

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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ORIENTAL HOLDINGS BERHAD

(Registration No. 196301000446 (5286-U))
(Incorporated in Malaysia)

CIRCULAR TO STOCKHOLDERS IN RELATION TO THE FOLLOWING:

PART A

- (I) PROPOSED ACQUISITION BY ORIENTAL HOLDINGS BERHAD (“OHB” OR THE “COMPANY”) OF 100% EQUITY INTEREST IN NORTHAM GEORGETOWN SDN BHD FROM BOON SIEW SDN BERHAD FOR A CASH CONSIDERATION OF RM167.00 MILLION;**
- (II) PROPOSED ACQUISITION BY FARQUHAR PROPERTIES SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF OHB, OF BAYVIEW HOTEL GEORGETOWN AND WISMA BOON SIEW FROM BOON SIEW SDN BERHAD FOR A CASH CONSIDERATION OF RM153.00 MILLION; AND**
- (III) PROPOSED ACQUISITION BY NORTHAM LANGKAWI SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF OHB, OF BAYVIEW HOTEL LANGKAWI FROM BOON SIEW DEVELOPMENT SDN BHD FOR A CASH CONSIDERATION OF RM91.00 MILLION,**

WHICH TOTAL CASH CONSIDERATION SHALL AMOUNT TO RM411.00 MILLION

(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)

PART B

INDEPENDENT ADVICE LETTER FROM KENANGA INVESTMENT BANK BERHAD TO THE NON-INTERESTED STOCKHOLDERS OF OHB IN RELATION TO THE PROPOSALS

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser for Part A

Independent Adviser for Part B



CIMB
CIMB Investment Bank Berhad
(Registration No. 197401001266 (18417-M))



kenanga
Kenanga Investment Bank Berhad
(Registration No. 197301002193 (15678-H))

The Notice of Extraordinary General Meeting (“EGM”) and the Form of Proxy for the EGM are enclosed in this Circular. The EGM will be held as follows:

Date and time of EGM	: Friday, 13 February 2026 at 2.30 p.m.
Venue of EGM	: Plenitude Grand Ballroom, Level 3, Ascott Gurney Penang, No. 18, Gurney Drive, 10250 George Town, Penang, Malaysia
Last date and time for lodging the Form of Proxy	: Wednesday, 11 February 2026 at 2.30 p.m.

You are encouraged to participate, speak and vote at the EGM. A member entitled to participate, speak and vote at the EGM is entitled to appoint a proxy or proxies to attend and to vote on his/her behalf. In such event, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power or authority must be deposited with the Poll Administrator at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia or via electronic means through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time stipulated for holding the EGM as indicated above, otherwise the instrument of proxy should not be treated as valid. For further information on the electronic lodgement of Form of Proxy, please refer to the Administrative Guide available on the Company’s corporate website. The lodging of the Form of Proxy will not preclude you from participating and voting in person at the EGM should you subsequently wish to do so.

This Circular is dated 29 January 2026

DEFINITIONS

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

Act	: Companies Act, 2016
Ascott or The Ascott Limited	: Collectively, Ascott International Management (Malaysia) Sdn Bhd and Ascott International Management (2001) Pte Ltd
Ascott Agreements	: Collectively, the Framework Agreement, the Management Agreement(s) and the Technical Advisory Agreement(s)
ASR	: Ascott Star Rewards, Ascott's customer loyalty programme
Bayview Beach Resort Penang	: An operational 4-star rated 365-room resort hotel and 3-storey lodge building along with other supporting amenities and facilities attached thereto located at Batu Ferringgi, Pulau Pinang
Bayview Hotel Georgetown	: An operational 4-star rated 340-room hotel along with other supporting amenities and facilities attached thereto located at George Town, Pulau Pinang, which is part of an integrated development together with Wisma Boon Siew
Bayview Hotel Langkawi	: An operational 4-star rated 282-room hotel along with other supporting amenities and facilities attached thereto located at Langkawi, Kedah Darul Aman
BHSB	: Bayview Hotel Sdn Bhd
Board	: The Board of Directors of our Company
BSDSB	: Boon Siew Development Sdn Bhd, the Vendor in respect of the Proposed Langkawi Hotel Acquisition
BSSB	: Boon Siew Sdn Berhad, the Vendor in respect of the Proposed Georgetown Acquisition and the Proposed Acquisition of NGSB Sale Shares
Bursa Securities	: Bursa Malaysia Securities Berhad
CIMB or the Principal Adviser	: CIMB Investment Bank Berhad
Circular	: This circular to the stockholders of our Company dated 29 January 2026 in relation to the Proposals
Current Hotel Owners	: Collectively, NGSB, BSSB and BSDSB
DCF	: Discounted cash flow
Director(s)	: Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the Proposals were agreed upon, a director or a chief executive our Company or any other company which is a subsidiary or holding company of our Company
EGM	: Extraordinary General Meeting
EPS	: Earnings per Stock

