

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, solicitor, accountant, bank manager or other professional adviser immediately.

This Circular has been reviewed by UOB Kay Hian Securities (M) Sdn Bhd, being the Adviser to Kanger International Berhad ("**Kanger**" or the "**Company**") for the Proposals (as defined herein).

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KANGER INTERNATIONAL BERHAD
Registration No.: 201201030306 (1014793-D)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:-

- I. PROPOSED VARIATION TO THE TERMS OF THE SALE AND PURCHASE AGREEMENT DATED 24 FEBRUARY 2021, ENTERED INTO BETWEEN KANGER VENTURES SDN BHD ("KANGER VENTURES") (A WHOLLY-OWNED SUBSIDIARY OF KANGER) AND ASET KAYAMAS DEVELOPMENT SDN BHD (FORMERLY KNOWN AS ASET KAYAMAS SDN BHD) ("AKDSB" OR THE "DEVELOPER") AS NOVATED BY KANGER VENTURES TO KANTARA SDN BHD (A WHOLLY-OWNED SUBSIDIARY OF KANGER) ("KANTARA") VIDE A DEED OF NOVATION DATED 12 AUGUST 2022 ENTERED INTO BETWEEN KANGER VENTURES, AKDSB AND KANTARA FOR THE ACQUISITION OF 126 UNITS OF PROPOSED SERVICED APARTMENTS LOCATED ON THE 30TH TO 45TH FLOORS OF TOWER A, ANTARA, GENTING HIGHLANDS, SITED ON A PIECE OF FREEHOLD LAND HELD UNDER TITLE NO. GRN 45572, LOT 43031, MUKIM AND DISTRICT OF BENTONG, PAHANG DARUL MAKMUR ("PROPOSED VARIATION"); AND**
- II. A REDUCTION OF THE ISSUED SHARE CAPITAL OF KANGER PURSUANT TO SECTION 116 OF THE COMPANIES ACT, 2016 ("ACT") ("PROPOSED CAPITAL REDUCTION")**

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser

UOBKayHian

UOB Kay Hian Securities (M) Sdn Bhd

Registration No.: 199001003423 (194990-K)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting of the Company ("**EGM**") will be held and conducted on a virtual basis through live streaming and online remote voting via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn Bhd from the broadcast venue at the Registered Office, No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) on Wednesday, 27 November 2024 at 9.00 a.m., or any adjournment thereof. The Notice of EGM and Form of Proxy are enclosed with this Circular.

If you decide to appoint a proxy or proxies for the EGM, you must complete, sign and return the Form of Proxy and deposit it at the registered office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or email to ir@shareworks.com.my on or before the date and time indicated below or at any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending, participating and voting at the virtual EGM should you subsequently decide to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

Last date and time for lodging the Form of Proxy : Monday, 25 November 2024 at 9.00 a.m.

Date and time of the EGM : Wednesday, 27 November 2024 at 9.00 a.m.

Main venue of the EGM : Registered Office of No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL)

This Circular is dated 5 November 2024

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

"Acquisition"	:	The acquisition by Kantara (as novated by Kanger Ventures) of the Subject Properties for a total purchase consideration of RM142.87 million to be satisfied entirely via cash
"Act"	:	The Companies Act 2016
"AKDSB" or the "Developer"	:	Aset Kayamas Development Sdn Bhd (formerly known as Aset Kayamas Sdn Bhd) (Registration No.: 201101001289 (929423-V))
"Board"	:	The Board of Directors of Kanger
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
"Circular"	:	This circular to the shareholders of Kanger dated 5 November 2024 in relation to the Proposals
"Deed Poll B"	:	The deed poll dated 16 August 2021 executed by Kanger constituting the Warrants B
"Developer's LAD after Discount"	:	The amount of RM11,386,500 after Discount
"Developer's LAD"	:	10% of the Initial Purchase Consideration amounting to RM14,287,000, by way of agreed liquidated damages absolutely in relation to Kantara's failure to pay the Initial Purchase Consideration
"Director(s)"	:	The director(s) of Kanger and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007
"Discount"	:	A discount of RM2,900,500 against the Developer's LAD granted by the Developer to Kantara
"EGM"	:	Extraordinary General Meeting of the Company
"EPS/ (LPS)"	:	Earnings/ (Loss) per Share
"FPE"	:	Financial period ended
"Initial Purchase Consideration"	:	A total purchase consideration of RM142.87 million for the Subject Properties
"Kanger" or the "Company"	:	Kanger International Berhad (Registration No.: 201201030306 (1014793-D))
"Kanger Group" or the "Group"	:	Kanger and its subsidiary companies, collectively
"Kanger Share(s)" or "Share(s)"	:	Ordinary shares in Kanger
"Kanger Ventures"	:	Kanger Ventures Sdn Bhd (Registration No.: 201001019823 (903533-U)), a wholly-owned subsidiary of Kanger

DEFINITIONS (CONT'D)

"Kantara"	:	Kantara Sdn Bhd (Registration No.: 202201027113 (1472810-M)), a wholly-owned subsidiary of Kanger
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"LPD"	:	23 October 2024, being the latest practicable date prior to the printing and despatch of this Circular
"Maximum Scenario"	:	Assuming all of the existing outstanding Warrants B are exercised and all Remaining Placement Shares are placed out prior to the implementation of the Proposed Capital Reduction
"Minimum Scenario"	:	Assuming none of the existing outstanding Warrants B are exercised and none of the Remaining Placement Shares are placed out prior to the implementation of the Proposed Capital Reduction
"NA"	:	Net assets attributable to owners of the Company
"ON Valuation" or the "Independent Valuer"	:	ON Valuation Sdn Bhd (formerly known as Fortis Real Estate Sdn Bhd) (Registration No.: 201901022119 (1331448-X))
"Partial Payment"	:	A total of RM94,365,500 paid by Kantara for the Acquisition
"Parties"	:	Kantara and the Developer, collectively
"PAT/ (LAT)"	:	Profit/ (Loss) after taxation
"Proposals"	:	The Proposed Variation and Proposed Capital Reduction, collectively
"Proposed Capital Reduction"	:	Proposed reduction of the issued share capital of Kanger pursuant to Section 116 of the Act
"Proposed Variation"	:	Proposed variation to the terms of the SPA for the Acquisition pursuant to the Supplemental SPA
"Revised Purchase Consideration"	:	The revised purchase consideration of RM82,979,000 pursuant to the Proposed Variation
"Revised Subject Properties"	:	73 units of proposed serviced apartments located on the 37th to 45th floors of Tower A, Antara, Genting Highlands, sited on a piece of freehold land held under Title No. GRN 45572, Lot 43031, Mukim and District of Bentong, Pahang Darul Makmur pursuant to the Proposed Variation
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"SIS"	:	The share issuance scheme of the Company implemented on 27 December 2019, being the scheme for granting SIS Options to eligible Directors and employees of Kanger Group
"SIS Option(s)"	:	Options granted under the SIS where each option holder can subscribe for new Kanger Shares pursuant to the contract constituted by the selected eligible Directors' and employees' acceptance. As at the LPD, there are no outstanding SIS Options granted that are not exercised
"SPA"	:	Sale and purchase agreement dated 24 February 2021, entered into between Kanger Ventures and AKDSB as novated to Kantara vide a deed of novation dated 12 August 2022 entered into between Kanger Ventures, AKDSB and Kantara for the Acquisition

DEFINITIONS (CONT'D)

"Subject Properties"	:	126 units of proposed serviced apartments located on the 30th to 45th floors of Tower A, Antara, Genting Highlands, sited on a piece of freehold land held under Title No. GRN 45572, Lot 43031, Mukim and District of Bentong, Pahang Darul Makmur pursuant to the Acquisition
"Supplemental SPA"	:	The supplemental agreement dated 9 August 2024, entered into between Kantara and AKDSB to vary the terms of the SPA
"UOBKH" or the "Adviser"	:	UOB Kay Hian Securities (M) Sdn Bhd (Registration No.: 199001003423 (194990-K))
"VWAP"	:	Volume weighted average market price
"Warrant(s) B"	:	169,951,156 outstanding warrants 2021/2026 in Kanger as at the LPD. The Warrants B are constituted by the Deed Poll B and each Warrant B carries the entitlement to subscribe for 1 new Share during the 5-year exercise period up to 22 September 2026 at an exercise price of RM0.50 per Warrant B

All references to "**you**" or "**your(s)**" in this Circular are made to our shareholders, who are entitled to attend, participate and vote at the EGM.

Unless specifically referred to, words denoting incorporating the singular shall, where applicable include the plural and vice versa and words denoting incorporating the masculine gender shall where applicable, include the feminine and neuter genders and vice versa. Any reference 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 and date in this Circular shall be a reference to Malaysian time and date, respectively, 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.

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposals. You are advised to read this Circular in its entirety for further details and not to rely solely on this Executive Summary in arriving at a decision on the Proposals before voting at the forthcoming EGM.

Key information	Description	Reference to Circular
Summary of the Proposals	<u>Proposed Variation</u>	Section 2
	Kantara and the Developer, had on 9 August 2024 entered into the Supplemental SPA whereby the acquisition of 126 units for the Initial Purchase Consideration of RM142,870,000 for shall be revised to the acquisition of 73 units for the Revised Purchase Consideration of RM82,979,000.	
	<u>Proposed Capital Reduction</u>	Section 3
	The Proposed Capital Reduction entails the reduction of the issued share capital of Kanger pursuant to Section 116 of the Act.	
Rationale and justification for the Proposals	<u>Proposed Variation</u>	Section 4
	The Proposed Variation presents an opportunity for the Group to reach a fair settlement, amidst significant uncertainties surrounding the outlook of the property market in Malaysia and risks in relation to Kantara's ability to fulfil its obligations under the SPA given the financial difficulties currently experienced by Kanger Group.	
	<u>Proposed Capital Reduction</u>	
	The Proposed Capital Reduction will eliminate Kanger's accumulated losses via reduction and cancellation of the current issued share capital of the Company.	
Approvals required	The Proposals are subject to the following:- <ul style="list-style-type: none"> i. the approvals of the shareholders of Kanger at the EGM to be convened; ii. the confirmation from the Kuala Lumpur High Court pursuant to Section 116 of the Act for the Proposed Capital Reduction; and iii. the approvals of any other relevant authorities and/ or parties, if required. 	Section 9
Interests of directors, major shareholders and/ or persons connected with them	None of the Directors, major shareholders of Kanger and/ or persons connected with them have any interest, whether direct or indirect, in the Proposals.	Section 11
Directors' statement and recommendation	The Board, after having considered all aspects of the Proposals, including but not limited to the rationale and financial effects of the Proposals, is of the opinion that they are in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the resolutions pertaining to the Proposals to be tabled at the Company's forthcoming EGM.	Section 12



KANGER INTERNATIONAL BERHAD

Registration No.: 201201030306 (1014793-D)
(Incorporated in Malaysia)

Registered Office

No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)

5 November 2024

Board of Directors

Dato' Azmil bin Mohd Zabidi (*Independent Non-Executive Chairman*)
Wu Wai Kong (*Executive Director*)
Low Poh Seong (*Independent Non-Executive Director*)
Chong Kwang Fock (*Independent Non-Executive Director*)
Lean Boon Bee (*Independent and Non-Executive Director*)

To: The shareholders of Kanger

Dear Sir/ Madam,

I. PROPOSED VARIATION; AND

II. PROPOSED CAPITAL REDUCTION

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

1. INTRODUCTION

On 9 August 2024, UOBKH had, on behalf of the Board, announced that the Company proposes to undertake the following:-

- i. a variation to the terms of the SPA dated 24 February 2021, entered into between Kanger Ventures and AKDSB which was novated to Kantara vide a deed of novation dated 12 August 2022 entered into between Kanger Ventures, AKDSB and Kantara for the acquisition of the Subject Properties; and
- ii. a reduction of the issued share capital of Kanger pursuant to Section 116 Act.

Further details of the Proposals are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS, AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS 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 TO GIVE EFFECT TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED VARIATION

Reference is made to the circular to shareholders of Kanger dated 11 June 2021 in relation to the acquisition by Kanger Ventures of the Subject Properties for the Initial Purchase Consideration of RM142.87 million to be satisfied entirely via cash ("**Initial Circular**"). The aforesaid Acquisition was approved by the shareholders of Kanger on 28 June 2021.

Subsequently, AKDSB, Kanger Ventures and Kantara, had on 12 August 2022 entered into a deed of novation to novate the entirety of the SPA by Kanger Ventures to Kantara.

As set out in the Initial Circular, the Initial Purchase Consideration was intended to be satisfied entirely in cash in the following instalments:-

	Instalments payable	RM'000	%	Date of payment	Status of payment milestones
1.	Payable on the date of the SPA in which the Vendor acknowledges receipt of, i.e. the deposit	14,287	10	Paid on 30 December 2020	Settled through internally generated funds
2.	Upon completion of foundation work	28,574	20	Paid on 1 July 2021	Settled through internally generated funds
3.	6 months from commencement of building work	28,574	20	Paid on 26 January 2022	Settled through a combination of internally generated funds and proceeds from the Company's previous fundraising exercise totalling RM47.57 million ²
4.	12 months from commencement of building work	21,430	15	Paid on 16 May 2023	
5.	Upon completion of the reinforced concrete structural work of the parcels	21,430	15	Partially paid on 2 November 2023	RM1.50 million was settled through internally generated funds. The remaining RM19.93 million remains outstanding as at the LPD
6.	Upon completion of the drains serving the building	7,144	5	- ⁴	No further payments for the balance consideration will be required pursuant to the Proposed Variation ³
7.	Upon completion of the roads serving the building	7,144	5	- ⁴	
8.	Upon the date vacant possession of the individual Subject Properties is taken	14,287 ¹	10	-	
	Total	142,870	100		

Notes:-

☐ As at the LPD, Kantara has paid RM94,365,500 out of the total RM114,296,000 up to the 5th tranche payment instalment for the Acquisition. No further payment for the balance RM19,930,500 of the 5th tranche will be required pursuant to the Proposed Variation

¹ Balance of RM14,287,000 payable based on individual consideration sum of the individual Subject Properties

² On 24 February 2021, the Board had announced the renounceable rights issue of up to 2,861,936,149 new Shares at the issue price of RM0.06 per rights share on the basis of 5 rights shares for every 4 existing Shares held together with up to 2,861,936,149 free detachable warrants on the basis of 1 warrant for every 1 rights share subscribed for ("**Rights Issue with Warrants**"). On 30 September 2021, a total of 1,700,011,579 Kanger Shares and 1,700,011,579 warrants were issued pursuant to the Rights Issue with Warrants, raising gross proceeds of RM102.00 million and was subsequently completed on the even date

³ The Proposed Variation will result in the reduction of units and correspondingly the purchase price, whereby all amounts already paid are treated as payment towards the revised units and payment of agreed liquidated damages absolutely

⁴ For information purposes, the payment shall be made within 14 days from Kanger receiving certification from the Developer's architect and invoice from the Developer

As at the LPD, Kantara has paid the Partial Payment of RM94,365,500 for the Acquisition and failed to pay part of the 5th instalment amounting to RM19,930,500 together with all late payment interest accrued thereon, which was due to be paid to AKDSB on or before 16 January 2024.

On 30 January 2024, AKDSB had vide its letter, notified Kantara of its failure to fulfil the outstanding sum due from the progressive billing of RM19,930,500 as well as late payment interest amounting to RM1,056,138 and had granted Kantara until 29 February 2024 (i.e. the last day of the period in excess of 30 days from the date of the letter) to settle the overdue sum. Pursuant to the SPA, AKDSB has the rights to terminate the SPA by giving written notice to Kantara and to forfeit the Developer's LAD amounting to RM14,287,000.

Premised on the above, Kantara had negotiated with the Developer, and both Parties consequently entered into the Supplemental SPA whereby the acquisition of 126 units for the Initial Purchase Consideration of RM142,870,000 for shall be revised to the acquisition of 73 units for the Revised Purchase Consideration of RM82,979,000. Further, the Developer has granted to Kantara a Discount of RM2,900,500 against the Developer's LAD. The Parties agreed that the Partial Payment shall be utilised to settle in full the Revised Purchase Price and the Developer's LAD after Discount of RM11,386,500. Further details on the basis and computation in arriving at the Revised Purchase Consideration are set out in **Section 2.2** of this Circular.

The amendment to the salient terms of the SPA as set out above is subject to the fulfilment of all conditions precedent in the Supplemental SPA which shall be satisfied within 5 months from the date of the Supplemental SPA or any other period as may be agreed between the Parties.

For the avoidance of doubt, Kantara is not required to make any payments in relation to the Revised Purchase Consideration and is deemed to have paid the Revised Purchase Consideration upon the Supplemental SPA becoming unconditional. Save as varied under the Supplemental SPA, all other terms of the SPA remains unchanged. Further details on the salient terms of the Supplemental SPA are set out in **Appendix I** of this Circular.

Rule 8.24(1)(b) of the Listing Requirements states that "a listed issuer must issue a circular to its shareholders and seek its shareholder approval if it proposes to make a material amendment, modification or variation to a proposal which has been approved by shareholders in general meeting". Rule 8.24(2)(b) of the Listing Requirements further states that "an amendment, modification or variation is considered material if it can be reasonably expected to have a material effect on the decision of a holder of securities of the listed issuer in relation to such proposal".

In view of the material change in the purchase consideration from RM142.87 million to RM82.98 million and the number of units from 126 units to 73 units to be transferred to Kantara pursuant to the terms of the Supplemental SPA, the Proposed Variation is deemed a material variation under Rule 8.24(2)(b) of the Listing Requirements. As such, the Company is required to seek its shareholders' approval for the Proposed Variation at the EGM to be convened.

