

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, the valuation certificate and report, 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.



WMG HOLDINGS BHD.
Registration No.: 201501041664 (1166985-X)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED DISPOSAL BY:

- (I) **WAH MIE REALTY SDN BHD, AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF WMG HOLDINGS BHD. (“WMG” OR “COMPANY”), OF A PARCEL OF LAND HELD UNDER TITLE NO. CL075168320, LOCATED IN THE DISTRICT OF SANDAKAN, STATE OF SABAH; AND**
- (II) **WILAKAYA SDN BHD, AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF WMG, OF 5 PARCELS OF LAND HELD UNDER INDIVIDUAL TITLES NO. CL015105709, CL015105727, CL015105736, CL015105745, AND CL015110326, ALL LOCATED IN THE DISTRICT OF KOTA KINABALU, STATE OF SABAH**

FOR A TOTAL CONSIDERATION OF RM79.00 MILLION

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser

kenanga

Kenanga Investment Bank Berhad

Registration No.: 197301002193 (15678-H)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting (“EGM”) of the Company will be conducted entirely through live streaming from the broadcast venue at Tricor Leadership Room, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Wednesday, 1 March 2023 at 11.00 a.m., or at any adjournment thereof, using the Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at <https://tjih.online>. The Notice of the EGM, Administrative Notes for the EGM and the Form of Proxy are enclosed herewith.

If you decide to appoint a proxy(ies) to attend and vote on your behalf at the EGM, the Form of Proxy should be completed and deposited at the office of the Company’s share registrar at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof. You also have the option to lodge the proxy appointment electronically via TIIH Online at <https://tjih.online> before the Form of Proxy lodgement cut-off time stated below. The lodging of the Form of Proxy shall not preclude you from attending, speaking and voting in person at the EGM should you subsequently wish to do so.

Last day, date and time for lodging the Form of Proxy : Monday, 27 February 2023 at 11.00 a.m.
Day, date and time of the EGM : Wednesday, 1 March 2023 at 11.00 a.m.

This Circular is dated 10 February 2023

DEFINITIONS

Unless the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	: Companies Act 2016
Bedi Development	: Bedi Development Sdn Bhd, a shareholder of the Purchasers
Board	: Board of Directors of WMG
Bursa Securities	: Bursa Malaysia Securities Berhad
C H Williams	: C H Williams Talhar & Wong (Sabah) Sdn Bhd, the valuer for Land II
Circular	: This circular to shareholders dated 10 February 2023 in relation to the Proposed Disposals
Director	: A natural person who holds directorship in the Company, whether in an executive or non-executive capacity, and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Service Act 2007
Disposal Consideration I	: The cash consideration in respect of the Proposed Disposal I amounting to RM22.00 million
Disposal Consideration II	: The total cash consideration in respect of the Proposed Disposal II amounting to RM57.00 million
Disposal Considerations	: Collectively, the Disposal Consideration I and Disposal Consideration II i.e. a total cash consideration of RM79.00 million in respect of the Proposed Disposals
EGM	: Extraordinary general meeting
EPS	: Earnings per share
Exsim Development	: Exsim Development Sdn Bhd, a shareholder of the Purchasers by virtue of its shareholdings in Bedi Development pursuant to Section 8(4) of the Act
FYE	: Financial year ended
FYT	: FYT Land (KK) Sdn Bhd, the purchaser of Land II
Harapan Borneo	: Harapan Borneo Sdn Bhd, a shareholder of the Purchasers by virtue of its shareholdings in Bedi Development pursuant to Section 8(4) of the Act
ICPS	: Irredeemable convertible preference shares
Kenanga IB	: Kenanga Investment Bank Berhad
Knight Frank	: Knight Frank Malaysia Sdn Bhd, the valuer for Land I
Land I	: A parcel of leasehold land held under title no. CL075168320, located in the District of Sandakan, State of Sabah, measuring approximately 16.85 acres in land area
Land II	: 5 parcels of adjoining leasehold lands held under individual titles no. CL015105709, CL015105727, CL015105736, CL015105745, and CL015110326, all located in the District of Kota Kinabalu, State of Sabah, measuring approximately 10.20 acres in total land area

DEFINITIONS *(Cont'd)*

Lands	: Collectively, Land I and Land II
LPD	: 31 January 2023, being the latest practicable date prior to the printing of this Circular
NA	: Net assets
Proposed Disposal I	: Proposed disposal by WMRSB of Land I for the Disposal Consideration I, which will be satisfied entirely in cash
Proposed Disposal II	: Proposed disposal by WSB of Land II for the Disposal Consideration II, which will be satisfied entirely in cash
Proposed Disposals	: Collectively, Proposed Disposal I and Proposed Disposal II
Purchasers	: Collectively, SSSB and FYT
RCPS	: Redeemable convertible preference shares
RM and sen	: Ringgit Malaysia and sen, respectively
SPA I	: The sale and purchase agreement entered into by WMRSB with SSSB for the Proposed Disposal I dated 11 November 2022
SPA II	: The sale and purchase agreement entered into by WSB with FYT for the Proposed Disposal II dated 11 November 2022
SPAs	: Collectively, SPA I and SPA II
SSSB	: Sejati Sentral (Sandakan) Sdn Bhd, the purchaser of Land I
WMG or Company	: WMG Holdings Bhd.
WMG Group or Group	: Collectively, WMG and its subsidiaries
WMRSB	: Wah Mie Realty Sdn Bhd, an indirect wholly-owned subsidiary of WMG
WSB	: Wilakaya Sdn Bhd, an indirect wholly-owned subsidiary of WMG

All references to “you” or “your” in this Circular are references to the shareholders of WMG.

Words denoting the singular shall, where applicable, include the plural and *vice versa*, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and *vice versa*. References to persons shall include corporations, 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 discrepancy in the figures included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding adjustments.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK
--

TABLE OF CONTENTS

EXECUTIVE SUMMARY

LETTER TO SHAREHOLDERS OF WMG IN RELATION TO THE PROPOSED DISPOSALS CONTAINING:

	Page
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED DISPOSALS	2
3. INFORMATION ON THE PURCHASERS	8
4. RATIONALE OF THE PROPOSED DISPOSALS	10
5. RISKS FACTORS	10
6. EFFECTS OF THE PROPOSED DISPOSALS	11
7. APPROVALS REQUIRED, CONDITIONALITY AND PERCENTAGE RATIO	13
8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED	13
9. ESTIMATED TIMEFRAME FOR COMPLETION	14
10. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION	14
11. DIRECTORS' STATEMENT AND RECOMMENDATION	14
12. EGM	14
13. FURTHER INFORMATION	15

APPENDICES

APPENDIX I	SALIENT TERMS OF THE SPAS	16
APPENDIX II	VALUATION CERTIFICATE FOR LAND I	22
APPENDIX III	VALUATION CERTIFICATE FOR LAND II	32
APPENDIX IV	FURTHER INFORMATION	40

NOTICE OF EGM **ENCLOSED**

ADMINISTRATIVE NOTES **ENCLOSED**

FORM OF PROXY **ENCLOSED**

EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSED DISPOSALS. YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE ENTIRE CONTENTS OF THIS CIRCULAR WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED DISPOSALS AT THE FORTHCOMING EGM.

Key information	Summary	Reference in Circular
Summary of the transaction	<p>On 11 November 2022, Kenanga IB had, on behalf of the Board, announced that:</p> <p>(i) WMRSB had entered into the SPA I with SSSB for the proposed disposal by WMRSB of Land I for a cash consideration of RM22.00 million; and</p> <p>(ii) WSB had entered into the SPA II with FYT for the proposed disposal by WSB of Land II for a total cash consideration of RM57.00 million.</p>	Section 1
Rationale	<p>The Proposed Disposals provide an opportunity for WMG Group to realise the value of its investment in the Lands at a reasonable price, considering the negative sentiments in the property market as well as the uncertain market conditions. Notwithstanding that the Disposal Considerations are at a discount to the respective market values of the Lands, WMG Group is able to realise a net gain from the disposal of the Lands of approximately RM28.77 million.</p>	Section 4
Risk factors	<p>Shareholders of WMG should consider the following risk factors in relation to the Proposed Disposals:</p> <p>(i) There can be no assurance that the Proposed Disposals can be completed, or completed within the time period permitted, under the respective SPAs.</p> <p>(ii) WMG Group will be disposing of the Lands at the Disposal Considerations and will not be able to enjoy any appreciation in the value of the Lands in the future.</p>	Section 5

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

EXECUTIVE SUMMARY (Cont'd)

Key information	Summary	Reference in Circular
Approvals required	<p>The Proposed Disposal I is subject to the following approvals being obtained:</p> <ul style="list-style-type: none">(i) shareholders of WMG at an EGM to be convened;(ii) SSSB to obtain approval from the Director of Lands and Surveys Department for conversion of Land I from the present agricultural land use to commercial land use; and(iii) any other relevant authorities and/or parties, if required. <p>The Proposed Disposal II is subject to the following approvals/consents being obtained:</p> <ul style="list-style-type: none">(i) shareholders of WMG at an EGM to be convened;(ii) FYT to obtain the development plan approval and all relevant authorities' approval relevant to and for the development plan approval to develop Land II into a high-density residential development of not less than a total of 1,500 units;(iii) FYT to obtain the building plan approval for the project within 6 months from the date of the development plan approval;(iv) FYT to obtain approval from the Director of Lands and Survey Department for conversion of Land II from the present agricultural land use to high density residential use; and(v) any other relevant authorities and/or parties, if required.	Section 7
Directors' statement and recommendation	<p>The Board, having considered all aspects of the Proposed Disposals including, but not limited to the rationale, basis of and justification for the Disposal Considerations, terms and conditions of the SPAs, the financial effects and risk factors, is of the opinion that the Proposed Disposals are in the best interest of WMG Group.</p> <p>Accordingly, the Board recommends that you vote in favour of the ordinary resolutions pertaining to the Proposed Disposals to be tabled at the forthcoming EGM.</p>	Section 11

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK



WMG HOLDINGS BHD.
Registration No.: 201501041664 (1166985-X)
(Incorporated in Malaysia)

Registered Office:
Wisma WMG, Lot 1 & 2
Jalan Indah Jaya
Taman Indah Jaya
Jalan Lintas Selatan
90000 Sandakan, Sabah

10 February 2023

Board of Directors:

Datuk Eric Usip Juin (*Chairman / Senior Independent Non-Executive Director*)
Datuk Quek Siew Hau (*Managing Director*)
Fong Kin Wui (*Deputy Managing Director*)
Lim Ted Hing (*Executive Director*)
Seah Sen Onn @ David Seah (*Executive Director*)
Chan Ka Tsung (*Executive Director*)
Tan Kung Ming (*Independent Non-Executive Director*)
Hajah Shakinur Ain Binti Hj Karama (*Independent Non-Executive Director*)

To: The Shareholders of WMG Holdings Bhd.

Dear Sir/Madam,

PROPOSED DISPOSALS

1. INTRODUCTION

On 11 November 2022, Kenanga IB had, on behalf of the Board, announced that:

- (i) WMRSB had entered into the SPA I with SSSB for the proposed disposal by WMRSB of Land I for a cash consideration of RM22.00 million; and
- (ii) WSB had entered into the SPA II with FYT for the proposed disposal by WSB of Land II for a total cash consideration of RM57.00 million.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED DISPOSALS AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED DISPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

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

2. DETAILS OF THE PROPOSED DISPOSALS

Subject to the terms and conditions of SPA I and SPA II, WMRSB and WSB have agreed to sell, and SSSB and FYT have agreed to purchase Land I and Land II, respectively, on an "as is where is" basis in its present state and condition, free from encumbrances and with vacant possession, for the Disposal Consideration I and Disposal Consideration II, respectively.

The salient terms of the SPAs are set out in Appendix I of this Circular.

2.1 Information on the Lands

Land I is located in the District of Sandakan, Sabah and the five parcels of land collectively known as Land II are located in the District of Kota Kinabalu, Sabah. Further information on the Lands are as follows:

	<u>Land I</u>	<u>Land II</u>
Brief description	<p>A parcel of vacant development land having a titled land area of 16.85 acres or 68,189.53 square metres, located adjacent east of Taman Sejati Ujana, sited off the right (western) side of Jalan Airport travelling from the Sandakan Airport heading south.</p> <p>Sandakan Airport is located about 0.75 kilometres due north-east of the land whilst Sandakan town centre is located about 11.70 kilometres due south-east of the land.</p> <p>Access to the land from Sandakan Airport is via Jalan Airport which runs along most of the land's eastern boundary. Its northern boundary is bounded by Jalan Merpati whilst its remaining boundaries fronts onto internal service roads, all roads being metalled and maintained in good condition.</p> <p>The land is trapezoid in shape with an indent at its southeast corner and lies slightly lower than the abovementioned fronting metalled roads.</p> <p>A billboard is situated at the north-eastern portion of the land.</p>	<p>5 adjoining parcels of vacant land, having a total titled land area of about 10.20 acres or 41,278.00 square metres, forming an irregular shape.</p> <p>The 5 adjoining parcels of lands are located along Jalan Fung Yei Ting, in the vicinity of Dah Yeh Villa, Damai, District of Kota Kinabalu, Sabah.</p> <p>About 2/3 of subject land's western portion is generally flat in nature and lies about the same level as its surrounding lands while the eastern portion lies on a hill slope descending in a south-east to north-west direction.</p> <p>Its northern boundary is mainly rugged in nature and runs along Jalan Fung Yei Ting for about 250 metres.</p> <p>Its mid-western boundary has a small frontage onto existing access road Lorong Kenawai 2.</p> <p>A portion of the land at the north-west section has been cleared and developed with a double storey detached house and some timber structures. These structures are very old and in dilapidated condition and will be demolished prior to any commencement of development.</p>
Registered owner	WMRSB	WSB

	<u>Land I</u>	<u>Land II</u>
Title details	: CL075168320, located in the District of Sandakan, Sabah	(i) CL015105709; (ii) CL015105727; (iii) CL015105736; (iv) CL015105745; and (v) CL015110326 all located in the District of Kota Kinabalu, Sabah
Tenure	: Leasehold (expiring on 13 February 2923)	Leasehold (expiring on 31 December 2907)
Land area	: measuring an area of approximately 16.85 acres	(i) CL015105709 measuring an area of approximately 1.64 acres; (ii) CL015105727 measuring an area of approximately 2.04 acres; (iii) CL015105736 measuring an area of approximately 1.66 acres; (iv) CL015105745 measuring an area of approximately 2.22 acres; and (v) CL015110326 measuring an area of approximately 2.64 acres, for a total land area of approximately 10.20 acres.
Buildings	: Nil	Double storey detached house and timber structures in old and dilapidated condition which are intended to be demolished upon commencement of development, and therefore disregarded in the valuation
Category of land use	: Agricultural	Agricultural

	<u>Land I</u>	<u>Land II</u>
Proposed use	: Approved for a mixed-use development comprising 18 blocks (158 Lots / 316 units) of 2-storey shop/office with a total net saleable area of 31,600 square metres	Approved development comprising 2 blocks of 32-storey condominium (783 units) atop 5-storey central podium and 1 block of 7-storey commercial/office building with car park
Express conditions	: Nil	Nil
Restrictions in interest	: Nil	Nil
Encumbrances	: Nil	Charged to Sabah Development Bank Berhad
Valuer	: Knight Frank	C H Williams
Valuation Method	: Income approach by residual method	Comparison method
Date of Valuation	: 27 October 2022	26 October 2022
Market value	: RM29,000,000	RM78,400,000
NBV as at 31 December 2021	: RM16,245,013	RM24,897,003

For information purposes, the Purchasers are desirous to convert the Lands from their present agricultural land use to commercial or residential use. As such any feasibility studies and details of development plan are to be prepared and borne by the Purchasers for their own purpose, and have yet to be finalised at this juncture.