DEFINITIONS (Cont'd)

FPSB	:	Farquhar Properties Sdn Bhd, a wholly-owned subsidiary of our Company and the purchaser in respect of the Proposed Georgetown Acquisition
Framework Agreement	:	The framework agreement dated 1 September 2025 pertaining to the Hotels, entered into by, amongst others, BHSB, Ascott International Management Pte Ltd and Ascott International Management (Malaysia) Sdn Bhd
FYE	:	Financial year ended/ending, as the case may be
Hotels	:	Collectively, Bayview Beach Resort Penang, Bayview Hotel Georgetown and Bayview Hotel Langkawi
IAL	:	Independent advice letter from the Independent Adviser to the non-interested Stockholders of OHB in relation to the Proposals, which is appended as Part B of this Circular
Interested Directors	:	Collectively, Datuk Loh Kian Chong, Dato' Seri Lim Su Tong, Dato' Sri Datuk Wira Tan Hui Jing, Tan Kheng Hwee, Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK) and Dato' Yaep Chin Yee
Interested Parties	:	Collectively, the Interested Directors, interested Major Stockholders, and persons connected to the Interested Directors and interested Major Stockholders
Kenanga IB or Independent Adviser	:	Kenanga Investment Bank Berhad
Knight Frank or Independent Valuer	:	Knight Frank Malaysia Sdn Bhd, the independent valuer appointed by our Company to carry out a formal valuation on the Hotels and Wisma Boon Siew pursuant to the Proposals
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
LPD	:	31 December 2025, being the latest practicable date prior to the date of this Circular
Major Stockholder(s)	:	<p>A person who has an interest or interests in one or more voting stocks in our Company and the number of the aggregate number of those stocks, is:</p> <p>(a) 10% or more of the total number of voting stocks in our Company; or</p> <p>(b) 5% or more of the total number of voting stocks in our Company where such person is the largest stockholder of our Company.</p> <p>For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act.</p> <p>Major Stockholder includes any person who is or was within the preceding 6 months of the date on which the terms of the Proposals were agreed upon, such major stockholder of our Company or any other company which is a subsidiary or holding company of our Company</p>
Management Agreement(s)	:	The individual management agreements dated 1 September 2025 and the side letter dated 1 September 2025, entered into between BHSB and Ascott International Management (Malaysia) Sdn Bhd in respect of each of the Hotels