2.1 Details of the Revised Subject Properties

The Revised Subject Properties entails 73 units of proposed serviced apartments located on the 37th to 45th floors of Tower A, Antara, Genting Highlands. Antara, Genting Highlands, which is currently being developed by AKSB, is an on-going mixed commercial development consisting of 4 blocks of high rise serviced apartments with 3 floors of retail/ commercial space, 3 floors of common amenities and facilities, atop a 11 storey car park podium situated on a piece of freehold land held under Title No. GRN 45572, Lot 43031, Mukim and District of Bentong, Pahang Darul Makmur.

The location map of Antara, Genting Highlands (of which the Revised Subject Properties form a part) is diagrammatically illustrated as follows:-



The salient details of Antara, Genting Highlands and the Revised Subject Properties are as follows:-

<p>Location</p>	<p>Antara, Genting Highlands (of which the Revised Subject Properties form a part) is situated in the locality of Genting Highlands, Pahang.</p> <p>It is located along the western boundary of Jalan Genting Sempah-Genting Highlands travelling from Genting Sempah towards Genting Highlands, with the subject site approximately 1 kilometre to Resorts World Genting, Genting Highlands. It is approximately 8 kilometres from the Gohtong Jaya roundabout and is directly accessible from Jalan Genting Sempah-Genting Highlands. Bentong town is approximately 55 kilometres north east from the subject site. Janda Baik and Bukit Tinggi are approximately 30 kilometres and 35 kilometres from the subject site respectively.</p> <p>Antara, Genting Highlands is situated approximately 230 kilometres to the west of Kuantan and 235 kilometres to Bandar Indera Mahkota, accessible via the Kuala Lumpur-Karak Expressway. Kuala Lumpur city centre and Shah Alam are located approximately 50 kilometres and 80 kilometres south-west of the subject site respectively.</p> <p>The immediate locality is a mixture of leisure and commercial properties in nature, interspersed with residential developments and plots of vacant development land. Notable landmarks within the immediate radius are Chin Swee Caves Temple, Awana Skyway Chin Swee station, Cradle Rock Genting Highlands, Ria Apartments, Kayangan Apartments and Genting Highlands Fire and Rescue Station as well as an under construction 228-room hotel situated at the immediate south-west of the subject site.</p>
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Proposed development details	<p>A total of 1,447 units of fully-furnished serviced apartment segregated as follows:-</p> <p>Tower A (3Ath to 49th floors) – 46-storey comprising 374 units (of which 73 units located on the 37th to 45th floors comprise the Revised Subject Properties, which Kanger shall acquire)</p> <p>Tower B (3Ath to 47th floors) – 44-storey comprising 356 units</p> <p>Tower C (3Ath to 47th floors) – 44-storey comprising 356 units</p> <p>Tower D (3Ath to 49th floors) – 46-storey comprising 361 units</p> <p>There will be four towers (Towers A to D) atop 3 floors of common amenities and facilities (1st to 3rd floors) including co-working space, gymnasium, function rooms, lounge, surau, sauna as well as 3 floors for retail/ commercial space (ground to upper ground 1 floors) and 11 floors of elevated car park podium comprising 2,889 car park bays (ground to lower ground 11 floors).</p>
Land area	5.345 acres (equivalent to approximately 232,823 square feet) for the entire development of Antara, Genting Highlands.
Proposed gross floor area	<p>Approximately 2,830,705 square feet (the entire development of Antara, Genting Highlands).</p> <p>Towers A to D of Antara, Genting Highlands will comprise of 5 primarily serviced apartment unit types, namely Type A, Type B, Type C, Type D and Type E, which have a proposed built-up area of 520 square feet (Type A), 800 square feet (Type B1 and B2), 806 square feet (Type B3), 1,030 square feet (Type C1), 1,056 square feet (Type C2) and 1,066 square feet (Type C3). The Revised Subject Properties (located in Tower A) will comprise 8 units of Type A, 24 units of Type B1/ B2, 8 units of Type B3, 16 units of Type C1, 9 units of Type C2 and 8 units of Type C3.</p>
Tenure	Freehold
Registered proprietor	Aset Kayamas Sdn Bhd
Estimated gross development value	RM2.24 billion for the entire development of Antara @ Genting Highlands
Estimated gross development cost and source of funding	RM1.50 billion for the entire development of Antara @ Genting Highlands, via internally generated funds of the Developer
Category of land use	Building
Express condition	"Tanah ini hendaklah digunakan untuk bangunan perniagaan sahaja"
Encumbrances	Nil
Restriction in interest	Nil
Audited net book value	Not privy

As at the LPD, Antara, Genting Highlands is under construction and development (with approximately 88% completion), with expected completion by first quarter of 2025. Therefore, the vacant possessions of the Revised Subject Properties have not been obtained at this juncture.

For shareholders' information, the Initial Purchase Consideration for the Acquisition was arrived at, on a willing buyer willing seller basis, after taking into consideration the market value of the Subject Properties of RM143,000,000 (assuming the Subject Properties are completed in accordance to the approved building plans and specifications and fully furnished in good workmanship as set out in the circular dated 11 June 2021) as appraised by the Independent Valuer in its valuation report dated 16 March 2021. For information purposes, the Initial Purchase Consideration was satisfied via a combination of funds raised from the Rights Issue with Warrants (which was completed on 30 September 2021) and internally generated funds.

2.2 Basis and justification of arriving at the Revised Purchase Consideration

The Revised Purchase Consideration of RM82.98 million for 73 units was mutually arrived at between the Parties after taking into consideration the original basis of the Initial Purchase Consideration (which was calculated based on the market value of the Subject Properties of RM143.00 million for 126 units as appraised by ON Valuation) and after taking into consideration the market value of the Revised Subject Properties of RM102.10 million as appraised by the Independent Valuer on 20 June 2024.

Based on the valuation by ON Valuation dated 20 June 2024, the Revised Subject Properties were valued as 73 units of assumed completed serviced apartments at RM102,100,000 using a two-tiered adjustment method. Under the first tier, the Comparison Approach and the Investment Method, Income Approach were adopted to determine the value of a single unit of the 73 units forming the Revised Subject Properties. Under the second tier, adjustments were made to the value of the single unit to reflect the dissimilarities between floor/ level, floor area, and special features i.e. sky deck floor unit(s) and private whirlpool. A higher reliance was placed on the Comparison Approach as there are reliable sale comparables available for analysis. The market value of the Subject Properties represents the aggregate of the individual values of the 73 units less en-bloc discount, i.e. discount to reflect the bulk purchase of 73 units by a single purchaser. Based on its valuation report dated 25 July 2024, ON Valuation has estimated the en-bloc discount from the Revised Subject Properties to be approximately 11.11%.

The direct comparison approach was adopted as the secondary check whereby broad adjustments were made to reflect dissimilarities between the bulk-purchase transactions and the Revised Subject Properties. For information purposes, the direct comparison approach provides an indication of value by comparing the property with market evidences of identical or comparable properties for which price information is available, such as a comparison with market transaction in the same, or closely similar, type of property within an appropriate time horizon where dissimilarities exist, adjustments are made.

Further details on the computation of the Revised Purchase Consideration is as set out below:-

Description	RM	
Total paid as at the LPD by Kantara	94,365,500.00	A
Total Developer's LAD Kantara	14,287,000.00	B
One-off discount on Developer's LAD	2,900,500.00	C
Total forfeiture net of discount (B - C)	11,386,500.00	D
Revised Purchase Consideration (A - D)	82,979,000.00	

The Board is of the view that the Revised Purchase Consideration of RM82.98 million for 73 units is deemed reasonable at this juncture premised on the following:-

- i. the rationale and benefits of the Proposed Variation as set out in **Section 4** of this Circular;
- ii. the future prospects of the Revised Subject Properties and its strategic location in close proximity to the leisure and tourism destination, Genting Highlands, as set out in **Section 5.4** of this Circular; and
- iii. the Revised Purchase Consideration of RM82.98 million represents a discount of 18.73% over the market value of the Revised Subject Properties of RM102.10 million as at 20 June 2024 as appraised by ON Valuation, hence allowing the Company to achieve its initial objective of selling the Revised Subject Properties for capital gains and leasing out the Revised Subject Properties as vacation rental for rental income.

2.3 Source of funding and additional financial commitment required

For the avoidance of doubt, Kantara is not required to make any payments in relation to the Revised Purchase Consideration. The Revised Purchase Consideration will be deemed settled upon the approval of the shareholders of Kanger. In the event the Proposed Variation does not materialise, Kantara will not be entitled to receive the 73 units. For information purposes, in the event the Proposed Variation does not materialise, the SPA will continue to govern unamended, pursuant to which Developer has right to terminate SPA and forfeit the Developer's LAD of RM14,287,000. In the event the Developer does not terminate the SPA, the Developer shall be entitled to interest at the rate of 10% per annum calculated on a daily basis on the actual days elapsed based on 365 day year on such unpaid amount which shall commence immediately at the expiration of 30 days after the amount is due as set out in the table in **Section 2** above.

Additionally, there is no additional financial commitment required by Kanger for the Proposed Variation.

2.4 Information on the Developer

Aset Kayamas Development Sdn Bhd (formerly known as Aset Kayamas Sdn Bhd) was incorporated on 11 January 2011 in Malaysia under the Companies Act, 1965 as a private company limited by shares. It is principally involved in investment holding and property development activities.

The details of the shareholders and the directors together with their respective direct and indirect shareholdings in AKDSB as at the LPD are as follows:-

Directors	Designation	Nationality	Direct		Indirect	
			No. of shares	%	No. of shares	%
Tan Sri Datuk Chai Kin Kong	Director	Malaysian	42,999,999	100	-	-
Chai Woon Yun	Director	Malaysian	-	-	-	-
Chai Woon Huai	Director	Malaysian	1	neg.	-	-

3. DETAILS OF THE PROPOSED CAPITAL REDUCTION

The Proposed Capital Reduction entails the reduction of the issued share capital of Kanger pursuant to Section 116 of the Act via the cancellation of the Company's paid-up share capital, which is substantially unrepresented by available assets of RM255.00 million. The corresponding credit of RM255.00 million arising from the Proposed Capital Reduction will be utilised to eliminate the accumulated losses of the Company while the balance, if any, will be credited to the retained earnings (or distributable reserve) account of the Company which may be utilised in such manner as the Board deems fit, as permitted by the relevant and applicable laws, the Listing Requirements as well as the Company's Constitution.

As at the LPD, the total issued share capital of Kanger is RM464,504,536 comprising of 761,581,371 Kanger Shares. As at the LPD, the Company does not retain any treasury shares. In addition, the Company has 169,951,156 outstanding Warrants B and no outstanding SIS Options granted that are not exercised. The Company does not intend to grant any SIS Options prior to the completion of the Proposed Capital Reduction.

Further, the Company had on 29 December 2023, announced the private placement of up to 20% of the total number of issued shares of Kanger ("**Placement Share(s)**") to third party investor(s) to be identified later at an issue price to be determined later ("**Private Placement**"). The Private Placement was approved by the shareholders of Kanger on 26 March 2024. As at the LPD, the Company has placed out 30,000,000 Placement Shares and may place out a remaining 150,306,505 Placement Shares ("**Remaining Placement Share(s)**") pursuant to the Private Placement. For shareholders' information, Bursa Securities had, vide its letter dated 19 August 2024, resolved to grant the Company an extension of time of 6 months from 19 August 2024 to 18 February 2025 for the implementation of the Private Placement.

For the avoidance of doubt, the Proposed Capital Reduction will not result in:-

- i. any adjustment to the reference share price of the Shares; and
- ii. any change in the total number of Shares in issue or the number of Shares held by the shareholders of the Company.

For illustrative purposes, the pro forma effects of the Proposed Capital Reduction on the accumulated losses of the Group based on the latest audited consolidated financial statements of Kanger Group for the 18-month FPE 30 September 2023 and the latest unaudited financial results for the 9-month FPE 30 June 2024 are set out below:-

	Audited		Unaudited	
	18-month FPE 30 September 2023		9-month FPE 30 June 2024	
	Company RM'000	Group RM'000	Company RM'000	Group RM'000
Accumulated losses	(253,410)	(178,674)	(256,804)	(247,445)
Add: Credit arising from the Proposed Capital Reduction	255,000	255,000	255,000	255,000
(Less): Estimated expenses for the Proposed Capital Reduction	(145)	(145)	(145)	(145)
Resultant retained earnings/ (accumulated losses)	1,445	76,181	(1,949)	7,410

Upon the approval of the shareholders by way of a resolution at an EGM to be convened, an application will be filed in the Kuala Lumpur High Court to seek an Order to confirm the said resolution to reduce the share capital pursuant to Section 116 of the Act.

The effective date of the Proposed Capital Reduction shall be as at the successful lodgement date to the Registrar of Companies of the Kuala Lumpur High Court Order confirming the share capital reduction pursuant to Section 116(6) of the Act.

4. RATIONALE AND JUSTIFICATION FOR THE PROPOSALS

4.1 Proposed Variation

On 24 February 2021, the Group had initially entered into the SPA to acquire the Subject Properties. Subsequently, the Group made several progress payments, with the latest payment being made on 2 November 2023. However, due to unforeseen circumstances and prevailing market conditions, the Group was unable to secure the necessary funding for both expansion and working capital requirements, despite best efforts made. Hence, the Group was not able to fulfil the remaining progress payments. Further, the Group had been restructuring its business in the past 2 years to focus on the construction segment and its related products along with property investment and management segment, which has led to financial strain on the Group's financial position at that point of time. For the past 2 financial years up to the 18-month FPE 30 September 2023, Kanger recorded LAT of RM151.53 million and RM13.14 million respectively. The LAT recorded during the 18-month FPE 30 September 2023 was mainly attributable to non-recurring expenses incurred such as impairment loss on trade receivables of RM6.38 million and share-based payments granted to employees of the Company of RM4.69 million.

The Proposed Variation presents an opportunity for the Group to reach a fair settlement, amidst significant uncertainties surrounding the outlook of the property market in Malaysia and risks in relation to Kantara's ability to fulfil its obligations under the SPA given the financial difficulties currently experienced by Kanger Group. Notwithstanding that the number of units of the Subject Properties to be acquired is lower than the number originally envisaged, the Proposed Variation still provides an opportunity for the Group to meet the objective that it originally set to achieve when embarking on the Acquisition (i.e. to sell the Revised Subject Properties for capital gains and pending such sale, the Group may lease out the Revised Subject Properties as vacation rental for rental income).

Based on the valuation by ON Valuation dated 20 June 2024, the Revised Subject Properties were appraised at RM102.10 million for 73 units of assumed completed serviced apartments, using a comparison approach and investment method, income approach. The Revised Purchase Consideration of RM82.98 million represents a discount of 18.73% over the market value of the Revised Subject Properties of RM102.10 million as at 20 June 2024 as appraised by ON Valuation, hence allowing the Company to achieve its initial objective of selling the Revised Subject Properties for capital gains and leasing out the Revised Subject Properties as vacation rental for rental income. The possible capital gain through the future sale of the Revised Subject Properties will justify the forfeiture sum (subject to prevailing property market conditions after the completion of the Revised Subject Properties). As such, Kanger Group is still able to enjoy the capital gains from the Revised Subject Properties through future resales as well as rental income which may allow the Group to further improve the financial performance of the Group.

In summary, the Board opines that it is in the best interest of the Group to undertake the Proposed Variation which provides the Group with a viable settlement option albeit at a lower number of units as compared to the number originally envisaged under the SPA, given the uncertainty in the outlook of the economy and property market as well as the risks surrounding Kantara's ability to fulfil its obligations under the SPA. Barring any unforeseen circumstances and premised on the above, the Board opines that the Proposed Variation is expected to contribute positively to the Group's financial performance moving forward.

4.2 Proposed Capital Reduction

The Proposed Capital Reduction will eliminate Kanger's accumulated losses via reduction and cancellation of the current issued share capital of the Company to more accurately reflect the value of the underlying assets and the financial position of the Company and enhance the financial profile of Kanger Group with its bankers, customers, suppliers, investors, and other stakeholders of Kanger Group following the elimination of the accumulated losses.

5. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS OF KANGER GROUP

5.1 Overview and outlook of the Malaysian economy

Despite the challenging external environment, the Malaysian economy grew by 3.7% in 2023, supported by resilient domestic demand and further recovery in tourism activities. During the year, the economy faced multiple challenges from weak external demand, disruptions in commodity production and higher cost of living, which weighed on household spending. The more moderate growth also reflected normalising conditions from the high base in 2022, which was supported by the reopening of the economy and sizeable policy measures. The confluence of these factors led growth to reach its trough in the second quarter of 2023.

The Malaysian economy is projected to grow between 4%–5% in 2024, driven by continued expansion in domestic demand, and improvement in external demand. Growth will be driven mainly by resilient domestic expenditure, with additional support emanating from the expected recovery in exports. Continued employment and wage growth will remain supportive of household spending. Tourist arrivals and spending are expected to improve further. Investment activity would be driven by continued progress of multi-year projects in both the private and public sectors, with some support from implementation of catalytic initiatives under the national master plans.

Trade activity is expected to recover gradually in tandem with a rebound in global trade. Gross exports are expected to expand (2024: 5%; 2023: -8%), driven by the recovery in global trade and the technology upcycle, supporting E&E and non-E&E exports, as well as higher commodity prices underpinning commodity exports. Gross imports, which contracted in 2023, are also projected to increase. This is attributable mainly to higher intermediate imports and stronger domestic demand for consumption goods, alongside continued expansion in imports of capital goods in tandem with investment growth.

Domestic demand is expected to remain the main driver of growth. Household spending is projected to expand at a faster pace (2024: 5.7%; 2023: 4.7%) supported by improving labour market conditions amid higher income growth and targeted Government assistance. These will partly cushion the impact of the higher cost of living, the implementation of low-value goods (LVG) tax, and the increase in sales and services tax (SST) on household spending.

