

YNH PROPERTY BHD (“YNH” OR “COMPANY”)

JOINT VENTURE AGREEMENT BETWEEN A WHOLLY-OWNED SUBSIDIARY, KAR SIN BHD AND GENLAND SDN BHD

1. INTRODUCTION

The Board of Directors of YNH wishes to announce that Kar Sin Bhd (“**KSB**”), a wholly-owned subsidiary of the Company had on 1 October 2025 entered into a Joint Venture Agreement (“**JVA**”) with Genland Sdn Bhd (“**GSB**”) to construct, develop and complete a residential development known as Residensi Bangsar South (or such other name to be approved by the appropriate authority) (“**Proposed Joint Venture**”).

*(KSB and GSB shall be collectively referred to as “**the Parties**”, and individually as “**the Party**”).*

2. PROPOSED JOINT VENTURE

GSB has agreed to collaborate with KSB and grant KSB the rights to undertake the Project (as defined herein) as the developer on all that piece of freehold land held under Geran Mukim 4964, Lot 309 Seksyen 98, Bandar Kuala Lumpur, Tempat Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur, measuring approximately 7,235 square metres in area (“**Land**”) which will comprise of the following:-

- (i) one 46-storey apartment block, namely Block A, with a total of 163 apartment units, inclusive of 114 apartment units of RUMAWIP and/or Residensi MADANI; and
- (ii) one 46-storey apartment block, namely Block B, consisting:
 - a) one 34-storey apartment tower block with a total a total of 211 apartment units; and
 - b) one 8-storey podium block with a single storey of residents’ facilities on level 9 and 8-storey of car parks.

(hereinafter referred to as the “**Project**”).

3. INFORMATION ON THE PARTIES

Information on KSB

KSB was incorporated in Malaysia on 24 May 1982 as a private limited company under the Companies Act 1965. The Company subsequently converted its status to a public limited company on 7 March 1997 and is deemed to be registered under the Companies Act 2016. KSB is principally involved in Property Development, Cultivation and Sale of Oil Palm Produce.

As at the date of this announcement, the issued share capital of KSB is RM102,600,000.00 comprising of 102,600,000 ordinary shares. KSB is a wholly-owned subsidiary of YNH. The Directors of KSB are Dato' Dr. Yu Kuan Chon and Dato' Yu Kuan Huat.

Information on GSB

GSB was incorporated in Malaysia on 6 July 2005 under the Companies Act 1965 and is deemed incorporated under the Companies Act 2016 as a private limited company. GSB is principally involved in property development.

As at the date of this announcement, the issued share capital of GSB is RM5,500,000.00 comprising of 5,500,000 ordinary shares. The directors of GSB are Gan Boon Kat, Gan Pik Mui and Gan Boon Pin.

4. SALIENT TERMS OF JVA

Salient terms of the JVA are set out in Appendix A of this announcement.

5. SOURCE OF FUND

The Company is considering various funding options, which may include a combination of internally generated funds, bank borrowings, if deemed necessary.

6. RATIONAL AND PROSPECTS OF THE JVA

The JVA will provide opportunities for the Parties to strengthen the financial earnings via the development of the Project.

7. LIABILITIES TO BE ASSUMED

Except for the obligations and liabilities specified in and arising directly from the JVA, there are no other liabilities, including contingent liabilities or guarantees, that the Company will assume as a result of the Proposed Joint Venture.

8. EFFECTS OF THE JVA

(A) Share Capital and Substantial Shareholders' Shareholding

The JVA will not have any effect on the share capital and substantial shareholders' shareholding of YNH, as no new ordinary shares will be issued.

(B) Earnings Per Share, Net Assets Per Share and Gearing

The JVA is expected to contribute positively to YNH's future profitability and hence future earnings per share. It is not expected to have any material impact on YNH's net assets per share or its gearing for the financial year ending 30 June 2026.

(C) Financial Effect

The JVA will not have any material financial impact on YNH in the current financial year but is expected to contribute positively in the long term.

9. RISK FACTORS

The joint venture with GSB is subject to terms and conditions of the JVA. There is no assurance that the joint venture will not be exposed to risks such as inability to fulfil the terms and conditions of the JVA.

10. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST AND/OR PERSONS CONNECTED TO THEM

None of the Directors and/or major shareholders of the Company or persons connected to them have any interest, direct or indirect, in the JVA.

11. APPROVALS REQUIRED

The entry of the JVA is not subject to the approval of the shareholders of YNH and/or any relevant regulatory authorities.

12. STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors of YNH after due consideration of all aspects of the JVA, is of the opinion that the entry of the JVA is in the best interest of the Company.

