

UNI WALL APS HOLDINGS BERHAD (“UNI WALL” OR THE “COMPANY”)

PROPOSED ACQUISITION

Please refer to **Appendix I** for the abbreviations used in this announcement.

1. INTRODUCTION

On behalf of the Board, Mercury Securities wishes to announce that NS Aero, a 70%-owned subsidiary of the Company, had on 23 September 2022 entered into a conditional sale and purchase agreement with NS Corp for the proposed acquisition of 2 adjoining parcels of freehold land held under GRN 62756 and GRN 64408, Lot 2877 and Lot 2878, Mukim Labu, District of Seremban, Negeri Sembilan measuring approximately 1,281.832 acres for a cash consideration of RM445 million, subject to the adjustments as set out in Section 4 of Appendix II.

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

2. DETAILS OF THE PROPOSED ACQUISITION

2.1 Proposed Acquisition

Subject to the terms and conditions of SPA A, the Purchaser has agreed to purchase and the Vendor has agreed to sell the Land on an “as is where is” basis with vacant possession and free from encumbrances for the Purchase Consideration.

The Vendor has concurrently entered into SPA B with KSDB, the Proprietor of the Land, for the proposed acquisition of the Land on similar terms and conditions of SPA A and at the same Purchase Consideration.

2.2 Mode of Settlement

In accordance with the terms of SPA A, the Purchase Consideration is to be satisfied entirely in cash in the following manner:

Milestone	RM'000
10% of the Purchase Consideration, being the deposit, to be paid within 5 days of the execution of SPA A and SPA B	44,500
60% of the Purchase Consideration, being the first tranche of the balance Purchase Consideration, to be satisfied within 3 months from the unconditional date of SPA A	267,000
30% of the Purchase Consideration, being the second tranche of the balance Purchase Consideration, to be satisfied within 6 months from the unconditional date of SPA A	133,500
	(i) 445,000

Note:

- (i) *The Purchase Consideration shall be adjusted for the School (which will be carved out) at RM7.97 per sq ft, being the value per sq ft for the Land, and shall be adjusted from the second tranche of the balance Purchase Consideration.*

Please refer to **Appendix II** of this announcement for the salient terms of SPA A.

2.3 Information on the Land

The Land is situated within a new growth area located in the state of Negeri Sembilan under the Malaysia Vision Valley 2.0 (MVV 2.0). Further information on the Land is set out below:

- Registered proprietor : KSDB
- Title description : Geran No. 62756 and 64408 for Lot No. 2877 and 2878 respectively, both located in the Mukim of Labu, District of Seremban, State of Negeri Sembilan Darul Khusus
- Postal address : Ladang Labu, Batu 10, 71980 Labu, Negeri Sembilan
- Type of land : 2 adjoining parcels of freehold agricultural land with potential for development

Lot No. 2877 and 2878 are bounded by a liquid petroleum gas (“LPG”) pipeline (running from north-southeast direction). The LPG pipeline (approximately 40 meters or 131 feet) has divided the Land into 4 new lots (Lot No. 14654, 14655, 14652, and 14653)

- Tenure : Freehold (“**Grant-in-perpetuity**”)
- Category of land use : *Pertanian*
- Title area : 529.3279 hectares (1,307.997 acres or 56,976,326 sq ft)

Lot No.	Title area (hectares)	Title area (acres)
2877	337.0014	832.748
2878	192.3265	475.249
Total	529.3279	1,307.997

- Surveyed area : 518.74 hectares (1,281.832 acres or 55,836,655 sq ft)⁽ⁱ⁾

New Lot No.	Surveyed area (hectares)	Surveyed area (acres)
14654	56.36	139.268
14655	274.10	677.315
14652	61.78	152.661
14653	126.50	312.588
Total	518.74	1,281.832

- Express condition : *Tanah ini hendaklah digunakan untuk tanaman jangka panjang kelapa sawit sahaja*
- Restriction in interest : *Tiada*
- Existing use : The Land is occupied by the Proprietor’s tenants for growing palm oil crops
- Proposed use : The Land is proposed to be an industrial and mixed development to be known as ‘NS International Tech Park’
- Building : A secondary school known as ‘SJKT Ladang Kubang’ (which will be carved out) and a single-storey detached house known as ‘Labu Estate – Manager Bungalow’ are erected thereon (collectively referred to as “**Improvements**”)

Encumbrances	:	None
Valuer	:	Azmi & Co Sdn Bhd
Valuation method	:	Comparison approach
Date of valuation	:	27 July 2022
Market value	:	RM445 million

Notes:

- (i) *The actual area of the Land to be acquired pursuant to the Proposed Acquisition shall be based on the title of the Land after subdivision to exclude the School area. For information purposes, the School area is estimated to be approximately 3.47 acres or 151,153.2 sq ft based on Google Maps and may differ from the actual School area based on the title to be issued.*
- (ii) *The Proprietor's original cost and date of investment as well as net book value and of the Land is not available.*

2.4 Basis and Justification for the Purchase Consideration

The Purchase Consideration is based on the consideration for SPA B and is justifiable after taking into consideration the market value of the Land of RM445 million as appraised by the Valuer.

In arriving at the market value of the Land, the Valuer has not excluded the market value of the School area as the surveyed area of the School is not available. However, the Valuer has ignored the Improvements, including the School, in arriving at the market value of the Land.

The Valuer had only appraised the Land using the Comparison Approach as the Land has not yet been approved for development, i.e. proposed layout and building plan, etc have yet to be submitted. Under the Comparison Approach, the market value of the Land is derived with reference to similar lands that were transacted recently after adjusting for differences in terms of, amongst others, location, neighbourhood, size, land use, planning provision and tenure.

2.5 Liabilities to be Assumed

Save for the obligations and liabilities in and arising from, pursuant to, or in connection with SPA A, there are no other liabilities, contingent liabilities or guarantees to be assumed by the Group pursuant to the Proposed Acquisition.

2.6 Additional Financial Commitment

Save for the Purchase Consideration and the development cost of the Land, the Group is not expected to incur any other financial commitment in relation to the Proposed Acquisition.