Private investment is expected to improve (2024: 6.1%; 2023: 4.6%), lifted by further progress in the implementation of multi-year projects, as well as ongoing efforts in automation and digitalisation amid continued capacity expansions. Of significance, the progress of approved projects in recent years is well on track, with 74% of manufacturing projects approved from 2021 to 2023 having been implemented in various stages. Continued public investments in large-scale transport and digital infrastructure projects will also support growth, in addition to ongoing reform efforts by the Government to enhance the investment ecosystem and the implementation of initiatives under the strategic master plans. For example, catalytic projects under the National Energy Transition Roadmap (NETR) such as the Kasawari Carbon Capture and Storage (CCS) by PETRONAS, the Hybrid Hydro-Floating Solar (HHFS) Photovoltaic project by Tenaga Nasional Berhad and installation of Electric Vehicle (EV) charging stations led by Gentari are in progress, and will lend support to investments well beyond 2024.

Improving labour market conditions will continue to provide support to household spending. Employment will continue to expand, with growth trending closer to its historical average, supported by sustained demand for workers amid the ongoing recovery in tourism-related sectors and external trade activity. Coupled with continued expansion in labour force, the unemployment rate is expected to stabilise around its historical average of 3.3%. In line with continued employment growth and stronger production activity to fulfil rising demand, wages are also expected to increase further in 2024.

(Source: Economic and Monetary Review 2023, Bank Negara Malaysia)

5.2 Overview and outlook of the property market in Malaysia

The Malaysian economy expanded by 3.0% in Q4 2023 (Q3 2023: 3.3%; Q2 2023: 2.9%), supported by expansion in domestic demand, improving labour market conditions, growth in investment activity, commodities and services sectors. Overall, the 2023 growth for the Malaysian economy normalised to 3.7%, after a strong growth registered in the previous year (2022: 8.7%).

Despite a challenging global financial and economic environment, the property market stayed resilient in 2023 supported by positive performance in all sub-sectors except agriculture compared to the previous year. In 2023, total transactions volume and value increased by 2.5% and 9.9% respectively to 399,008 transactions worth RM196.83 billion (2022: 389,107 transactions; RM179.07 billion; 2021: 300,497 transactions; RM144.87 billion). The residential sub-sector continued to contribute the largest share of transactions, recorded a marginal increase in both volume and value.

The industrial sub-sector recorded moderate growth in 2023, remained positive since Q3 2023 (increased by 10.7%), after experienced negative growth in first half 2023 (declined by 2.5%). It is in tandem to Department of Statistics Malaysia (DOSM), Malaysia's Industrial Production Index (IPI) for the year of 2023, which registered a marginal growth of 0.9% in 2023 as compared to 6.7% in 2022. All sectors posted positive growth namely electricity (2.5%); mining (0.8%) and manufacturing (0.7%).

Foreign Direct Investment ("FDI") in Malaysia recorded a higher net inflow of RM926.30 billion in Q4 2023 as compared to Q3 2023 (RM914.90 billion). These investments were channelled mainly into the services sector with a value of RM468.40 billion (50.6%), followed by manufacturing (RM390.80 billion; 42.2%) and mining and quarrying (RM42.1 billion; 4.5%). The top three countries for FDI position were Singapore (RM207.70 billion; 22.4%), and Hong Kong (RM113.30 billion; 12.2%) and the United States of America (RM97.40 billion; 10.5%). Thus, the relaxation of Malaysia My Second Home (MM2H) program which was announced by the Government in December 2023 is on the right track to boost foreign investment in Malaysia particularly in real estate sector.

According to Malaysia Institute of Economic Research (MIER), the Consumer Sentiments Index (CSI) improved cautiously in Q4 2023, increased to 89.4 points (Q3 2023: 78.9 points), CSI still maintain in positive manner due to expected finances and employment improved, and expected inflation among consumers remains cautious and planned consumer spending bounce back. Correspondingly, Business Conditions Index (BSI) indicate similar trend, as the index increased to 89.0 points (Q3 2023: 79.7 points). The business confidence has increased in Q4 2023, mainly due to a rise in capital investment and Expected Index (EI) has improved. Contrarily, sales with both domestic and external orders reduced. Both CSI and BSI, on the same note, approaching the optimism 100 points threshold.

The growth in 2023 property market is highly supported by the implementation of various government initiatives and assistance and improving labour market conditions. Several initiatives which outlined under Budget 2023 by the government to a certain extent helped improve property market activities.

1. Full stamp duty exemption on instrument of transfer and loan agreement for the purchase of the first residential home priced up to RM500,000 by Malaysia citizens remained until 31 December 2025.
2. Increase of stamp duty remission from 50% to 75% for the purchase of the first residential properties priced between RM500,000 to RM 1 million by Malaysian citizens and applicable for sale and purchase agreements executed until 31 December 2023.
3. Full stamp duty exemption up to RM1 million and 50% stamp duty remission for the remaining balance on transfers of property by way of love and affection between family members (father to child and grandfather to grandson).
4. Allocation of RM460.2 million for the building of new homes and home renovations in rural areas.
5. Allocation of RM389.5 million will be channelled to the People's Housing Programme.
6. Allocation of RM358 million for the construction of affordable homes under Rumah Mesra Rakyat programme by Syarikat Perumahan Negara Berhad.
7. Allocation of RM462 million for the construction of 23,000 houses under Projek Perumahan Awam Malaysia.
8. Increase the guarantees of up to RM5 billion via Syarikat Jaminan Kredit Perumahan (SJKP) in assisting gig workers such as e-hailing workers in obtaining home financing up to RM500,000.

Overnight Policy Rate was stagnant at 3.0% since May 2023, after an increase by 0.25 basis points from 2.75%, last increased in November 2022. The monetary policy stance remains supportive of the economy and is consistent with the current assessment of the inflation and growth prospects, vigilant to ongoing developments to inform the assessment on the outlook of domestic inflation and growth as well as conducive to sustainable economic growth amid price stability. The current level of borrowing rate is seen heading to pre-pandemic rate at 3.00% in 2019, which the latest announced was in 24 January 2024.

On the demand side, mixed movements are shown in the indicators of residential and non-residential property demand. The loan applications for residential purchase indicate a slight decline of 0.7% as compared to 2022 (28.7%) whilst loan approvals increased marginally by 3.1%. Nevertheless, the situation differs for non-residential property where loan applications and approval managed to register an increase of 29.6% and 14.8% respectively.

(Source: Property Market Report 2023, Valuation and Property Services Department Malaysia, Ministry of Finance Malaysia)

5.3 Overview and outlook of the construction industry in Malaysia

Higher growth is expected in the construction sector (6.7%; 2023: 6.1%), driven by continued activities in the civil engineering, special trade and residential subsectors. This will be supported by new and ongoing large infrastructure and small-scale projects under the Budget 2024, NIMP 2030 and NETR. Meanwhile, growth in residential subsector will be driven by new housing launches amid further improvement in housing demand.

(Source: Economic and Monetary Review 2023, Bank Negara Malaysia)

The value of work done in the construction sector amounted to RM38.9 billion (Q1 2024: RM36.8 billion) in the second quarter of 2024, which accelerated further by 20.2% following a 14.2% increase in the previous quarter. Meanwhile, a quarter-on-quarter comparison showed the value of work done grew 5.7% in the second quarter of 2024.

The increment of the construction sector in the second quarter of 2024 was driven by positive momentum in all sub-sectors. The growth was spearheaded by the buoyant performance of the civil engineering and residential buildings sub-sectors, which posted substantial double-digit increases of 25.2% (Q1 2024: 24.7%) and 19.7% (Q1 2024: 11.5%), respectively. Additionally, the growth of this sector was further bolstered by a robust 44.9% (Q1 2024: 11.8%) expansion in the special trade activities sub-sector.

The sub-sector of non-residential buildings also gained momentum, expanding by 7.2% (Q1 2024: 3.8%). The special trades activities and residential building sub-sectors both experienced double-digit increases in a quarter-on-quarter comparison of 16.8% (Q1 2024: 12.4%) and 13.0% (Q1 2024: 9.2%) respectively. In the meantime, non-residential buildings remained increased by 4.4% (Q1 2024: 7.9%).

Meanwhile, the civil engineering sub-sector recorded grew modestly by 0.4% (Q1 2024: 5.8%). The civil engineering sub-sector remained as the main contributor to the overall value of construction work done, holding the largest share of 39.0%. This was followed by non-residential buildings sub-sector with a share of 27.4%. In the meantime, the residential buildings and special trade activities sub-sectors contributed 22.6% and 11.0% respectively.

Selangor recorded the highest value of construction work done at RM8.7 billion or 22.4%. Meanwhile, Johor ranked second with a value of RM5.4 billion or 13.8%. In the meantime, the value of work done in Sarawak was RM4.5 billion (11.7%), while Wilayah Persekutuan recorded RM4.3 billion (11.2%). These four states collectively made up RM22.9 billion or 59.0% of the total value work of done.

The private sector remained the primary driver of growth in the construction sector, contributing RM23.6 billion or 60.8% of the total value. The private sector sustained its double-digit momentum with a 15.8% growth (Q1 2024: 10.1%). Meanwhile, the value of work done owned by the public sector registered a strong increase of 27.8% (Q1 2024: 20.6%) to RM15.3 billion (share: 39.2%).

The value of work done in residential buildings and non-residential buildings sub-sectors remained significant in the project owned by the private sector which contributed 35.0% (RM8.3 billion) and 34.4% (RM8.1 billion) respectively. Meanwhile, the project owned by the public sector was underpinned by the civil engineering sub-sector with a share of 71.8% (RM11.0 billion).

(Source: Quarterly Construction Statistics Second Quarter of 2024, Department of Statistics Malaysia)

5.4 Prospects of Kanger Group

Presently, Kanger Group operates primarily through its manufacturing, trading and project management services business, which has been the Group's key revenue contributor for the 18-month FPE 30 September 2023, contributing RM77.72 million to the Group.

As illustrated in **Section 2.1** of this Circular, the Revised Subject Properties are strategically situated in the well-known leisure and tourism destination, Genting Highlands. It is located along the western boundary of Jalan Genting Sempah-Genting Highlands travelling from Genting Sempah towards Genting Highlands, with the subject site approximately 1 kilometre to Resorts World Genting, Genting Highlands. It is approximately 8 kilometres from the Gohtong Jaya roundabout and is directly accessible from Jalan Genting Sempah-Genting Highlands.

The immediate locality is a mixture of leisure and tourism properties in nature interspersed with serviced residences and plots of vacant development land. Notable landmarks within the immediate radius are Chin Swee Caves Temple, Awana Skyway Chin Swee station, Cradle Rock Genting Highlands, Peacehaven, Ria Apartments, Kayangan Apartments and Genting Highlands Fire and Rescue Station. Other notable landmarks nearby include First World Hotel, Awana SkyWay cable car, Genting Highlands Premium Outlets, SkyAvenue mall and Skytropolis Indoor Theme Park.

As set out in **Section 5.2** of this Circular, the long term prospects of the property market in Malaysia is supported by the sustained economic growth, bolstered by government initiatives such as stamp duty exemptions and subsidies for homebuilding, attracting FDI, ongoing infrastructure development enhancing accessibility and connectivity, stable interest rates and monetary policies influencing borrowing costs and affordability.

Premised on the above, the Board is optimistic of the future prospects of the Revised Subject Properties and anticipates that the Group may be able to sell the Revised Subject Properties to grow property investment and management segment earnings moving forward, which is in line with the Group's objectives to continuously seek for suitable and viable acquisition opportunities in strategic locations to further expand the property investment and management segment.

Notwithstanding the above, and premised on the rationale for the Proposed Variation as set out in **Section 4** of this Circular, the Board opines that it is in the best interest of the Group to undertake the Proposed Variation to provide the Group with an additional form of revenue.

(Source: Management of Kanger)

6. RISK FACTORS IN RELATION TO THE PROPOSED VARIATION

The potential risk factors relating to the Proposed Variation, which may not be exhaustive, are set out below:-

6.1 Non-fulfilment of the Conditions Precedent

The Proposed Variation is subject to the fulfilment of the Conditions Precedent which include, among others, the approval of the shareholders of Kanger for the Proposed Variation. If Kantara is unable to fulfil any of the Conditions Precedent and/ or perform its obligations in accordance with the terms of the Supplemental SPA, Kantara will not be able to revise the Initial Purchase Consideration to the Revised Purchase Consideration and revise the Subject Properties from 126 units to the 73 units nor settle its breach of payment obligations towards the Initial Purchase Consideration under the SPA to realise the benefits as described in **Section 4.1** of this Circular.

In this regard, the Group will take all reasonable steps to fulfil the Conditions Precedent under its responsibility within the stipulated timeframe and perform its obligations in accordance with the terms of the Supplemental SPA in a timely manner.

6.2 Investment risk

The investment risk factor in respect of the Acquisition also applies to the Proposed Variation of which has been extracted from the Initial Circular:-

Although the Acquisition is expected to contribute positively to the future earnings of the Group, there is no assurance that such anticipated benefits will be realised. In addition, any decline in economic conditions or the property market in Malaysia, may affect the potential benefits to be derived from the Acquisition. As such, the duration required for the Group to recoup its investment may be longer than anticipated.

Nevertheless, the Group has made efforts to mitigate the above risks by adopting prudent investment strategies and conducting detailed assessments and reviews of Antara, Genting Highlands containing the Revised Subject Properties and the comparable properties in the surrounding area prior to making its investment decision.

7. EFFECTS OF THE PROPOSALS

7.1 Issued share capital and substantial shareholders' shareholdings

The Proposed Variation will not have any effect on the issued share capital and the Proposals will not have any effect on the substantial shareholders' shareholdings in the Company as it does not involve any issuance of new Shares.

For illustration purposes, the pro forma effects of the Proposed Capital Reduction on the issued share capital of the Company are set out below:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM'000	No. of Shares	RM'000
Issued share capital as at the LPD	761,581,371	464,505	761,581,371	464,505
Assuming full exercise of Warrants B	-	-	169,951,156	84,976
Assuming all remaining Placement Shares are issued	-	-	150,306,505	6,087 ^{*1}
	761,581,371	464,505	1,081,839,032	555,568
Reduction of the issued share capital pursuant to the Proposed Capital Reduction	-	(255,000)	-	(255,000)
Resultant issued share capital	761,581,371	209,505	1,081,839,032	300,568

Note:-

^{*1} Computed based on the illustrative issue price of RM0.0405 per Placement Share, representing a discount of 10.00% to the 5-day VWAP of Kanger Shares up to and including the LPD of RM0.0450 per Share

7.2 NA per Share and gearing level

Barring any unforeseen circumstances, the Proposed Variation is not expected to have any immediate material effect on the NA and gearing level of Kanger Group for the FYE 30 September 2024.

For illustration purposes, based on the latest audited consolidated financial statements of the Group for the 18-month FPE 30 September 2023, the pro forma effects of the Proposed Capital Reduction on the NA and gearing level of the Group are set out below:-

Minimum Scenario

		I	II
	Audited as at 30 September 2023	Subsequent adjustments up to the LPD ^{*1}	After I and the Proposed Capital Reduction
	RM'000	RM'000	RM'000
Share capital	427,561	464,505	209,505 ^{*2}
Reserves	39,119	39,119	39,119
Retained earnings/ (accumulated losses)	(178,674)	(178,674)	76,181 ^{*3}
Shareholders' fund/ NA	288,006	324,950	324,805
Non-controlling interest	5,106	5,106	5,106
Total equity	293,112	330,056	329,911
No. of Shares in issue ('000)	649,868	761,581	731,581
NA per Share (RM)	0.44	0.43	0.44
Total borrowings (RM'000)	2,241	2,241	2,241
Gearing ratio (times)	0.01	0.01	0.01

Notes:-

^{*1} After adjusting for the following:-

- i. the issuance of 31,213,369 Shares at the issue price of RM0.058 per Share pursuant to the exercise of SIS Options, which was listed on 12 January 2024;
- ii. the issuance of 50,500,000 Shares at the issue price of RM0.058 per Share pursuant to the exercise of SIS Options, which was listed on 16 January 2024; and
- iii. the issuance of 30,000,000 Shares at the issue price of RM0.0535 per Share pursuant to the Private Placement, which was listed on 1 July 2024

^{*2} After cancellation of RM255.00 million from the share capital of the Company

^{*3} After deducting estimated expenses pertaining to the Proposals of RM145,000

Maximum Scenario

		I	II	III
	Audited as at 30 September 2023	Subsequent adjustments up to the LPD ^{*1}	After I and assuming all Warrants B are exercised and all Remaining Placement Shares are placed out ^{*2}	After II and the Proposed Capital Reduction
	RM'000	RM'000	RM'000	RM'000
Share capital	427,561	464,505	555,568	300,163 ^{*3}
Reserves	39,119	39,119	200	200
Retained earnings/ (accumulated losses)	(178,674)	(178,674)	(178,674)	76,181 ^{*4}
Shareholders' fund/ NA	288,006	324,950	377,094	376,544
Non-controlling interest	5,106	5,106	5,106	5,106
Total equity	293,112	330,056	382,200	381,650
No. of Shares in issue ('000)	649,868	761,581	1,081,839	1,081,839
NA per Share (RM)	0.44	0.43	0.35	0.34
Total borrowings (RM'000)	2,241	2,241	2,241	2,241
Gearing ratio (times)	0.01	0.01	0.01	0.01

Notes:-

^{*1} After adjusting for the following:-

- the issuance of 31,213,369 Shares at the issue price of RM0.058 per Share pursuant to the exercise of SIS Options, which was listed on 12 January 2024;
- the issuance of 50,500,000 Shares at the issue price of RM0.058 per Share pursuant to the exercise of SIS Options, which was listed on 16 January 2024; and
- the issuance of 30,000,000 Shares at the issue price of RM0.0535 per Share pursuant to the Private Placement, which was listed on 1 July 2024

^{*2} Assuming all 169,951,156 Warrants B are exercised at the exercise price of RM0.50 per Warrant B and full issuance of 150,306,505 Placement Shares at an illustrative issue price of RM0.0405 per Placement Share

^{*3} After cancellation of RM255.00 million from the share capital of the Company

^{*4} After deducting estimated expenses pertaining to the Proposals of RM145,000

7.3 Earnings and EPS

The Proposals will not have any material effect on the consolidated earnings and EPS of Kanger Group for the FYE 30 September 2025.