To ensure the valuation of the Lands were duly completed prior to entering into the SPAs, the Company had appointed two different valuers (both of which are on the Company's panel of valuers) for the respective Land I and Land II in order to perform the valuation of the Lands in compliance with the Main Market Listing Requirements of Bursa Securities on an expedient basis, taking into account the time required and the resources of the two valuers.

2.2 Basis and justification in arriving at the Disposal Considerations

The Disposal Consideration I of RM22.00 million and Disposal Consideration II of RM57.00 million was arrived at on a willing buyer-willing seller basis, after taking into consideration, amongst others, the following:

- (i) the market value of Land I of RM29.00 million as appraised by Knight Frank based on the valuation certificate dated 31 October 2022;
- (ii) the market value of Land II of RM78.40 million as appraised by C H Williams based on the valuation certificate dated 31 October 2022;
- (iii) the estimated net gain on disposal of approximately RM28.77 million; and
- (iv) the rationale and benefits of the Proposed Disposals as set out in Section 4 of this Circular.

Land I

Knight Frank have considered the market value derived from the income approach by residual method of RM29.00 million as fair and accurate representation of the market value of Land I supported by the market value of RM30.00 million derived from the comparison approach, which is adopted as a counter check method. Knight Frank has adopted the income approach by residual method of valuation as the primary approach for Land I as the Subject Property has been approved with a development plan and supported with estimated costs prepared by licensed quantity surveyors. The comparison approach is adopted as the counter check method due to a dearth in recent and similar sizeable transactions within the District of Sandakan.

Land II

C H Williams have considered the market value derived from the comparison approach of RM78.40 million as fair and accurate representation of the market value of Land II supported by the market value of RM74.00 million derived from the residual method, which is adopted as a counter check method. C H Williams has not adopted the residual method of valuation as the primary approach for Land II as the estimates and parameters adopted in the calculation based on the residual method of valuation is less reliable given that the proposed development on Land II may not materialise within the immediate future. The further into the future the commencement and completion of the development, the less reliable the current estimates and parameters adopted in the calculation based on the residual method of valuation. The Proposed Disposal II may also give rise to possible changes and amendments to the current approved development plan, or a total revision to a new development plan by FYT.

Further details on the valuation carried out for Land I and Land II are set out in Appendix II and Appendix III of this Circular, respectively.

The Disposal Consideration I represents a discount of approximately 24.14% to the market value of Land I while the Disposal Consideration II represents a discount of approximately 27.30% to the market value of Land II. The Board is of the opinion that the discounts are justifiable after taking into consideration the following factors:

- (i) Proceeds from the Proposed Disposals will provide much needed cash flow to the Company and would be utilised for the purposes set out in Section 2.6 of this Circular, which is expected to result in interest savings and reduce the gearing level of the Group by approximately 38% and enhance the financial position of WMG Group as set out in Section 6 of this Circular;
- (ii) The Group is presently facing a challenging operating environment and is not in a position to take on additional risk to undertake the proposed development on the Lands amid the economic uncertainties caused by the COVID-19 pandemic, the ongoing Russia-Ukraine war, continuation of the disruption in global supply chain resulting in higher costs of building materials, global inflationary pressure, rising interest rates and the overall outlook of the property market in Sabah; and
- (iii) WMG does not have the requisite available working capital to undertake development activities on the Lands at this juncture or in the near future. Further, the Proposed Disposals will enable the Group to immediately unlock the value and monetise its investment in the Lands, which will help to improve the financial position of the Group.

The Proposed Disposals will enable WMG Group to realise a net gain from the disposal of the Lands of approximately RM28.77 million.

The deposit in relation to the Disposal Consideration I of RM0.44 million, equivalent to 2% of the Disposal Consideration I, has been fully paid as at the LPD.

The deposit in relation to the Disposal Consideration II of RM1.14 million, equivalent to 2% of the Disposal Consideration II, has been fully paid as at the LPD.

Further details on the Disposal Considerations and mode of payment are set out in Section 2 of Appendix I of this Circular.

2.3 Liabilities to be assumed

There are no liabilities, contingent liabilities and guarantees in relation to the Proposed Disposals, which will remain with WMG Group after the completion of the Proposed Disposals. There are no guarantees given by the Group to the Purchasers in relation to the Proposed Disposals.

2.4 Original cost of investment

The Group's original cost and date of investment in the Lands are as follows:

	<u>Date of Investment</u>	<u>Original cost of investment</u> RM'000
Land I	6 June 2012	15,165
Land II:		
(i) CL015105709	12 October 2009	2,215
(ii) CL015105727	24 March 2008	3,813
(iii) CL015105736	24 March 2008	3,103
(iv) CL015105745	24 March 2008	4,150
(v) CL015110326	24 March 2008	4,934
		<u>18,215</u>
		<u>33,380</u>

2.5 Expected gain from the Proposed Disposals

Assuming the Proposed Disposals were completed on 31 December 2021, the Group is expected to achieve a pro forma gain (net estimated taxation) of approximately RM28.77 million illustrated as follows:

	<u>Proposed Disposal I</u> RM'000	<u>Proposed Disposal II</u> RM'000	<u>Total</u> RM'000
Disposal considerations	22,000	57,000	79,000
Less:			
Land costs	(15,165)	(18,215)	(33,380)
Other incidental costs ⁽ⁱ⁾	(1,080)	(6,682)	(7,762)
	<u>5,755</u>	<u>32,103</u>	<u>37,858</u>
Corporate tax ⁽ⁱⁱ⁾	(1,381)	(7,705)	(9,086)
Net Gain	<u>4,374</u>	<u>24,398</u>	<u>28,772</u>

Notes:

- (i) Expenses in relation to professionals' fees and other expenses related to amongst others, clearing of the Lands and planning fees.
- (ii) Calculated based on the corporate tax rate of 24% of the Disposal Considerations less the original costs of investment of the Lands and other incidental costs associated to the Lands.

2.6 Utilisation of proceeds

WMG proposes to utilise the proceeds from the Proposed Disposals as follows:

<u>Utilisation of proceeds</u>	<u>Note</u>	<u>RM'000</u>	<u>Percentage allocation (%)</u>	<u>Expected timeframe for use from completion of the Proposed Disposals</u>
Repayment of bank borrowings	(i)			
- Proposed Disposal I		19,949	25.25	Within 3 months
- Proposed Disposal II		49,295	62.40	Within 3 months
Payment for the corporate tax	(ii)			
- Proposed Disposal I		1,381	1.75	Within 12 months
- Proposed Disposal II		7,705	9.75	Within 12 months
Estimated expenses in relation to the Proposed Disposals	(iii)	670	0.85	Within 3 months
Total		79,000	100.00	

Notes:

- (i) As at the LPD, WMG Group has total outstanding borrowings of approximately RM223.06 million. The Group proposes to utilise the proceeds to partially repay its revolving credit facilities, the details of which are set out as follows:

<u>Facility</u>	<u>Amount outstanding as at the LPD RM'000</u>	<u>Average Interest Rate %</u>	<u>Repayment amount RM'000</u>
Revolving credit facilities	131,300	5.63	69,244

The repayment of the bank borrowings is expected to result in gross interest savings of approximately RM3.90 million per annum which will improve the Group's working capital for its operations.

- (ii) Corporate tax expenses to be incurred for the Proposed Disposals. In the event of any surplus, the remaining allocation for the corporate tax liabilities will be utilised for the repayment of the revolving credit facilities as stated in note (i) above.
- (iii) The estimated expenses consist of professional fees, fees payable to authorities and other miscellaneous expenses to be incurred in relation to the Proposed Disposals. Any surplus or shortfall for such expenses will be adjusted accordingly against the amount allocated for the repayment of bank borrowings.

Any shortfall or excess in funds allocated for estimated expenses will be funded from or used for the repayment of the Group's revolving credit facilities. Prior to being utilised for the abovementioned purposes, the proceeds from the Proposed Disposals will be placed in interest/profit-bearing deposits and/or short-term money market instruments with financial institutions, as the Board, in its absolute discretion, deems fit and in the best interest of the Group. The interest derived from the deposits and gains from short-term money market instruments will be utilised for repayment of bank borrowings.

3. INFORMATION ON THE PURCHASERS

3.1 Information on SSSB

SSSB was incorporated in Malaysia on 18 August 2022 as a private limited company. The principal activity of SSSB is in the business of construction of buildings.

As at the LPD, SSSB's issued share capital is RM100.00 comprising 100 ordinary shares.

The directors and shareholders of SSSB and their direct and indirect shareholdings in SSSB are set out below:

Directors

Name	Nationality	Shareholdings			
		Direct		Indirect	
		No. of shares	%	No. of shares	%
Lim Aik Hoe	Malaysian	-	-	100	(i) 100
Lim Aik Kiat	Malaysian	-	-	100	(i) 100
Kong Chung Vui	Malaysian	-	-	100	(ii) 100

Notes:

- (i) Deemed interested by virtue of his shareholdings in Bedi Development through Exsim Development pursuant to Section 8(4) of the Act.
- (ii) Deemed interested by virtue of his shareholdings in Bedi Development through Harapan Borneo pursuant to Section 8(4) of the Act.

Shareholders

Name	Place of incorporation / Nationality	Shareholdings			
		Direct		Indirect	
		No. of shares	%	No. of shares	%
Bedi Development	Malaysia	100	100	-	-
Exsim Development	Malaysia	-	-	100	(i) 100
Harapan Borneo	Malaysia	-	-	100	(i) 100
Lim Aik Hoe	Malaysian	-	-	100	(ii) 100
Lim Aik Kiat	Malaysian	-	-	100	(ii) 100
Lim Aik Fu	Malaysian	-	-	100	(ii) 100
Kong Chung Vui	Malaysian	-	-	100	(iii) 100
Kong Kwok Wah	Malaysian	-	-	100	(iii) 100

Notes:

- (i) Deemed interested by virtue of its shareholdings in Bedi Development pursuant to Section 8(4) of the Act.
- (ii) Deemed interested by virtue of his shareholdings in Bedi Development through Exsim Development pursuant to Section 8(4) of the Act.
- (iii) Deemed interested by virtue of his shareholdings in Bedi Development through Harapan Borneo pursuant to Section 8(4) of the Act.

3.2 Information on FYT

FYT is a company incorporated in Malaysia on 18 August 2022 as a private limited company. The principal activity of FYT is in the business of construction of buildings.

As at the LPD, FYT's issued share capital is RM100.00 comprising 100 ordinary shares.

The directors and shareholders of FYT and their direct and indirect shareholdings in FYT are set out below:

Directors

Name	Nationality	Shareholdings			
		Direct		Indirect	
		No. of shares	%	No. of shares	%
Lim Aik Hoe	Malaysian	-	-	100	(i) 100
Lim Aik Kiat	Malaysian	-	-	100	(i) 100
Kong Chung Vui	Malaysian	-	-	100	(ii) 100

Notes:

- (i) Deemed interested by virtue of his shareholdings in Bedi Development through Exsim Development pursuant to Section 8(4) of the Act.
- (ii) Deemed interested by virtue of his shareholdings in Bedi Development through Harapan Borneo pursuant to Section 8(4) of the Act.

Shareholders

Name	Place of incorporation / Nationality	Shareholdings			
		Direct		Indirect	
		No. of shares	%	No. of shares	%
Bedi Development	Malaysia	100	100	-	-
Exsim Development	Malaysia	-	-	100	(i) 100
Harapan Borneo	Malaysia	-	-	100	(i) 100
Lim Aik Hoe	Malaysian	-	-	100	(ii) 100
Lim Aik Kiat	Malaysian	-	-	100	(ii) 100
Lim Aik Fu	Malaysian	-	-	100	(ii) 100
Kong Chung Vui	Malaysian	-	-	100	(iii) 100
Kong Kwok Wah	Malaysian	-	-	100	(iii) 100

Notes:

- (i) Deemed interested by virtue of its shareholdings in Bedi Development pursuant to Section 8(4) of the Act.
- (ii) Deemed interested by virtue of his shareholdings in Bedi Development through Exsim Development pursuant to Section 8(4) of the Act.
- (iii) Deemed interested by virtue of his shareholdings in Bedi Development through Harapan Borneo pursuant to Section 8(4) of the Act.

4. RATIONALE OF THE PROPOSED DISPOSALS

The Group is principally involved in the property development segment. Due to the subdued property market coupled with the impact from the movement control order imposed by the government of Malaysia in 2020 and 2021, increase in overnight policy rate by Bank Negara Malaysia and the Group's high gearing, the Group has been facing challenges which have negatively impacted WMG's financial position. Given the uncertain market conditions and WMG's financial position, WMG does not have the requisite available working capital to undertake the development of the Lands at this juncture or in the near future.

The Group had explored disposing the Lands to several parties but were not successful given the subdued property market in these uncertain economic conditions. The Group had also explored equity fund raising exercises to raise funds to be utilised for the development of the Lands but did not pursue further due to poor market sentiments which were not conducive for equity fund raising and the lack of commitments from its major shareholders and investors.

The Group does not intend to enter into any joint venture arrangements to jointly develop the Lands at this juncture or in the near future as arrangements of this nature would typically require the Group to incur substantial initial cash flows which is expected to further impact the financial position of the Group.

For the 9 months financial period ended 30 September 2022, the Group had incurred a net loss of approximately RM4.12 million. As at 30 September 2022 the cash and bank balances of the Group stood at approximately RM14.06 million.

Taking into account the above considerations and the Group's current financial performance, the Proposed Disposals are in the best interests for WMG to raise funds to pare down its borrowings, which would then improve its cash flow and enhance its financial position.