The development cost of the Land cannot be ascertained at this juncture as the development plan of the Land has not been finalised. Please refer to **Section 4.3** of this announcement for further details of the proposed development.

2.7 Sources of Funding

The Purchase Consideration will be satisfied entirely in cash, which will be funded *via* a combination of internally generated funds, bank borrowings and/or proceeds to be raised from the Company's fund-raising exercise(s), the breakdown of which will be finalised later, depending on amongst others, the Group's cash requirements, availability of funding and cost of funding.

2.8 Information on the Parties

(i) NS Corp

NS Corp is a Negeri Sembilan statutory body established on 1 January 2019 under the NS Corporation Enactment 2018 (Enactment 14). NS Corp is established to promote, stimulate manage, and coordinate investments and the economic sector in Negeri Sembilan and all matters relating thereto and to carry out any functions and power given by the state government of Negeri Sembilan to NS Corp.

As at the LPD, the directors of NS Corp are as follows:

- Dato' Dr. Mohamad Rafie bin Ab Malek
- Dato' Dr. Razali bin Ab Malik
- Dato' Muzalmah binti Mustapha Kamal
- Dato' Mohd Khidir bin Haji Majid
- Dato' Ahmad Zamri bin Khairuddin
- Dato' Muhammad Nahar bin Haji Sidek
- Dato' Hj. Norzam bin Md Nor
- Prof. Dato' Hj. Ahmad Zahir bin Hj. Mokhtar
- Datuk Shahrul Kamal bin Osman
- Dr. Rosli bin Yaakop

(ii) NS Aero

NS Aero is a company incorporated in Malaysia under the Companies Act 2016 on 7 April 2020 as a private limited company. NS Aero is to be principally involved in property and infrastructure development.

As at the LPD:

- (a) its issued share capital is RM250,000 comprising 250,000 ordinary shares and its shareholders are as follows:

Name	Direct		Indirect	
	No. of shares	%	No. of shares	%
Uni Wall	175,000	70.0	-	-
NS Corp	50,000	20.0	-	-
Azlan bin Umar	25,000	10.0	-	-
Hysiow Holdings Sdn Bhd	-	-	[^] 175,000	70.0
Siow Hon Yuen	-	-	[*] 175,000	70.0
Siow Hon Yong	-	-	[*] 175,000	70.0

Notes:

[^] Deemed interest by virtue of its shareholding in Uni Wall pursuant to Section 8 of the Companies Act 2016.

^{*} Deemed interest by virtue of his shareholdings in Uni Wall through Hysiow Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

(b) its directors are as follows:

- Dato' Dr. Mohamad Rafie bin Ab Malek
- Siow Hon Yuen
- Siew Choon Jern
- Norazhar bin Musa
- Nadiah binti Abu Bakar

(iii) KSDB

KSDB is a company incorporated in Malaysia under the Companies Act 1965 on 11 September 1978. KSDB is principally involved in property investment. It is an indirect wholly-owned subsidiary of Sime Darby Berhad.

As at the LPD:

(a) its directors are as follows:

- Dato' Jeffri Salim Davidson
- Mustamir bin Mohamad
- Datuk Leong Yew Hong

(b) its issued share capital is RM2 comprising 2 ordinary shares and its shareholder is as follows:

<u>Name</u>	<u>Direct</u>		<u>Indirect</u>	
	<u>No. of shares</u>	<u>%</u>	<u>No. of shares</u>	<u>%</u>
Sime Darby Holdings Berhad	2	100.0	-	-

3. RATIONALE AND BENEFITS OF THE PROPOSED ACQUISITION

The Proposed Acquisition is part of the Group's initiatives to achieve improved financial performance and will allow the Group to leverage on its expertise in construction to expand into property development activities, i.e. diversification of the Group's activities to include property development activities.

The Land is intended to be developed as the 'NS International Tech Park', which forms part of the Smart County of the greater MVV2.0. Please refer to Section 4.3 of this announcement for further details of the proposed development. The Group is expected to receive additional income streams upon progressive sales and/or development of the NS International Tech Park.

In addition, the Board is of the view that the Group's profile will be enhanced upon the successful development of the Land as part of the vision of the state government of Negeri Sembilan to integrate the MVV 2.0 as an economic region complementing the development of the Greater Kuala Lumpur and the National Conurbation as a new growth area located in the state of Negeri Sembilan.

4. OVERVIEW AND PROSPECTS

4.1 Overview and Outlook of the Malaysian Economy

The Malaysian economy registered a strong growth of 8.9% in the second quarter of 2022 (1Q 2022: 5.0%). While growth was lifted to some extent by the low base from the Full Movement Control Order (FMCO) in June 2021, growth in April and May 2022 was particularly robust, underpinned by the continued recovery in labour market conditions and policy support. The improvement also reflected normalising economic activity as the country moved towards endemicity and reopened international borders. Exports remain supported by strong demand for electrical and electronics (“E&E”) products. In terms of economic activity, the services and manufacturing sectors continued to drive growth. On a quarter-on-quarter seasonally-adjusted basis, the economy increased by 3.5% (1Q 2022: 3.8%).

Key economic sectors continued to expand in the second quarter of 2022. The services sector grew by 12.0% (1Q 2022: 6.5%). Consumer-related subsectors such as retail and leisure-related activities continued to recover amid the transition to endemicity, reopening of the international borders, improving labour market conditions and the additional support from policy assistance. The strong expansion was also seen in business-related activities including transport and storage, due in part to higher growth in air passenger traffic and tourist arrivals. Furthermore, growth of the real estate subsector continued to improve as property transactions recovered. Additionally, the information and communication subsector provided further support to growth following greater usage of e-commerce services.

The construction sector grew by 2.4% (1Q 2022: -6.2%), its first positive growth since 2Q 2021. Large commercial and industrial projects as well as small-scale projects continued to support activity in the non-residential and special trade subsectors. Meanwhile, the slower progress in infrastructure projects led to subdued growth in the civil engineering subsector.