7.4 Convertible securities

Save for the outstanding Warrants B, the Company has no other outstanding convertible securities. As at the LPD, there are no outstanding SIS Options granted that are not exercised. The Company does not intend to grant any SIS Options prior to the completion of the Proposals.

For the avoidance of doubt, the Proposals will not result in any adjustment to the conversion price or exercise price (as the case may be) or the number of Warrants B and SIS Options.

8. PERCENTAGE RATIO

Pursuant to Rule 10.02(g) of the Listing Requirements, the highest percentage ratio applicable to the Proposed Variation is approximately 28.81% computed based on the Revised Purchase Consideration of RM82.98 million for the Subject Properties, as compared with the audited NA of Kanger Group as at 18-month FPE 30 September 2023 of RM288.01 million.

9. APPROVALS REQUIRED/ OBTAINED AND CONDITIONALITY

The Proposals are subject to the following:-

- i. the approvals of the shareholders of Kanger at the EGM to be convened;
- ii. the confirmation from the Kuala Lumpur High Court pursuant to Section 116 of the Act for the Proposed Capital Reduction; and
- iii. the approvals of any other relevant authorities and/ or parties, if required.

The Proposed Variation is not conditional upon the Proposed Capital Reduction, and vice versa.

The Proposals are not conditional upon any other corporate proposals undertaken or to be undertaken by the Company.

10. PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals and the Private Placement, there are no other corporate exercises which have been announced but not yet completed prior to the date of this Circular.

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

None of the Directors, major shareholders of Kanger and/ or persons connected with them have any interest, whether direct or indirect, in the Proposals.

12. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, after having considered all aspects of the Proposals, including but not limited to the rationale and financial effects of the Proposals, is of the opinion that they are in the best interest of the Company.

Accordingly, the Board recommends that you **vote in favour** of the resolutions pertaining to the Proposals to be tabled at the Company's forthcoming EGM.

13. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposals are expected to be completed by the first quarter of 2025.

14. EGM

The EGM, the notice of which is enclosed in this Circular, will be conducted on a virtual basis through live streaming and online remote voting via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn Bhd from the broadcast venue at Registered Office, No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) on Wednesday, 27 November 2024 at 9.00 a.m., or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the resolutions to give effect to the Proposals.

If you are unable to attend, participate and vote in person at the EGM, you may appoint a proxy or proxies to attend, participate and vote on your behalf by completing, signing and returning the enclosed Form of Proxy in accordance with the instructions contained therein as soon as possible, so as to arrive at the registered office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or email to ir@shareworks.com.my not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll or at any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending, participating and voting at the virtual EGM should you subsequently decide to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

15. FURTHER INFORMATION

Shareholders are advised to refer to the appendices set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
KANGER INTERNATIONAL BERHAD

WU WAI KONG
Executive Director

1. Liquidated Damages

As a result of Kantara's failure to pay the balance of the Initial Purchase Consideration to the Developer as per the SPA, the Developer is entitled to forfeit 10% of the Initial Purchase Consideration amounting to RM14,287,000.00 as liquidated damages ("**Developer's LAD**").

The Developer agrees to grant to Kantara a discount of RM2,900,500 only (hereinafter referred to as the "**Discount**") against the Developer's LAD. The Parties hereby agree that Kantara's Partial Payment shall be utilised to full and finally settle the following:-

- a. the Developer's LAD after Discount amounting to RM11,386,500.00 ("**Developer's LAD after Discount**"); and
- b. the balance Partial Payment of RM82,979,000.00 towards full and final settlement of the Initial Purchase Consideration as amended by the Supplemental SPA.

The settlement of all the Developer's claims towards the Developer's LAD and payment of the Initial Purchase Consideration as envisaged in the Supplemental SPA shall be deemed effective on the date the last of the approvals in **Section 3**, Appendix I below being obtained ("**Unconditional Date**"). The Parties agree that there is no amount outstanding owed by Kantara to the Developer.

2. Variation to SPA

The salient changes to the terms of the SPA are as follows:-

SPA	Supplemental SPA
The Developer has agreed to sell and Kanger has agreed to purchase <u>126 parcels of units</u> with vacant possession in the proposed Block A of the said Development more particularly described in " <u>Annexure D</u> " of the SPA and more particularly delineated in green in the storey plan of Annexure C of the SPA, wherein the measurement of each unit in Block A are more particularly described in <u>Annexure D of the SPA</u> (hereinafter referred to as the "Kanger Units") together with the accessory parcel more specifically delineated in blue as annexed in " <u>Annexure C</u> " of the SPA into the name of Kanger, subject to the terms and conditions hereinafter contained	The Developer has agreed to sell and Kanger has agreed to purchase <u>73 parcels of units</u> with vacant possession in the proposed Block A of the said Development more particularly described in " <u>Annexure D</u> " of the Supplemental SPA and more particularly delineated in green in the storey plan of Annexure C of the Supplemental SPA, wherein the measurement of each unit in Block A are more particularly described in <u>Annexure D of the Supplemental SPA</u> (hereinafter referred to as the "Kantara Units") together with the accessory parcel more specifically delineated in blue as annexed in " <u>Annexure C</u> " of the Supplemental SPA, subject to the terms and conditions contained in the Supplemental SPA.
The Parties agree that the total consideration of all the Kanger Units is <u>RM142,870,000.00</u> only (hereinafter referred to as the "Total Consideration Sum") <u>which is payable to the Developer in the manner as provided in Annexure E of the SPA</u> . The Developer agrees to sell and transfer ownership of the Kanger Units to Kanger and/ or its nominees subject to all conditions whether expressed or implied in the issue document of title of the said Land and subject to all terms and conditions herein appearing	The Parties agree that the total consideration of all the Kantara Units is <u>RM82,979,000.00</u> only (hereinafter referred to as the "Total Consideration Sum") <u>which is acknowledged and received by the Developer</u> . The Developer agrees to sell and transfer ownership of the Kantara Units to Kantara and/ or its nominees subject to all conditions whether expressed or implied in the issue document of title of the said Land and subject to all terms and conditions herein appearing. <u>For the avoidance of doubt, there is no amount outstanding owed to the Developer</u>
Annexure C of the SPA	Annexure C of the SPA shall be replaced entirely as per Appendix A of the Supplemental SPA

APPENDIX I – SALIENT TERMS OF THE SUPPLEMENTAL SPA (CONT'D)

SPA	Supplemental SPA
Annexure D of the SPA	Annexure D of SPA shall be replaced entirely with Appendix B of the Supplemental SPA
Annexure E of the SPA	Annexure E of the SPA shall be deleted All mention of the reference "Kanger" in the SPA shall be replaced with "Kantara"

3. Conditions Precedent

The Parties expressly agree that, where applicable, the amendment to the SPA as per the Supplemental SPA is subject to the fulfilment of the following conditions precedent ("**Conditions Precedent**") which shall be satisfied within 5 months from the date of the Supplemental SPA ("**Long Stop Date**") and each Party shall provide to the other party all such documentary evidence and/ or written consent or waiver of such fulfilment of conditions precedent (as the case may be):

- a. approval from shareholders of Kanger in an EGM for the Parties to amend the SPA as per item 2 above ("**Shareholders' Approval**");
- b. approval from Bursa Securities on the valuation report on the amended Kantara Units as per the Supplemental SPA ("**Valuation Approval**"); and
- c. any approval required by Kanger, pursuant to any order, law, rules, regulations or directives of any governmental authorities or any listing requirements or by operation of law for the purpose of the Supplemental SPA ("**Other Authorities' Approvals**").

Upon obtaining the Shareholder's Approval, Kantara shall forthwith but in any event not later than 5 business days from obtaining the Shareholder's Approval inform the Developer in writing.

4. Non-fulfillment of Conditions Precedent

In the event the Conditions Precedent cannot be satisfied by the expiry of the Long Stop Date, the Parties agree that there shall be an automatic extension of the Long Stop Date for a further 3 months from the expiry of the Long Stop Date ("**Extended Long Stop Date**"). Any further extension therewith shall be subject to mutual agreement between the Parties.

If the Conditions Precedent has not been fulfilled on the expiry of the Extended Long Stop Date and no further extension is mutually agreed upon, then either Party shall be entitled to terminate this Supplemental SPA by serving a written notice to the other Party whereupon:

- a. the Supplemental SPA shall lapse and cease to have any further force or effect neither Party shall have any claim against each other under the Supplemental SPA save and except for antecedent breaches;
- b. the obligations of the Parties under the SPA shall continue to have effect and the Parties shall respectively continue to be bound to perform its obligations therein contained; and
- c. the SPA shall remain without the amendments contained in the Supplemental SPA.

For the avoidance of doubt, the Developer shall not call an event of default and/ or terminate the SPA and/ or require any payment under the SPA before the expiry of during the Long Stop Date, Extended Long Stop Date and any other extension mutually agreed between the Parties.

**On Valuation Sdn. Bhd.**

(formerly known as Fortis Real Estate Sdn. Bhd.)

REGISTERED VALUERS**Company No. 201901022119 (1331448-X) Service Tax No: W10-2103-32000042****Address:** Aurora SOVO 1-9-13, Level 9, Plaza Bukit Jalil, No. 1, Persiaran Bukit Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur.**Email:** corporate@onfortis.com.my **Tel:** 03-5033 2725**Website:** www.onfortis.com.my

Your Ref: -

Our Ref.: V/24/008/SC

25th July 2024**Kanger International Berhad**

No. 1 & 3, Jalan Alfa Impian 2

Taman Perindustrian Alfa Impian

43300 Balakong

Selangor Darul Ehsan

Attention: The Board of Directors

Dear Sir/Madam,

VALUATION CERTIFICATE OF:-**73 UNITS OF ASSUMED COMPLETED SERVICED APARTMENTS LOCATED ON 37TH TO 45TH FLOORS OF TOWER A, ANTARA, GENTING HIGHLANDS ("THE SUBJECT PROPERTY"), SITED ON LOT NO. 43031, LOCALITY, MUKIM AND DISTRICT OF BENTONG, PAHANG DARUL MAKMUR HELD UNDER TITLE NO. GRN 45572**

We were instructed by Kanger International Berhad to advise on the Market Value of a legal interest in 73 units of assumed completed serviced apartments located on 37th to 45th Floors of Tower A, Antara, Genting Highlands, Pahang Darul Makmur vide our Report and Valuation bearing Reference No. V/24/008/SC dated 25th July 2024.

This valuation has been prepared in accordance with your instructions to value the Subject Property for the purpose of submission to Bursa Malaysia Securities Berhad and for inclusion in the circular to shareholders of Kanger International Berhad in relation to the proposed variation of the Subject Property by Kantara Sdn Bhd.

The proposed acquisition of the Subject Property is subject to the terms and conditions as specifically set out in the sale and purchase agreement ("SPA") dated 24th February 2021 together with the Deed of Novation dated 12th August 2022 and draft Supplemental to the SPA provided to us by Kanger International Berhad ("Client"). Salient details of which are disclosed under Item 6.0.

Antara, Genting Highlands is an on-going mixed commercial development comprises of 3-level retail/commercial space and 4 blocks of serviced apartment, sited on Lot 43031, Locality, Mukim and District of Bentong, Pahang Darul Makmur held under Title No. GRN 45572, undertaken by Aset Kayamas Sdn Bhd ("Developer"). The Subject Property is 73 units of assumed completed serviced apartments located on 37th to 45th Floors of Tower A, Antara, Genting Highlands. Based on information provided to us, the expected completion of the development is by 1Q 2025.

WE WERE SPECIFICALLY INSTRUCTED BY THE CLIENT TO VALUE THE SUBJECT PROPERTY BASED ON THE FOLLOWING ASSUMPTIONS:-

- A. THE PROPOSED DEVELOPMENT AND THE SUBJECT PROPERTY ARE FULLY COMPLETED IN GOOD WORKMANSHIP IN ACCORDANCE TO THE APPROVED BUILDING PLANS AND SPECIFICATIONS AND ISSUED WITH A CERTIFICATE OF COMPLETION AND COMPLIANCE ("CCC").**
- B. EACH COMPONENT UNIT WILL BE ISSUED WITH A STRATA TITLE WHICH WILL CONVEY AN INTEREST IN PERPETUITY, WITH ALL RELEVANT PREMIUM, CHARGES AND EXPENSES TO BE BORNE BY THE DEVELOPER.**
- C. THE PROPOSED COVERED PEDESTRIAN WALKWAYS ARE FULLY COMPLETED IN ACCORDANCE TO THE PLANS AND SPECIFICATIONS AS APPROVED BY THE RELEVANT AUTHORITIES.**



D. FURNITURE, FIXTURES AND EQUIPMENT (“FFE”) ARE BUILT AND INSTALLED IN GOOD WORKMANSHIP IN ACCORDANCE TO AGREEMENT WITH THE DEVELOPER.

IF ANY PARTY WISHES TO RELY ON THE VALUATION BASED ON THE ASSUMPTIONS AS STATED ABOVE, THE APPROPRIATE PROFESSIONAL ADVICE SHOULD BE SOUGHT SINCE THE VALUE REPORTED IS BASED ON ASSUMPTIONS THAT ARE NOT YET OR FULLY REALISED.

This valuation has been prepared in accordance with 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 and with the necessary professional responsibility and due diligence.

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 where the parties had each acted knowledgeably, prudently and without compulsion”.

Pursuant to this engagement, we inspected the Subject Property and its surrounding area as well as title search on 20th June 2024, conducted planning search on 19th June 2024 and gathered all relevant information for purpose of this valuation.

For all the purposes and intents, this Valuation Certificate should be read in conjunction with our Report and Valuation bearing Reference No. V/24/008/SC dated 25th July 2024. Brief description of the Subject Property and our valuation are outlined as follows:-

1.0 THE SUBJECT OF THIS VALUATION

The interest in perpetuity in 73 units of assumed completed serviced apartments on a fully furnished basis as at 20th June 2024.

Details of the component units forming the Subject Property are tabulated as following:-

No.	Floor / Level	Unit No.	Type	Floor Area
1	37	A-37-09	C2	1,056 sf
2	38	A-38-01	C3	1,066 sf
3	38	A-38-02	C1A	1,030 sf
4	38	A-38-03	B3	806 sf
5	38	A-38-03A	B1A	800 sf
6	38	A-38-05	A	520 sf
7	38	A-38-06	B2	800 sf
8	38	A-38-07	B1	800 sf
9	38	A-38-08	C1	1,030 sf
10	38	A-38-09	C2	1,056 sf
11	39	A-39-01	C3	1,066 sf
12	39	A-39-02	C1A	1,030 sf
13	39	A-39-03	B3	806 sf
14	39	A-39-03A	B1A	800 sf
15	39	A-39-05	A	520 sf
16	39	A-39-06	B2	800 sf
17	39	A-39-07	B1	800 sf
18	39	A-39-08	C1	1,030 sf
19	39	A-39-09	C2	1,056 sf
20	40	A-40-01	C3	1,066 sf
21	40	A-40-02	C1A	1,030 sf
22	40	A-40-03	B3	806 sf
23	40	A-40-03A	B1A	800 sf
24	40	A-40-05	A	520 sf
25	40	A-40-06	B2	800 sf
26	40	A-40-07	B1	800 sf
27	40	A-40-08	C1	1,030 sf
28	40	A-40-09	C2	1,056 sf
29	41	A-41-01	C3	1,066 sf
30	41	A-41-02	C1A	1,030 sf
31	41	A-41-03	B3	806 sf
32	41	A-41-03A	B1A	800 sf
33	41	A-41-05	A	520 sf
34	41	A-41-06	B2	800 sf
35	41	A-41-07	B1	800 sf
36	41	A-41-08	C1	1,030 sf
37	41	A-41-09	C2	1,056 sf

No.	Floor / Level	Unit No.	Type	Floor Area
38	42	A-42-01	C3	1,066 sf
39	42	A-42-02	C1A	1,030 sf
40	42	A-42-03	B3	806 sf
41	42	A-42-03A	B1A	800 sf
42	42	A-42-05	A	520 sf
43	42	A-42-06	B2	800 sf
44	42	A-42-07	B1	800 sf
45	42	A-42-08	C1	1,030 sf
46	42	A-42-09	C2	1,056 sf
47	43	A-43-01	C3	1,066 sf
48	43	A-43-02	C1A	1,030 sf
49	43	A-43-03	B3	806 sf
50	43	A-43-03A	B1A	800 sf
51	43	A-43-05	A	520 sf
52	43	A-43-06	B2	800 sf
53	43	A-43-07	B1	800 sf
54	43	A-43-08	C1	1,030 sf
55	43	A-43-09	C2	1,056 sf
56	43A	A-43A-01	C3	1,066 sf
57	43A	A-43A-02	C1A	1,030 sf
58	43A	A-43A-03	B3	806 sf
59	43A	A-43A-03A	B1A	800 sf
60	43A	A-43A-05	A	520 sf
61	43A	A-43A-06	B2	800 sf
62	43A	A-43A-07	B1	800 sf
63	43A	A-43A-08	C1	1,030 sf
64	43A	A-43A-09	C2	1,056 sf
65	45	A-45-01	C3	1,066 sf
66	45	A-45-02	C1A	1,030 sf
67	45	A-45-03	B3	806 sf
68	45	A-45-03A	B1A	800 sf
69	45	A-45-05	A	520 sf
70	45	A-45-06	B2	800 sf
71	45	A-45-07	B1	800 sf
72	45	A-45-08	C1	1,030 sf
73	45	A-45-09	C2	1,056 sf



2.0 LOCATION AND NEIGHBOURHOOD

Location of the Subject Site The Subject Site is situated at the well-known leisure and recreational destination, Genting Highlands. Sited along the western boundary of Jalan Genting Sempah-Genting Highlands travelling from Genting Sempah towards Genting Highlands, the Subject Site about 5,412 feet above sea level and approximately 1 kilometre to Resorts World Genting ("RWG"), Genting Highlands. It is approximately 8 kilometres from Gohtong Jaya roundabout and is directly accessible from Jalan Genting Sempah-Genting Highlands.