In undertaking the Proposed Disposals, the Board is of the view that the Proposed Disposals provide an opportunity for WMG Group to realise the value of its investment in the Lands at a reasonable price, considering the negative sentiments in the property market as well as the uncertain market conditions. Notwithstanding that the Disposal Considerations are at a discount to the respective market values of the Lands, WMG Group is able to realise a net gain from the disposal of the Lands of approximately RM28.77 million.

The Board wishes to further highlight that the Proposed Disposals would only represent approximately 4.29% of the total lands held for development of approximately 631 acres currently held by the Group.

5. RISK FACTORS

5.1 Delay and non-completion risk

The completion of the Proposed Disposal I and Proposed Disposal II are conditional upon the fulfilment of the conditions precedent and compliance with the terms and conditions as stipulated in the respective SPAs by the parties involved. In the event that any one or more of the conditions precedent and/or terms is/are not fulfilled within the stipulated time as set out in the SPAs, or there occurs a breach of the terms and conditions, representations or warranties or failure by a party to perform its obligations under the SPAs, the Proposed Disposal I and Proposed Disposal II may be delayed or terminated. As such, there can be no assurance that the Proposed Disposals can be completed, or completed within the time period permitted under the respective SPAs.

In addition, should a non-completion of the Proposed Disposals occur, WMG may not be able to realise the benefits that may accrue to it from the proposed utilisation of proceeds as disclosed in Section 2.6 of this Circular.

Notwithstanding the foregoing, the Company will take all reasonable steps to ensure that the conditions precedent and the terms and conditions as set out in the SPAs are fulfilled in a timely manner to facilitate the completion of the Proposed Disposals.

5.2 Opportunity cost

WMG Group will be disposing of the Lands at the Disposal Considerations and will not be able to enjoy any appreciation in the value of the Lands in the future.

In addition, Land I and Land II have existing development plans which categorise the Lands as land held for development. The disposal of the Lands will represent an opportunity lost to develop the Lands which may contribute positively to the future earnings of WMG Group.

Nonetheless, the Proposed Disposals will result in a net gain to WMG Group as detailed in Section 2.5 of this Circular. The proceeds from the Proposed Disposals would be utilised for the purposes set out in Section 2.6 of this Circular, which is expected to result in interest savings, reduce the gearing level of the Group and enhance its financial position and be beneficial to WMG Group.

6. EFFECTS OF THE PROPOSED DISPOSALS

6.1 Share capital and substantial shareholders' shareholding

The Proposed Disposals will not have any effect on WMG's issued share capital and its substantial shareholders' shareholdings as the Proposed Disposals do not involve the issuance of new shares in WMG.

6.2 Earnings and EPS

For illustrative purposes, assuming that the Proposed Disposals had been effected at the end of the FYE 31 December 2021, the pro forma effects of the Proposed Disposals on the earnings and EPS of the Group are as follows:

	<u>RM'000</u>
Loss after tax for FYE 31 December 2021	(7,972)
Add:	
- Interest savings from the repayment of revolving credit facilities of the Group	⁽ⁱ⁾ 3,900
- Net gain from the Proposed Disposals	⁽ⁱⁱ⁾ 28,772
Less:	
- Estimated expenses in relation to the Proposed Disposals	(670)
	<u>24,030</u>
Total number of ordinary shares in WMG in issue ('000)	444,585
EPS (sen)	5.41

Notes:

- (i) Assuming repayment of the revolving credit facilities of approximate RM69.24 million which carry an average interest cost of approximately 5.63% per annum as set out in Section 2.6 of this Circular.
- (ii) After incorporating the pro forma net gain of the Proposed Disposals of approximately RM28.77 million as set out in Section 2.5 of this Circular.

6.3 NA and gearing

For illustrative purposes, assuming that the Proposed Disposals had been effected at the end of the FYE 31 December 2021, the pro forma effects of the Proposed Disposals on the NA, NA per share and gearing of WMG are set out below:

	Audited 31 December 2021 RM'000	After Proposed Disposals RM'000
Share capital	231,343	231,343
RCPS	149,173	149,173
ICPS	203,339	203,339
Merger deficit	(312,039)	(312,039)
Accumulated losses	(99,031)	⁽ⁱ⁾ (70,929)
Total equity attributable to owners of the Company/ NA	172,785	200,887
Total number of ordinary shares in WMG in issue ('000)	444,585	444,585
NA per share (sen)	38.86	45.19
Total borrowings	246,691	⁽ⁱⁱ⁾ 177,447
Gearing (times)	1.43	0.88

Notes:

- (i) *After incorporating the estimated pro forma gain from the Proposed Disposals of approximately RM28.77 million and deducting the estimated expenses in relation to the Proposed Disposals of approximately RM0.67 million.*
- (ii) *Assuming repayment of borrowings of approximately RM69.24 million from the proceeds of the Proposed Disposals.*

6.4 Convertible securities

Save for the 155,000,000 RCPS and 211,281,792 ICPS as at the LPD, the Company does not have any other convertible securities.

The RCPS has a tenure of 10 years from the date of issuance. Each RCPS is redeemable at the option of WMG and convertible at the conversion price of RM0.50 for one new WMG Share at any time after 3 July 2017, being the date of issuance of the RCPS up to 2 July 2027, being the date immediately before the maturity date of the RCPS. As such, a maximum of 310,000,000 new ordinary shares in WMG are to be issued assuming full conversion of the outstanding RCPS.

The ICPS has a tenure of 10 years from the date of issuance. Each ICPS is convertible at the conversion price of RM0.50 for one new WMG Share at any time after 3 July 2017, being the date of issuance of the ICPS up to 2 July 2027, being the date immediately before the maturity date of the ICPS. As such, a maximum of 422,563,584 new ordinary shares in WMG are to be issued assuming full conversion of the outstanding ICPS.

The Proposed Disposals will give not rise to any adjustments to the RCPS and ICPS.

7. APPROVALS REQUIRED, CONDITIONALITY AND PERCENTAGE RATIO

7.1. Proposed Disposal I

The Proposed Disposal I is subject to the following approvals being obtained:

- (i) shareholders of WMG at an EGM to be convened;
- (ii) SSSB to obtain approval from the Director of Lands and Surveys Department for conversion of Land I from the present agricultural land use to commercial land use; and
- (iii) any other relevant authorities and/or parties, if required.

7.2 Proposed Disposal II

The Proposed Disposal II is subject to the following approvals/consents being obtained:

- (i) shareholders of WMG at an EGM to be convened;
- (ii) FYT to obtain the development plan approval and all relevant authorities' approval relevant to and for the development plan approval to develop Land II into a high-density residential development of not less than a total of 1,500 units;
- (iii) FYT to obtain the building plan approval for the project within 6 months from the date of the development plan approval;
- (iv) FYT to obtain approval from the Director of Lands and Survey Department for conversion of Land II from the present agricultural land use to high density residential use; and
- (v) any other relevant authorities and/or parties, if required.

The Proposed Disposals are not conditional upon each other and are not conditional upon any other corporate exercise undertaken or to be undertaken by WMG.

The highest percentage ratio applicable to the Proposed Disposals pursuant to paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Securities is 45.72% derived by the aggregate value of the Disposal Considerations of RM79.00 million over the audited NA of WMG Group of approximately RM172.79 million as at 31 December 2021.

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

None of the Directors and/or major shareholders of WMG Group and/or persons connected to them have any interest, direct or indirect, in the Proposed Disposals.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK
--

9. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all approvals being obtained, the Proposed Disposal I and Proposed Disposal II are expected to be completed by the 2nd half of 2023 and the 1st half of 2024, respectively.

The tentative timeline for the implementation of the Proposed Disposals is as follows:-

<u>Date</u>	<u>Events</u>
1 March 2023	<ul style="list-style-type: none">• EGM for the Proposed Disposals
2nd half of 2023	<ul style="list-style-type: none">• Fulfilment of conditions precedent of the SPA I• Completion of the Proposed Disposal I
1st half of 2024	<ul style="list-style-type: none">• Fulfilment of conditions precedent of the SPA II• Completion of the Proposed Disposal II

10. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Disposals, there is no other corporate exercise which has been announced by WMG but pending completion as at the LPD.

11. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed Disposals including, but not limited to the rationale, basis of and justification for the Disposal Considerations, terms and conditions of the SPAs, the financial effects and risk factors, is of the opinion that the Proposed Disposals are in the best interest of WMG Group.

Accordingly, the Board recommends that you vote in favour of the ordinary resolutions pertaining to the Proposed Disposals to be tabled at the forthcoming EGM.

12. EGM

The EGM, the notice of which is enclosed with this Circular, will be conducted entirely through live streaming from the broadcast venue at Tricor Leadership Room, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, on Wednesday, 1 March 2023 at 11.00 a.m., or at any adjournment thereof using the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at <https://tiih.online>, for the purpose of considering and, if thought fit, passing the resolutions as set out in the Notice of EGM enclosed in this Circular, with or without modifications, to give effect to the Proposed Disposals.

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "**participate**") remotely at the EGM using the RPV provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at <https://tiih.online>. For further information, please refer to the Notice of EGM and Administrative Notes.

If you are entitled but unable to attend and vote at the forthcoming EGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions printed therein as soon as possible, so as to arrive at the office of the Company's share registrar at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the EGM or at any adjournment thereof. You also have the option to lodge the proxy appointment electronically via TIIH Online at <https://tiih.online> before the Form of Proxy lodgement cut-off time stated on the cover of this Circular. The lodging of the Form of Proxy will not preclude you from attending, speaking and voting in person at the EGM should you subsequently wish to do so.

13. 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
WMG HOLDINGS BHD.

DATUK ERIC USIP JUIN
Chairman / Senior Independent Non-Executive Director

SALIENT TERMS OF THE SPAS

(Unless specifically referred to, words denoting the singular shall include the plural and vice versa)

1. CONDITIONS PRECEDENT

(i) Conditions Precedent of SPA I

SPA I is conditional upon and subject to the fulfilment of the following conditions precedent within 6 months from the date of SPA I or such extended period agreed by WMRSB:

- (a) SSSB obtaining at their sole cost and expense the conversion approval of Land I to commercial use from the Director of Lands and Surveys* (“**SSSB’s Condition Precedent**”); and

**Notwithstanding SSSB’s obligations to procure the conversion approval aforesaid, WMRSB may at its sole discretion and expense (but not obliged) to assist in procuring the conversion approval based on WMRSB’s existing development plan. The timeline to procure the conversion approval may be extended by WMRSB at SSSB’s request.*

- (b) WMRSB obtaining its shareholders’ approval and resolutions for the disposal of Land I to SSSB (“**WMRSB’s Shareholders’ Approval**”) and making the requisite disclosures and announcement to Bursa Securities, if applicable, and an original copy (or alternatively a certified true copy by the company secretary) of WMRSB’s Shareholders’ Approval resolving their disposal of Land I being delivered to SSSB’s solicitors.

(ii) Conditions Precedent of SPA II

SPA II is conditional upon and subject to the fulfilment of the following conditions precedent:

- (a) FYT obtaining at their sole cost and expense the:

- (1) development plan approval and relevant authorities’ approval for the development of Land II into a high density residential development of not less than a total of 1,500 units within 9 months from the date of SPA II (“**Development Plan Approval**”);
- (2) building plan approval for the development of Land II into a high density residential development of not less than a total of 1,500 units within 6 months from the date of the Development Plan Approval; and
- (3) conversion approval of Land II to high density residential use of not less than a total of 1500 units from the Director of Lands and Surveys within 6 months from the date of the Development Plan Approval,

(collectively, “**FYT’s Conditions Precedent**”). The timeline for FYT to fulfil FYT’s Conditions Precedent may be extended by WSB at FYT’s request.

- (b) WSB obtaining its shareholders’ approval and resolutions for the disposal of Land II to FYT (“**WSB’s Shareholders’ Approval**”) and making the requisite disclosures and announcement to Bursa Securities, if applicable, and an original copy (or alternatively a certified true copy by the company secretary) of WSB’s Shareholders’ Approval resolving their disposal of Land II being delivered to FYT’s solicitors within 6 months from the date of the SPA II.

SALIENT TERMS OF THE SPAS (Cont'd)

- (iii) Waiver and Non-Fulfilment of Conditions Precedent of SPA I and SPA II
- (a) SSSB / FYT may waive the SSSB's Condition Precedent / FYT's Conditions Precedent at their discretion*
- *A waiver from fulfilment of the conditions precedent may be granted to facilitate the completion of the Proposed Disposals in the event of non-fulfilment of the conditions precedent by the Purchasers (i.e. failure to procure the conversion approval for SPA I and development plan and relevant authorities' approval for SPA II) within the stipulated period (or the extended period, if any.)*
- (b) In the event of non-fulfilment of any of the conditions precedent within the stipulated period (or the extended period, if any) and the conditions precedent are not waived, either party is entitled to terminate the respective SPAs by serving a written notice to the other party. Thereafter, all monies received shall be refunded free of interest to SSSB (Land I) / FYT (Land II) and neither party shall have claims against the other, save for any antecedent breach of the terms of the respective SPAs. Late refund shall be subject to simple interest of 8% per annum calculated on day-to-day basis to be payable by WMRSB (Land I) and WSB (Land II).
- (c) SPA I / SPA II shall become unconditional when all their respective conditions precedent are fulfilled and/or waived ("**Fulfilment of Conditions Precedent**"). The date the Fulfilment of Conditions Precedent of SPA I / SPA II takes place is referred as the "**Commencement Date**".