During the quarter, domestic demand registered a higher growth of 13.0% (1Q 2022: 4.4%). This was mainly supported by a robust growth in private expenditure amid further normalisation of economic activity, as well as improving labour market conditions. On the external front, demand for Malaysia’s exports, particularly for E&E products, remained strong.

Private consumption grew at a faster pace of 18.3% (1Q 2022: 5.5%), driven by higher spending on necessities and selected discretionary items such as restaurants and hotels, recreational services and household furnishings. The strength in consumer expenditure was primarily driven by the recovery in the labour market. Policy support, including the implementation of minimum wage hike, Bantuan Keluarga Malaysia and an Employees Provident Fund (EPF)-related measure also provided additional lift to consumer spending.

The Malaysian economy is projected to expand further for the remainder of the year. Economic growth will be underpinned by firm domestic demand as external demand is expected to moderate, weighed by headwinds to global growth. Going forward, growth would continue to benefit from improving labour market conditions and recovery in tourism-related sectors, following the reopening of international borders. Furthermore, investment activities are also projected to improve, supported by the realization of multi-year projects.

(Source: Quarterly Bulletin 2Q, 2022, Bank Negara Malaysia)

4.2 Overview and Outlook of the Property Industry in Malaysia

The property market showed signs of recovery following the implementation of various stimulus provided by the Malaysian government, via Short-term Economic Recovery Plan namely Pelan Jana Semula Ekonomi Negara (PENJANA) and Prihatin Rakyat Economic Stimulus Package (PRIHATIN). The stimulus helped to sustain the confidence of the industry and households at large in coping with the impact of pandemic. In addition, initiatives introduced under Budget 2021 remained supportive to the property market.

Despite that the property market performance showed a slight improvement in 2021, it has yet to surpass the pre-pandemic level recorded prior to 2020. More than 300,000 transactions worth nearly RM145 billion were recorded, indicating an increase of 1.5% in volume and 21.7% in value as compared to 2000.

The residential, commercial and industrial sub-sectors saw an increase in transaction volume by 3.9%, 10.7% and 17.6% respectively, while agriculture and development land sub-sectors declined slightly by 7.5% and 7.4% respectively. The residential, commercial, industrial and development land sub-sectors recorded higher transaction value of 16.7%, 43.1%, 32.9% and 33.2% respectively, whereas the transaction value for the agriculture sub-sector decreased by 5.1%. The residential sub-sector led the overall property market with 66.2% contribution in volume. This was followed by agriculture (18.9%), commercial (7.5%), development land and others (5.6%) and industrial (1.9%). The residential sub-sector again took the lead with 53.1% share in transaction value, followed by commercial (19.3%), industrial (11.7%), agriculture (8.2%) and development land and others (7.7%).

On the development front, major ongoing infrastructure projects are expected to spur the economic activities and property market in the long run. These include, among others, Gemas - Johor Bahru electrified double-track, Rapid Transit System (RTS), Light Rail Transit Line 3 (LRT 3), Mass Rapid Transit 2 (MRT 2) - Putrajaya Line, Mass Rapid Transit 3 (MRT 3) - Circle Line, Nilai – Labu – Enstek Expressway (NLE), East Coast Rail Link (ECRL) and Pan Borneo Highway (Tawau – Kuching).

As economy is set to be on the right trajectory, the property market performance is expected to be on similar track. The accommodative policies, continuous government support, well execution of all planned measures outlined in Budget 2022 and the proper implementation of strategies and initiatives under the 12th Malaysia Plan are expected to support growth in the property sector.

(Source: Property Market Report 2021, Valuation and Property Services Department, National Property Information Centre)

4.3 Prospects of the Land



As illustrated above, the Land forms part of the Smart County of the greater MVV2.0. The Land is in close proximity to essential areas, such as KLIA 1 and 2, Port Dickson and Port Klang. In addition, due to the Land's close proximity to essential transport infrastructure such as the North-South Highway, ELITE Highway and the KLIA rail express which has a direct connection to Greater Kuala Lumpur, access to the Land is convenient, thereby placing it in a key strategic position for development and growth in the long-term.

For information purposes, MVV 2.0 is earmarked to be the extension of the Greater Kuala Lumpur conurbation spanning 153,411 hectares (2 times of Singapore), a new growth corridor covering districts of Seremban and Port Dickson. MVV 2.0 has been identified as one of the nation's 17 promoted development zones; serves as the economic catalyst in the 11th Malaysia Plan, as well as being part of the Malaysian National Development Strategy (MDS).

Pursuant thereto, the federal government of Malaysia and state government of Negeri Sembilan has introduced incentives for companies which invest in the MVV2.0, including the following:

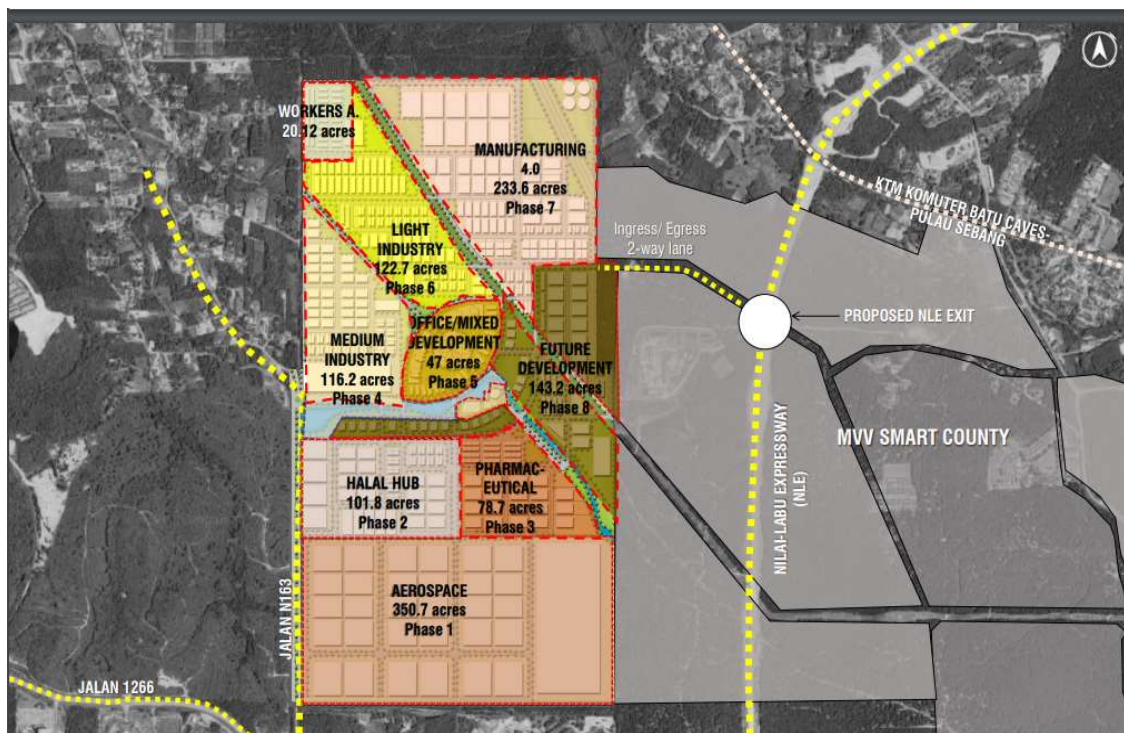
Incentives from the federal government of Malaysia	Incentives from the state government of Negeri Sembilan
<ul style="list-style-type: none"> • Import duty exemptions for raw materials/components and equipment • Income tax exemption ranging from 70% to 100% for a period of 5 to 10 years • Allowance for reinvestment - 60% on qualifying capital expenditure for 15 consecutive years 	<ul style="list-style-type: none"> • Privileges for property ownership by foreign companies/citizens • Water utility payment rebate • Discounts and deferment of land premium payments

Incentives from the federal government of Malaysia

- Allowance for investment tax - 60% to 100% on qualifying capital expenditure for 5 years
- Tax exemption on services income if approved for the principal hub incentive
- Income tax exemption of 70% on statutory income for qualifying green services
- Investment tax allowance of 100% of qualifying capital expenditure incurred on green technology project for 3 years from the date of first qualifying capital expenditure incurred
- The allowance can be offset against 70% of statutory income for each year of assessment

Incentives from the state government of Negeri Sembilan

The Land is intended to be developed as the 'NS International Tech Park' comprising various phases as set out below:



As part of the development, the Group intends to collaborate with strategic partners, whereby the strategic partners will purchase parcels of the Land from NS Aero. The Group is in discussions with several strategic partners and as at the LPD, NS Aero has signed several memorandums of collaboration with the following strategic partners:

- (i) Astrom Training Solutions Inc, a company incorporated in Canada, with its principal activity being provision of aviation training solutions, i.e. virtual reality flight training simulations utilised by flight schools to provide training to its students; and
- (ii) Sun Solutino Pte Ltd, a company incorporated in Singapore, with its principal activities being management consultancy, private equity, and real estate investment.

In view of the foregoing, the Board is of the opinion that the Proposed Acquisition is expected to enhance the Group's future profitability and shareholders' value when parcels of the Land are sold and/or developed.

5. RISK FACTORS

5.1 Non-Completion of the Proposed Acquisition

The Proposed Acquisition is conditional upon the fulfilment or waiver (as the case may be) of the conditions precedent of SPA A as disclosed in Appendix II of this announcement. If the conditions precedent are not fulfilled or or waived within the stipulated period stated in SPA A, the Proposed Acquisition may be delayed or terminated.

Non-completion of the Proposed Acquisition will result in the Group not being able to realise the expected benefits of the Proposed Acquisition as set out in Sections 3 and 4.3 of this announcement. The Board will endeavor to take all reasonable steps to ensure that the conditions precedent of SPA A are met within the stipulated timeframe and that every effort is taken to complete the Proposed Acquisition in a timely manner.

5.2 Business Risk

The Proposed Acquisition will expose the Group to risks inherent in the property development industry. Such risks may include, changes in property prices, competition from other property developers, changes in economic, social and political conditions, risk of purchasers' default, performance of third-party contractors and sub-contractors, increase in real property gains tax and any applicable taxes and changes in property tax assessments and other statutory charges. Any adverse change in such conditions may have an adverse material effect on the Group. The Board will endeavour to manage such risks by leveraging on the experience and expertise of its key management personnel in the property development and/or construction industries, and engaging the services of professionals and contractors with proven track record.

5.3 Financing Risk

The Purchase Consideration and the development cost of the Land will be funded *via* a combination of internally generated funds, bank borrowings and/or proceeds to be raised from the Company's fund-raising exercise(s). The Group's ability to arrange for external financing and the costs of such financing are dependent on amongst others, general economic and capital market conditions, interest rates, credit availability from the banks or other lenders, and investors' confidence in the Company.

In the event the Group fails to obtain sufficient bank borrowings to partially finance the Purchase Consideration, the Group may be required to utilise its existing financial resources and/or issue new securities in order to meet such shortfall in funding, failing which may lead to termination of the Proposed Acquisition. In the event of material adverse fluctuations in interest rates, the Group may incur higher borrowing costs which in turn may adversely affect the Group's future financial performance. Nevertheless, the Board will endeavor to seek appropriate bank borrowings to partially finance the Proposed Acquisition, if required, and will continue to closely monitor the Group's debt portfolio and financial gearing in order to ensure that the Group's financial obligations are well managed from time to time.

6. EFFECTS OF THE PROPOSED ACQUISITION

6.1 Issued Share Capital and Substantial Shareholders' Shareholdings

The Proposed Acquisition will not have any effect on the issued share capital and substantial shareholders' shareholdings in the Company as the Purchase Consideration will be fully satisfied in cash.

6.2 Earnings and Earnings per Share ("EPS")

The Proposed Acquisition is not expected to have a material effect on the Group's earnings and EPS for the FYE 31 December 2022 as the Proposed Acquisition is expected to be completed in the 4th quarter of 2022. Nevertheless, the Proposed Acquisition is expected to contribute positively to the Group's future earnings when parcels of the Land are sold and/or developed.