The Subject Site is situated approximately 230 kilometres to the west of Kuantan and 235 kilometres to Bandar Indera Mahkota, accessible via the Kuala Lumpur-Karak Highway. Bentong town is approximately 55 kilometres due north-east from the Subject Site. Janda Baik and Bukit Tinggi are approximately 30 kilometres and 35 kilometres from the Subject Site respectively.

Surrounding Neighbourhood The immediate locality is a mixture of leisure and commercial properties in nature interspersed with residential developments and plots of vacant development land. Notable landmarks within the immediate radius are Chin Swee Caves Temple, Awana SkyWay Chin Swee Station, Cradle Rock Genting Highlands, Ria Apartment, Kayangan Apartment and Genting Highlands Fire and Rescue Station as well as an under construction 228-room hotel situated at the immediate south-west of the Subject Site, undertaken by Aset Kayamas Sdn Bhd.

Sprawling over 15,000 acres, RWG held under the master developer, Genting Malaysia Berhad ("Genting Malaysia"), RWG is an integrated resort destination features wide-ranging leisure and entertainment facilities including gaming, theme park and amusement attractions, dining and retail outlets as well as international shows and business convention facilities. Under a 10-year master plan launched in 2013 – Genting Integrated Tourism Plan (GITP), RWG has been transformed and reinvigorated. This RM5 billion master plan has been designated as an Entry Point Project by the East Coast Economic Region Development Council in Malaysia. A few notable additions completed under the GITP include Tower 3 of First World Hotel, Awana SkyWay cable car, Genting Highlands Premium Outlets ("GPO"), SkyAvenue Complex, Genting SkyWorlds Theme Park and Skytropolis Indoor Theme Park.

3.0 PROPERTY DESCRIPTION

Site Description The site is an irregular in shape parcel of land having a titled land area of 2.163 hectares (5.345 acres). It has a total frontage about 395.80 metres (1,299 feet) onto Jalan Genting Sempah – Genting Highlands. Generally, the terrain of the site varies from undulating to slightly hilly.

Construction works within the site have commenced in August 2020. As at 12th June 2024, the overall progress of works of the site was about 66% completed whilst the covered pedestrian walkways were about 71% completed based on letters of confirmation on site progress status provided to us by the Developer's architect, i.e. Archimatrix Sdn Bhd.

The Proposed Development Brief details of the proposed 3-level retail/commercial space and four (4) blocks of serviced apartment development as extracted from the Approved Site Layout Plans and Approved Building Plans are tabulated as follows:-

Development Component	No. of Storey	No. of Unit	Gross Floor Area (sq. metre)
1) Tower A – Serviced Apartment	46	374	74,217.64
2) Tower B – Serviced Apartment	44	356	
3) Tower C – Serviced Apartment	44	356	
4) Tower D – Serviced Apartment	46	361	
5) Retail/Commercial Space	-	-	12,837.00
6) Amenities/Facilities Area	-	-	6,841.20
Total Gross Floor Area exclude Car Park			168,304.40
Car Park Podium		2,889	94,600.36
Total Gross Floor Area include Car Park			*262,981.13

Note: * Our enquiries with the Developer revealed that the total gross floor area include car park should be 262,904.76 square metres instead of 262,981.13 square metres.

Antara, Genting Highlands spreads across 5.35 acres of land with a plinth area of 53.50%. By optimising the plinth area of the land, the proposed development is practically designed in form of four blocks of high rise serviced apartments – Towers A and D (3Ath to 49th floors); Towers B and C (3Ath to 47th floors), with 3 amenity/facility floors – 1st to 3rd floors (linked respectively for Towers A/B and Towers C/D) and retail/commercial space at Ground, Upper Ground ("UG") and Upper Ground 1 ("UG1") floors are sited above a 11-storey car park podium.



3.0 PROPERTY DESCRIPTION (cont'd)

The Proposed Development The Developer in collaboration with Genting Malaysia proposes two pedestrian covered walkway in order to enhance accessibility of the proposed development:-

- (i) From UG1 floor of Tower A (northern boundary) of Antara, Genting Highlands to Resort Hotel, RWG. This walkway is approximately 746 metres.
- (ii) From Basement Floor Level 6 ("LG6") floor of Tower D (southern boundary) of Antara, Genting Highlands to Awana SkyWay Chin Swee Station. This walkway is approximately 451 metres.

Serviced Apartment

The four (4) blocks of serviced apartments are orientated differently to capture panoramic views from the highlands i.e. north-east/south-west (in respect of Tower A), east/west (in respect of Tower B), north/south (in respect of Tower C) and north/east/south-west (in respect of Tower D).

The proposed amenities/facilities include lounge, management offices, co-working space, function rooms, bowling alleys, lap & fun pools, season bath/jacuzzi, saunas, gyms, indoor kid's playrooms, arcade rooms, yoga & ballet studio, cigar rooms, pool & dart rooms, golf simulators, AV rooms and trampoline.

The design of each tower features five sky gardens located respectively at 6th/7th floors, 13th/13Ath floors, 21st/22nd floors, 31st/32nd floors and 36th/37th floors.

In accordance with the Approved Building Plans, the serviced apartment component primarily comprises of 5 sizes of 1-bedroom to 3-bedroom unit with the exception of Type D and E. A typical serviced apartment floor comprises of 9 units per floor. Appended below a summary of the accommodation and number of units in respective proposed towers.

Type	Size (sq. ft.)	Accommodation (Each Unit)					No. of Units	
		Bedroom	Bathroom/ Powder Room/ Laundry Room	Living Dining Kitchen Lounge	Balcony	Whirlpool	Tower A & B	Tower C & D
A & AA	520	1	1	1	1	0	82	80
B1 to B3	800 to 806	2	2	1	1	0	324	317
*C1 to C5	1,030 to 1,104	3	3	1	1	1	324	318
D	N/A	8	11	1	4	0	0	1
E	N/A	7	10	1	2	0	0	1
							730	717

Note:

- * All Type C1 to C5 units will be equipped with private whirlpool with the exception of units on the 3Ath floor.

Retail/Commercial Space:

The retail/commercial component is located at Ground, UG and UG1 floors of the proposed development. The retail/commercial component will have net and gross floor areas of about 11,213 square metres (120,691 square feet) and 12,837 square metres (138,175 square feet) respectively upon completion.

Car Park:

The car park component is located on Ground to Basement Floor Level 11 floors of the proposed development which will have 2,889 car park bays upon completion.

The Subject Property

As mentioned hereinbefore under Item 1.0 of this certificate, the Subject Property is 73 units of assumed completed serviced apartments located on 37th to 45th floors of Tower A, Antara, Genting Highlands.

Based on the information furnished to us by the Developer, we noted that all the serviced apartment units (inclusive of the Subject Property) are marketed on a fully furnished basis. Brief description of the accommodation, specifications and fully furnished inventory list are tabulated as follows:-



3.0 PROPERTY DESCRIPTION (cont'd)

The Subject Property

Type	Accommodation	Building Specifications	
A	Living area, dining area, kitchen, bedroom with an attached bathroom and balcony.	Structure:	Reinforced Concrete Framework / Shear Wall
		Wall:	Reinforced Concrete Wall / Brick Wall
		Roof:	Reinforced Concrete Flat Roof
B1/B2/B3	Living area, dining area, kitchen, master bedroom with an attached bathroom, bedroom, bathroom and balcony.	Ceiling:	Skim Coat & Paint / Ceiling Board
		Floor Finishes:	Tiles except for air-cond ledge with Cement Screed
		Wall Finishes:	Plaster & Paint / Skim Coat & Paint / Tiles up to Ceiling Level
C1/C2/C3	Living area, dining area, kitchen, master bedroom with an attached bathroom, 2 bedrooms, bathroom, powder room, balcony equipped with private whirlpool.	Doors:	Fire Rated Door / Timber Sliding Door / Glass Door / Timber Flush Door / Aluminium Frame Sliding Glass Door
		Windows:	Aluminium Frame Window
		Ironmongeries:	Quality Locksets
		Sanitary Wares & Fitting:	Selected quality sanitary wares and fittings
		Electrical Installation:	Adequate electrical points

Fully Furnished Inventory List

Appliances	Built-in Cabinet & Fixtures	Loose Furniture / Furnishing	Kitchenware / Utensils
<ul style="list-style-type: none"> fridge at kitchen pull-out electric hood and induction hob at kitchen microwave (Type A & B) or oven (Type C) at kitchen washer/dryer at kitchen water heater for kitchen and bathrooms and powder room TV, air conditioner and fan at living area and bedrooms safe box at master bedroom iron door bell whirlpool at balcony (Type C) 	<ul style="list-style-type: none"> shoe cabinet at foyer (Type B & C) wardrobe with dressing table and mirror at master bedroom wardrobe at bedrooms (Type B & C) and side table at one of the bedrooms (Type C) headboard with 1 or 2 side table and/or platform at bedrooms kitchen cabinet top and bottom set with countertop at kitchen vanity counter and cabinet with top and mirror at master bathroom bathroom cabinet with mirror at bathrooms and powder room (Type B & C) shower screen at bathrooms (Type C) kitchen fittings including basin, faucet and dish drainer TV console at living area digital door lock set for main entrance 	<ul style="list-style-type: none"> dining table with chairs at dining area fabric sofa and coffee table or side table at living area armchair at living area (Type C) artworks at living area of Type B and dining area, one of the bedrooms and foyer of Type C curtain/blinds at living area, bedrooms, master bathroom and Type C2 & C3's foyer rugs/carpets at living area and bedrooms (only master bedroom for Type C) throw pillows at master bedrooms dressing stool, bedframe with mattress, quilt, pillows and side table at master bedroom bedframe (except for one of the bedrooms of Type C), mattress, quilt and pillows at bedrooms soap dispenser at bathrooms and powder room Side table and outdoor chairs at balcony (Type B) 	<ul style="list-style-type: none"> tableware and cutlery teapot set cookware and utensil glasses water jar soap dispenser

4.0 PUBLIC UTILITIES AND SERVICES

The Subject Site falls under the jurisdiction of the Bentong Municipal Council.

Public utilities and services such as mains water, public sewerage, electricity supply and telephone lines are available in the vicinity and presumably are available for connection to the proposed development and the Subject Property upon application.

Other essential public services for the area such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting along the main roads i.e. Jalan Genting Sempah – Genting Highlands from the first guard post, "Pondok Pengawal Polis Bantuan Genting Sempah" to the RWG are undertaken by Genting Malaysia.

Awana SkyWay Chin Swee Station is located at about 1.5 kilometres to the south of the Subject Site.



5.0 EXISTING USE AND OCCUPANCY STATUS

As at the date of our site inspection, we noted that the Subject Site is under construction of the aforementioned development. As per the confirmation on site progress status provided by the Developer's architect, i.e. Archimatrix Sdn Bhd, as at 12th June 2024, the overall progress of works of the site was 66% whilst the covered pedestrian walkways were 71% completed. We have further informed by the proposed development is estimated to be completed by 1Q 2025.

The Developer has obtained Advertising Permit and Developer's License (APDL) for Towers B, C and D from the National Housing Department (JPN). The sales status of Towers B, C and D as at 20th June 2024 is tabulated as follows:-

Tower	Launch Date	Sales Rate
B	December 2021	approx. 98% sold
C	March 2022	approx. 86% sold
D	October 2022	approx. 29% sold

We were also given to understand by the Developer that sale and leaseback scheme and guaranteed rental return package are not offered to purchasers of Antara, Genting Highlands.

6.0 LEGAL DESCRIPTION

Particulars of Parent Title Particulars of parent title in respect of the Subject Site as per our official search conducted at the Pahang Darul Makmur Land Registry on 20th June 2024 are as follows:-

Legal Description	Lot 43031, Locality, Mukim and District of Bentong, Pahang Darul Makmur, held under Title No. GRN 45572.
Land Area	2.163 hectares
Tenure	Interest in perpetuity
Reserved Area	"Pengisytiharan Rezab Tanah Bukit"
Quit Rent	RM75,705.00 per annum
Category of Land Use	Building
Express Condition	"Tanah ini hendaklah digunakan untuk bangunan perniagaan sahaja."
Restriction in Interest	Nil
Registered Proprietor	Aset Kayamas Sdn Bhd
Endorsement	"Pengisytiharan Tanah Bandar" vide a Presentation No. 9290/2021 registered on 8 th October 2021.
Encumbrances	Nil

Agreements between the Developer, Kanger Ventures and Kantara

i) Conditional SPA

As per a conditional Sale and Purchase Agreement ("SPA") made between the Developer and Kanger Ventures Sdn Bhd ("Kanger Ventures") [a wholly owned subsidiary of Kanger International Berhad ("KIB")] dated 24th February 2021, we noted that the Developer intends to develop 4 blocks of serviced apartments to be known as Antara @ Genting Highlands ("the Development") and the Developer has agreed to sell and Kanger Ventures has agreed to purchase 126 units with vacant possession in the proposed Tower A of the Development ("the Property") at RM142,870,000 ("Total Consideration Sum").



6.0 LEGAL DESCRIPTION (cont'd)

Agreements between the Developer, Kanger Ventures and Kantara (cont'd)

ii) Deed of Novation

As per a Deed of Novation dated 12th August 2022 made between the Developer, Kanger Ventures and Kantara Sdn Bhd ("Kantara"), we noted that Kanger Ventures irrevocably agrees to novate, assign, transfer or convey to Kantara all its rights, interest, benefits, responsibilities and obligations in and to the SPA dated 24th February 2021 made between the Developer and Kanger Ventures. Kanger Ventures to be released and discharged from its responsibilities and obligations under the SPA. Kantara has agreed to undertake and perform all the responsibilities and obligations under the SPA and to be bound by the terms of the SPA in place of Kanger Ventures and subject to the terms and conditions of this Deed of Novation. For the avoidance of doubt, Kanger Ventures shall be and remain jointly and severally liable for any default, breach or omission by Kantara of any term, obligation or responsibility of and under the SPA from the date of this Deed of Novation.

iii) Draft Supplemental to the SPA

As per a draft Supplemental to the SPA ("Supplemental") made between the Developer and Kantara as provided to us by the Client, we noted that the Supplemental will be attached to and to be formed a part of the SPA.

As a result of Kantara's failure to pay the balance of the Total Consideration Sum to the Developer, both parties agree that the Kantara's part payment shall be utilised to settle the Developer's liquidated damages after taking into account a discount granted by the Developer.

In light of the above, both parties agree that the SPA shall be amended as follows:-

- a. The Developer has agreed to sell and Kantara has agreed to purchase 73 units with vacant possession in the proposed Tower A of the Development.
- b. Both parties agree that the total consideration of all the 73 units is RM82,979,000 which is acknowledged and received by the Developer. For the avoidance of doubt, there is no amount outstanding owed to the Developer.

The Subject Property forms part of the proposed development, Antara, Genting Highlands. Antara, Genting Highlands is a mixed commercial development undertaken by Aset Kayamas Sdn Bhd held under the aforementioned Parent Title. The Subject Property is presently not issued with individual Strata Title(s) as yet. As such, for purpose of this valuation, we were specifically instructed by the Client to value the Subject Property subject to the following details and conditions:-

- (i) The Subject Property to be issued with 73 individual Strata Titles in which floor plan and floor area are based on details stipulated under Item 1.0 The Subject of This Valuation and Item 3.0 The Proposed Development of this Certificate as well as the Conditional SPA and the draft Supplemental to the SPA;
- (ii) The combined floor area of the 73 units is 64,320 square feet; and
- (iii) The Subject Property is free of all encumbrances.

7.0 PLANNING DETAILS

Our verbal enquiries with the Jabatan Perancangan Pembangunan, Bentong Municipal Council revealed that the Subject Site is designated for Commercial use with a permissible plot ratio of 1:4.

Our further enquiries revealed that the Developer has submitted planning permission and building plans application to the relevant authorities and these applications have been duly approved. Details of the planning applications are as follows:-

(i) Planning Permission (Amended) – Mixed Commercial Development

Obtained planning permission (amended) on 11th August 2023 vide reference number Bil (91) Dlm. M.P.BTG/PP/GH/5/16/2019 KM (OSC) Jld 2 for the proposed development consists of 4 blocks of serviced apartment (totaling 1,447 units) and 3-level of retail/commercial space (totaling 41 retail/commercial lots).



7.0 PLANNING DETAILS (cont'd)

Briefly, the details planning permission (amended) are as follows:-

Development Component	No. of Storey	No. of Unit	Gross Floor Area (sq. metre)
1) Tower A – Serviced Apartment	46	374	74,217.64
2) Tower B – Serviced Apartment	44	356	
3) Tower C – Serviced Apartment	44	356	74,408.56
4) Tower D – Serviced Apartment	46	361	
5) Retail/Commercial Space	-	-	12,837.00
6) Amenities/Facilities Area	-	-	6,841.20
Total Gross Floor Area exclude Car Park			168,304.40
Car Park Podium		2,889	94,600.36
Total Gross Floor Area include Car Park			*262,981.13

Note: * Our enquiries with the Developer revealed that the total gross floor area include car park should be 262,904.76 square metres instead of 262,981.13 square metres.

The plot ratio of the proposed development is at 1:7.78.

