of the Property to the Purchaser upon the terms and conditions in the Supplemental SPA;
- (xi) The Registered Proprietor having obtained and delivered to the Purchaser’s Solicitors, at the Vendor’s cost and expenses, Four (4) certified true copies (duly certified by the Registered Proprietor’s company secretary) of the Registered Proprietor’s members’ resolution authorizing and approving the Registered Proprietor to enter into the Supplemental SPA, including consenting the sale of the Property to the Purchaser upon the terms and conditions in the Supplemental SPA;
- (xii) The First Beneficial Owner having obtained and delivered to the Purchaser’s Solicitors, at the Vendor’s cost and expenses, Four (4) certified true copies (duly certified by the First Beneficial Owner’s company secretary) of the First Beneficial Owner’s Board of Directors’ resolution authorizing and approving the First

Beneficial Owner to enter into the SPA, including consenting the sale of the Property to the Purchaser upon the terms and conditions in the SPA;

- (xiii) The First Beneficial Owner having obtained and delivered to the Purchaser's Solicitors, at the Vendor's cost and expenses, Four (4) certified true copies (duly certified by the First Beneficial Owner's company secretary) of the First Beneficial Owner's members' resolution authorizing and approving the First Beneficial Owner to enter into the SPA, including consenting the sale of the Property to the Purchaser upon the terms and conditions in the SPA;
- (xiv) The Purchaser having obtained and delivered to the Vendor's Solicitors, at the Purchaser's own cost and expenses, Four (4) certified true copies (duly certified by the Purchaser's company secretary) of the Purchaser's Board of Directors' Resolution authorizing the purchase of the Property from the Vendor upon the terms and conditions in the SPA;
- (xv) The Purchaser having obtained and delivered to the Vendor's Solicitors, at the Purchaser's own cost and expenses, Four (4) certified true copies (duly certified by the Purchaser's company secretary) of the Purchaser's members' resolution authorizing the purchase of the Property from the Vendor upon the terms and conditions in the SPA (hereinafter referred to as "**the Purchaser's Members' Resolution**");

Beneficial Owner to enter into the Supplemental SPA, including consenting the sale of the Property to the Purchaser upon the terms and conditions in the Supplemental SPA;

- (xiii) The First Beneficial Owner having obtained and delivered to the Purchaser's Solicitors, at the Vendor's cost and expenses, Four (4) certified true copies (duly certified by the First Beneficial Owner's company secretary) of the First Beneficial Owner's members' resolution authorizing and approving the First Beneficial Owner to enter into the Supplemental SPA, including consenting the sale of the Property to the Purchaser upon the terms and conditions in the Supplemental SPA;
- (xiv) The Purchaser having obtained and delivered to the Vendor's Solicitors, at the Purchaser's own cost and expenses, Four (4) certified true copies (duly certified by the Purchaser's company secretary) of the Purchaser's Board of Directors' Resolution authorizing the purchase of the Property from the Vendor upon the terms and conditions in the Supplemental SPA;
- (xv) The Purchaser having obtained and delivered to the Vendor's Solicitors, at the Purchaser's own cost and expenses, Four (4) certified true copies (duly certified by the Purchaser's company secretary) of the Purchaser's members' resolution authorizing the purchase of the Property from the Vendor upon the terms and conditions in the Supplemental SPA (hereinafter referred to as "**the Purchaser's Members' Resolution**");

(xvi) If applicable, any regulatory approval(s) for the purpose of acquiring the Property by the Purchaser or the disposal of the Property by the Vendor, all of which to be obtained by the Vendor at the Vendor's own cost and expense and delivered to the Purchaser's Solicitors unless the same is to be applied and obtained by the Purchaser;

(xvii) The Vendor having obtained and delivered to the Purchaser's Solicitors, the original copy of a written confirmation from the company secretary of the Vendor's holding company addressed to the Purchaser regarding the following:-

(aa) that the constitution of the Vendor's holding company permits the Vendor's holding company to issue the corporate guarantee in favour of the Purchaser for the Vendor's obligations under the SPA, as stated in Clause 3A of the SPA;

(bb) that the only approvals required for the Vendor's holding company to validly and legally issue the corporate guarantee stated in Clause 3A of the SPA are the Vendor's holding company's directors' and members' resolution in general meeting; and