DEFINITIONS *(Cont'd)*

MFRS	:	Malaysian Financial Reporting Standards
NA	:	Net assets
NGSB	:	Northam Georgetown Sdn Bhd, a wholly-owned subsidiary of BSSB
NGSB Sale Shares	:	The 5,000,002 NGSB Shares representing the remaining 3.16% equity interest in NGSB, subsequent to the allotment and issuance of the Subscription Shares and RPS Redemption pursuant to the Share Subscription Agreement
NGSB Sale Shares Consideration	:	The purchase consideration of RM13.90 million for the Proposed Acquisition of NGSB Sale Shares
NGSB Share(s)	:	Ordinary share(s) in NGSB
NLA	:	Net lettable area
NLSB	:	Northam Langkawi Sdn Bhd, a wholly-owned subsidiary of our Company and the purchaser in respect of the Proposed Langkawi Hotel Acquisition
OHB or Company	:	Oriental Holdings Berhad
OHB Group or Group	:	Collectively, our Company and its subsidiaries
Proposals	:	Collectively, the Proposed NGSB Share Acquisition, Proposed Georgetown Acquisition and Proposed Langkawi Hotel Acquisition
Proposed Acquisition of NGSB Sale Shares	:	Proposed acquisition of the NGSB Sale Shares for the NGSB Sale Shares Consideration
Proposed Georgetown Acquisition	:	Proposed acquisition of Bayview Hotel Georgetown and Wisma Boon Siew by FPSB from BSSB for the Purchase Consideration 2, in accordance with the terms of the SPA 1
Proposed Langkawi Hotel Acquisition	:	Proposed acquisition of Bayview Hotel Langkawi by NLSB from BSDSB for the Purchase Consideration 3, in accordance with the terms of the SPA 2
Proposed NGSB Share Acquisition	:	Collectively, the Proposed NGSB Share Subscription in accordance with the terms of the Share Subscription Agreement and the Proposed Acquisition of NGSB Sale Shares in accordance with the terms of the SSA, for the Purchase Consideration 1
Proposed NGSB Share Subscription	:	Proposed subscription of the Subscription Shares by our Company which shall, upon allotment and issuance, represent 96.84% equity interest in NGSB for the Subscription Price
Purchase Consideration 1	:	The Subscription Price and the NGSB Sale Shares Consideration amounting to RM167.00 million for the Proposed NGSB Share Acquisition
Purchase Consideration 2	:	The purchase consideration of RM153.00 million for the Proposed Georgetown Acquisition
Purchase Consideration 3	:	The purchase consideration of RM91.00 million for the Proposed Langkawi Hotel Acquisition
RNAV	:	Realisable net asset value

DEFINITIONS (Cont'd)

RPS Redemption	: The redemption of the 1,531,000 redeemable preference shares in NGSB in favour of BSSB, following the completion of the Share Subscription Agreement and prior to the execution of the SSA
Share Subscription Agreement	: The conditional share subscription agreement dated 7 November 2025 entered into by our Company with BSSB and NGSB for the proposed subscription of the Subscription Shares for the Subscription Price
SPA 1	: The conditional sale and purchase agreement dated 7 November 2025 entered into between FPSB and BSSB for the Proposed Georgetown Acquisition
SPA 2	: The conditional sale and purchase agreement dated 7 November 2025 entered into between NLSB and BSDSB for the Proposed Langkawi Hotel Acquisition
SSA	: The share sale agreement to be entered into between our Company and BSSB for the Proposed Acquisition of NGSB Sale Shares following the completion of the Proposed NGSB Share Subscription and the RPS Redemption pursuant to the Share Subscription Agreement, the agreed form of which is appended to the Share Subscription Agreement
Stockholder(s)	: Stockholder(s) of our Company
Stock(s)	: Ordinary stock(s) in our Company
Subscription Price	: The subscription price of RM153.10 million payable by our Company to NGSB for the subscription of the Subscription Shares pursuant to the Share Subscription Agreement
Subscription Shares	: The 153,100,000 NGSB Shares to be allotted and issued by NGSB to our Company pursuant to Share Subscription Agreement
Technical Advisory Agreement(s)	: The individual technical advisory agreements dated 1 September 2025 entered into between BHSB and Ascott International Management (2001) Pte Ltd, in respect of each of the Hotels
Tenancy Agreements	: Collectively, (i) the tenancy agreement dated 14 August 2025 entered into between NGSB and BHSB in respect of Bayview Beach Resort Penang, (ii) the tenancy agreement dated 15 August 2025 entered into between BSSB and BHSB in respect of Bayview Hotel Georgetown and (iii) the tenancy agreement dated 11 August 2025 entered into between BSDSB and BHSB in respect of Bayview Hotel Langkawi
Total Purchase Consideration	: The total purchase consideration for the Proposals amounting to RM411.00 million
Valuation Certificate	: The valuation certificate in relation to the Hotels and Wisma Boon Siew dated 6 November 2025 prepared by Knight Frank
Valuation Report	: The respective valuation reports in relation to the Hotels and Wisma Boon Siew dated 13 November 2025 prepared by Knight Frank
Vendor(s)	: Collectively, BSDSB and BSSB
Wisma Boon Siew	: A 15-storey building comprising an office tower, 2 showrooms and car parking bays, which is part of an integrated development together with Bayview Hotel Georgetown