(ii) Planning Permission – Covered Walkway

Obtained planning permission on 24th May 2021 vide reference number Bil (19) Dlm. M.P.BTG/PP/GH/5/4/2021 KM(OSC) for development of a covered walkway linking from the Subject Site with Awana SkyWay Chin Swee Station (to the south) and Theme Park Hotel, Resort World (to the north). However, we noted that as shown in the Approved Site Layout Plan, the covered walkway is connected to Resort Hotel instead of Theme Park Hotel. We were further advised by the Developer's town planner, PIR Planners (M) Sdn Bhd vide a letter dated 19th May 2022 confirming that the covered walkway will be linked to Resort Hotel which forms part of the RWG development.

(iii) Amended Building Plans Approval – Mixed Commercial Development

Obtained amended building plans approval on 20th November 2023 vide reference number M.P.BTG/JKB/GH/4/09/2021 (50) for the proposed development consists of 4 blocks of serviced apartment (totaling 1,447 units) and 3-level of retail/commercial space (totaling 41 retail/commercial lots).

8.0 VALUATION

Valuation Methodology

The subject of this valuation comprises 73 serviced apartment units on a fully furnished basis with three (3) primarily types of layout located on the 37th to 45th floors of Tower A, Antara, Genting Highlands. For purposes of this valuation, we have used two-tiered adjustment method in arriving at our opinion of value. As a check, we have adopted direct Comparison Approach.

In respect of fully furnished package, we have relied on the estimated cost prepared by the chartered quantity surveyors i.e. Vescope Sdn Bhd, which analyses to about RM308 per square foot per floor area.

1) Two-Tiered Adjustment Method

First Tier - Value of Base Unit

Under this tier, we have selected one of the 73 units forming the Subject Property as a Base Unit. We have adopted 2 methods of valuation i.e. Comparison Approach and Investment Method, Income Approach to determine the value of Base Unit.

We have analysed both the primary and secondary markets in Genting Highlands to have an overview of the Genting Highlands property market.

Our findings indicated that Grand Ion D'elemen undertaken by NCT Group of Companies has experienced price correction after the guaranteed rental return ("GRR") period become optional. 2023 sub-sales prices downed by about 20% to 30% from year 2022 whilst its recently concluded rents plunged by about 35% to 50% in comparison with the tenancies entered with NCT Tropika Sdn Bhd back in 2019.

We noted that the abovementioned Grand Ion D'elemen situation did not appear in existing non-GRR serviced apartments within Genting Highlands. Windmill Upon Hills, GEO 38 Residence, Midhills and Vista Residences secondary market has remained stable in terms of sub-sales prices, rents and transaction volume over the past 3 years.



8.0 VALUATION (cont'd)

Valuation Methodology

The Developer marketed the Towers B, C and D of Antara, Genting Highlands by phasing. Launched Tower B in December 2021, followed by Tower C and thereafter Tower D in the gap of about 4 months and 7 months respectively. In response to the encouraging sales performance of Towers B and C, the Developer has set about 7% and 10% higher selling prices for Tower C and D respectively against the preceding tower. However, sales of the Tower D is relatively slower. This could be due to its high selling price rate that nearly RM2,000 per square foot, location being positioned further from the covered walkway connecting to the RWG and the Developer's marketing focus which could be diverted to Genting Xintiandi project as well as closure of the on-site Antara, Genting Highlands sales gallery since April 2024 in light of progress of construction works.

Second Tier - Aggregate Value and Market Value of the Subject Property

We have made further adjustments of the Base Value to reflect the micro dissimilarities include floor / level, floor area and special features i.e. sky deck floor unit(s) and private whirlpool of the remaining 72 units. The Market Value of the Subject Property is the residue of the aggregate value of the 73 units less en-bloc discount i.e. to reflect the bulk purchase of 73 units by a single purchaser.

Comparison Approach

First Tier – Value of Base Unit

Comparison Approach provides an indication of value by comparing the property with market evidences of identical or comparable (that is similar) properties for which price information is available, such as a comparison with market transaction in the same, or closely similar, type of property within an appropriate time horizon where dissimilarities exist, adjustments are made.

	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Property Address	B-25-09, Antara, Genting Highlands	C-05-06, Antara, Genting Highlands	D-39-06, Antara, Genting Highlands	B-25-08, Antara, Genting Highlands
Tenure	Interest in perpetuity			
Floor / Level	25	5	39	25
Floor Area	800 sf	800 sf	800 sf	1,030 sf
Date of Transaction	17-Mar-2022	25-Jul-2022	26-Jul-2023	1-Mar-2022
Consideration	RM1,441,000	RM1,396,000	RM1,717,000	RM1,858,000
Source of Information	Stamped Sale and Purchase Agreement			
Remarks	Fully furnished offered by the Developer. No ownership of car parking bay.			
Transacted Price per square foot	RM1,801 psf	RM1,745 psf	RM2,146 psf	RM1,804 psf
Adjustments	Upward adjustment: Floor / level. Downward adjustment: Rebate.	Upward adjustment: Floor / level. Downward adjustment: Rebate.	Upward adjustment: Nil. Downward adjustment: Rebate.	Upward adjustment: Floor / level and floor area. Downward adjustment: Rebate and private whirlpool.
Adjusted Rate	RM1,797 psf	RM1,824 psf	RM2,039 psf	RM1,803 psf

	Comparable 5	Comparable 6	Comparable 7	Comparable 8
Property Address	C-08-08, Antara, Genting Highlands	D-38-07, Antara, Genting Highlands	B-11-05, Antara, Genting Highlands	C-10-05, Antara, Genting Highlands
Tenure	Interest in perpetuity			
Floor / Level	8	38	11	10
Floor Area	1,030 sf	1,030 sf	1,066 sf	1,104 sf
Date of Transaction	10-Nov-2022	22-Dec-2022	18-Mar-2022	10-Nov-2022
Consideration	RM1,923,000	RM2,141,000	RM1,864,000	RM2,008,000
Source of Information	Stamped Sale and Purchase Agreement			
Remarks	Fully furnished offered by the Developer. No ownership of car parking bay.			
Transacted Price per square foot	RM1,867 psf	RM2,079 psf	RM1,749 psf	RM1,819 psf
Adjustments	Upward adjustment: Floor / level and floor area. Downward adjustment: Rebate and private whirlpool.	Upward adjustment: Floor area. Downward adjustment: Rebate and private whirlpool.	Upward adjustment: Floor / level and floor area. Downward adjustment: Rebate and private whirlpool.	Upward adjustment: Floor / level and floor area. Downward adjustment: Rebate and private whirlpool.
Adjusted Rate	RM1,953 psf	RM1,981 psf	RM1,829 psf	RM1,903 psf



8.0 VALUATION (cont'd)

First Tier – Value of Base Unit (cont'd)

Comparison
Approach

	Comparable 9	Comparable 10	Comparable 11	Comparable 12
Property Address	B-25-03A, Antara, Genting Highlands	C-05-03A, Antara, Genting Highlands	D-17-03A, Antara, Genting Highlands	E7-33-06, Grand Ion D'elemen, Genting Highlands
Tenure	Interest in perpetuity			
Floor / Level	25	5	17	33
Floor Area	520 sf	520 sf	520 sf	652 sf
Date of Transaction	1-Mar-2022	04-Jul-2022	11-Apr-2023	20-Nov-2023
Consideration	RM934,000	RM978,000	RM1,060,000	RM530,000
Source of Information	Stamped Sale and Purchase Agreement			Jabatan Penilaian dan Perkhidmatan Harta (JPPH)
Remarks	Fully furnished offered by the Developer. No ownership of car parking bay.			Fully furnished and Optional Guaranteed Rental Return provided by developer. No ownership of car parking bay.
Transacted Price per square foot	RM1,796 psf	RM1,881 psf	RM2,038 psf	RM813 psf
Adjustments	Upward adjustment: Floor / level. Downward adjustment: Floor area.	Upward adjustment: Floor / level. Downward adjustment: Floor area.	Upward adjustment: Floor / level. Downward adjustment: Floor area.	Upward adjustment: Location, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Nil.
Adjusted Rate	RM1,796 psf	RM1,975 psf	RM2,140 psf	RM1,601 psf

	Comparable 13	Comparable 14	Comparable 15	Comparable 16
Property Address	WC-15-08, Windmill Upon Hills, Genting Highlands	T2-19-13, GEO 38 Residence, Genting Highlands	T1-11-02, Midhills, Genting Highlands	12-03, Vista Residences, Genting Highlands
Tenure	Interest in perpetuity		Leasehold interest, expiring on 21-Nov-2118	Leasehold interest, expiring on 08-Feb-2116
Floor / Level	15	19	11	12
Floor Area	818 sf	926 sf	557 sf	883 sf
Date of Transaction	26-Jul-2023	24-Jan-2024	07-Sep-2023	07-Sep-2023
Consideration	RM690,000	RM700,000	RM445,000	RM720,000
Source of Information	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)			
Remarks	Fully furnished provided by developer. Together with 2 accessorised car park bays.	Fully furnished provided by developer. Together with 1 accessorised car park bay.		
Transacted Price per square foot	RM844 psf	RM756 psf	RM799 psf	RM815 psf
Adjustments	Upward adjustment: Location, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Car park ownership.	Upward adjustment: Location, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Car park ownership.	Upward adjustment: Location, tenure, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Car park ownership and floor area.	Upward adjustment: Location, tenure, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Car park ownership.
Adjusted Rate	RM1,554 psf	RM1,436 psf	RM1,656 psf	RM1,656 psf



8.0 VALUATION (cont'd)

First Tier – Value of Base Unit (cont'd)

Comparison
Approach

Explanatory Notes:

Car Park Ownership

Our findings shown that the existing mid-hill serviced apartments i.e. Windmill Upon Hills, GEO 38 Residence, Midhills and Vista Residences came with accessorised car park whilst Antara, Genting Highlands and Grand Ion D'elemen serviced apartment units are without car park ownership. Thus, before adjusting for other dissimilarities in our main working, we first net off transacted price of the mid-hill serviced apartment comparables with our estimated car park value.

Rebate & Market Condition (Time)

Developer's selling prices of Tower B, C and D, Antara, Genting Highlands are subject to developer's rebate except for Type A. Other comparables are secondary market transaction. Therefore, developer's rebate is not applicable. We have not made market condition (time) factor adjustment for comparables transacted within the past three (3) years i.e. post the Movement Control Order (MCO) period. We are of the opinion that the market condition has been stable over the past three (3) years.

Location

Comparables fall within 3 macro locations i.e. within the same development as the Base Unit (Antara, Genting Highlands), fringe of RWG and mid-hill of Genting Highlands. We did not make adjustment for location for Comparables 1 to 11 as they are located within the same development as the Base Unit. We made upward adjustments for Comparable 12 that are located at 4.5km from RWG and at fringe of RWG and Comparables 13 to 16 that are located at mid-hill of Genting Highlands based on the findings of our case study.

Tenure

Antara, Genting Highlands and most of the other comparables within Genting Highlands convey interest in perpetuity the exception of Midhills (leasehold interest, having unexpired term of about 94 years) and Vista Residences (leasehold interest, having an unexpired term of about 92 years) comparables.

Age & Building Quality

For age & building quality adjustment, we have categorised it into 5 groups. First group which consists of buildings aged less than 5 years, followed by between 5 & 10 years, between 11 & 15 years, between 16 & 20 years and more than 20 years.

Floor / Level

For floor / level adjustment, we have categorised it into 3 groups. First group which consists of the lower floors i.e. the Floor / Level 1 to 18, and thereafter Floor / Level 19 to 33 and Floor / Level 34 to 49.

Floor Area

In terms of floor area adjustment, there are 6 floor size bands in total, starting from the first band for those below 600 sq. ft., followed by 601 sq. ft. to 1,000 sq. ft., 1,001 sq. ft. to 1,500 sq. ft., 1,501 sq. ft. to 2,000 sq. ft., 2,001 sq. ft. to 3,000 sq. ft. and 3,001 sq. ft. and above.

Depreciation on FFE

We noted that all the comparables we selected came with FFE offered/provided by developer. In terms of depreciation on FFE adjustment for the comparables, we have adopted the same new cost rate as per the Base Unit which provided by a chartered quantity surveyor i.e. Vescope Sdn Bhd, and thereafter made adjustment on a 10% depreciation rate per annum basis. This 10% depreciation rate per annum is based on the estimated useful lifespan of fully furnished package of about 10 years. We then use the depreciation over the Stage 1 adjusted rate of each comparable to arrive at the weighted depreciation rate.

Private Whirlpool

We noted that the Comparables 4 to 8 we selected in Antara, Genting Highlands come with a private whirlpool that is not available in other comparables.

COMPUTATION OF MARKET VALUE OF THE BASE UNIT BASED ON COMPARISON APPROACH

In arriving at Market Value of the Base Unit, we have adopted RM1,800 per square foot for the Base Unit. We have relied on Comparables 1 & 2 in arriving at our opinion of value as Base Unit and Comparables 1 & 2 are similar type of 800 square feet without private whirlpool, Comparable 1 in Tower B & Comparable 2 in Tower C are situated close to the Base Unit in Tower A and all the three (Base Unit, Comparables 1 & 2) within the same development. We also placed higher reliance on the comparables located within the same development i.e. Antara, Genting Highlands since the total adjustments for the other comparables are range from 97% to 117%, mainly contributed by a single factor i.e. location.

Base Unit : A-38-07
Floor Area : 800 sf
Rate Adopted : RM1,800 psf
MARKET VALUE: RM1,440,000



8.0 VALUATION (cont'd)

Investment Method,
Income Approach

First Tier – Value of Base Unit (cont'd)

This approach provides an indication of value by capitalising the net annual rental income of the property, whereby net annual rental income is derived from gross annual rent by deducting annual outgoings/expenses of the property with allowance for voids.

Our findings shown that the transacted yield of serviced apartments in mid-hill of Genting Highlands is in the range of 2.22% to 4.38% which is significantly lower than comparables in the immediate vicinity of the Base Unit and uphill of Genting Highlands ranged between 4.71% to 8.85%, therefore we have placed higher reliance on concluded rents of units located at uphill of Genting Highlands. In arriving at the Market Value of Base Unit on this approach, we have considered the rentals of serviced apartments and apartments within the immediate and larger locality, as follows:-

	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Property Address	E7-32-09, Grand Ion D'elemen, Genting Highlands	WB-12-05, Windmill Upon Hills, Genting Highlands	T2-03-08, GEO 38 Residence, Genting Highlands	T1-5-3A, Midhills, Genting Highlands
Property Type	Serviced Apartment			
Floor / Level	32	12	3	5
Floor Area	988 sf	861 sf	657 sf	549 sf
Date of Commencement & Expiry of Tenancy	1-Jul-22 to 30-Jun-24	1-Dec-21 to 30-Nov-22	1-Jan-23 to 31-Dec-23	1-Dec-21 to 30-Nov-22
Monthly Rental Rate	RM4,300.00	RM2,600.00	RM1,800.00	RM1,250.00
Source of Information	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)			
Remarks	Fully furnished and Optional Guaranteed Rental Return provided by developer. No ownership of car parking bay.	Fully furnished provided by developer. Together with 2 accessorised car park bays.	Fully furnished provided by developer. Together with 1 accessorised car park bay.	
Rental Rate per sq. ft.	RM4.35 psf	RM3.02 psf	RM2.74 psf	RM2.28 psf
Adjustments	Upward adjustment: Location, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Nil.	Upward adjustment: Market condition (time), location, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Car park ownership.	Upward adjustment: Location, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Car park ownership.	Upward adjustment: Market condition (time), location, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Car park ownership and floor area.
Adjusted Rate	RM8.57 psf	RM5.75 psf	RM5.15 psf	RM4.55 psf

	Comparable 5	Comparable 6	Comparable 7	Comparable 8
Property Address	18-13, Vista Residences, Genting Highlands	22-16, Vista Residences, Genting Highlands	Unit 9419, Ria Apartment, Genting Highlands	Unit 10418, Ria Apartment, Genting Highlands
Property Type	Serviced Apartment		Apartment	
Floor / Level	18	22	9	10
Floor Area	842 sf	958 sf	1,001 sf	1,098 sf
Date of Commencement & Expiry of Tenancy	1-Apr-23 to 31-Mar-24	16-Apr-23 to 15-Apr-25	1-Feb-23 to 31-Jan-24	1-Nov-22 to 30-Oct-24
Monthly Rental Rate	RM3,500.00	RM3,700.00	RM4,500.00	RM4,800.00
Source of Information	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)			
Remarks	Fully furnished provided by developer. Together with 1 accessorised car park bay.		No ownership of car parking bay.	
Rental Rate per sq. ft.	RM4.16 psf	RM3.86 psf	RM4.50 psf	RM4.37 psf
Adjustments	Upward adjustment: Location, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Car park ownership.	Upward adjustment: Location, age & building quality, floor / level and depreciation on FFE. Downward adjustment: Car park ownership.	Upward adjustment: Age & building quality, facilities, floor / level, floor area and fully furnished package. Downward adjustment: Nil.	Upward adjustment: Age & building quality, facilities, floor / level, floor area and fully furnished package. Downward adjustment: Nil.
Adjusted Rate	RM8.03 psf	RM7.31 psf	RM8.77 psf	RM8.52 psf



8.0 VALUATION (cont'd)

First Tier – Value of Base Unit (cont'd)

Investment Method,
Income Approach

	Comparable 9	Comparable 10	Comparable 11
Property Address	Unit 12415, Ria Apartment, Genting Highlands	Unit 11425, Kayangan Apartment, Genting Highlands	Unit 7428, Kayangan Apartment, Genting Highlands
Property Type	Apartment		
Floor / Level	12	11	7
Floor Area	1,184 sf	2,702 sf	1,658 sf
Date of Commencement & Expiry of Tenancy	1-Nov-22 to 31-Oct-24	1-Dec-23 to 30-Nov-26	15-Apr-23 to 14-Apr-24
Monthly Rental Rate	RM5,400.00	RM11,500.00	RM10,000.00
Source of Information	Jabatan Penilaian dan Perkhidmatan Harta (JPPh)		
Remarks	No ownership of car parking bay.		
Rental Rate per sq. ft.	RM4.56 psf	RM4.26 psf	RM6.03 psf
Adjustments	<u>Upward adjustment:</u> Age & building quality, facilities, floor / level, floor area and fully furnished package. <u>Downward adjustment:</u> Nil.	<u>Upward adjustment:</u> Age & building quality, facilities, floor / level, floor area and fully furnished package. <u>Downward adjustment:</u> Nil.	<u>Upward adjustment:</u> Age & building quality, facilities, floor / level, floor area and fully furnished package. <u>Downward adjustment:</u> Nil.
Adjusted Rate	RM8.89 psf	RM8.94 psf	RM12.36 psf

Explanatory Notes:

Car Park Ownership, Market Condition (Time), Location, Age & Building Quality, Floor / Level, Floor Area
Refer to Explanatory Note for the respective adjustment in the Comparison Approach.