(cc) that the issuance of the corporate guarantee by the Vendor's holding company stated in Clause 3A of the SPA does not contravene any laws, rules and/or regulations, including but not limited to Bursa Malaysia listing requirements and/or all other related rules, regulations, directives, orders, etc.;

(xvi) If applicable, any regulatory approval(s) for the purpose of acquiring the Property by the Purchaser or the disposal of the Property by the Vendor, all of which to be obtained by the Vendor at the Vendor's own cost and expense and delivered to the Purchaser's Solicitors unless the same is to be applied and obtained by the Purchaser;

(xvii) The Vendor having obtained and delivered to the Purchaser's Solicitors, the original copy of a written confirmation from the company secretary of the Vendor's holding company addressed to the Purchaser regarding the following:-

(aa) that the constitution of the Vendor's holding company permits the Vendor's holding company to issue the corporate guarantee in favour of the Purchaser for the Vendor's obligations under the Supplemental SPA, as stated in Clause 3A below;

(bb) that the only approvals required for the Vendor's holding company to validly and legally issue the corporate guarantee stated in Clause 3A are the Vendor's holding company's directors' and members' resolution in general meeting; and

(cc) that the issuance of the corporate guarantee by the Vendor's holding company stated in Clause 3A does not contravene any laws, rules and/or regulations, including but not limited to Bursa Malaysia listing requirements and/or all other related rules, regulations, directives, orders, etc.;

- (xviii) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's Holding company's secretary) of the Vendor's holding company's directors and members' resolution in general meeting authorizing the Vendor's holding company to issue the corporate guarantee required in Clause 3A of the SPA;
- (xix) The Vendor having obtained and delivered to the Purchaser's Solicitors a corporate guarantee issued by the Vendor's holding company in favour of the Purchaser for the Vendor's obligations under the SPA, as stated in Clause 3A of the SPA;
- (xx) Evidence or report of the Vendor's due diligence on the Property including soil investigation, evidence of payment of premiums, development charges and contributions including but not limited to the sewerage (Indah Water) charges to be delivered to the Purchaser's Solicitors; and
- (xxi) Vendor to provide release letters of all consultants, architects and contractors appointed by the Vendor to work on the planning and the development of the Property previously including any submissions to the authorities

within three (3) months from the date of the SPA or such further extended period(s) as the Vendor and the Purchaser may mutually agree (hereinafter referred to as "the Conditional Period"). If the Conditions Precedent are not fulfilled on or before the expiry of the Conditional Period, the SPA shall determine and be of no further effect and neither party hereto shall have any further claim against the other.

- (xviii) The Vendor having obtained and delivered to the Purchaser's Solicitors, at the Vendor's own cost and expenses, Four (4) certified true copies each (duly certified by the Vendor's Holding company's secretary) of the Vendor's holding company's directors and members' resolution In general meeting authorizing the Vendor's holding company to Issue the corporate guarantee required in Clause 3A below;
- (xix) The Vendor having obtained and delivered to the Purchaser's Solicitors a corporate guarantee issued by the Vendor's holding company in favour of the Purchaser for the Vendor's obligations under this Agreement, as stated in Clause 3A below;
- (xx) Evidence or report of the Vendor's due diligence on the Property including soil investigation, evidence of payment of premiums, development charges and contributions including but not limited to the sewerage (Indah Water) charges to be delivered to the Purchaser's Solicitors; and
- (xxi) Vendor to provide release letters of all consultants, architects and contractors appointed by the Vendor to work on the planning and the development of the Property previously including any submissions to the authorities

within three (3) months from the date of the Supplemental SPA or such further extended period(s) as the Vendor and the Purchaser may mutually agree (hereinafter referred to as "**the Conditional Period**").

	<p>(b) The SPA shall become unconditional on the date the Conditions Precedent are fulfilled (hereinafter referred to as "Unconditional Date")</p>	<p>(b) In the event that the Vendor holding company fails to convene a general meeting to obtain its holding company's members' approval in relation to the Conditions Precedent as stipulated in Clause 1A(a)(iv), (vii), (ix) and (xviii) above within the Conditional Period, the Supplemental SPA shall determine, whereupon the Vendor shall, within five (5) working days of the expiry of the Conditional Period, pay to the Purchaser, by way of compensation, a sum of Ringgit Malaysia Ten Million (RM10,000,000.00) only (hereinafter referred to as "the Break Fee").</p> <p>(c) the Supplemental SPA shall become unconditional on the date the Conditions Precedent are fulfilled (hereinafter referred to as the "Unconditional Date")."</p>
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Save as disclosed, all other terms and conditions of the SPA as varied by the Supplemental SPA remain unchanged.