6.3 Net Assets ("NA") and Gearing

For illustrative purposes, based on the Company's audited consolidated statement of financial position as at 31 December 2021 and assuming the Proposed Acquisition had been completed as at that date, the pro forma effects of the Proposed Acquisition on the Group's NA, NA per Share and gearing are as follows:

	Audited as at 31 Dec 2021	After the Proposed Acquisition
	RM	RM
Share capital	15,056,793	15,056,793
Merger reserve	(6,000,000)	(6,000,000)
Retained earnings	27,872,842	⁽ⁱ⁾ 25,840,342
Foreign currency translation reserve	(32)	(32)
Shareholders' funds / NA	36,929,603	34,897,103
Non-controlling interests	(142)	⁽ⁱ⁾ (667,642)
Total equity	36,929,461	34,229,461
No. of Shares in issue	731,400,004	731,400,004
Borrowings	23,150,390	⁽ⁱⁱ⁾ 423,650,390
NA per Share	0.05	0.05
Gearing (times)	0.63	⁽ⁱⁱ⁾ 12.38

Notes:

- (i) After deducting the estimated expenses in relation to the Proposed Acquisition, mainly comprising professional fees and stamp duty, of approximately RM2.7 million.

- (ii) *Assuming the Group borrows RM400.5 million (i.e. 90% of the Purchase Consideration) to partially finance the Proposed Acquisition.*

7. APPROVALS REQUIRED

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

- (i) the Company's shareholders at an EGM to be convened;
- (ii) any other relevant regulatory authorities and/or parties, if required.

The Proposed Acquisition is not conditional upon any other proposals undertaken or to be undertaken by the Company.

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

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

9. DIRECTORS' STATEMENT

The Board, having considered all aspects of the Proposed Acquisition including but not limited to the salient terms of SPA A, the basis and justification for the Purchase Consideration, the rationale and benefits of the Proposed Acquisition, the prospects of the Land, is of the opinion that the Proposed Acquisition is in the best interest of the Company.

10. HIGHEST PERCENTAGE RATIO FOR THE PROPOSED ACQUISITION

Based on the Company's audited consolidated financial statements for the FYE 31 December 2021, the highest percentage ratio applicable to the Proposed Acquisition pursuant to paragraph 7.02(f) of the Listing Requirements is approximately 1,205%.

11. APPROVED ADVISER

Mercury Securities has been appointed as the Approved Adviser for the Proposed Acquisition.

12. EXPECTED TIMEFRAME FOR COMPLETION

Barring unforeseen circumstances, the Proposed Acquisition is expected to be completed by the 2nd quarter of 2024.

13. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of SPA A and the valuation letter of the Land by the Valuer are available for inspection during normal business hours at the Company's registered office at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor from Mondays to Fridays (except public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 23 September 2022.

DEFINITIONS

Board	:	Board of Directors of Uni Wall
Bursa Securities	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
Business Days	:	A day other than Saturdays, Sundays and public holidays on which licensed financial institutions are open for business in Kuala Lumpur, Selangor and Negeri Sembilan
EGM	:	Extraordinary general meeting
EPS	:	Earnings per share
FYE	:	Financial year ended/ending 31 December, as the case may be
KLIA	:	Kuala Lumpur International Airport
Land	:	2 adjoining parcels of freehold land held under GRN 62756 and 64408, Lot 2877 and 2878, Mukim Labu, District of Seremban, Negeri Sembilan measuring approximately 1,281.832 acres, save for the School which will be carved out
Listing Requirements	:	LEAP Market Listing Requirements of Bursa Securities
LPD	:	22 September 2022, being the latest practicable date prior to this announcement
MVV 2.0	:	Malaysia Vision Valley 2.0
Mercury Securities	:	Mercury Securities Sdn Bhd (198401000672 (113193-W))
NS Aero or Purchaser	:	NS Aero City Sdn Bhd (202001009978 (1366298-U)), a 70%-owned subsidiary of the Company
NS Corp or Vendor	:	NS Corporation
Proposed Acquisition	:	Proposed acquisition by NS Aero of the Land for the Purchase Consideration
Purchase Consideration	:	Cash consideration of RM445 million for the Proposed Acquisition, which shall be adjusted for the School at the same rate per sq ft
RM and sen	:	Ringgit Malaysia and sen respectively, being the lawful currency of Malaysia
School	:	SJKT Ladang Kubang which is erected on the Land
KSDB or Proprietor	:	Kumpulan Sime Darby Berhad (197801004794 (41759-M))
sq ft	:	Square feet
sq m	:	Square meters
SPA A	:	Conditional sale and purchase agreement dated 23 September 2022 entered into between NS Aero as the purchaser and NS Corp as the Vendor for the proposed acquisition of the Land
SPA B	:	Conditional sale and purchase agreement dated 23 September 2022 entered into between NS Corp as the purchaser and KSDB as the vendor for the proposed acquisition of the Land

DEFINITIONS *(cont'd)*

Uni Wall or Company	:	Uni Wall APS Holdings Berhad (201801007506 (1269520-X))
Uni Wall Group or Group	:	Collectively, Uni Wall and its subsidiaries
Uni Wall Shares or Shares	:	Ordinary shares in Uni Wall
Valuer	:	Azmi & Co Sdn Bhd (198101011028 (77155-D))

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SALIENT TERMS OF SPA A

The salient terms of SPA A are set out below:

1. Agreement to Sell and Purchase

- 1.1 By a sale and purchase agreement entered into between KSDB (i.e. the Proprietor of the Land) and NS Corp on 23 September 2022, NS Corp is acquiring the Land from the Proprietor, based upon the terms and conditions therein.
- 1.2 Subject to the terms and conditions contained in SPA A and in consideration of the mutual promises contained in SPA A, NS Corp agrees to sell and NS Aero agrees to purchase (NS Corp and NS Aero are collectively referred to as "**Parties**") the Land on an "as is where is" basis in its present state and condition with vacant possession:
- 1.2.1 free from encumbrances; and
- 1.2.2 inclusive of all illegal occupiers, squatters and/or physical structures located on the Land, save for the School which will be carved out of the Land pursuant to the term of SPA A,
- but subject to the category of land use, condition(s) of title and restriction-in-interest as stipulated in SPA A and all other unregistered easements, rights (including rights of way, right to lay, place or carry electrical installations pursuant to section 11 of the Electricity Supply Act 1990) and conditions affecting the title to the Land (if any) whether expressed or implied in the title upon issuance thereof, at the Purchase Consideration of RM445,000,000.00.
- 1.3 The Parties agree that the area on which the School is located, shall not form part of the Land and shall be excluded from the sale under SPA A.
- 1.4 NS Corp *via* its letter dated 23 September 2022 to the Proprietor has notified the Proprietor of the sale and purchase transaction between the Parties and has requested for the Land to be transferred directly from the Proprietor to NS Aero.

2. Conditions Precedent

- 2.1 The completion of SPA A is conditional upon the following approvals being obtained within 15 months from the date of SPA A ("**Conditional Period**") or 3 months from the expiry of the Conditional Period ("**Extended Conditional Period**") as the case may be:
- 2.1.1 the approval for the sub-division of the Land ("**Subdivision Approval**") which shall be applied for or obtained by the Proprietor at their own cost and expenses;
- 2.1.2 the issuance of new issue document of title for the Land, either in the form of title or qualified title (as the case may be) ("**New Title**") in the same category of land use, express condition and restriction-in-interest as stipulated in SPA A ("**Issuance of New Title**") which shall be applied for or obtained by the Proprietor at their cost and expenses;
- 2.1.3 the approval of the estate land board for the transfer of the Land from the Proprietor to NS Aero as required under Section 214A of National Land Code ("**ELB Approval**") which shall be applied for by and at the expense of the Proprietor;
- 2.1.4 the approval of the economic planning unit as required under the guidelines on the acquisition of properties issued by the Economic Planning Unit ("**EPU Approval**") which shall be applied for by NS Aero at their own cost and expenses;
- 2.1.5 the approval of NS Aero's shareholders for the acquisition of the Land ("**NS Aero Shareholders' Approval**"); and
- 2.1.6 the approval of the Company' shareholders for the acquisition of the Land by NS Aero ("**Company Shareholders' Approval**"),

SALIENT TERMS OF SPA A (Cont'd)

(the Subdivision Approval, Issuance of New Title, ELB Approval and EPU Approval, NS Aero Shareholders' Approval and Company Shareholders' Approval are collectively referred to as "**Approvals**").

- 2.2 The date the last of all the Approvals being fulfilled or complied with in accordance with the terms of SPA A shall be the date that SPA A becomes unconditional ("**Unconditional Date**").
- 2.3 In the event the Approvals are not obtained or cannot be obtained on or before the expiry of the Conditional Period or the Extended Conditional Period or such other extension to be mutually agreed (as the case may be) without fault of either party, either party shall be entitled to terminate SPA A without any penalty, fee or charge by issuing a written termination notice to the other party or the other party's solicitors, following which NS Corp or NS Corp's solicitors (as the case may be) shall, within 14 Business Days from either the date of NS Corp's receipt of NS Aero's written termination notice or the date of NS Corp's written termination notice to NS Aero (as the case may be), refund to NS Aero all payments made by NS Aero or for the benefit of NS Corp towards the Purchase Consideration free of interest, provided always that NS Aero shall:
- 2.3.1 return to NS Corp the Memorandum of Transfer and the qualified title or title (as the case may be) if the same has been forwarded by NS Corp to NS Aero or NS Aero's solicitors, with NS Corp's interest in the Land intact, free from any encumbrances and in its original state and condition when it was first delivered to NS Aero provided always that if the Memorandum of Transfer has been adjudicated and stamped then NS Aero's solicitors shall, instead of returning the Memorandum of Transfer to NS Corp, surrender the Memorandum of Transfer to the Stamp Office no longer than 7 Business Days from NS Corp's receipt of NS Aero's written termination notice or the date of NS Corp's written termination notice to NS Aero (as the case may be) for the purpose of applying for a refund of the stamp duty paid by NS Aero and upon refund thereof, the Memorandum of Transfer to be cancelled accordingly;
- 2.3.2 where in the event NS Aero, the financier and/or any other persons acting on their instruction, has lodged a private caveat against the Land, forward to NS Corp the presentation receipt evidencing that the withdrawal of private caveat has been presented and registered;
- 2.3.3 re-deliver vacant possession of the Land to NS Corp if the same has been delivered to NS Aero, in its original state and condition;
- 2.3.4 at its own costs and expense at all times to withdraw any encumbrances created on the Land by NS Aero, the financier or any other persons acting on their behalf as the case may be, if any,

and subsequent thereto and upon receipt by NS Corp of all the said monies from the Proprietor, refund to NS Aero all the said monies thereof and thereafter, SPA A shall be terminated and rendered null and void and be of no further force or effect and the Parties shall have no claim whatsoever in respect of and arising out of SPA A save for any antecedent breach and NS Corp shall be entitled to dispose the Land in such manner as it may in its absolute discretion deem fit without further notice to NS Aero and without accounting to NS Aero for profits, if any.

SALIENT TERMS OF SPA A (Cont'd)

3. Purchase Consideration

3.1 Within 5 days of the execution of SPA A and SPA B, NS Aero shall pay to NS Corp or the Proprietor deposit amounting to RM44,500,000.00 ("**Deposit**"), being 10% of the Purchase Consideration as follows:

3.1.1 a sum of RM13,350,000.00 being 3% of the Purchase Consideration as the real property gains tax ("**RPGT**") retention sum to NS Corp's solicitors as stakeholders ("**Stakeholders**"), to be retained and held by the Stakeholders as retention sum for any RPGT of the Proprietor under the Real Property Gains Tax Act 1976 in respect of the sale of the Land by the Proprietor under SPA B, and the Stakeholders shall place the RPGT retention sum in an interest bearing fixed deposit account; and

3.1.2 the balance of the Deposit (after less RPGT retention sum) to the Proprietor.