Facilities

We made an adjustment to reflect the difference in facilities provided in serviced apartments and apartments.

Fully Furnished Package

We made an adjustment to reflect depreciation on FFE provided in the Comparables 1 to 6. For Comparables 7 to 11, we have benchmarked against the market norm by comparing serviced apartment units with and without fully furnished package within the same schemes in Klang Valley i.e. KLCC, Mont Kiara and Bangsar South areas.

A) ADJUSTED RENTAL RATE			
Comparable No. 1	RM8.57 psf	Comparable No. 7	RM8.77 psf
Comparable No. 2	RM5.75 psf	Comparable No. 8	RM8.52 psf
Comparable No. 3	RM5.15 psf	Comparable No. 9	RM8.89 psf
Comparable No. 4	RM4.55 psf	Comparable No. 10	RM8.94 psf
Comparable No. 5	RM8.03 psf	Comparable No. 11	RM12.36 psf
Comparable No. 6	RM7.31 psf		
We have adopted a monthly rental rate of RM9.00 per square foot for the Base Unit. We have relied on Comparables 1, 7 to 11 due to these comparables are situated within proximity to the Base Unit.			
B) PROPERTY DETAILS (BASE UNIT)			
Unit No.	A-38-07	Floor / Level	38
Type	B1	Floor Area	800 sf
C) GROSS INCOME (Rate)		(Monthly)	
Monthly Gross Rental	RM9.00 psf	RM7,200	
D) OUTGOINGS (Rate)		(Monthly)	
Monthly Outgoings & Voids	about 19%	RM1,360	
E) NET INCOME		(Monthly)	(Annual)
Net Rental		RM5,840	RM70,080
F) CAPITAL VALUE			
Yield & Years Purchase (YP)		6.0%	16.67
Capitalised Value			RM1,168,000
Analysis			RM1,460 psf
Opinion of Value, say			RM1,460 psf RM1,168,000

Explanatory Notes:

- Outgoings are inclusive of service charge, quit rent & assessment, fire insurance, management expenses and voids allowance. We have benchmarked against market norm, enquiries with the relevant authorities and estimation provided by the Developer.
- Our analysis shown that transacted yield of comparables in the immediate vicinity of the Base Unit ranged between 5.58% to 8.85% and Grand Ion D'elemen at 4.71%. In arriving at the property yield, we have relied on Ria Apartment comparables due to its location in close proximity to the Subject Property. Therefore, we have adopted yield of 6.0% in our valuation.

We have placed higher reliance on Comparison Approach as there are reliable sale comparables to arrive at the Base Value at RM1,440,000.



8.0 VALUATION (cont'd)

The Subject Property

Second Tier – Aggregate Value and Market Value of the Subject Property

Aggregate Value

We have made further adjustments of the Base Value obtained from both Comparison Approach and Investment Method, Income Approach to reflect the micro dissimilarities include floor / level, floor area and special features i.e. sky deck floor unit(s) and private whirlpool of the remaining 72 units forming the Subject Property and on a basis that each unit to be marketed and sold separately.

We then summed up to arrive at the Aggregate Values by using the Comparison Approach and Investment Method, Income Approach.

Market Value

The Market Value of the Subject Property is the residue of the aggregate values of the 73 units less en-bloc discount i.e. to reflect the bulk purchase of 73 units by a single purchaser.

En-bloc discount is derived on the basis that a bulk purchaser will re-sale the component units separately to any third parties upon completion of the development and delivery of vacant possession.

Briefly, the Subject Property made up as follows:-

Type & Floor Area	A (520 sf)	B1, B1A & B2 (800 sf)	B3 (806 sf)	C1 & C1A (1,030 sf)	C2 (1,056 sf)	C3 (1,066 sf)	Total
Floor	No. of Units						
37 th	0	0	0	0	1	0	1
38 th	1	3	1	2	1	1	9
39 th	1	3	1	2	1	1	9
40 th	1	3	1	2	1	1	9
41 st	1	3	1	2	1	1	9
42 nd	1	3	1	2	1	1	9
43 rd	1	3	1	2	1	1	9
43A th	1	3	1	2	1	1	9
45 th	1	3	1	2	1	1	9
TOTAL	8	24	8	16	9	8	73

Aggregate Value (Comparison Approach)

A. COMPUTATION OF AGGREGATE VALUE BY COMPARISON APPROACH:-

Unit No. : A-38-07
 Type : B1
 Floor / Level : 38
 Floor Area : 800 sq. ft.
Base Value : RM1,800 psf

Further adjustments made to the other component units forming the Subject Property:-

- (i) Floor / Level
- (ii) Floor Area
- (iii) Sky Deck Facilities
- (iv) Private Whirlpool

i. 37th Floor (Sky Deck Floor)

BASE	Total	Type A (520 sf)	Type B1, B1A & B2 (800 sf)	Type B3 (806 sf)	Type C1 & C1A (1,030 sf)	Type C2 (1,056 sf)	Type C3 (1,066 sf)
RM1,800 psf							
Factors							
(i) Floor / Level						Upward: Sky deck floor & private whirlpool.	
(ii) Floor Area						Downward: Floor area.	
(iii) Sky Deck							
(iv) Private Whirlpool							
Adjusted Rate						RM1,850 psf	
Unit Value						RM1,953,600	
No of Units	1	0	0	0	0	1	0
Total Value	RM1,953,600					RM1,953,600	

APPENDIX II – VALUATION CERTIFICATE (CONT'D)



8.0 VALUATION (cont'd)

Second Tier – Aggregate Value and Market Value of the Subject Property (cont'd)

Aggregate Value (Comparison Approach)

ii. 38th to 45th Floors

BASE	Total	Type A (520 sf)	Type B1, B1A & B2 (800 sf)	Type B3 (806 sf)	Type C1 & C1A (1,030 sf)	Type C2 (1,056 sf)	Type C3 (1,066 sf)
RM1,800 psf							
Factors		Further Adjustments					
(i) Floor / Level		Upward: Floor area.	Upward: Nil.	Upward: Nil.	Upward: Private whirlpool.	Upward: Private whirlpool.	Upward: Private whirlpool.
(ii) Floor Area							
(iii) Sky Deck		Downward: Nil.	Downward: Nil.	Downward: Nil.	Downward: Floor area.	Downward: Floor area.	Downward: Floor area.
(iv) Private Whirlpool							
Adjusted Rate		RM1,890 psf	RM1,800 psf	RM1,800 psf	RM1,760 psf	RM1,760 psf	RM1,760 psf
Unit Value		RM982,800	RM1,440,000	RM1,450,800	RM1,812,800	RM1,858,600	RM1,876,200
No of Units	72	8	24	8	16	8	8
Total Value	RM112,912,000	RM7,862,400	RM34,560,000	RM11,606,400	RM29,004,800	RM14,868,800	RM15,009,600

Summary of aggregate value in respect of 73 units forming the Subject Property:-

No	Floor / Level	No. of Units	Aggregate Value
i.	37 th	1	RM1,953,600
ii.	38 th to 45 th	72	RM112,912,000
Total		73	RM114,865,600

Aggregate Value (Investment Method, Income Approach)

A. COMPUTATION OF AGGREGATE VALUE BY INVESTMENT METHOD, INCOME

APPROACH:-

Unit No. : A-38-07
Type : B1
Floor / Level : 38
Floor Area : 800 sq. ft.
Base Value : RM1,460 psf

Further adjustments made to the other component units forming the Subject Property:-

- (i) Floor / Level
- (ii) Floor Area
- (iii) Sky Deck Facilities
- (iv) Private Whirlpool

i. 37th Floor (Sky Deck Floor)

BASE	Total	Type A (520 sf)	Type B1, B1A & B2 (800 sf)	Type B3 (806 sf)	Type C1 & C1A (1,030 sf)	Type C2 (1,056 sf)	Type C3 (1,066 sf)
RM1,800 psf							
Factors		Further Adjustments					
(i) Floor / Level						Upward: Sky deck floor & private whirlpool.	
(ii) Floor Area							
(iii) Sky Deck						Downward: Floor area.	
(iv) Private Whirlpool							
Adjusted Rate						RM1,500 psf	
Unit Value						RM1,584,000	
No of Units	1	0	0	0	0	1	0
Total Value	RM1,584,000					RM1,584,000	



8.0 VALUATION (cont'd)

Second Tier – Aggregate Value and Market Value of the Subject Property (cont'd)

Aggregate Value
(Investment
Method, Income
Approach)

ii. 38th to 45th Floors

BASE	Total	Type A (520 sf)	Type B1, B1A & B2 (800 sf)	Type B3 (806 sf)	Type C1 & C1A (1,030 sf)	Type C2 (1,056 sf)	Type C3 (1,066 sf)
RM1,800 psf							
Factors		Further Adjustments					
(i) Floor / Level		Upward: Floor area.	Upward: Nil.	Upward: Nil.	Upward: Private whirlpool.	Upward: Private whirlpool.	Upward: Private whirlpool.
(ii) Floor Area							
(iii) Sky Deck		Downward: Nil.	Downward: Nil.	Downward: Nil.	Downward: Floor area.	Downward: Floor area.	Downward: Floor area.
(iv) Private Whirlpool							
Adjusted Rate		RM1,530 psf	RM1,460 psf	RM1,460 psf	RM1,420 psf	RM1,420 psf	RM1,420 psf
Unit Value		RM795,600	RM1,168,000	RM1,176,800	RM1,462,600	RM1,499,500	RM1,513,700
No of Units	72	8	24	8	16	8	8
Total Value	RM91,318,400	RM6,364,800	RM28,032,000	RM9,414,400	RM23,401,600	RM11,996,000	RM12,109,600

Summary of aggregate value in respect of 73 units forming the Subject Property:-

No	Floor / Level	No. of Units	Aggregate Value
i.	37 th	1	RM1,584,000
ii.	38 th to 45 th	72	RM91,318,400
Total		73	RM92,902,400

C. RECONCILIATION OF VALUES:-

Valuation Methodology	Aggregate Value
Comparison Approach	RM114,865,600
Investment Method, Income Approach	RM92,902,400

We have placed higher reliance on Comparison Approach as there are reliable sale comparables to arrive at the Aggregate Value at **RM114,865,600**.

Market Value

Computation in arriving at the Market Value of the Subject Property:-

	Type A	Type B1, B1A & B2	Type B3	Type C1 & C1A	Type C2	Type C3	Total	Analysis
Floor Area	520 sf	800 sf	806 sf	1,030 sf	1,056 sf	1,066 sf	64,320 sf	
No. of Units	8	24	8	16	9	8	73	
Aggregate Value							RM114,865,600	RM1,786 psf
Less : En-bloc Discount (Note 1)								
Including entrepreneur's profit, marketing fees and holding cost							about 11.11%	RM12,762,844
Aggregate Value minus En-Bloc Discount								RM102,102,756
Market Value of the Subject Property							say	RM102,100,000
								RM1,587 psf

Explanatory Note:

Note 1 : En-bloc Discount

En-bloc discount is derived on the basis that a bulk purchaser will re-sale the component units separately to any third parties upon completion of the development and delivery of vacant possession. As such, cost of sales/ investment to the Client shall include the following:-

(a) Entrepreneur's Profit

We have adopted 8.0% as the entrepreneur's profit in this valuation. This is benchmarked against the property yield of a single unit of serviced apartment in the uphill of Genting Highlands (i.e. in the region of 4.7% and 8.9%) and the transacted yield of 150 to 400 rooms/suites of 4- to 5-star hotel in Malaysia in the past 7 years (i.e. 6% to 7%). Additional 2% adopted to reflect short-term risk/expectation from an investor's perspective.

(b) Marketing Fee

We have adopted 2% of re-sale values (Aggregate Values) which is in line with the scale fee to estate agency by the Board of Valuers, Appraisers, Estate Agents and Property Managers.



8.0 VALUATION (cont'd)

Second Tier – Aggregate Value and Market Value of the Subject Property (cont'd)

Market Value

Explanatory Note (cont'd):

(c) Holding Cost

(i) From our research on the ongoing or newly launched projects, the take-up rates of serviced apartment projects launched prior Covid-19 i.e. Grand Ion Majestic (uphill) and GEO Antharas (mid-hill) are about 20 and 8 units per month respectively, whilst take-up rate for serviced apartment projects launched post Covid-19 i.e. Tropicana Grandhill and Genting Xintiandi both at mid-hill, Genting Highlands are about 30 units and 195 units per month. GEO Elite which was soft launched early this year has registered about 12% take-up.

In respect of Antara, Genting Highlands, Tower B, C and D have achieved take-up rate of about 25 units per month since its initial launch in December 2021.

In view of the above, we have adopted a take-up rate of 15 units per month for purpose of this valuation which work out to about 0.42 year (5 months) to dispose the 73 component units forming the Subject Property.

(ii) We have adopted 6% interest rate (in line with rates offered by banks in Malaysia) and a holding period of about 0.21 year (mid term of marketing period i.e. 0.42 year or 5 months) in arriving at the holding cost of investment.

Valuation
Methodology

2) Direct Comparison of Bulk-Purchase Transaction

As a check, we have used the direct Comparison Approach. We have compiled bulk-purchase sales evidences of Tower A, Antara, Genting Highlands as well as Grand Ion D'elemen. Broad adjustments were made to reflect dissimilarities between the bulk-purchase transactions and the Subject Property including market condition (time), location, age & building quality, floor / level, floor area, depreciation on FFE and special features i.e. sky deck floor, private whirlpool provided within the projects and total number of bulk-purchase units.

	Comparable 1	Comparable 2	Comparable 3
Property Address	7 th , 12 th to 29 th & 46 th to 49 th Floors, Tower A, Antara, Genting Highlands	3A ^h & 5 ^h Floors, Tower A, Antara, Genting Highlands	8 ^h to 10 ^h Floors, Tower A, Antara, Genting Highlands
Property Type	187 units of serviced apartments	16 units of serviced apartments	15 units of serviced apartments
Tenure	Interest in perpetuity		
Floor / Level (Average)	25	4	9
Combined Floor Area	164,232 sf	14,045 sf	13,696 sf
Floor Area (Average)	878 sf per unit	878 sf per unit	913 sf per unit
Sky Deck Floor Units	10% on sky deck floors	None	None
Units With Private Whirlpool	44% with private whirlpool	13% with private whirlpool	53% with private whirlpool
Date of Transaction	28-Apr-2022	07-Nov-2023	07-Nov-2023
Consideration	RM246,348,000	RM21,068,000	RM20,544,000
Source of Information	Bursa Announcement & Stamped Sale and Purchase Agreement	Stamped Sale and Purchase Agreement	
Remarks	Fully furnished offered by the Developer. No ownership of car parking bay.		
Transacted Price per square foot	RM1,500 psf	RM1,500 psf	RM1,500 psf
Adjustments	<u>Upward adjustment:</u> Floor / level, private whirlpool and total number of units. <u>Downward adjustment:</u> Sky deck floor.	<u>Upward adjustment:</u> Floor / level, sky deck floor, private whirlpool. <u>Downward adjustment:</u> Total number of units.	<u>Upward adjustment:</u> Floor / level and sky deck floor. <u>Downward adjustment:</u> Private whirlpool and total number of units.
Adjusted Rate	RM1,603 psf	RM1,625 psf	RM1,610 psf



8.0 VALUATION (cont'd)

Valuation Methodology	2) Direct Comparison of Bulk-Purchase Transaction (cont'd)		
	Comparable 4	Comparable 5	Comparable 6
Property Address	10 th & 11 th Floors, Tower A, Antara, Genting Highlands	5 th , 6 th & 8 th Floors, Tower A, Antara, Genting Highlands	Towers 1 to 4, Grand Ion D'elemen, Genting Highlands
Property Type	15 units of serviced apartments	15 units of serviced apartments	100 units of serviced apartments (Tower 1 – 2 units Tower 2 – 5 units Tower 3 – 62 units Tower 4 – 31 units)
Tenure	Interest in perpetuity		
Floor / Level (Average)	11	7	Info Not Available
Combined Floor Area	12,914 sf	13,180 sf	118,963 sf
Floor Area (Average)	861 sf per unit	879 sf per unit	1,190 sf per unit
Sky Deck Floor Units	None	47% on sky deck floors	None
Units With Private Whirlpool	40% with private whirlpool	47% with private whirlpool	None
Date of Transaction	07-Nov-2023	07-Nov-2023	02-Mar-2021
Consideration	RM19,371,000	RM19,770,000	RM92,888,000
Source of Information	Stamped Sale and Purchase Agreement		Bursa Announcement
Remarks	Fully furnished offered by the Developer. No ownership of car parking bay.		Formed part of total consideration sum of RM212.88 million Fully furnished provided by developer No ownership of car parking bay
Transacted Price per square foot	RM1,500 psf	RM1,500 psf	RM781 psf
Adjustments	<u>Upward adjustment:</u> Floor / level, sky deck floor and private whirlpool. <u>Downward adjustment:</u> Total number of units.	<u>Upward adjustment:</u> Floor / level. <u>Downward adjustment:</u> Sky deck floor, private whirlpool and total number of units.	<u>Upward adjustment:</u> Market condition (time), location, age & building quality, floor area, depreciation on FFE, sky deck floor, private whirlpool, location of the component units and total number of units. <u>Downward adjustment:</u> Nil.
Adjusted Rate	RM1,615 psf	RM1,579 psf	RM1,683 psf

Explanatory Notes:

Market Condition (Time), Location, Age & Building Quality, Floor / Level, Floor Area, Depreciation on FFE
Refer to Explanatory Note for the respective adjustment in the Two-Tiered Adjustment Method's Comparison Approach.