2. DISPOSAL CONSIDERATIONS AND MODE OF PAYMENT

The Disposal Considerations may be satisfied by SSSB and FYT as follows:

- (i) SPA I

Disposal Consideration	Mode of Payment
2% of Disposal Consideration I (" Deposit ")	<p>RM440,000.00 shall be payable, upon execution of the SPA I, to SSSB's solicitors as stakeholder with instructions to release the same within 5 working days to WMRSB through WMRSB's solicitors as stakeholder provided that a letter of clearance from Inland Revenue Board ("IRB") is procured confirming that the sale and purchase of Land I is not subject to the provisions of the Real Property Gains Tax Act 1976 ("RPGT Act") and such IRB's letter* shall be delivered to WMRSB's solicitors and SSSB's solicitors within 45 days from the date of SPA I.</p> <p><i>*The IRB's letter of clearance dated 25 November 2022 has been duly obtained.</i></p> <p>In the event WMRSB shall fail to procure the letter of clearance, WMRSB shall not be paid with the Deposit. Instead SSSB shall immediately top up the Deposit by paying a further sum of RM220,000.00 (which sum is equivalent to 1% of Disposal Consideration I) and shall be treated as part payment of Disposal Consideration I) in readily disburseable fund to the SSSB's solicitors with instructions to thereafter remit such payment and the Deposit (with the total equivalent to 3% of Disposal Consideration I) to IRB as the retention sum in accordance to Section 21B of the Real Property Gains Tax Act ("RPGT Retention Sum") within 60 days from the date of SPA I.</p>
Balance of Disposal Consideration I	<p>SSSB shall pay the balance of Disposal Consideration I*, subject to Fulfilment of Conditions Precedent of SPA I, within 9 months from the date of SPA I, subject to an automatic extension of 1 month with an interest of 8% per annum on daily basis.</p> <p><i>*Being the balance of Disposal Consideration I less deductions pursuant to the terms of SPA I (i.e. outstanding annual rent, assessment, utility, other charges and the RPGT Retention Sum, if applicable).</i></p>

SALIENT TERMS OF THE SPAS (Cont'd)

(ii) SPA II

Disposal Consideration	Mode of Payment																																				
2% of Disposal Consideration II ("First Payment")	<p>RM1,140,000.00 shall be payable upon execution of the SPA II to FYT's solicitors as stakeholder with instructions to release to WSB, through WSB's solicitors as stakeholder, provided that a letter of clearance from IRB is procured confirming that the sale and purchase of Land II is not subject to the provisions of the RPGT Act and such IRB's letter* shall be delivered to WSB's solicitors and FYT's solicitors within 45 days from the date of SPA II.</p> <p><i>*The IRB's letter of clearance dated 25 November 2022 has been duly obtained.</i></p> <p>In the event WSB shall fail to procure the letter of clearance, WSB shall not be paid with the First Payment. Instead FYT shall immediately top up the First Payment by paying a further sum of RM570,000.00 (which sum is equivalent to 1% of Disposal Consideration II and shall be treated as part payment of Disposal Consideration II) in readily disburseable fund to FYT's solicitors with instruction to thereafter remit such payment and the First Payment (with the total equivalent to 3% of Disposal Consideration II) to IRB as the RPGT Retention Sum within 60 days from the date of SPA II.</p>																																				
Second Part Payment of Disposal Consideration II ("Second Payment")	<p>RM1,800,000.00 shall be payable in 6 monthly instalments of RM300,000.00 each (in 6 consecutive months) within the first 7 days of every calendar month subsequent to the Development Plan Approval being obtained by FYT.</p> <p>Late payment of any of the monthly instalment for the Second Payment shall be subject to interest charges at the rate of 8% per annum calculated on a daily basis from the due date until the date of full payment of the monthly instalments.</p>																																				
Balance of Disposal Consideration II	<p>Balance of Disposal Consideration II*, subject to the Fulfilment of Conditions Precedent of SPA II, shall be payable on or before the expiry of 18 months from the date of SPA II subject to an automatic extension of 3 months with an interest of 8% per annum on daily basis.</p> <p><i>*Being the balance of Disposal Consideration II less deductions pursuant to the terms of SPA II (i.e. expenses relating to the charge, outstanding annual rent, assessment, utility, other charges and the RPGT Retention Sum, if applicable)</i></p> <p>A maximum sum of RM14,160,000.00 out of the balance of Disposal Consideration II can be paid by FYT directly to WSB by way of deferred payments of 18 monthly instalments as follows with the first monthly instalment due and payable within 30 working days from the Commencement Date of SPA II and the next instalments shall be due and payable each and every subsequent calendar month until fully paid, however such payment may be accelerated by FYT:</p> <table border="1"> <thead> <tr> <th>Monthly Instalments</th> <th>Amount</th> </tr> </thead> <tbody> <tr><td>1st</td><td>RM300,000.00</td></tr> <tr><td>2nd</td><td>RM300,000.00</td></tr> <tr><td>3rd</td><td>RM300,000.00</td></tr> <tr><td>4th</td><td>RM300,000.00</td></tr> <tr><td>5th</td><td>RM300,000.00</td></tr> <tr><td>6th</td><td>RM300,000.00</td></tr> <tr><td>7th</td><td>RM500,000.00</td></tr> <tr><td>8th</td><td>RM500,000.00</td></tr> <tr><td>9th</td><td>RM500,000.00</td></tr> <tr><td>10th</td><td>RM500,000.00</td></tr> <tr><td>11th</td><td>RM500,000.00</td></tr> <tr><td>12th</td><td>RM500,000.00</td></tr> <tr><td>13th</td><td>RM1,560,000.00</td></tr> <tr><td>14th</td><td>RM1,560,000.00</td></tr> <tr><td>15th</td><td>RM1,560,000.00</td></tr> <tr><td>16th</td><td>RM1,560,000.00</td></tr> <tr><td>17th</td><td>RM1,560,000.00</td></tr> </tbody> </table>	Monthly Instalments	Amount	1 st	RM300,000.00	2 nd	RM300,000.00	3 rd	RM300,000.00	4 th	RM300,000.00	5 th	RM300,000.00	6 th	RM300,000.00	7 th	RM500,000.00	8 th	RM500,000.00	9 th	RM500,000.00	10 th	RM500,000.00	11 th	RM500,000.00	12 th	RM500,000.00	13 th	RM1,560,000.00	14 th	RM1,560,000.00	15 th	RM1,560,000.00	16 th	RM1,560,000.00	17 th	RM1,560,000.00
Monthly Instalments	Amount																																				
1 st	RM300,000.00																																				
2 nd	RM300,000.00																																				
3 rd	RM300,000.00																																				
4 th	RM300,000.00																																				
5 th	RM300,000.00																																				
6 th	RM300,000.00																																				
7 th	RM500,000.00																																				
8 th	RM500,000.00																																				
9 th	RM500,000.00																																				
10 th	RM500,000.00																																				
11 th	RM500,000.00																																				
12 th	RM500,000.00																																				
13 th	RM1,560,000.00																																				
14 th	RM1,560,000.00																																				
15 th	RM1,560,000.00																																				
16 th	RM1,560,000.00																																				
17 th	RM1,560,000.00																																				

SALIENT TERMS OF THE SPAS (Cont'd)

	18 th	RM1,560,000.00
	Total	RM14,160,000.00

(the total of up to RM14,160,000.00 shall be hereinafter called the “**said Deferred Payments**”, subject to the last instalment(s) which quantum shall be finally adjusted to an amount equivalent to a full payment of the balance of Disposal Consideration II to WSB).

Late payment in any of the said Deferred Payments shall be subject to a simple interest at the rate of 8% per annum on such outstanding monies calculated on a daily basis from the due date until the date of full payment.

3. COMPLETION AND DELIVERY OF VACANT POSSESSIONLand I

Subject to the Fulfilment of Conditions Precedent of SPA I, vacant possession is deemed delivered upon full payment of Disposal Consideration I and interests and upon the acceptance for registration of the memorandum of transfer by the land office as evidenced by the issuance of the requisite memorial number in respect of Land I (“**Vacant Possession of Land I**”).

The sale of Land I shall be deemed to be completed upon Vacant Possession of Land I.

Land II

Subject to the Fulfilment of Conditions Precedent of SPA II, vacant possession is deemed delivered upon the full payment of the Disposal Consideration II and interests (less the said Deferred Payments, if applicable) and upon the acceptance for registration of the memorandum of transfer by the land office as evidenced by the issuance of the requisite memorial numbers in respect of Land II and provided that there is no existing breach or default of any of the obligations, covenants and terms on the part of FYT (“**Vacant Possession of Land II**”).

The sale of Land II shall be deemed to be completed upon Vacant Possession of Land II and full payment of the Disposal Consideration II (including the said Deferred Payments, if applicable).

4. DEFAULT AND TERMINATIONLand I

- (i) Default by WMRSB to comply with any of the obligations and covenants under SPA I and/or without just cause to complete the sale and to cause the transfer of Land I to SSSB free from encumbrances, structures, squatters, occupants, liens, easements, prohibitory orders, caveats and injunctions (restricting the sale, transfer and/or dealing of Land I provided that such injunction is not due to any act, fault, omission or negligence of SSSB and/or its agent, consultants, contractors, workmen or visitors) and encroachments would entitle SSSB to either:
- (a) claim specific performance of SPA I; or
 - (b) terminate SPA I whereupon WMRSB shall: -
 - (1) refund to SSSB free of interest all sums paid by SSSB towards Disposal Consideration I in accordance with the terms of SPA I and reimburse SSSB all of such other sums of permitted deductions under SPA I if additionally paid by SSSB on behalf of WMRSB, if any; and
 - (2) pay SSSB, through SSSB’s solicitors, the following sum within 14 days of the termination of SPA I:-

SALIENT TERMS OF THE SPAS (Cont'd)

- (aa) the sum of RM2,200,000.00 as agreed liquidated damages save and except for the event of any injunction restricting the sale, transfer and/or dealing of Land I; or
- (bb) in the event of any injunction restricting the sale, transfer and/or dealing of Land I which is not due to any act, fault, omission or negligence of SSSB and/or its agent, consultants, contractors, workmen or visitors, WMRSB shall reimburse the consultants' fees and costs incurred or paid by SSSB for the intended commercial development on Land I in the total sum not exceeding RM1,000,000.00 provided with SSSB's proof and delivery of the original copy (or certified true copy by SSSB's solicitors) of the official receipts or bills or invoices to WMRSB to justify such consultants' fees and costs incurred or paid by SSSB. For the avoidance of doubt, there shall be no agreed liquidated damages to be payable by WMRSB whatsoever in such event aforesaid.

(ii) **Default by SSSB**

Failure by SSSB to pay any payments required to be payable by SSSB under SPA I and/or to comply with any of SSSB's obligations and covenants under SPA I and/or without just cause to complete the purchase and transfer herein would entitle WMRSB to absolutely terminate SPA I and a sum of RM2,200,000.00 from Disposal Consideration I paid shall be absolutely forfeited to WMRSB as agreed liquidated damages.

Any shortfall of the forfeited amount towards the agreed liquidated damages shall be forthwith paid by SSSB to WMRSB's Solicitors as stakeholders within 14 days of such termination and shall be recoverable as a debt due against SSSB by WMRSB. Any excess of Disposal Consideration I paid after the forfeiture aforesaid, if any, shall be refunded free of interest to SSSB, through SSSB's solicitors as stakeholders, within 14 days of such termination.

Land II

- (i) Default by WSB to comply with any of WSB's obligation and covenants under SPA II and/or without just cause to complete the sale and to cause the transfer of Land II to FYT free from encumbrances, squatters, occupants, liens, easements, prohibitory orders, caveats and injunctions (restricting the sale, transfer and/or dealing of Land II provided that such injunction is not due to any act, fault, omission or negligence of FYT and/or its agent, consultants, contractors, workmen or visitors) would entitle FYT to either:
 - (a) claim specific performance of SPA II; or
 - (b) terminate SPA II whereupon WSB shall:-
 - (1) refund to FYT free of interest all sums paid by FYT towards Disposal Consideration II in accordance with the terms of SPA II and reimburse FYT all of such other sums of permitted deductions under SPA II if additionally paid by FYT on behalf of WSB, if any; and
 - (2) pay FYT, through FYT's solicitors, the following sum within 14 days of termination of SPA II: -
 - (aa) the sum of RM5,700,000.00 as agreed liquidated damages save and except for the event of any injunction restricting the sale, transfer and/or dealing of Land II; or

SALIENT TERMS OF THE SPAS (Cont'd)

(bb) in the event of any injunction restricting the sale, transfer and/or dealing of Land II which is not due to any act, fault, omission or negligence of FYT and/or its agent, consultants, contractors, workmen or visitors, WSB shall reimburse the consultants' fees and costs incurred or paid by FYT for the project on Land II in the total sum not exceeding RM2,000,000.00 provided with FYT's proof and delivery of the original copy (or certified true copy by FYT's solicitors) of the official receipts or bills or invoices to WSB to justify such consultants' fees and costs incurred or paid by FYT. For the avoidance of doubt, there shall be no agreed liquidated damages to be payable by WSB whatsoever in such event aforesaid.

(ii) Default by FYT

Failure by FYT to pay any payments required to be payable by FYT under SPA II and/or to comply with any of the FYT's obligations and covenants under SPA II and/or without just cause to complete the purchase and transfer herein would entitle WSB to:-

- (a) claim specific performance of SPA II; or
- (b) absolutely terminate SPA II and a sum of RM5,700,000.00 from Disposal Consideration II paid shall be absolutely forfeited to WSB as agreed liquidated damages.

Any shortfall of the forfeited amount towards the agreed liquidated damages shall be forthwith paid by FYT to WSB's solicitors as stakeholders within 14 days of such termination and shall be recoverable as a debt due against FYT by WSB. Any excess of Disposal Consideration II paid after the forfeiture aforesaid, if any, shall be refunded free of interest to FYT through FYT's solicitors as stakeholders within 14 days of such termination.

Interest on Late Payment or Refund

Any refund of monies and/or payment of the forfeited amount or agreed liquidated damages required under SPA I / SPA II shall be made within **14 days** from the date of the other party's receipt of the notice of termination, failing which, late refund or payment aforesaid shall be subject to a simple interest at the rate of 8% per annum on a daily basis from the due date until the date of full settlement.

5. NON-REGISTRATION OF TRANSFER

In the event through no fault of either party the transfer of Land I / Land II cannot proceed for registration and acceptance by the Central Land Office, Kota Kinabalu despite rectification of the same and as evidenced by a letter/notice of rejection or otherwise the rejection of the memorandum of transfer by the Central Land Office, Kota Kinabalu, then SPA I / SPA II shall be deemed null and void and WMRSB / WSB shall refund all sums paid by SSSB / FYT towards Disposal Consideration I / Disposal Consideration II in accordance with the terms of SPA I / SPA II free of interest to SSSB / FYT and reimburse SSSB / FYT all of such other sums as permitted deductions under the SPA I / SPA II if additionally paid by SSSB / FYT on behalf of WMRSB / WSB, if any, within 14 days through SSSB's solicitors / FYT's solicitors.

VALUATION CERTIFICATE FOR LAND I



PRIVATE & CONFIDENTIAL

WMG Holdings Berhad

Wisma WMG, Lot 1 & 2
 Jalan Indah Jaya, Taman Indah Jaya
 Jalan Lintas Selatan
 90000 Sandakan
 Sabah

Date: 31st October 2022

Reference No.: V/KK/22/342/sc

Dear Sir / Madam,

**VALUATION CERTIFICATE FOR COUNTRY LEASE 075168320, DISTRICT OF SANDAKAN, SABAH
 (HEREINAFTER REFERRED TO AS THE "SUBJECT PROPERTY")**

We were instructed by WMG Holdings Berhad (hereinafter referred to as the "Client") for our firm to ascertain the Market Value of the legal interest in the Subject Property stated herein.

This Valuation Certificate is prepared for the inclusion in the circular to shareholders of WMG Holdings Berhad in relation to the proposed disposal of the Subject Property by Wah Mie Realty Sdn Bhd, an indirect wholly-owned subsidiary of WMG Holdings Berhad.