13. DOCUMENT AVAILABLE FOR INSPECTION

The JVA is available for inspection at the registered office of YNH at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan during normal business days from Mondays to Fridays (except public holidays), for a period of 3 months from the date of this announcement.

This announcement is dated 2 October 2025.

SALIENT TERMS OF JVA**1. THE PROJECT AND RIGHT TO MARKET AND SELL**

In consideration of the representations, warranties and undertaking of KSB under the JVA and subject to the JVA, GSB agrees to:

- (i) allow KSB, its contractors, subcontractors, agents and employees to enter the Land together with its tools and equipment and grant KSB the sole and exclusive right, to undertake the Project;
- (ii) grant KSB the sole and exclusive right to market and sell any and/or all of the Property Units to any potential purchaser(s) at its own cost and expense; and
- (iii) allow KSB to collect all sales revenue generated from the marketing and sales activities.

2. KSB'S OBLIGATIONS

KSB shall, at its own cost and expense, complete the Project and take all necessary action to obtain the Certificate of Completion and Compliance ("**CCC**") in respect of all Property Units for the Project, within sixty-six (66) months from the SPA Completion Date¹ ("**Project Completion Period**"). In the event KSB is unable to complete the Project by the Project Completion Period, it shall inform the GSB in writing on the extension of the period for completion of the Project. Notwithstanding the extension of the Project Completion Period, the due date for payment of the GSB's Minimum Entitlement (as defined under Clause 3.1 (i)) as set out in the JVA shall not, under any circumstances, be affected. For the avoidance of doubt, the Project shall be deemed completed upon the issuance of the final and valid CCC in respect of all the Property Units for the Project.

Note 1

*KSB was the former registered proprietor and beneficial owner of the Land. Pursuant to the Sale and Purchase Agreement ("**SPA**") dated 26 September 2024 entered between the Parties, KSB agreed to sell and GSB agreed to purchase the Land. The SPA of the Land was completed on 4 February 2025 ("**SPA Completion Date**"). For information purpose, the Land was disposed to GSB for a total consideration of RM26,750,000.00 only.*

3. THE PARTIES' ENTITLEMENT

3.1 GSB shall be entitled to receive from KSB:

- (i) a minimum sum of RM 60,000,000.00 ("**GSB's Minimum Entitlement**"), or a sum equivalent to eighteen percent (18%) of the total gross development value (i.e. the sale price of the Property Unit(s) as stated in the principal sale and purchase agreement(s) less any discounts(s) and/or cash rebates(s) given to the end-purchaser(s) only) of the Property Units ("**GSB's Actual Entitlement**"), whichever amount is higher. For the avoidance of doubt, the estimated sale proceeds from the 114 Property Units of RUMAWIP and/or Residensi MADANI have been excluded in the computation of the GSB's Minimum Entitlement; and
- (ii) in the event KSB successfully obtains a waiver from the appropriate authority for a dispensation of any or all of the 114 Property Units of RUMAWIP and/or Residensi MADANI housing allocation requirements, then GSB shall also be entitled to receive from KSB an additional sum equivalent to eighteen percent (18%) of the sale price of such Property Units so excluded from the RUMAWIP or Residensi MADANI allocation requirements upon the sale of the same to the end-purchaser ("**GSB's Waived Units Entitlement**"),

(collectively, the "**GSB's Entitlement**").

- 3.2 Subject to **Clause 3.3** below, KSB shall pay GSB's Minimum Entitlement in accordance with the following payment timeline:

Stage No.	Timeframe	Due Date	GSB's Minimum Entitlement
1	As at the date of the JVA.	As per Schedule 4 of the JVA	RM 1,000,000.00
2	Within eighteen (18) months from the SPA Completion Date.		RM 5,365,000.00
3	Within twenty-four (24) months from the SPA Completion Date.		RM 16,095,000.00
4	Within thirty-six (36) months from the SPA Completion Date.		RM 10,730,000.00
5	Within forty-eight (48) months from the SPA Completion Date.		RM 10,730,000.00
6	Within sixty (60) months from the SPA Completion Date.		RM 10,730,000.00
7	Within sixty-six (66) months from the SPA Completion Date.		RM 5,350,000.00
TOTAL			RM 60,000,000.00

- 3.3 In the event that the monthly sales reports for the 12-months period preceding any of the due dates for GSB's Minimum Entitlement as set out in **Clause 3.2** above (save for payment under Stage No. 1) reveal that:

- (i) GSB's Actual Entitlement is higher than GSB's Minimum Entitlement for the relevant 12-months period, KSB shall pay to GSB:
 - (a) GSB's Actual Entitlement for the relevant 12-months period by the said relevant due date; or
 - (b) the shortfall amount representing the difference between GSB's Minimum Entitlement and GSB's Actual Entitlement for the relevant 12-months period within fourteen (14) days from the expiration of the relevant due date, provided that GSB's Minimum Entitlement for the said 12-months period shall have been paid by KSB to GSB; and/or
- (ii) KSB has sold any Property Units (excluded from the RUMAWIP or Residensi MADANI allocation requirements), KSB shall, in addition to GSB's Minimum Entitlement or GSB's Actual Entitlement (as the case may be), pay to GSB, GSB's Waived Units Entitlement for the relevant 12-month period by the said relevant due date.

KSB shall promptly provide to GSB a statement being the summary for the computation of GSB's Actual Entitlement together with the supporting documents including the bank statements of the housing developer account within seven (7) days from the expiration of the relevant due dates.

- 3.4 If there are any unsold Property Units remaining at the expiration of Stage No. 7 (as set out in **Clause 3.2** above), KSB shall, at the request of GSB, forthwith enter into discussion with GSB in good faith to compute the gross development value of the unsold Property Units premised on the past sales records to determine GSB's entitlement in relation to such unsold Property Units and upon such ascertainment, KSB shall pay to GSB, GSB's entitlement in relation to

such unsold Property Units in the manner of payment as may be determined by GSB **PROVIDED ALWAYS THAT** if the sum equivalent to eighteen percent (18%) of the total gross development value (i.e. the sale price of the Property Unit(s) as stated in the principal sale and purchase agreement(s) less any discounts(s) and/or cash rebates(s) given to the end-purchaser(s) only) of the Property Units is higher than GSB's Minimum Entitlement.

- 3.5 In the event that KSB shall fail to pay any of GSB's Entitlement by the due dates herein, KSB shall be liable to pay GSB interest on the outstanding sum at a rate of ten per cent (10%) per annum, calculated on a daily basis ("**Late Payment Interest**"). The Late Payment Interest shall accrue daily on the basis of 365 days a year, commencing immediately following the expiration of the payment due date and shall continue to accrue until the said outstanding sum is settled and paid in full to GSB.
- 3.6 KSB shall be entitled to the proceeds of sale of the Property Units less GSB's Entitlement, Late Payment Interest, any indemnity amount owed to GSB under the JVA and any other deductions or amounts agreed upon in writing between the Parties ("**KSB's Entitlement**").
- 3.7 KSB shall be entitled to deduct a sum of Ringgit Malaysia One Million Five Hundred Thousand (RM1,500,000.00) only ("**Incentive**") from GSB's Waived Units Entitlement in the event if KSB successfully obtains full waiver from the appropriate authority for a dispensation of all the 114 Property Units of RUMAWIP and/or Residensi MADANI housing allocation requirements, whereby the Incentive shall only be deducted from GSB's Waived Units Entitlement at the last payment of GSB's Actual Entitlement by KSB to the Company.

4. TERMINATION

The JVA provides that GSB may terminate the JVA upon the occurrence of certain events of default by KSB, which include, among others, the following:

- a) Failure by KSB to pay any amounts due to GSB under the JVA, including entitlement, late payment interest, indemnity, or any amounts agreed between KSB and GSB;
- b) Cessation or threat of cessation of KSB's business or obligations under the JVA;
- c) An order for winding-up of KSB (or resolution passed) which is not revoked within 120 days;
- d) Compounding with creditors, liquidation (voluntary or compulsory, save for permitted corporate exercises), or appointment of a provisional liquidator, receiver and/or manager not revoked within 120 days; and
- e) Breach of any terms, covenants, or undertakings under the JVA.

In the event of default, GSB may issue a written notice to KSB to remedy the default within 30 days. If KSB fails to do so, GSB may terminate the JVA by issuing a "Notice of Termination" to KSB.

Upon termination, KSB shall, among others:

- Revoke the Power of Attorney granted to it and notify GSB;
- Settle outstanding financing facilities (if the Land is charged as collateral for financing facility obtained by KSB for development works for the Project);
- Redeliver vacant possession of the Land/unsold Property Units to GSB free from encumbrances; and
- Return or destroy all confidential information belonging to GSB.

GSB shall also have the right, at its sole discretion, to:

- Re-enter and take possession of the Land, including discontinuing works-in-progress; and
- Demand the return of land documents and all related approvals or documents connected with the Project.

The JVA further provides that upon termination, it shall cease to have further force and effect, and neither Party shall have further claims against the other save for any rights and liabilities accrued prior to termination.

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