Sky Deck Floor

We have analysed ratio of number of serviced apartment units on sky deck floor over the total bulk-purchase units. Adjustment made by taking into account difference in ratio of sky deck floor units between the Subject Property and the comparables.

Private Whirlpool

We have analysed ratio of number of serviced apartment units equipped with private whirlpool over the total bulk-purchase units. Adjustment made by taking into account difference in ratio of private whirlpool units between the Subject Property and the comparables.

Location of the Component Units

We have adopted a 5% adjustment for Comparable 7 as the 100 component units are scatteredly situated within 4 different blocks in which will incur additional management expenses.

Total Number of Units

Adjustment made by taking into account difference in en-bloc discount between the Subject Property and the comparables.

COMPUTATION OF MARKET VALUE BY USING THE DIRECT COMPARISON APPROACH

In arriving at the Market Value, we have adopted RM1,600 per square foot. We have relied on Comparable 1 due to its similar characteristics with the Subject Property in terms of location as both within the same block of the development, number of units as both consist more than 50 serviced apartment units and both located at relatively high floor / level.

Floor Area: 64,320 sf
Rate Adopted: RM1,600 psf
Total Value: RM102,912,000
MARKET VALUE, say : RM102,900,000



8.0 VALUATION (cont'd)

Reconciliation of Values

No.	Property Details	Valuation Methodology	Opinion of Value	Remarks	
1) TWO-TIERED ADJUSTMENT METHOD					
FIRST TIER					
A	BASE VALUE				
	Unit No: A-38-07 of Type B1 having a floor area of about 800 square feet	a) Comparison Approach	RM1,440,000	RM1,440,000	Base Value is derived before the computation and summation of the Aggregate Value. We have placed higher reliance on the Comparison Approach as there are reliable sale comparables to arrive at the Base Value.
		b) Investment Method, Income Approach	RM1,168,000		
SECOND TIER					
B	AGGREGATE VALUE				
	73 serviced apartment units located on the 37 th to 45 th floors (forming the Subject Property)			RM114,865,600	Adjustments made for the dissimilarities to determine the Market Value for each component unit on a basis that each unit to be marketed and sold separately. We have placed higher reliance on Comparison Approach as there are reliable sale comparables in arriving at the Base Value.
	i) Type A	8 units	Further adjustments in the Base Value to reflect dissimilarities of the other 72 component units on floor area, floor / level and special features i.e. sky deck facility and private whirlpool, thereafter we have sum up the individual value of the 73 units.		
	ii) Type B1, B1A & B2	24 units			
	iii) Type B3	8 units	a) Comparison Approach	RM114,865,600	
	iv) Type C1 & C1A	16 units	b) Investment Method, Income Approach	RM92,902,400	
	v) Type C2	9 units			
	vi) Type C3	8 units			
C	MARKET VALUE OF THE SUBJECT PROPERTY				
	Comprises 73 serviced apartment units having a combined floor area of about 64,320 square feet.	The Aggregate Value less en-bloc discount. The adjustments including entrepreneur's profit, marketing fee and holding cost.		RM102,100,000	En-Bloc discount is derived on the basis that a bulk purchaser will re-sale component units separately to any third parties upon completion of development and delivery of vacant possession. In this valuation, we have adopted en-bloc discount of about 11.11% (or equivalent to RM12,762,844) from the Aggregate Value. Two-tiered adjustment method is our main method in arriving at our opinion of value as each factor from Base Value to Aggregate Value and Market Value computation has been taken into consideration in arriving at the opinion of value. As a check, we have used the direct Comparison Approach. We noted that the Market Value by using this approach is close to our opinion of value by using the Comparison Approach's Two-Tiered Adjustment Method.
		a) Comparison Approach	RM102,100,000		
		b) Investment Method, Income Approach	RM82,600,000		
2) DIRECT COMPARISON OF BULK-PURCHASE TRANSACTION (AS CHECK)					
	Comprises 73 serviced apartment units having a combined floor area of about 64,320 square feet.	Direct comparison with bulk-purchase transactions within Genting Highlands. Adjustments made for the dissimilarities to determine the Market Value of the Subject Property.		RM102,900,000	
		Comparison Approach	RM102,900,000		



8.0 VALUATION (cont'd)**Opinion of Value**

Antara, Genting Highlands is an on-going mixed commercial development comprises of 3-level retail/commercial space and 4 blocks of serviced apartment, sited on Lot 43031, Locality, Mukim and District of Bentong, Pahang Darul Makmur held under Title No. GRN 45572, undertaken by the Developer. The Subject Property is 73 units of assumed completed serviced apartments located on 37th to 45th Floors of Tower A, Antara, Genting Highlands. Based on information provided to us, the expected completion of the development is by 1Q 2025.

WE WERE SPECIFICALLY INSTRUCTED BY THE CLIENT TO VALUE THE SUBJECT PROPERTY BASED ON THE FOLLOWING ASSUMPTIONS:-

- A. THE PROPOSED DEVELOPMENT AND THE SUBJECT PROPERTY ARE FULLY COMPLETED IN GOOD WORKMANSHIP IN ACCORDANCE TO THE APPROVED BUILDING PLANS AND SPECIFICATIONS AND ISSUED WITH A CCC.
- B. EACH COMPONENT UNIT WILL BE ISSUED WITH A STRATA TITLE WHICH WILL CONVEY AN INTEREST IN PERPETUITY, WITH ALL RELEVANT PREMIUM, CHARGES AND EXPENSES TO BE BORNE BY THE DEVELOPER.
- C. THE PROPOSED COVERED PEDESTRIAN WALKWAYS ARE FULLY COMPLETED IN ACCORDANCE TO THE PLANS AND SPECIFICATIONS AS APPROVED BY THE RELEVANT AUTHORITIES.
- D. FFE ARE BUILT AND INSTALLED IN GOOD WORKMANSHIP IN ACCORDANCE TO AGREEMENT WITH THE DEVELOPER.

HAVING REGARD TO THE FOREGOING, OUR OPINION OF THE MARKET VALUE OF THE LEGAL INTEREST IN THE SUBJECT PROPERTY, 73 UNITS OF ASSUMED COMPLETED SERVICED APARTMENTS ON A FULLY FURNISHED BASIS, LOCATED ON THE 37TH TO 45TH FLOORS OF TOWER A, ANTARA, GENTING HIGHLANDS, SITED ON LOT 43031, LOCALITY, MUKIM AND DISTRICT OF BENTONG, PAHANG DARUL MAKMUR HELD UNDER TITLE NO. GRN 45572, ON THE BASIS OF VACANT POSSESSION AND SUBJECT TO THE ABOVEMENTIONED ASSUMPTIONS AND THAT THE FORTHCOMING STRATA TITLES WILL BE FREE OF ALL ENCUMBRANCES, GOOD, MARKETABLE AND REGISTRABLE AS AT THE DATE OF THIS VALUATION I.E. 20TH JUNE 2024 IS RM102,100,000 (RINGGIT MALAYSIA ONE HUNDRED TWO MILLION AND ONE HUNDRED THOUSAND ONLY).

IF ANY PARTY WISHES TO RELY ON THE VALUATION BASED ON THE ASSUMPTIONS AS STATED ABOVE, THE APPROPRIATE PROFESSIONAL ADVICE SHOULD BE SOUGHT SINCE THE VALUE REPORTED IS BASED ON ASSUMPTIONS THAT ARE NOT YET OR FULLY REALISED.

Yours faithfully,
For and on behalf of
ON VALUATION SDN. BHD.
(formerly known as Fortis Real Estate Sdn Bhd)

SY LAU CHUEN WEI, MRISM
REGISTERED VALUER, V-1112

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making 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 herein misleading.

2. CONSENT

UOBKH, being the Adviser for the Proposals has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

ON Valuation, being the Valuer for the Proposed Variation has given and has not subsequently withdrawn its written consent to the inclusion of its name, valuation certificate and all references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTEREST

UOBKH has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Adviser for the Proposals.

ON Valuation has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Valuer for the Proposed Variation.

4. MATERIAL CONTRACTS

Save as disclosed below, the Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the past 2 years immediately preceding the LPD:-

- i. shares sale agreement dated 23 November 2023 with Wong Seen to acquire the remaining 49% equity interest in Sung Master Holdings Sdn Bhd for a cash consideration of RM72,000,110. The acquisition was completed on 21 February 2024; and
- ii. the Supplemental SPA.

5. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, Kanger Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and has no knowledge of any proceedings pending or threatened against Kanger Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect Kanger Group's financial position or business.

As at the LPD, there is no material litigation, claims or arbitration, including those pending or threatened, involving the Revised Subject Properties.

6. MATERIAL COMMITMENT

Save as disclosed below, the Board confirms that there are no material commitments incurred or known to be incurred by the Group which may have a material impact on the financial results/ position of the Group:-

	RM'000
As 31 October 2024	
Capital expenditure approved and contracted for	61,466

7. CONTINGENT LIABILITIES

As at the LPD, the Board confirms that there are no contingent liabilities incurred or known to be incurred by the Group which, upon becoming enforceable, may have a material impact on the financial results/ position of the Group.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of Kanger at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas 50480 Kuala Lumpur, Wilayah Persekutuan (KL), during normal business hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the EGM:-

- i. Constitution of Kanger;
- ii. audited consolidated financial statements of Kanger Group for the past 2 financial years up to the 18-month FPE 30 September 2023 and its latest unaudited quarterly report for the 9-month FPE 30 June 2024;
- iii. the letters of consent and declaration of conflict of interest referred to in **Section 2** and **Section 3** hereinabove;
- iv. the material contracts referred to in **Section 4** hereinabove; and
- v. valuation report and valuation certificate prepared by ON Valuation, respectively.



KANGER INTERNATIONAL BERHAD
Registration No.: 201201030306 (1014793-D)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Kanger International Berhad ("Kanger" or the "Company") ("EGM") will be held and conducted on a virtual basis through live streaming and online remote voting via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn Bhd from the broadcast venue at the Registered Office, No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) on Wednesday, 27 November 2024 at 9.00 a.m., or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolutions with or without any modifications:-

ORDINARY RESOLUTION

PROPOSED VARIATION TO THE TERMS OF THE SALE AND PURCHASE AGREEMENT DATED 24 FEBRUARY 2021, ENTERED INTO BETWEEN KANGER VENTURES SDN BHD ("KANGER VENTURES") (A WHOLLY-OWNED SUBSIDIARY OF KANGER) AND ASET KAYAMAS DEVELOPMENT SDN BHD (FORMERLY KNOWN AS ASET KAYAMAS SDN BHD) ("AKDSB" OR THE "DEVELOPER") WHICH WAS NOVATED BY KANGER VENTURES TO KANTARA SDN BHD (A WHOLLY-OWNED SUBSIDIARY OF KANGER) ("KANTARA") VIDE A DEED OF NOVATION DATED 12 AUGUST 2022 ENTERED INTO BETWEEN KANGER VENTURES, AKDSB AND KANTARA FOR THE ACQUISITION OF 126 UNITS OF PROPOSED SERVICED APARTMENTS LOCATED ON THE 30TH TO 45TH FLOORS OF TOWER A, ANTARA, GENTING HIGHLANDS, SITED ON A PIECE OF FREEHOLD LAND HELD UNDER TITLE NO. GRN 45572, LOT 43031, MUKIM AND DISTRICT OF BENTONG, PAHANG DARUL MAKMUR ("PROPOSED VARIATION")

"THAT conditional upon the approvals of all relevant regulatory authorities and/ or third parties being obtained, where required, and the conditions precedent in the Supplemental SPA dated 9 August 2024 entered into between Kanger Ventures (a wholly-owned subsidiary of Kanger) and AKDSB, for the Proposed Variation being fulfilled or waived, approval be and is hereby given to Kanger, to vary/ waive certain of the payment terms of the Acquisition;

AND THAT the Board of Directors of Kanger ("**Board**") be and is hereby authorised to sign, execute and deliver, on behalf of Kanger, all documents, authorised and empowered to do or procure to be done all such acts, deeds and things as may be required to give effect to and to complete the Proposed Variation with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or imposed by the relevant authorities and/ or parties and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things for and on behalf of the Company in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Variation."

SPECIAL RESOLUTION

PROPOSED CAPITAL REDUCTION OF THE ISSUED SHARE CAPITAL OF KANGER PURSUANT TO SECTION 116 OF THE COMPANIES ACT, 2016 ("ACT") ("PROPOSED CAPITAL REDUCTION")

"THAT, subject to all approvals being obtained from the relevant authorities and/ or parties, if applicable, including but not limited to the confirmation by the Kuala Lumpur High Court pursuant to Section 116 of the Act, approval be and is hereby given to the Company to implement the Proposed Capital Reduction and reduce the issued share capital of the Company via the cancellation of RM255.0 million of the issued share capital of the Company and that the credit arising from such share capital reduction shall be used to eliminate the accumulated losses of the Company;

THAT, the surplus credit that is in excess of what is required towards offsetting the accumulated losses of the Company after the elimination of the Company's accumulated losses pursuant to the Proposed Capital Reduction, if any, shall be credited to the retained earnings (or other distributable reserve) account of the Company which may be utilised in such manner as the Board deems fit, as permitted by the relevant and applicable laws, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**") as well as the Company's constitution;

AND THAT, the Board be and is hereby authorised to with full powers to take all such steps as they may deem necessary to:-

- i. assent to any conditions, modifications, variations as may be imposed or permitted by the relevant authorities and/ or the Kuala Lumpur High Court;
- ii. lodge the order of the Kuala Lumpur High Court referred to in this Special Resolution with the Registrar of Companies on such date the Board may determine; and
- iii. approve, sign and execute all documents, do all things and acts as the Board may consider necessary or expedient to implement, finalise and give full effect to the Proposed Capital Reduction in the best interest of the Company with full power to assent to any conditions, variation, modifications and/ or amendments in any manner as may be required by any relevant authorities and/ or the Kuala Lumpur High Court, the relevant and applicable laws or deemed necessary or desirable by the Board."

By Order of the Board

THONG PUI YEE (MAICSA 7067416) (SSM PC NO. 202008000510)
JEREMY TAI YUNG WEI (MAICSA 7065447) (SSM PC NO. 202308000580)

Company Secretaries
Kuala Lumpur
5 November 2024

Notes:-

1. *A member of the Company entitled to attend, participate and vote is entitled to appoint another person as his proxy to exercise all or any of his/ her/ its rights to attend, participate (including pose questions to the Board of Director of the Company) and vote in his stead.*
2. *A member of the Company may appoint not more than two (2) proxies to attend the Meeting, provided that the member specifies the proportion of his/ her/ its shareholdings to be represented by each proxy, failing which, the appointments shall be invalid.*
3. *A proxy may but need not be a member and there shall be no restriction as to the qualification of the proxy.*
4. *Where a member is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.*
5. *The instrument appointing a proxy shall be in writing, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, shall be deposited at the registered office of the Company situated at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or email to ir@shareworks.com.my not less than forty-eight (48) hours before the time for holding the Meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.*
6. *An instrument appointing a proxy shall in the case of an individual, be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporation, be either under its common seal or signed by its attorney or in accordance with the provision of its constitution or by an officer duly authorised on behalf of the corporation.*
7. *In respect of deposited securities, only members whose names appear on the Record of Depositors on 20 November 2024, shall be eligible to attend, participate and vote at the Meeting or appoint proxy(ies)/ corporate representative(s)/ attorney(s) to attend, participate and vote on his/ her/ its behalf.*
8. *Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.*
9. *The members are encouraged to refer the Administrative Guide on registration, participation and voting process for the Meeting.*



康尔国际控股有限公司
KANGER INTERNATIONAL BERHAD Registration No.: 201201030306 (1014793-D)
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.				-															
Number of Shares Held																			

I/We
(FULL NAME IN BLOCK LETTERS)

(NRIC No./Passport No./Company Registration No./)

of
(FULL ADDRESS)

being a member / members of **KANGER INTERNATIONAL BERHAD**, hereby appoint

Name of Proxy	NRIC No. / Passport No.	% of Shareholding to be Represented
Address		
Email Address	Contact No.	

or failing him/ her,

Name of Proxy	NRIC No. / Passport No.	% of Shareholding to be Represented
Address		
Email Address	Contact No.	

or failing him/ her, the CHAIRMAN OF THE MEETING as my/ our proxy to vote for me/ us on my/ our behalf at the Extraordinary General Meeting ("EGM") of the Company to be held and conducted on a virtual basis through live streaming via online meeting platform at www.swsb.com.my and from the broadcast venue at the Registered Office, No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) on Wednesday, 27 November 2024 at 9.00 a.m. or at any adjournment thereof.

ORDINARY RESOLUTION		FOR	AGAINST
1.	PROPOSED VARIATION		
SPECIAL RESOLUTION		FOR	AGAINST
1.	PROPOSED CAPITAL REDUCTION		

(Please indicate with an X in the spaces provided on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/ her discretion.)

Dated this day of, 2024

.....
Signature(s) of member(s)

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AFFIX
STAMP

The Company Secretaries
KANGER INTERNATIONAL BERHAD
Registration No.: 201201030306 (1014793-D)
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)

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