This Valuation Certificate is prepared in conformity with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

This Valuation Certificate is prepared in accordance with the general principles adopted and limiting conditions as enclosed at the end of our formal Valuation Report. For all intents and purposes, this Valuation Certificate should be read in conjunction with our formal Valuation Report.

The basis of valuation adopted is the **Market Value** which is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Accordingly, we have conducted the site inspection of the Subject Property on **27 October 2022** and adopted the said date as the material date of this valuation.

Brief description of the Subject Property is attached overleaf.

Knight Frank Malaysia Sdn Bhd (Co. No. 585479-A)

Suite 5.05, Level 5, Plaza Shell, No. 29, Jalan Tunku Abdul Rahman, 88000 Kota Kinabalu, Sabah, Malaysia
 T + 088 279 088 F + 088 279 099 www.knightfrank.com

VALUATION CERTIFICATE FOR LAND I (Cont'd)



IDENTIFICATION OF PROPERTY

Legal Description	Country Lease 075168320, District of Sandakan, Sabah.
Property Location	Located adjacent east of Taman Sejati Ujana, along Jalan Airport. The Sandakan Airport is located approximately 0.75 kilometres due north-east of the Subject Property.
Type of Property	A parcel of vacant development land.
Title Particulars	The following table outlines the title particulars of the Subject Property.

Summary of Title Particulars	
Title No.:	Country Lease 075168320, District of Sandakan, Sabah.
Registered Proprietor:	Wah Mie Realty Sdn Bhd.
Annual Rent:	RM104.00.
Land Area:	16.85 acres (68,189.53 square metres).
Tenure:	Leasehold interest for a term of 999 years, commencing from 14 February 1924. Unexpired term of about 900 years.
Conditions:	<p>The rent reserved herein is subject to periodical revision as provided by section 6 of the Land Ordinance (Amendment), 1913, which reads as follows: -</p> <p>Section 6.</p> <p>(i) Subject to the provisions of the following subsections, the rent of all State land sold or alienated after the coming into force of this Ordinance shall be liable to periodical revisions, which may result in either enhancement or reduction.</p> <p>(ii) The first revision under this section may take place on or after the 1st January 1940, and subsequent revisions may take place at successive intervals of not less than thirty years.</p> <p>(iii) At each such revision the rent reserved to the State in respect of any such land may be revised by the Collector but in making such revision no improvements made by the landowner, or his predecessors in title, shall be taken into account.</p>
Encumbrances:	Nil.

VALUATION CERTIFICATE FOR LAND I (Cont'd)



DESCRIPTION OF PROPERTY

Location The Subject Property is located adjacent east of Taman Sejati Ujana, sited off the right (western) side of Jalan Airport travelling from the Sandakan Airport heading south. Sandakan Airport is located about 0.75 kilometres due north-east of the Subject Property whilst Sandakan town centre is located about 11.70 kilometres due south-east of the Subject Property.

Access to the Subject Property from Sandakan Airport is via Jalan Airport which runs along most of the Subject Property's eastern boundary. Its northern boundary is bounded by Jalan Merpati whilst its remaining southern and western boundaries front onto internal service roads, all roads being metalled and maintained in good condition.

Site Description The Subject Property comprises a parcel of vacant development land held under Country Lease 075168320, District of Sandakan, Sabah having a titled land area of 16.85 acres (68,189.53 square metres). It is trapezoid in shape with an indent at its southeast corner and lies slightly lower than the abovementioned fronting metalled roads. Topographically, the Subject Property is mostly flat in terrain with exception to some undulating terrain at its northern portion. A furniture store / warehouse is situated immediately east from the south-eastern boundary of the Subject Property.

As of the date of inspection, we note that the Subject Property is undeveloped and overgrown with trees and wild vegetation. Moreover, we noted a billboard situated at the north-eastern portion of the Subject Property.

Zoning / Planning Permission There is no mentioned on specific use of the Subject Property under the title document which shall be deemed agricultural use under Section 54 of the Land Ordinance (Sabah Cap. 68). However, based the draft Sandakan Local Plan (Plan No: 07150081/E), we note that the Subject Property is currently zoned under C(M) – Mixed Development.

Pursuant to a copy of the Development Plan prepared by Arkitek KGKY Sdn Bhd vide drawing no. AK0014/20/DP/101/D/ (3) dated 23 February 2021, the Subject Property is approved for a mixed-use development comprising 18 blocks (158 Lots / 316 units) of 2-storey shop/office with a total net saleable area of 31,600 square metres. The Development Plan was approved by Majlis Perbandaran Sandakan on 10 September 2021. As per information made available by the client, we note that the approval for the Development Plan remains valid as at the date of valuation. Furthermore, the application for subdivision of the individual lots as per the Approved Development Plan will be submitted to the relevant authorities. The extracted land use analysis of the approved development is as below: -

Description	Land Area	
	Square Metres	Acres
Land Area	67,657.17	16.71
Less Road Reserve	3,694.49	0.91
Actual Land Area for Development	63,962.68	15.80
2-storey Shop/office	15,800.00	3.90
SESB Substation	183.00	0.05
Bin Centre	108.00	0.03
Sewerage Treatment Plant	779.33	0.19
Open Space 1 to 6	6,853.56	1.69
Carriageway, Carparking & Turfing	40,238.79	9.94

VALUATION CERTIFICATE FOR LAND I (Cont'd)



MARKET VALUE

Valuation Methodology In arriving at our opinion of the Market Value, we have considered the **Income Approach by Residual Method** as the primary approach and counter checked by the **Comparison Approach**.

We have adopted the Income Approach by Residual Method as the Subject Property has been approved with a development plan and supported with estimated costs prepared by licensed quantity surveyors. The Comparison Approach is not adopted as the primary approach due to a dearth in recent and similar sizeable transactions within the District of Sandakan.

Income Approach by Residual Method This approach is based on the premise that the price which a purchaser can pay for a property is the present value of the surplus amount or residual value after deducting out the full cost of development (Gross Development Cost) and profit from the sales proceeds (Gross Development Value) of the completed development, which is then discounted at an appropriate rate to reflect the inherent risk and holding cost for the period of development to arrive at the current Market Value.

The following table outlines the salient valuation assumption adopted in undertaking our valuation assessment: -

Summary of Parameters	
Gross Development Value (GDV)	RM152,950,000
Gross Development Cost (GDC)	RM114,313,780
Development Period	3.5 years
Present Value (Discount Rate)	8.25%

Gross Development Value (GDV)

A summary of the GDV adopted in the Income Approach by Residual Method and sales comparable analysis of double-storey terraced shop/office are attached below: -

Components	No. of Unit	Average Selling Price per Unit	GDV
Double-storey corner shop/office	36 units	RM1,080,000	RM38,880,000
Double-storey intermediate shop/office	122 units	RM935,000	RM114,070,000
Total GDV	158 units		RM152,950,000

In arriving at the Gross Development Value (GDV), we have adopted the Comparison Approach. The sales comparable analysis of double-storey terraced shop/office in Sandakan is tabulated below.

VALUATION CERTIFICATE FOR LAND I (Cont'd)



MARKET VALUE (CONT'D)

Sale Comparable Analysis of Double-Storey Terraced Shop/Office				
	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Legal Description	Country Lease 075560744, District of Sandakan, Sabah	Parent Title Country Lease 075477584, District of Sandakan, Sabah	Parent Title Country Lease 075474743, District of Sandakan, Sabah	Country Lease 077556355, District of Sandakan, Sabah
Location	Lot No. 31, Bandar Sibuga Jaya, Mile 8, Jalan Labuk, Sandakan	Lot No. 20, Block T, Bandar IJM, One Avenue Phase 9, Mile 6, off Jalan Utara, Sandakan	Lot No. 6, Block 32, Bandar Indah, Mile 4, Jalan Utara, Sandakan	Lot No. 6, Block B, Bandar Labuk Jaya, Mile 8, Jalan Labuk, Sandakan
Type of Property	Double-storey corner terraced shop/office	Double-storey intermediate terraced shop/office	Double-storey intermediate terraced shop/office	Double-storey corner terraced shop/office
Type Tenure	Leasehold interest for a term of 99 years, expiring on 31 December 2106, remaining 84 years	Leasehold interest for a term of 99 years, expiring on 31 December 2081, remaining 59 years	Leasehold interest for a term of 99 years, expiring on 31 December 2081, remaining 59 years	Leasehold interest for a term of 99 years, expiring on 31 March 2088, remaining 66 years
Land Area (Square Metres)	100.00	104.14	92.90	81.80
Estimated Built-Up Area (Square Metres)	200.00	208.28	185.81	163.60
Consideration	RM 900,000	RM 835,000	RM 800,000	RM 1,260,000
Transaction Date	22 July 2022	20 May 2022	8 December 2021	1 March 2021
Vendor	Red Summit Sdn Bhd	Andrew Siaw @ Siaw Thau Yin and one other	Julang Ceria Sdn Bhd	Chin Chee Vun and one other
Purchaser	Qy Kini Motor Jaya Sdn Bhd	Loo Su Vui and one other	Voo Min Gin	Widgrowth Marine Products Sdn Bhd
Source	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)			

VALUATION CERTIFICATE FOR LAND I (Cont'd)



MARKET VALUE (CONT'D)

Gross Development Cost (GDC)

In arriving at the Gross Development Cost (GDC), we have made reference to the development costs prepared by Prokosman Konsultant dated 31 October 2022 vide ref no.: PK1808/6, client's provision as well as the industry average costing as derived from analysis of other awarded contracts of similar projects and average building costs of similar type of properties published by JUBM and Arcadis Construction Cost Handbook Malaysia 2022.

Summary of Parameters of the GDC			
Description	Analysis	Total Cost Adopted	Remarks
Statutory Charges / Contribution / Land Related Charges	7.14% of Total GDV.	RM10,917,000	We have made reference to the costing provision from the licensed Quantity Surveyor, after benchmarking it with industry average costings.
Preliminaries & Infrastructure Costs	RM344 per square metre over land area.	RM23,438,700	
Building Construction Cost	RM1,321 per square metre over total gross floor area.	RM41,731,800	
Professional Fees	8.00% of items (2) and (3).	RM5,213,640	The professional fees to be incurred are for various professionals engaged in different stages of development construction. We have adopted a rate of 8.00% of total preliminaries, infrastructure costs and building construction costs as fair representation within the acceptable range of rate for the intended development.
Contingencies	5.00% of items (2) to (4).	RM3,519,207	We have adopted a rate of 5.0% of total preliminaries, infrastructure costs, building construction costs and professional fees as contingencies to be fair representation within the acceptable allowance for the intended development.
Marketing, Agency and Legal Fees	2.00% of GDV.	RM3,059,000	We have adopted 2.0% of the GDV as marketing, agency and legal fees to be fair and within the acceptable range of rate for the intended development.

VALUATION CERTIFICATE FOR LAND I (Cont'd)



MARKET VALUE (CONT'D)

Summary of Parameters of the GDC (Cont'd)			
Description	Analysis	Total Cost Adopted	Remarks
Finance Charges	40% of items (2) to (5), capitalised at 6.75% per annum for a period of 1.75 years.	RM3,491,933	Bridging finance is based on 40% of total preliminaries, infrastructure costs, building construction cost, professional fees and contingencies, capitalised at 6.75% per annum (borrowing cost) for a period of 1.75 years after taking into consideration of the development size and phasing.
Developer's Profit	15% of GDV.	RM22,942,500	Typically, a rate of return of about 10% to 20% of GDV is required for a developer to commit to a project development. We have thus adopted 15% of the total net GDV as developer's profit as fair representation and reflective of industry average.
Total		RM114,313,780	

Development Period

We have adopted a development period of **3.50 years** as reasonable after having considered the demand, take-up rates and sales performance of other similar developments, the type and intensity of the development as well as the product features being offered.

Present Value (Discount Rate)

Present value is the value on a given date of a future payment or series of future payments, discounted to adequately reflect and adjust for both risk and time value of money. In accordance to the Malaysian Valuation Standards, the discount rate used in the valuation should be market derived. In light of the recent pandemic, to account for the market uncertainty in our valuation, we have adopted a discount rate of **8.25%** in our Valuation.

Based on the foregoing, we have thus adopted RM29,000,000 (analysed to about RM425.29 per square metre over a gross land area of 68,189.53 square metres in our valuation as a fair representation using Income Approach by Residual Method

Comparison Approach

As a countercheck method, we have adopted the Comparison Approach. This approach considers the sales of similar or substitute properties and related market data, and establishes a value estimate by adjustments made for differences in factors that affect value. In general, a property being valued (Subject Property) is compared with sales of similar properties that have been transacted in the open market. Listings and offers may also be considered.

In view of limited recorded transactions of identical property in the immediate locality, we have resorted to adopt the selected Comparable(s) in our assessment by Comparison Approach; as it is merely impossible to identify exactly alike properties to referred to, hence appropriate adjustments are made to reflect the differences of the Comparable(s) and the property being valued.

VALUATION CERTIFICATE FOR LAND I (Cont'd)



MARKET VALUE (CONT'D)

Sales Comparison and Analysis of Development Land			
	Comparable 1	Comparable 2	Comparable 3
Identification	Country Lease 075211568, District of Sandakan, Sabah	Country Lease 075358806, District of Sandakan, Sabah	Country Lease 075406003, District of Sandakan, Sabah
Location	In the vicinity of Taman Mutiara, Mile 3, off Jalan Utara, 90000 Sandakan, Sabah	In the vicinity of Taman Sibuga Jaya, Mile 8, off Jalan Lintas Sibuga, 90000 Sandakan, Sabah	In the vicinity of Taman Tinosan, Mile 4, off Jalan Lintas Utara, 90000 Sandakan, Sabah
Property Type	A parcel of vacant land zoned for under C(D) – District Business	A parcel of vacant land zoned under IN(G) – General Industry	A parcel of vacant land zoned under IN(G) – General Industry
Land Area	1,659.21 square metres	3,071.67 square metres	22,520.00 square metres. However, an area estimated about 3,035.00 square metres is affected by drain reserved, leaving a net land area of about 19,485.00 square metres
Tenure	Leasehold interest for a term of 999 years, expiring on 13 April 2089	Leasehold interest for a term of 999 years, expiring on 9 July 2887	Leasehold interest for a term of 999 years, expiring on 1 March 2882
Consideration	RM1,000,000	RM1,400,000	19 July 2016
Date	3 February 2022	8 July 2020	RM10,000,000
Analysis	About RM603 per square metre	About RM456 per square metre	About RM513 per square metres over net land area
Vendor	Lam Wing Sang and one other	Choo Moi Siew and two others	Ngui Tet Yin
Purchaser	Setia Hartabumi Sdn Bhd	C.A.K Plantations Sdn Bhd	GentingMas Mall Sdn Bhd
Source	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)		
Adjustments	General adjustments are made for prevailing market condition / time, location / establishment, accessibility, exposure / frontage, terrain, land size and shape, tenure and planning approval		
Adjusted Analysis	About RM452 per square metre	About RM433 per square metre	About RM462 per square metre

VALUATION CERTIFICATE FOR LAND I (Cont'd)



MARKET VALUE (CONT'D)

Valuation Rationale

In view of limited recorded transactions of identical property in the immediate locality, we have resorted to adopt the selected Comparable(s) in our assessment by Comparison Approach; as it is merely impossible to identify exactly alike properties to referred to, hence appropriate adjustments are made to reflect the differences of the Comparable(s) and the property being valued.