2. THIRD (3RD) EXTENSION OF TIME

As stated in Clause 1A(b) of the Supplemental SPA, a further three (3) months after the expiry of the initial extension of one (1) month period from 12 November 2023, thereby extending the last day of the Conditional Period to 10 February 2024 for YNH to fulfil all Conditions Precedent of the SPA (regard as "**3rd Extension of Time**").

3. ASSUMPTION OF LIABILITIES

Save for Clause 1A (b) of the Supplemental SPA above, there are no liabilities, including contingent liabilities and guarantees to be assumed by the Purchaser arising from the Proposed Disposal, except a Corporate Guarantee as stated in the SPA (*Note: Refer to the announcement dated 16 May 2023*).

4. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

4.1 Share Capital and Substantial Shareholders' Shareholdings

The Proposed Disposal is not expected to have any material effect on the issued share capital and the substantial shareholders' shareholdings of YNH as the Disposal Consideration shall be fully satisfied via cash and does not involve any issuance of new ordinary shares in YNH.

4.2 Net Assets ("NA"), Net Assets Per Share and Gearing of the Group

For illustrative purposes, the pro forma effects of the Proposed Disposal on the NA and gearing of YNH Group based on the latest audited consolidated financial statements of YNH as at 30 June 2023 and on the assumption that the Proposed Disposal had been effected on the said date are set out below:

	Audited For Year Ended 30 June 2023	After the Proposed Disposal	After the Break Fee
Share capital (RM' 000)	528,999	528,999	528,999
Other Reserves (RM' 000)	26,530	26,530	26,530
Shareholders' Equity / NA (RM' 000)	847,273	850,055	837,273
Perpetual Securities (RM' 000)	345,916	345,916	345,916
Equity attributable to owners of the Company (Total Equity) (RM' 000)	1,193,189	1,195,971	1,183,189
Number of ordinary shares in issue (excluding a total of 512,521 treasury shares)	528,487,067	528,487,067	528,487,067
NA per share (RM)	2.25	2.26	2.24
Total borrowings (RM' 000)	909,126	739,126	919,126
Gearing ratio (times) ⁽³⁾	0.76	0.62	0.78

(1) After taking into consideration the estimated net gain of RM2,782,000 arising from the Proposed Disposal.

(2) Assuming that RM170.00 million of the Disposal Consideration is used for repayment of bank borrowings.

(3) Gearing is calculated as total borrowings divided by total equity.

4.3 Earnings and earnings per share (“EPS”)

The Proposed Disposal is expected to have a positive effect on the earnings and EPS of the Group for the financial year ending 30 June 2024, with the pro forma gain of approximately RM2.7 million upon the completion of the Proposed Disposal.

For illustrative purposes, based on the audited net carrying value of the Property as at 30 June 2023 and the Disposal Consideration, and assuming the Proposed Disposal had been completed.

	Audited as at 30 June 2023	After the Proposed Disposal
Loss after tax attributable to equity holders of the Company (RM' 000)	(32,247)	(29,465) ⁽ⁱ⁾
Weighted Average Number of Issued YNH Shares (excluding a total of 512,521 treasury shares)	528,487,067	528,487,067
Basic EPS (sen)	(6.10)	(5.58)

(i) *After adjusting for the pro forma gain of approximately RM2.7 million as set out below:*

	RM'000
Consideration	170,000
<i>Less:</i>	
Audited net book value as at 30 June 2023	(165,539)
Estimated expenses for the Proposed Disposal	(800)
Taxation	(878)
Add: Reversal of deferred tax recognised	-
Proforma gain	2,782

5. DOCUMENTS FOR INSPECTION

The Supplemental SPA is available for inspection at the registered office of the Company at 55A, Medan Ipoh 1A, Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak from Monday to Friday (except public holidays) during normal business hours for three (3) months.

This announcement is dated 14 November 2023.