3.2 NS Aero shall pay the balance Purchase Consideration of RM400,500,000.00 ("**Balance Purchase Consideration**") in the following manner:

3.2.1 the first tranche of Balance Purchase Consideration amounting to RM267,000,000.00 shall be paid by NS Aero to NS Corp for NS Corp onward transmission to the Proprietor within 3 months from the Unconditional Date, failing which NS Aero shall pay late payment charges at the rate of 8% per annum on daily basis calculated on the first tranche of Balance Purchase Consideration or such part thereof remaining unpaid until the first tranche of Balance Purchase Consideration is received in full by NS Corp; and

3.2.2 the second tranche of Balance Purchase Consideration amounting to RM133,500,000.00 ("**Second Tranche of Balance Purchase Consideration**") shall be paid by NS Aero to the Proprietor's solicitors within 6 months from the Unconditional Date ("**Completion Period**").

NS Corp shall procure that the Second Tranche of Balance Purchase Consideration be released to the Proprietor on the following day after the expiry of 14 days from the date the Memorandum of Transfer is presented for registration, or deemed presented for registration in accordance with the terms of SPA A, whichever is earlier and provided always that the vacant possession of the Land is ready to be delivered pursuant to and in accordance with the terms of SPA A.

3.3 In the event that NS Aero fails to pay the Balance Purchase Consideration on or before the expiry of the Completion Period, NS Corp may grant an extension of one (1) month from the expiry of the Completion Period to NS Aero provided that NS Corp has received similar extension under SPA B or such other extended period as may be approved by the Proprietor under SPA B and NS Corp ("**Extended Completion Period**") provided that NS Aero shall pay late payment charges at the rate of 8% per annum on daily basis calculated on the remaining unpaid Balance Purchase Consideration commencing from the date falling immediately after the expiry of the Completion Period up to the date the full payment of the Balance Purchase Consideration is received by NS Corp which shall take place within the Extended Completion Period.

3.4 Any late payment charges imposed by the Proprietor against NS Corp under SPA B shall be similarly chargeable by NS Corp to NS Aero. NS Aero agrees to indemnify and keep NS Corp fully indemnified for any late payment charges imposed by the Proprietor against NS Corp under SPA B.

SALIENT TERMS OF SPA A (Cont'd)

4. Adjustment Rate

- 4.1 If the position, measurement, boundaries and/or area of the Land shown in the layout plan or in SPA A ("**Agreed Area**") shall be different as shown in the New Title when issued after subdivision to exclude the School area ("**Actual Area**"), no discrepancy or inaccuracy shall annul the sale except that the Purchase Consideration shall be adjusted accordingly at the adjustment rate of RM7.97 per sq ft ("**Adjustment Rate**") calculated on the difference between the Agreed Area and the Actual Area and the Purchase Consideration referred to in SPA A shall be the Purchase Consideration which has been adjusted pursuant to the said adjustment.
- 4.2 Any payment resulting from the said adjustment and required to be paid by the party concerned shall be adjusted accordingly and proportionately upon the settlement of the Second Tranche of Balance Purchase Consideration and until and unless the same is paid it will constitute a debt due from that party.
- 4.3 The Parties agree that any payment resulting from the said adjustment shall be settled in the following manner:
- 4.3.1 In the event the Actual Area is less than the Agreed Area, by deducting from the Second Tranche of Balance Purchase Consideration an amount equivalent to the reduced area multiplied by the Adjustment Rate, which is payable by NS Aero in accordance with Section 3.2.2 above; and
- 4.3.2 In the event the Actual Area is more than the Agreed Area, by adding to the Balance Purchase Consideration an amount equivalent to the increased area multiplied by the Adjustment Rate, and such amount shall be paid by NS Aero together with the Second Tranche of Balance Purchase Consideration which is payable by NS Aero in accordance with Clause 3.2.2 above.

5. Completion

- 5.1 The completion date ("**Completion Date**") shall be the date on which the Balance Purchase Consideration together with the late payment interest (if any) are paid in full to NS Corp or the Proprietor's solicitors provided always that such date shall be a date which falls within the Completion Period or the Extended Completion Period, as the case may be.

6. Restriction on Transfer

- 6.1 NS Aero agrees and undertakes that it shall not sell, transfer, assign or otherwise dispose the Land (or any part thereof) in anyway whatsoever to any other party, including any indirect disposal of the Land (or any part thereof) via sale of shares in NS Aero by NS Corp and/or by the other shareholder(s) of NS Aero, within a period of 24 months from the Completion Date ("**Land Disposal Moratorium Period**"). Notwithstanding the aforesaid, NS Aero may sell the Land (or any part thereof) directly or indirectly via a sale of shares in NS Aero by NS Corp and/or by the other shareholder(s) of NS Aero during the Land Disposal Moratorium Period to any party provided however the price for the sale of the Land is the same price as the Purchase Consideration or at the same value as the Adjustment Rate if the Land is sold, transferred, assigned or disposed of in substantially a similar state and condition as at the Completion Date.
- 6.2 NS Aero shall be at liberty to deal with the Land (or any part thereof) after the conversion of the category of land use as NS Aero shall deem fit and further, any movement of shares in NS Aero by way of corporate exercise for the purpose of other than indirectly disposing of the Land shall not fall within the restriction as stipulated in Section 6.1 above.

SALIENT TERMS OF SPA A (Cont'd)

- 6.3 In the event that the Land is sold, transferred, assigned or disposed of (including indirect disposal of the Land or part thereof pursuant to the sale of shares in NS Aero by NS Corp and/or the other shareholder(s) of NS Aero for the purpose of indirectly disposing of the Land) within the Land Disposal Moratorium Period, NS Aero undertakes to furnish to NS Corp with the necessary information to determine the price on which the Land is sold and an undertaking that the said sale or disposal is not in breach of the terms of SPA A.
- 6.4 In the event that NS Aero breaches the provision as stipulated in Section 6.1 above, NS Corp shall be entitled to, and NS Aero shall pay to NS Corp 50% of the amount by which the consideration, entitlement or incidental payment for such sale, transfer, assignment, disposal, which exceeds the Purchase Consideration (or the Purchase Consideration pro-rated for the relevant part of Land, as the case may be).