Although total adjustments (up to -25% on selected Comparables) were considered and made for in our assessment, we are of the view that the selected Comparable(s) adopted are still considered relevant by virtue of the fact that all of the selected Comparable(s) are considered to have the closest land attributes (in terms of location / establishment, accessibility / infrastructure, land shape, tenure, category of land use and lot configuration) as compared to the Subject Property. With total effective adjustments made for all Comparable(s) (ranged between -25% to -5%); we have placed greater reliance on Comparable 2 as is located in a similar location as the Subject Property, was transacted relatively recent and is the least adjusted compared to other Comparable(s). Thus, we have adopted the adjusted analysis of **RM433 per square metre** from Comparable 2 as fair representation after having made the necessary adjustments.

Based on the foregoing, we have thus adopted RM30,000,000 (analysed to about RM439.95 per square metre over gross land area of 68,189.53 square metres in our valuation as a fair representation using Comparison Approach.

Reconciliation of Value

The Residual Method of valuation derives the land value by estimating values of hypothetically improved properties representing the highest and best use of the site or in the case of a site with planning approval, a proposed development and thereafter deducting estimated construction costs. In our assessment for lands intended for future development (which has yet to be launched), as long as the subject development is granted with development approval coupled with an upcoming development plan, it would be more appropriate to adopt the Income Approach by Residual Method as our valuation would rely on the proposed development plan as opposed to those lands intended for future development (without definite plan). Therefore, in arriving at the Market Value of lands intended for future development (which has yet to be launched) we have adopted the Income Approach by Residual Method of Valuation as the primary method. The Comparison Approach is adopted as the counter check method due to a dearth in recent and similar sizeable transactions within the District of Sandakan.

Method of Valuation	Derivation of Values
Income Approach by Residual Method	RM29,000,000
Comparison Approach	RM30,000,000

VALUATION CERTIFICATE FOR LAND I (Cont'd)



MARKET VALUE (CONT'D)

Having regard to the foregoing, our opinion of the Market Value of the unexpired 999-year leasehold interest in the Subject Property (unexpired term of about 900 years) as a parcel of vacant development land; approved for a mixed-use development comprising 18 blocks (158 Lots / 316 units) of 2-storey shop/office, held under Country Lease 075168320, District of Sandakan, Sabah, on the basis of with vacant possession and subject to the title being free from all encumbrances, good, marketable and registrable, as at 27 October 2022 is RM29,000,000 (Ringgit Malaysia Twenty Nine Million Only).

For and on behalf of
KNIGHT FRANK MALAYSIA SDN BHD
 (signed and sealed by)

Sr **CHEN YUN NGEN**
 Registered Valuer, V-665
 MRICS, MRISM



Notes:

- i) Please note that this certificate shall only be valid provided always that a signature of our authorised signatory and an official seal have been affixed hereto.
- ii) The above valuation is peer reviewed by Knight Frank Malaysia Sdn Bhd (Head Office), Sr Justin Chee Ting Hwang, Registered Valuer, V-774.

Encl: General Principles Adopted and Limiting Conditions and Standard Terms of Business for Valuation

VALUATION CERTIFICATE FOR LAND II

C H Williams Talhar & Wong**C H Williams Talhar & Wong (Sabah) Sdn Bhd**

[Registration No. 197701003650 (34874-P)]

Juruukur Berkanun Perunding Harta Antarabangsa
Chartered Surveyors International Property Consultants

2nd Floor, Menara MBf
No. 1, Jalan Sagunting
P O Box 14414
88850 Kota Kinabalu Sabah Malaysia
Tel: 088-248801-6
Fax: 088-230826
E-mail: kotakinabalu@wtwsabah.com.my
Website: www.wtw.com.my

Sr Foo Gee Jen
B Surv MRICS FRISM FPEPS MMIPFM

Sr Leong Shin Yau
B Comm MRICS MRISM

Sr Cornelius Koh
BSc MRICS MRISM

Sr Chong Fui Mei
BSc MRICS MRISM

Sr Benjamin Mu Vi Ken
BSc MRISM

Sr Chan Mon Hueg
BSc MRICS MRISM

Sr Tan Ka Leong
B Surv MRICS FRISM MPEPS

Sr Robert Ting Kang Sung
B Bus MRISM MPEPS MMIPPM

Consultants
Datuk Sr Chong Choon Kim PGDK
BSc MRICS FRISM

Sr Robin Chung York Bin
BSc MBA DipProjMan MRICS FRISM

Report and Valuation

OUR REF: WTWS/KK22/135/MISC/SC/CSY/012/3576

31 October 2022

The Board of Directors
WMG Holdings Berhad
Lot No. 51, Ground Floor, Block F
Ruang Singgah Mata 3, Asia City
88000 Kota Kinabalu

Dear Sirs

**VALUATION CERTIFICATE ON LANDS HELD UNDER
CL 015110326, CL 015105727, CL 015105736,
CL 015105745 AND CL 015105709, DISTRICT OF KOTA KINABALU, SABAH
FOR SUBMISSION TO BURSA MALAYSIA SECURITIES BERHAD**

This certificate has been prepared for submission to Bursa Malaysia Securities Berhad for inclusion in the circular to shareholders of WMG Holdings Berhad (“**WMG**”), in conjunction with a proposed corporate exercise involving the disposal by Wilakaya Sdn Bhd, an indirect wholly-owned subsidiary of WMG Holdings Berhad, of five (5) adjoining parcels of vacant lands held under CL 015110326, CL 015105727, CL 015105736, CL 015105745 and CL 015105709 along Jalan Fung Yei Ting, in the vicinity of Dah Yeh Villa, Damai, District of Kota Kinabalu, Sabah.

In accordance with the instructions of WMG, we, C H Williams Talhar & Wong (Sabah) Sdn Bhd, are pleased to certify that we have carried out a valuation on the above mentioned property vide our valuation report bearing Reference No. WTWS/KK22/135/MISC/SC/CSY/012/3576 dated 31 October 2022 for purposes of the disposal.

We have prepared and provided this Valuation Certificate which outlines key factors that have been considered in arriving at our opinion of Market Value. This Valuation Certificate reflects all information known by us and is based on the present market conditions.

We have inspected the property on 26 October 2022 and this date is also taken as the material date of this valuation. We have valued the registered owner’s 999 years leasehold interest (expiring on 31 December 2907) of the above mentioned property vide our valuation report bearing Reference No. WTWS/KK22/135/MISC/SC/CSY/012/3576 dated 31 October 2022.

The valuation has been prepared in accordance with the requirements as set out in the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards issued by The Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

The basis of valuation is Market Value which is defined as 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.

VALUATION CERTIFICATE FOR LAND II (Cont'd)

C H Williams Talhar & Wong**C H Williams Talhar & Wong (Sabah) Sdn Bhd** [Registration No. 197701003650 (34874-P)]

OUR REF: WTWS/KK22/135/MISC/SC/CSY/012/3576

31 October 2022

Identification of Property

Brief particulars of the land titles extracted from the photocopies of land titles obtained from the Central Land Registry, Kota Kinabalu on 26 October 2022, are as follows:

- Title No(s). : 1) CL 015110326
2) CL 015105727
3) CL 015105736
4) CL 015105745
5) CL 015105709
- The Property : 5 adjoining vacant lands with Planning Permission for 2 blocks of 32-storey condominium (783 units) atop a 5-storey podium and 1 block of 7-storey commercial/office building with car park
- Location : Along Jalan Fung Yei Ting, in the vicinity of Dah Yeh Villa, Damai, off Kilometre 5, Jalan Tuaran, District of Kota Kinabalu, Sabah
- Land Area : 1) 10,683.7 sq. metres (2.64 acres), more or less
2) 8,255.6 sq. metres (2.04 acres), more or less
3) 6,717.8 sq. metres (1.66 acres), more or less
4) 8,984.0 sq. metres (2.22 acres), more or less
5) 6,636.9 sq. metres (1.64 acres), more or less
- Total Land Area : 41,278.0 sq. metres (10.20 acres), more or less
- Tenure (All Titles) : Effective - 01 January 1909 to 31 December 2907
Leasehold - 999 years
(Unexpired - 885 years)
- Title Condition : CL 015110326

Subject to the provisions and conditions contained in the Land Proclamation 1903.

CL 015105727, CL 015105736, CL 015105745 & CL 015105709

Subject to the provisions and conditions contained in the Land Ordinance 1903.
- Registered Owner (All Titles) : **Wilakaya Sdn Bhd**
- Encumbrances (All Titles) : Charged to Sabah Development Bank Berhad vide register memo number MC2006010471 dated 18 June 2020

VALUATION CERTIFICATE FOR LAND II (Cont'd)

C H Williams Talhar & Wong**C H Williams Talhar & Wong (Sabah) Sdn Bhd** [Registration No. 197701003650 (34874-P)]

OUR REF: WTWS/KK22/135/MISC/SC/CSY/012/3576

31 October 2022

Description of Subject Property

The lands held under CL 015110326, CL 015105727, CL 015105736, CL 015105745 and CL 015105709 are five (5) adjoining parcels of vacant land, having a total titled land area of about 10.20 acres or 41,278 square metres (444,312 square feet), forming an irregular shape. The lands would hereinafter be referred to as '**subject property**'.

Subject property is situated in a locality generally known as **Fung Yei Ting**; which is approximately 5.5 kilometres by road east of Kota Kinabalu city centre from KM "0" Sabah Tourism Board premises.

Topographically, about $\frac{2}{3}$ of subject property's western portion is generally flat in nature and lies about the same level as its surrounding lands while the eastern portion lies on a hill slope descending in a south-east to north-west direction with the highest contour height of about 30 metres above mean sea level (a.m.s.l.). Its northern boundary is mainly rugged in nature and runs along Jalan Fung Yei Ting for about 250 metres. Its mid-western boundary has a small frontage onto existing access road Lorong Kenawai 2.

At the time of inspection, a portion of the land at the north-west section has been cleared and developed with a double storey detached house and some timber structures. These structures are very old and in dilapidated condition. We are given to understand that these structures are to be demolished prior to any commencement of development and as such, have not included them in the valuation. For the purpose of this Report and Valuation, subject property is **assumed** to be with vacant possession and free from all encumbrances. The major portion of subject property is generally covered with shrubs and wild trees.

Based on the Cadastral Plan 67-JB-54, a right-of-way is noted along the western boundary of CL 015110326. However, this stretch of road is yet to be formed.

Approved Development Plan

Based on a copy of the approved revised development plan prepared by Kenneth Tan Design Architect vide Drawing Nos. RA/KK/112/09/DP01/D to DP05/D dated August 2022, subject property is the site of an approved development comprising 2 blocks of 32-storey condominium (783 units) atop 5-storey central podium and 1 block of 7-storey commercial/office building with car park. Provision is also made for open spaces, road and driveway, detention area, car park, concrete drain, street light, pillar type fire hydrants, sewer line / manhole, SESB sub-station and bin centre. Planning Permission for the subject development was obtained vide Dewan Bandaraya Kota Kinabalu (DBKK) letter ref: S/52/IV/(64) dated 22 August 2022.

Earlier, planning approval for subject development (then, for 2 blocks of 29-storey condominium of 783 units and 5-storey commercial/office building with 4-storey car park) was initially obtained vide DBKK letter ref: S/52/III(62) dated 02 August 2018 for Drawings Nos. RA/KK/112/09/DP/01/B to DP/05/B dated January 2011 prepared by Ronnie Ang Architect.

A subsequent amendment to the said development plan vide Drawing Nos. RA/KK/112/09/DP01C to DP05C dated May 2020 prepared by Kenneth Tan Design Architect was also approved by DBKK vide their letter reference S/52/III/(100).

Based on the revised development plan Drawing Nos. RA/KK/112/09/DP01/D to DP05/D dated August 2022, Tower 1 (Phase 1) of the condominium block comprises 391 units and Tower 2 (Phase 2) comprises 392 units. These towers are atop a central podium that will accommodate car park bays from Levels 1 to 4 and facilities deck on Level 5. The condominium units would be accommodated in 32 storeys, from levels 6 to 37. Based on information provided to us by the client, the condominium unit sizes range from 850 to 2,832 square feet (excluding penthouse). A penthouse unit is located on the top floor of Tower 2, while a facility area is situated on the top floor of Tower 1.

VALUATION CERTIFICATE FOR LAND II (Cont'd)

C H Williams Talhar & Wong**C H Williams Talhar & Wong (Sabah) Sdn Bhd** [Registration No. 197701003650 (34874-P)]

OUR REF: WTWS/KK22/135/MISC/SC/CSY/012/3576

31 October 2022

Approved Development Plan (cont'd)

Based on the latest preliminary information provided by the architect dated 26 October 2022, the total saleable area of the two condominium towers totaling 783 units are estimated at 1,015,430 square feet (Tower 1 with 505,965 square feet; Tower 2 with 509,465 square feet) while the gross floor area of the two towers is estimated at 1,297,124 square feet. The estimated gross floor area of the 5-storey car park and facilities podium is 573,955 square feet.

The recreational facilities on level 5 include lap pool, social pool, kid's pool, community hall, outdoor festival square, pocket park with kid's play area, jogging path, pavilion, gym, sports arena with grandstand, facilities' rooms/area and male and female toilets. A pedestrian bridge on this level will link to the "Ecopod", a green lung with landscaped gardens at the south-eastern section.

The 7-storey commercial/office building accommodate car park on levels 1 and 2 with the "open plan retail/office" situated on levels 3 to 7. The commercial/office building is served by shared lifts and common toilets. It is linked to the condominium's car park on level 4. Based on preliminary information provided by the architect, the estimated net saleable area is 31,268 square feet with a gross floor area of about 87,553 square feet.

We were given to understand that the above-mentioned figures relating to floor space are still being finalised and may be subject to nominal changes.

Land Use Zoning

Under the Draft Kota Kinabalu Local Plan 2020 (South Region) prepared by Dewan Bandaraya Kota Kinabalu, subject property is designated as Residential High Density, [R(H)].