DEFINITIONS *(Cont'd)*

CURRENCY

RM and sen : Ringgit Malaysia and sen, the lawful currency of Malaysia

UNITS OF MEASUREMENT

km : kilometres
sq ft : square feet
psf : per square feet
sqm : square metres
psqm : per square metre

All references to “**our Company**” in this Circular mean Oriental Holdings Berhad and references to “**our Group**” mean our Company and our subsidiaries. References to “**we**”, “**us**”, “**our**” and “**ourselves**” mean our Company, or where the context otherwise requires, shall include our subsidiaries.

All references to “**you**” and “**yours**” in this Circular mean the stockholders of our Company, unless the context otherwise requires.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. References to persons shall include corporations and vice versa.

Any reference to any enactment in this Circular is a reference to that enactment, as for the time being amended or re-enacted.

Any reference to a time of day in this Circular is a reference to Malaysian time, unless otherwise stated. Any discrepancy in the table included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding adjustments.

All statements other than statements of historical facts included in this Circular are or may be forward-looking. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect our current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ from those described in such forward-looking statements. Stockholders should not place undue reliance on such forward-looking statements, and we do not undertake any obligation to update publicly or revise any forward-looking statements.

Our Board’s expectations of the benefits derived from the Proposals are forward looking in nature and are thus subject to uncertainties and contingencies. Although our Board holds that its expectations are reasonable at this point in time given the prevailing circumstances, there can be no certainty that such expectations will materialise.

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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 of the Proposals and not to rely solely on this Executive Summary in forming a decision on the Proposals before voting at the forthcoming EGM.

Key information	Description	Reference to Part A of this Circular
Summary of the Proposals	The Proposals comprise:	Sections 2.1, 2.2 and 2.3
	(i) The Proposed NGSB Share Acquisition The Proposed NGSB Share Acquisition involves our Company subscribing to the Subscription Shares which shall, upon allotment and issuance, represent 96.84% equity interest in NGSB for the Subscription Price. Following the completion of the aforementioned share subscription and RPS Redemption, our Company shall acquire the NGSB Sale Shares from BSSB which shall represent the remaining 3.16% equity interest in NGSB for the NGSB Sale Shares Consideration, which in totality, amounts to the Purchase Consideration 1. NGSB is the registered proprietor of Bayview Beach Resort Penang. Pursuant to the Proposed NGSB Share Acquisition, our Company will be acquiring interest in NGSB and indirectly, Bayview Beach Resort Penang.	
	(ii) The Proposed Georgetown Acquisition The Proposed Georgetown Acquisition involves FPSB acquiring Bayview Hotel Georgetown and Wisma Boon Siew from BSSB, for the Purchase Consideration 2.	
	(iii) The Proposed Langkawi Hotel Acquisition The Proposed Langkawi Hotel Acquisition involves NLSB acquiring Bayview Hotel Langkawi from BSDSB, for the Purchase Consideration 3.	
Basis and justification for the Total Purchase Consideration	The Total Purchase Consideration was arrived at on a “willing-buyer willing-seller” basis after taking into consideration the following: (i) the RNAV of NGSB of RM175.66 million and the market value of Bayview Beach Resort Penang owned by NGSB of RM180.00 million, as appraised by Knight Frank; (ii) the market value of Bayview Hotel Georgetown of RM115.00 million and Wisma Boon Siew of RM45.00 million, totalling RM160.00 million, as appraised by Knight Frank; (iii) the market value of Bayview Hotel Langkawi of RM95.00 million as appraised by Knight Frank;	Section 2.4

EXECUTIVE SUMMARY (Cont'd)