7. Default of the Parties**NS Aero's Default**

- 7.1 In the event a breach or non-compliance of the terms, conditions, representations and/or warranties of SPA A by NS Aero which breach or non-compliance is not rectified within 14 Business Days from the date of NS Aero's receipt of a written notice from NS Aero and/or NS Aero's solicitors (save for a breach of the terms of payment of the Purchase Consideration or any part thereof to which NS Corp shall be entitled to take immediate action), NS Corp shall be entitled to either:
- 7.1.1 specific performance of SPA A and to claim for any incidental legal costs that it may incur in exercising its rights for specific performance; or
- 7.1.2 terminate SPA A by issuing a written termination notice to NS Aero or NS Aero's solicitors. If NS Corp opts to terminate SPA A, an amount equivalent to 10% of the Purchase Consideration shall be forfeited by NS Corp as agreed liquidated damages and NS Aero shall, within 14 Business Days from the date of NS Corp's written termination notice to NS Aero:
- (i) return to NS Corp the Memorandum of Transfer and the qualified title or title (as the case may be), if the same has been forwarded by NS Corp to NS Aero, with the Proprietor's interest in the Land intact, free from encumbrances and in its original state and condition when it was first delivered to NS Aero's solicitors for presentation provided always that if the Memorandum of Transfer has been adjudicated and stamped then NS Aero's solicitors shall, instead of returning the Memorandum of Transfer to NS Corp, surrender the Memorandum of Transfer to the Stamp Office no longer than 7 Business Days from the date of NS Corp's written termination notice to NS Aero for the purpose of applying for a refund of the stamp duty paid by NS Aero and upon refund thereof, the Memorandum of Transfer to be cancelled accordingly;
 - (ii) where in the event NS Aero, the financier and/or any other persons acting on their instruction, has lodged a private caveat against the Land, forward to NS Corp the presentation receipt evidencing that the withdrawal of private caveat has been presented and registered;
 - (iii) re-deliver vacant possession of the Land to NS Corp if the same has been delivered to NS Aero in its original state and conditions when it was first delivered;
 - (iv) at its own costs and expense at all times to withdraw any encumbrances created on the Land by NS Aero or the financier or any other persons acting on their behalf as the case may be, if any;

and subsequent thereto, NS Corp shall, upon receipt of the same from the Proprietor, refund to NS Aero all payments made by NS Aero towards the Purchase Consideration free of interest, except for the amount of the said agreed liquidated damages and thereafter, SPA A shall be terminated and rendered null and void and be of no further force or effect and the Parties shall have no claim in respect of and arising out of SPA A save for any antecedent breach and NS Corp shall be entitled to dispose the Land in such manner as it may in its absolute discretion deem fit without further notice to NS Aero and without accounting to NS Aero for profits, if any.

NS Corp's Default

- 7.2 In the event of a breach or non-compliance of the terms, conditions, representations and/or warranties under SPA B by the Proprietor which breach or non-compliance is not rectified within 14 Business Days from the date of NS Corp's receipt of a written notice from NS Aero and/or NS Aero's solicitors, upon receipt of the written notification from NS Aero, NS Corp shall either:
- 7.2.1 pursue an action of specific performance under SPA B and to claim for any incidental legal costs that it may incur in exercising its rights for specific performance; or
- 7.2.2 terminate SPA B by issuing a written termination notice to the Proprietor or the Proprietor's solicitors. If NS Aero opts to terminate SPA B pursuant to the terms of SPA A, NS Corp shall, within 14 Business Days from the date of NS Corp's receipt of NS Aero's written termination notice in accordance with the relevant provisions of SPA A, procure for all payments made by NS Aero or for the benefit of the Proprietor towards the Purchase Consideration including any part of the Purchase Consideration which are still deposited with the Proprietor's solicitors, together with all the interests accrued in the Stakeholders' interest bearing account. In addition, NS Corp shall claim from the Proprietor a sum equivalent to 10% of the Purchase Consideration as agreed liquidated damages under SPA B provided always that NS Aero shall simultaneously with the receipt of the said monies:
- (i) return to NS Corp the Memorandum of Transfer and the qualified title or title (as the case maybe), if the same has been forwarded by NS Corp to NS Aero, with the Proprietor's interest in the Land intact, free from encumbrances and in its original condition when it was first delivered to NS Aero's solicitors for presentation provided always that if the Memorandum of Transfer has been adjudicated and stamped then NS Aero's solicitors shall, instead of returning the Memorandum of Transfer to NS Corp, surrender the Memorandum of Transfer to the Stamp Office no longer than 7 Business Days from NS Corp's receipt of NS Aero's written termination notice for the purpose of applying for a refund of the stamp duty paid by NS Aero and upon refund thereof, the Memorandum of Transfer to be cancelled accordingly;
 - (ii) where in the event NS Aero, the financier and/or any other persons acting on their instruction, has lodged a private caveat against the Land, forward to NS Corp the presentation receipt evidencing that the withdrawal of private caveat has been presented and registered;
 - (iii) re-deliver vacant possession of the Land to NS Corp if the same has been delivered to NS Aero in its original state and conditions when it was first delivered;
 - (iv) at its own costs and expense at all times to withdraw any encumbrances created on the Land by NS Aero or the financier or any other persons acting on their behalf as the case may be, if any;

SALIENT TERMS OF SPA A *(Cont'd)*

and subsequent thereto, SPA A shall be terminated and rendered null and void and be of no further force or effect and the Parties shall have no claim whatsoever in respect of and arising out of SPA A save for any antecedent breach and NS Corp shall be entitled to dispose the Land in such manner as it may in its absolute discretion deem fit without further notice to NS Aero and without accounting to NS Aero for profits, if any.