

SIAB HOLDINGS BERHAD ("SIAB" OR "COMPANY")

SUPPLEMENTAL MEMORANDUM OF UNDERSTANDING ENTERED INTO BETWEEN SIAB DEVELOPMENT SDN. BHD., A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY, AND KOPERASI PESERTA-PESERTA FELCRA MALAYSIA BERHAD ("SUPPLEMENTAL MOU")

(Unless otherwise stated or redefined, all abbreviations and definitions used herein shall have the same meanings as those used in the Company's announcement dated 7 March 2022 in relation to the MOU ("**Announcement**"))

1. INTRODUCTION

Reference is made to the Announcement. The Board wishes to announce that its wholly-owned subsidiary, Siab Development Sdn. Bhd. ("Siab Development"), had on 18 May 2022 entered into the Supplemental MOU with Koperasi Peserta-Peserta Felcra Malaysia Berhad ("KPFB") to set out additional scope for discussions and negotiations in relation to the Proposed Joint Development.

Pursuant to the Supplemental MOU, the Parties and any other relevant parties to be identified by the Parties (if applicable), shall enter into Definitive Agreement within 180 days following the date of the Supplemental MOU which will supersede the deadline stipulated in the MOU or such other date as the Parties may mutually agree upon.

A detailed announcement as required under the Listing Requirements on the Proposed Joint Development will be made upon finalisation of the terms and conditions and execution of the Definitive Agreement.

2. SALIENT INFORMATION OF THE SUPPLEMENTAL MOU

2.1 Upon the execution of this Supplemental MOU, the Parties shall commence exclusive discussions and negotiations, in good faith and in the best common interests of the Parties, on the additional scopes in relation to the Proposed Joint Development which will be mutually beneficial and synergistic, with a view to reaching and finalising as soon as practicable the Definitive Agreement for formalizing the intentions and mutual agreement of the Parties in relation to the Proposed Joint Development. The additional scope for discussions and negotiations shall inter alia include:-

- (a) the obligations of KPFB as the landowner;
- (b) the obligations of Siab Development as the developer;
- (c) the entitlements of each Parties and manner of payment;
- (d) the obligations of KPFB to secure purchasers and enter into en-bloc purchase agreement;
- (e) the obligations of KPFB to secure approvals for the development of PR1MA homes pursuant to the Perumahan Rakyat 1Malaysia Act 2012; and
- (f) such other matters relevant and pertinent to the Proposed Joint Development.

2.2 The Supplemental MOU is not intended to create any legal obligations and shall not be legally binding on the parties hereto. The Parties shall endeavour to negotiate in good faith and execute the Definitive Agreement within one hundred and eighty (180) days following the date of this Supplemental MOU (which will supersede the deadline stipulated in the MOU) or such other date as the Parties may mutually agree upon, failing which either Party may, by notice in writing, withdraw from negotiations on the terms with the other Party and upon such withdrawal, the MOU and Supplemental MOU shall be terminated and neither Party shall have any claim whatsoever against the other Party, save for those obligations expressly provided in the MOU and Supplemental MOU to survive termination of the MOU and Supplemental MOU.

3. RATIONALE FOR THE SUPPLEMENTAL MOU

The Supplemental MOU is entered into to set out additional scope for discussions and negotiations with the objective to reach and finalise as soon as practicable the Definitive Agreement.

4. EFFECTS OF THE SUPPLEMENTAL MOU

The Supplemental MOU is not expected to have any material effect on the earnings, earnings per share, net assets, issued share capital, gearing and substantial shareholders' shareholdings of the Company.

5. RISK FACTORS

The Board is not aware of any risk factors arising from the Supplemental MOU as the Supplemental MOU is not legally binding until the execution of a Definitive Agreement.

6. APPROVALS REQUIRED

The Supplemental MOU is not subject to the approvals of the shareholders of SIAB and/or any relevant regulatory authorities.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors and/or major shareholders of the Company and/ or person connected to them have any interest, whether direct or indirect, in the Supplemental MOU.

8. STATEMENT BY DIRECTORS

The Board, having taken into consideration all aspects of the Supplemental MOU, is in the opinion that the Supplemental MOU is in the best interest of the Company and its shareholders.

9. ADVISERS

Adviser will be appointed in relation to the Proposed Joint Development (if required) in accordance with the Listing Requirements.

10. DOCUMENTS AVAILABLE FOR INSPECTION

The Supplemental MOU will be made available for inspection at the registered office of Siab during office hours from Monday to Friday (except public holidays) at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, for a period of 3 months from the date of this announcement.

This announcement is dated 18 May 2022.