Method of Valuation

In arriving at the Market Value of subject property, we have adopted the **Comparison Approach of Valuation**, which entails comparing subject property with similar properties in the locality which were recently sold or are being marketed with adjustments made for location, accessibility, size, shape, topography, tenure, title restrictions, if any, land use zoning, planning approval and other relevant characteristics to arrive at the Market Value of subject property.

Comparison Approach of Valuation

The comparable lands and the relevant adjustments made are set out on the following page.

VALUATION CERTIFICATE FOR LAND II (Cont'd)

C H Williams Talhar & Wong**C H Williams Talhar & Wong (Sabah) Sdn Bhd** [Registration No. 197701003650 (34874-P)]

OUR REF: WTWS/KK22/135/MISC/SC/CSY/012/3576

31 October 2022

Comparison Approach of Valuation (cont'd)

Details	Comparable 1	Comparable 2	Comparable 3
Source	JPPH	JPPH	JPPH
Title No.	CL 015092430	CL 015011828	CL 015158648
District	Kota Kinabalu	Kota Kinabalu	Kota Kinabalu
Address/Location	In the immediate vicinity of Jesselton International School, off Mile 4.5 Jalan Tuaran, Likas	Within Taman Seri Rasa, along Lorong Sempurna, off Jalan Damai, Damai	In the vicinity of Taman Bukit Saujana and Seri Manis condominium, along Jalan Fung Yei Ting
Vendor	Rafflesia Hill Sdn. Bhd.	Right Parts Marketing Sdn. Bhd.	Iramanis Residences 888 Sdn. Bhd.
Purchaser	BMG Global Sdn. Bhd.	JN Meranti Sdn. Bhd. and Chu Kian Fui	ARN Land Sdn. Bhd.
Type	Vacant land with approved development plan for commercial suites / residences	Vacant land	Vacant land
Unexpired Term	909 years	895 years	896 years
Land Area (square metres)	7,624.28	5,513.85	9,636.68
Land Area (square feet)	82,067	59,351	103,728
Consideration	RM17,500,000.00	RM7,450,000.00	RM7,300,000.00
Analysed Land Value	RM2,295.30 per sq. metre	RM1,351.14 per sq. metre	RM757.52 per sq. metre
	RM213.24 per sq. foot	RM125.53 per sq. foot	RM70.38 per sq. foot
Date of Transfer	16 February 2022	02 January 2022	11 January 2017
Adjustments	Adjustments made for location, accessibility, shape, size, road frontage, surrounding land use and developments, land use zoning and planning approval		
Adjusted Land Value	RM1,893.62 per sq. metre	RM1,756.49 per sq. metre	RM1,022.65 per sq. metre
	RM175.92 per sq. foot	RM163.18 per sq. foot	RM95.01 per sq. feet

Taking into consideration all the factors with relevant adjustments made in the adjustments table, the adjusted land values range from RM1,022.65 to RM1,893.62 per square metre.

We have adopted Comparable 1, with adjusted land value of RM1,893.62 per square metre, as the best comparable in arriving at the market value of subject property due to the following factors:

- i. it was recently transacted
- ii. it is located in Likas area and situated along/off the same route as subject property, i.e. Jalan Tuaran
- iii. Comparable 1 and subject property have the benefit of planning approval; commercial suites/residences in the case of Comparable 1 and condominium towers and commercial/office block for subject property

Having regards to the above, the value adopted is at RM1,900.00 per square metre. The market value of subject property is therefore RM78,428,200.00 rounded up to RM78,400,000.00.

VALUATION CERTIFICATE FOR LAND II (Cont'd)

C H Williams Talhar & Wong

C H Williams Talhar & Wong (Sabah) Sdn Bhd [Registration No. 197701003650 (34874-P)]

OUR REF: WTWS/KK22/135/MISC/SC/CSY/012/3576

31 October 2022

Residual Method of Valuation

As a counter check, we have adopted the **Residual Method of Valuation**. Under this method, consideration is given to the Gross Development Value (being the estimated gross proceeds obtainable from the completed development) of the project and deducting therefrom the estimated costs of development including construction costs, professional fees, contribution to authorities, marketing and administrative, financing charges, contingencies and developer's profit and risk. The resultant amount is then deferred (discounted) over the period of time required to complete the development to arrive at the present Market Value of the subject property.

In our assessment of subject property by the Residual Method of Valuation, we have made the following ASSUMPTIONS:

- 1) THAT THE DEVELOPMENT WOULD BE IN ACCORDANCE WITH THE APPROVED DEVELOPMENT PLAN DRAWING NOS. RA/KK/112/09/DP01/D TO DP05/D DATED AUGUST 2022 WITHOUT ANY MAJOR AMENDMENTS OR ALTERATIONS;
- 2) THAT ALL COMPUTATIONS OF GROSS AND SALEABLE FLOOR AREAS OF THE DEVELOPMENT AS PROVIDED TO US BY THE CLIENT AND RELEVANT CONSULTANTS ARE MATERIALLY CORRECT;
- 3) THAT THE PROPOSED DEVELOPMENT WOULD BE COMPLETED WITHIN A PERIOD OF SIX (6) YEARS AND THAT PROPERTY MARKET VALUES AND THE COST OF BUILDING MATERIALS WOULD REMAIN SUBSTANTIALLY THE SAME DURING THE CONSTRUCTION PERIOD; AND
- 4) THAT GOOD, VALID AND MARKETABLE SUBSIDIARY TITLES WOULD BE ISSUED FOR EACH UNIT WITHIN THE DEVELOPMENT AND ALL FEES/PREMIUMS CHARGEABLE WOULD BE PAID ACCORDINGLY.

Gross Development Value (GDV)

We have adopted a total Gross Development Value (GDV) of RM686,392,029.00. It should be noted that the residential portion is subject to 5% discount for *bumiputra* purchasers based on 30% quota, which we have reflected accordingly onto subject property.

The details of the adopted selling prices are as tabulated as follows:

Component	Adopted average selling price	Estimated GDV	Justification
Condominium	RM670.00 per sq. ft.	RM670,133,029.00	Based on comparisons with transacted and/or current selling prices of comparable developments for condominium units and commercial /office space.
Commercial/ Office	RM520.00 per sq. ft.	RM 16,259,000.00	

VALUATION CERTIFICATE FOR LAND II (Cont'd)

C H Williams Talhar & Wong**C H Williams Talhar & Wong (Sabah) Sdn Bhd** [Registration No. 197701003650 (34874-P)]

OUR REF: WTWS/KK22/135/MISC/SC/CSY/012/3576

31 October 2022

Residual Method of Valuation (cont'd)**Development Period**

Based on the approved development plan, subject development is divided into 3 phases, i.e. Phase 1 (Tower – 391 units); Phase 2 (Tower 2 – 392 units) and Phase 3 (commercial/office block). We are given to understand that Phases 1 and 3 was planned to be constructed concurrently. We would assume that the first phase would involve piling works for the whole development, construction of the central podium, site preparation and relevant infrastructural works.

In view of the above and taking into account of the size and nature of development, the industry standard for development period for high-rise condominiums, we estimate that Phases 1 and 3 could be completed within a period of about 3.5 years while Phase 2 will commence 6 months before the completion of Phase 1 and is expected to be completed within a time frame of about 2.5 years.

Gross Development Cost (GDC)

Details of GDC are as follows:

Item	Estimated amount	Justification
Construction cost	RM342,739,000.00	Generally based on the preliminary costs estimates by Prokosman Konsultant dated 25 October 2022 provided to us by the client, which we consider to be in line with market standard
Capital contribution & other development cost	RM 14,009,000.00	Based on the preliminary costs estimates by Prokosman Konsultant dated 25 October 2022 provided to us by the client, which we consider to be in line with market standard
Professional & project management fees	RM 25,431,234.00	5% (professional fees) and 2% (project management fees) of the total estimated construction costs, respectively, which we consider to be in line with market standard
Administration, promotion & marketing fees	RM 12,732,572.00	1.75% of the total estimated GDV, which we consider to be in line with market standard
Interest on bridging finance	RM 36,282,522.00	7.35% per annum on 25% of the total development cost to be incurred for the development period (5 years)
Contingencies	RM 12,935,830.00	3% of the total development cost, which we consider to be fair and sufficient to cover the cost of the unexpected items
Developer's profit & risk	RM137,278,406.00	20% of the estimated GDV, which is in line with industry standard
Discount Rate	7.35%	The residue value is deferred at a discounted rate of 7.35% per annum in tandem with the finance rate over the development period of 4 years for proportional value of Phases 1 & 3; and 6 years for proportional value of Phase 2

Based on the above, the Market Value of subject property derived by the Residual Method, is **RM74,000,000.00**.

VALUATION CERTIFICATE FOR LAND II (Cont'd)**C H Williams Talhar & Wong**

C H Williams Talhar & Wong (Sabah) Sdn Bhd [Registration No. 197701003650 (34874-P)]

OUR REF: WTWS/KK22/135/MISC/SC/CSY/012/3576

31 October 2022

Reconciliation of Value

Market Value	
Comparison Approach	RM78,400,000.00
Residual Method	RM74,000,000.00

From the above, we note that the Market Value derived from the Comparison Approach is higher than that of the Residual Method by RM4,400,000.00 or about 5.6%.

Although subject property has obtained planning permission for its revised development plan comprising 783 condominium units and 1 block of commercial/office building, given prevailing property market conditions and sentiments and coupled with the considerable scale/size of the project, we are of the considered opinion that subject development may not materialise within the immediate future. The farther into the future the commencement and completion of the development, the less reliable the current estimates and parameters adopted in the calculation based on the Residual Method of Valuation. The proposed disposal of subject land may also give rise to possible changes and amendments to the current approved development plan, or a total revision to a new development plan by the buyer.

As such, the Residual Method of Valuation would be less reliable and we would adopt the Comparison Approach of Valuation as a more reliable approach for the purpose of this valuation.

On the above basis, we therefore assess the Market Value of subject property held under CL 015110326, CL 015105727, CL 015105736, CL 015105745 and CL 015105709, District of Kota Kinabalu, on *en bloc* basis, free from all encumbrances, at **RM78,400,000.00 (Ringgit Malaysia: Seventy Eight Million Four Hundred Thousand Only)**.

Yours faithfully
for and on behalf of
C H WILLIAMS TALHAR & WONG (SABAH) SDN BHD


Sr CORNELIUS KOH
BSc MRICS MRISM
Registered Valuer (V-0649)

Encls
/csy

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

The Board has seen and approved this Circular and they collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENTS AND CONFLICT OF INTEREST**2.1 Kenanga IB**

Kenanga IB, being the Adviser for the Proposed Disposals, 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.

Kenanga IB has confirmed that it is not aware of any conflict of interest which exists or is likely to exist in its capacity as the Adviser for the Proposed Disposals.

2.2 Knight Frank

Knight Frank, being the valuer of Land I in relation to the Proposed Disposals, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, the valuation certificate in relation to Land I as set out in Appendix II of this Circular and all references thereto in the form and context in which they appear in this Circular.

Knight Frank has confirmed that it is not aware of any conflict of interest which exists or is likely to exist in its capacity as the valuer of Land I for the Proposed Disposal I.

2.3 C H Williams

C H Williams, being the valuer of Land II in relation to the Proposed Disposals, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, the valuation certificate in relation to Land II as set out in Appendix III of this Circular and all references thereto in the form and context in which they appear in this Circular.

C H Williams has confirmed that it is not aware of any conflict of interest which exists or is likely to exist in its capacity as the valuer of Land II for the Proposed Disposal II.

3. MATERIAL LITIGATION**3.1 The Group**

As at the LPD, the Group is not engaged in any material litigation, claims and/or arbitration either as plaintiff or defendant which may have a material effect on the financial position or business of the Group, and the Board is not aware of any proceedings, pending or threatened, or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group.

3.2 The Lands

As at LPD, there are no material litigation, claims and/or arbitration involving the Lands, and both WMRSB and WSB are not aware of any proceedings, pending or threatened which may involve the Lands, or of any facts likely to give rise to any proceedings which may materially and adversely affect the Lands.

FURTHER INFORMATION *(Cont'd)*

4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**4.1 Material commitments**

As at the LPD, the Board is not aware of any material commitments incurred or known to be incurred by the Group, which upon becoming enforceable, may have material impact on the Group's financial position.

4.2 Contingent liabilities

As at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred by the Group, which upon becoming enforceable, may have a material impact on the Group's financial position.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company's registered office at Wisma WMG, Lot 1 & 2, Jalan Indah Jaya, Taman Indah Jaya, Jalan Lintas Selatan, 90000 Sandakan, Sabah during business hours from 9.00 a.m. to 5.00 p.m. from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the EGM:

- (i) the constitution of WMG;
- (ii) the audited consolidated financial statements of WMG for the past two (2) FYE 31 December 2020 and FYE 31 December 2021 as well as the latest unaudited consolidated financial statements of WMG for the financial period ended 30 September 2022;
- (iii) the valuation certificates and valuation reports for Land I and Land II prepared by Knight Frank and C H Williams, respectively;
- (iv) the SPAs; and
- (v) letters of consent and declaration of conflict of interest as referred to in Section 2 of this Appendix IV.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK
--



WMG HOLDINGS BHD.
Registration No.: 201501041664 (1166985-X)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“EGM”) of WMG Holdings Bhd. (“WMG” or “Company”) will be conducted entirely through live streaming from the broadcast venue at Tricor Leadership Room, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, on Wednesday, 1 March 2023 at 11.00 a.m., or at any adjournment thereof, using the Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at <https://tiih.online>, for the purpose of considering and, if thought fit, passing the resolutions, with or without modifications:

ORDINARY RESOLUTION 1

PROPOSED DISPOSAL BY WAH MIE REALTY SDN BHD, AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF WMG, OF A PARCEL OF LAND HELD UNDER TITLE NO. CL075168320, LOCATED IN THE DISTRICT OF SANDAKAN, STATE OF SABAH (“PROPOSED DISPOSAL I”)

“**THAT** subject to the approvals of all relevant authorities and/or parties (where required) being obtained, approval be and is hereby given to Wah Mie Realty Sdn Bhd, an indirect wholly-owned subsidiary of the Company to dispose a parcel of land held under Title No. CL075168320, located in the District of Sandakan, State of Sabah for a disposal consideration of RM22.00 million, which will be satisfied entirely in cash subject to and upon such terms and conditions as stipulated in the sale and purchase agreement dated 11 November 2022 entered into between Wah Mie Realty Sdn Bhd and Sejati Sentral (Sandakan) Sdn Bhd for the Proposed Disposal I.

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things and execute all documents as they may consider necessary or expedient in order to carry out, finalise and give effect to the Proposed Disposal I with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or permitted by the relevant authorities and to take all steps as they may consider necessary or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Disposal I.”

ORDINARY RESOLUTION 2

PROPOSED DISPOSAL BY WILAKAYA SDN BHD, AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF WMG, OF 5 PARCELS OF LAND HELD UNDER INDIVIDUAL TITLES NO. CL015105709, CL015105727, CL015105736, CL015105745, AND CL015110326, ALL LOCATED IN THE DISTRICT OF KOTA KINABALU, STATE OF SABAH (“PROPOSED DISPOSAL II”)

“**THAT** subject to the approvals of all relevant authorities and/or parties (where required) being obtained, approval be and is hereby given to Wilakaya Sdn Bhd, an indirect wholly-owned subsidiary of the Company to dispose 5 parcels of land held under individual Titles No. CL015105709, CL015105727, CL015105736, CL015105745, and CL015110326, all located in the District of Kota Kinabalu, State of Sabah for a disposal consideration of RM57.00 million, which will be satisfied entirely in cash subject to and upon such terms and conditions as stipulated in the sale and purchase agreement dated 11 November 2022 entered into between Wilakaya Sdn Bhd and FYT Land (KK) Sdn Bhd for the Proposed Disposal II.

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things and execute all documents as they may consider necessary or expedient in order to carry out, finalise and give effect to the Proposed Disposal II with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or permitted by the relevant authorities and to take all steps as they may consider necessary or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Disposal II.”

BY ORDER OF THE BOARD

THIEN VUI HENG

(MIA 5970) (SSM PC 202008000028)

CHUNG CHEN VUI

(MIA 7384) (SSM PC 202008000649)

Company Secretaries

Sandakan, Sabah

10 February 2023

Important Notice:

- In view of the COVID-19 pandemic uncertainty and as part of the Company's safety measures, the EGM will be conducted entirely through live streaming from the Broadcast Venue on Wednesday, 1 March 2023 at 11.00 a.m. using the Remote Participation and Voting (“**RPV**”) facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIH Online website at <https://tjih.online>.
- Shareholders/proxy(ies) who wish to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, “participate”) may do so remotely via the RPV facilities. Please follow the procedures provided in the Administrative Notes for the EGM in order to register, participate and vote remotely.
- No shareholders/proxy(ies) will be allowed to be physically present at the Broadcast Venue. Kindly check the Company's website or announcements for updates, if any, on the status of its EGM.

Notes:

1. *A member who is entitled to participate in the EGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in their place. A proxy may but need not be a member of the Company.*
2. *A member of the Company who is entitled to participate at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the EGM via RPV.*
3. *Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company that is standing to the credit of the said securities account.*
4. *Where a member of the Company is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.*
5. *Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*
6. *The instrument appointing a proxy shall be in writing signed by 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 two (2) authorised officers, one of whom shall be a Director, or of its attorney duly authorised. Any alteration to the instrument appointing a proxy must be initialed.*

7. A member who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at the EGM via RPV facilities must request his/her proxy to register himself/herself at TIIH Online website at <https://tiih.online>. Please follow the procedures for RPV in the Administrative Notes for the EGM.
8. The appointment of proxy may be made in a hardcopy form or by electronic means as follows:
 - i. **In Hardcopy Form**

The Form of Proxy or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of the share registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, not less than 48 hours before the time for holding the EGM or no later than 27 February 2023 at 11.00 a.m.
 - ii. **By electronic means**

The Form of Proxy can be electronically lodged to the share registrar of the Company via TIIH Online at <https://tiih.online>. (Kindly refer to the Administrative Notes for the EGM on the procedures for the electronic lodgement of Proxy Form via TIIH Online.)
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the share registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
10. For a corporate member who has appointed a representative, please deposit the ORIGINAL certificate of appointment with the share registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
11. For the purpose of determining a member who shall be entitled to participate this meeting via the RPV facilities, the Company shall request Bursa Malaysia Depository Sdn Bhd in accordance with Article 36(1) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 22 February 2023. Only a depositor whose name appears therein shall be entitled to participate this meeting or appoint a proxy to participate and/or vote on his stead.



WMG HOLDINGS BHD.
Registration No.: 201501041664 (1166985-X)
(Incorporated in Malaysia)

ADMINISTRATIVE NOTES FOR THE EXTRAORDINARY GENERAL MEETING (“EGM”) OF WMG HOLDINGS BHD.

Date : **Wednesday, 1 March 2023**
Time : **11.00 a.m.**
Broadcast Venue : **Tricor Leadership Room**
Unit 32-01, Level 32, Tower A, Vertical Business Suite
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Malaysia

Precautionary Measures Against the Coronavirus Disease (“COVID-19”)

- In view of the Covid-19 pandemic uncertainty and as part of safety measures, the Company will conduct its EGM on a **virtual basis through live streaming and online remote** voting via Remote Participation and Voting (“RPV”) facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd’s (“Tricor”) **TIIH Online** website at <https://tiih.online>.
- The venue of the EGM is strictly for the purpose of complying with section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. No shareholders/proxy(ies) will be allowed to be physically present at the Broadcast Venue.
- We **encourage** you to attend the EGM via the RPV facilities. You may also consider appointing the Chairman of the Meeting as your proxy to attend and vote on your behalf at the EGM.

Remote Participation and Voting (RPV) Facilities

- Shareholders may attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, “participate”) remotely at the EGM using RPV provided by Tricor via its **TIIH Online** website at <https://tiih.online>.
- Shareholders who appoint proxies to participate via RPV in the EGM must ensure that the duly executed proxy forms are deposited in a hard copy form or by electronic means to Tricor no later than **Monday, 27 February 2023 at 11.00 a.m.**
- Corporate representatives of corporate members must deposit their original certificate of appointment of corporate representative to Tricor not later than **Monday, 27 February 2023 at 11.00 a.m.** to participate via RPV in the EGM.
- Attorneys appointed by power of attorney are to deposit their power of attorney with Tricor not later than **Monday, 27 February 2023 at 11.00 a.m.** to participate via RPV in the EGM.
- A shareholder who has appointed a proxy or attorney or authorised representative to participate at this Annual General Meeting via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV at TIIH Online website at <https://tiih.online>.

As the EGM is a fully virtual EGM, members who are unable to participate in this EGM may appoint the Chairperson of the meeting as his/her proxy and indicate the voting instructions in the proxy form.

No Door Gift or Food Voucher

- There will be no door gifts or food vouchers during the EGM since the meeting is being conducted on a virtual basis.

Pre-Meeting Submission of Questions to the Board of Directors

- In order to enhance the efficiency of the proceedings of the EGM, shareholder may in advance, before the EGM, submit questions to the Board of Directors via Tricor's TIIH Online website at <https://tiih.online>, by selecting "e-Services" to login, post your questions and submit it electronically no later than **Monday, 27 February 2023 at 11.00 a.m.**. The Board of Directors will endeavor to address the questions received at the EGM.

Procedures to Remote Participation and Voting via RPV Facilities

- Please read and follow the procedures below to engage in remote participation through live streaming and online remote voting at the EGM using the RPV facilities:

Before the EGM Day

Procedure	Action
i. Register as a user with TIIH Online (applicable for Individual Shareholders only)	<ul style="list-style-type: none">• Using your computer, access the website at https://tiih.online. Register as a user under the "e-Services", select the "Sign Up" button and followed by "Create Account by Individual Holder". Refer to the tutorial guide posted on the homepage for assistance.• Registration as a user will be approved within one (1) working day and you will be notified via e-mail.• If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
ii. Submit your request to attend EGM remotely	<ul style="list-style-type: none">• Registration is open from Friday, 10 February 2023 until the day of EGM on Wednesday, 1 March 2023. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the EGM to ascertain their eligibility to participate the EGM using the RPV.• Login with your user ID and password and select the corporate event: (Registration) WMG Holdings Bhd. EGM 2023• Read and agree to the Terms & Conditions and confirm the Declaration.• Review your registration and proceed to register• System will send an e-mail to notify that your registration for remote participation is received and will be verified.• After verification of your registration against the Record of Depositors as at 22 February 2023, an email notification will be sent to you after 27 February 2023 approving your registration for remote participation and the procedures to use RPV facilities are detailed therein. In the event your registration is not approved, the system will send you an e-mail to reject your registration for remote participation. <i>(Note: Please allow sufficient time for approval of new user of TIIH Online and registration for the RPV.)</i>

On the EGM Day

Procedure	Action
i. Login to TIIH Online	<ul style="list-style-type: none"> • Login with your user ID and password for remote participation at the EGM at any time from 10.00 a.m. i.e. 1 hour before the commencement of meeting at 11.00 a.m. on Wednesday, 1 March 2023.
ii. Participate through Live Streaming	<ul style="list-style-type: none"> • Select the corporate event: (Live Streaming Meeting) WMG Holdings Bhd. EGM 2023 to engage in the proceedings of the EGM remotely. • If you have any question for the Chairman/Board, you may use the query box to transmit your question. The Chairman/Board will try to respond to questions submitted by remote participants during the EGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.
iii. Online remote voting	<ul style="list-style-type: none"> • Select the corporate event: (Remote Voting) WMG Holdings Bhd. EGM 2023 • Read and agree to the Terms & Conditions and confirm the Declaration. • Voting session commences from 11.00 a.m., Wednesday, 1 March 2023 until a time when the Chairman announces the completion of the voting session at the EGM. • Select the CDS account that represents your shareholdings. • Indicate your votes for the resolutions that are tabled for voting. • Confirm and submit your votes.
iv. End of remote participation	<ul style="list-style-type: none"> • Upon the announcement by the Chairman on the conclusion of the EGM, the Live Streaming will end.

Note to users of the RPV facilities:

1. Should your application to join the meeting be approved, we will make available to you the rights to join the live streamed meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.
2. The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
3. In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting, kindly call Tricor Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.

ELECTRONIC LODGEMENT OF PROXY FORM

The procedures to lodge your proxy form electronically via Tricor's **TIIH Online** website are summarised below:

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User with TIIH Online	<ul style="list-style-type: none"> • Using your computer, please access the website at https://tiih.online. Register as a user under the “e-Services”. Please refer to the tutorial guide posted on the homepage for assistance. • If you are already a user with TIIH Online, you are not required to register again.
Proceed with submission of form of proxy	<ul style="list-style-type: none"> • After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password. • Select the corporate event: “WMG Holdings Bhd. EGM 2023 – Submission of Proxy Form”. • Read and agree to the Terms and Conditions and confirm the Declaration. • Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. • Appoint your proxy(s) and insert the required details of your proxy(s) or appoint the Chairman as your proxy. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes. • Review and confirm your proxy(s) appointment. • Print the form of proxy for your record.
ii. Steps for corporation or institutional shareholders	
Register as a User with TIIH Online	<ul style="list-style-type: none"> • Access TIIH Online at https://tiih.online. • Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects the “Sign Up” button and followed by “Create Account by Representative of Corporate Holder”. • Complete the registration form and upload the required documents. • Registration will be verified, and you will be notified by email within one (1) to two (2) working days. • Proceed to activate your account with the temporary password given in the email and re-set your own password. <p><i>(Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact the share registrar if you need clarifications on the user registration.)</i></p>

<p>Proceed with submission of form of proxy</p>	<ul style="list-style-type: none"> • Login to TIIH Online at https://tiih.online. • Select the corporate exercise name: “WGM Holdings Bhd. EGM 2023 – Submission of Proxy Form”. • Agree to the Terms & Conditions and Declaration. • Proceed to download the file format for “Submission of Proxy Form” in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxies by inserting the required data. • Login to TIIH Online, select corporate exercise name: “WGM Holdings Bhd. EGM 2023 – Submission of Proxy Form”. • Proceed to upload the duly completed proxy appointment file. • Select “Submit” to complete your submission. • Print the confirmation report of your submission for your record.
---	--

ENQUIRY

If you have any enquiries on the above, please contact the share registrar during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line : +603-2783 9299
 Fax Number : +603-2783 9222
 Email : is.enquiry@my.tricorglobal.com



FORM OF PROXY

WMG HOLDINGS BHD.

Registration No.: 201501041664 (1166985-X)

I/We _____
(Full name in Block Capitals, NRIC/Passport/Company No.)

of _____

being a member/members of WMG Holdings Bhd., hereby appoint: _____
(NRIC/Passport No.) _____

of _____

and _____
(NRIC/Passport No.) _____

of _____

or failing him, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company which will be conducted entirely through live streaming from the broadcast venue at Tricor Leadership Room, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Wednesday, 1 March 2023 at 11.00 a.m., or at any adjournment thereof, using the Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIH Online website at <https://tih.online>.

In the event 2 proxies are appointed, the percentage of shareholdings to be represented by each proxy is

First proxy

Second proxy

My/our proxy is to vote as indicated below:

No.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	Proposed Disposal I		
2.	Proposed Disposal II		

Please indicate with "X" how you wish your vote to be cast. In the absence of specific directions, your Proxy will vote or abstain as he thinks fit.

Signature or Common Seal of Shareholder(s)

No. of shares held	
CDS Account No.	

Signed this _____ day of _____ 2023



Notes:-

1. A member who is entitled to participate in the EGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in their place. A proxy may but need not be a member of the Company.
2. A member of the Company who is entitled to participate at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the EGM via RPV.
3. Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company that is standing to the credit of the said securities account.
4. Where a member of the Company is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.
5. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
6. The instrument appointing a proxy shall be in writing signed by 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 two (2) authorised officers, one of whom shall be a Director, or of its attorney duly authorised. Any alteration to the instrument appointing a proxy must be initialed.
7. A member who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at the EGM via RPV facilities must request his/her proxy to register himself/herself at TIH Online website at <https://tjh.online>. Please follow the procedures for RPV in the Administrative Notes for the EGM.
8. The appointment of proxy may be made in a hardcopy form or by electronic means as follows:
 - i. **In Hardcopy Form**
The Form of Proxy or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of the share registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, not less than 48 hours before the time for holding the EGM or no later than 27 February 2023 at 11.00 a.m.
 - ii. **By electronic means**
The Form of Proxy can be electronically lodged to the share registrar of the Company via TIH Online at <https://tjh.online>. (Kindly refer to the Administrative Notes for the EGM on the procedures for the electronic lodgement of Proxy Form via TIH Online.)

1st Fold Here

AFFIX
STAMP

The Share Registrar
Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

2nd Fold Here

9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the share registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
10. For a corporate member who has appointed a representative, please deposit the ORIGINAL certificate of appointment with the share registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
11. For the purpose of determining a member who shall be entitled to participate this meeting via the RPV facilities, the Company shall request Bursa Malaysia Depository Sdn Bhd in accordance with Article 36(1) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 22 February 2023. Only a depositor whose name appears therein shall be entitled to participate this meeting or appoint a proxy to participate and/or vote on his stead.

Fold This Flap For Sealing