Key information	Description	Reference to Part A of this Circular
	<p>(iv) the successful negotiations between the management of our Company and the respective Vendors to enter into the Proposals for the Total Purchase Consideration, notwithstanding that the aggregate RNAV of NGSB and market value of Bayview Hotel Georgetown, Wisma Boon Siew, and Bayview Hotel Langkawi amount to RM430.66 million ("Total Reference Valuation"). Our Company was able to negotiate a discount of approximately 4.57% to the Total Reference Valuation, premised, amongst others, on the ability of our Group to acquire the Hotels and Wisma Boon Siew collectively and expeditiously, given its strong financial position;</p> <p>(v) the rationale and benefits of the Proposals; and</p> <p>(vi) the prospects of the Hotels and Wisma Boon Siew.</p>	
Estimated total funding required and source of funding	<p>The Total Purchase Consideration and the estimated expenses relating to the Proposals will be funded via a combination of internally generated funds and bank borrowings.</p> <p>The estimated total capital expenditure to be incurred for the refurbishment and renovation of the Hotels and Wisma Boon Siew will also be funded via bank borrowings.</p>	Section 2.7
Liabilities to be assumed	Save for the obligation to procure NGSB to undertake the RPS Redemption pursuant to the Share Subscription Agreement, our Company will not assume any other liabilities, including contingent liabilities and/or guarantees arising from the Proposals.	Section 2.8
Additional financial commitment	<p>In addition to the Total Purchase Consideration and estimated expenses relating to the Proposals, our Group is expected to incur an estimated total capital expenditure for the refurbishment and renovation works in respect of the Hotels and Wisma Boon Siew of RM236.29 million.</p> <p>Save as disclosed above, our Group does not expect to incur any additional financial commitment in relation to the Proposals.</p>	Section 2.9
Rationale and benefits for the Proposals	<p>Our Board expects the Proposals to contribute positively to our Group in the following manner:</p> <p>(i) the proposed acquisition of the Hotels aligns with our Group's strategy to expand and diversify its hospitality portfolio by investing in hospitality assets with good potential, while strengthening our Group's recurring income stream from the hotels and resorts segment;</p>	Section 3

EXECUTIVE SUMMARY (Cont'd)

Key information	Description	Reference to Part A of this Circular
	<p>(ii) the proposed acquisition of the Hotels, with Ascott coming in as the operator and manager of the Hotels, supports our Group's operational restructuring to transition towards a third-party management model for its hotels and resorts;</p> <p>(iii) upon the completion of the Proposals, our Group's hotel portfolio in Malaysia will increase from 1 to 4 properties, with the total number of rooms increasing from 188 to 1,175. In aggregate, our Group's overall hotel portfolio will grow from 7 to 10 properties. The addition of the Hotels will also enable our Group to strengthen its hospitality assets and market presence in Malaysia;</p> <p>(iv) the proposed acquisition of the Hotels further provides a strategic platform for our Group to strengthen its hospitality footprint across key tourist destinations in Pulau Pinang and Kedah. Collectively, the Hotels form a complementary portfolio that enables our Group to serve a diverse mix of business and leisure travellers, thus delivering synergistic benefits to our Group;</p> <p>(v) extending on the familiar relationship with Ascott will allow our Group to benefit from Ascott's established international brands and professional operational expertise as well as leverage on its global distribution network; and</p> <p>(vi) the proposed acquisition of Wisma Boon Siew will allow our Group to have a footprint in Pulau Pinang's office space market and strategically position itself in an evolving market of flexible workspaces in Pulau Pinang.</p>	
Risk factors	<p>The potential risk factors are as follows:</p> <p>(i) delay or non-completion risks of the Proposals;</p> <p>(ii) non-registration of the transfer of title in respect of Bayview Hotel Georgetown and Wisma Boon Siew as well as Bayview Hotel Langkawi and non-registration of the transfer of the NGSB Sale Shares;</p> <p>(iii) refurbishment and renovation risks following the completion of the Proposals;</p> <p>(iv) financing risk;</p> <p>(v) risks relating to the hospitality industry;</p> <p>(vi) risks relating to the office rental market;</p> <p>(vii) political, economic and regulatory risks in relation to the property market; and</p>	Section 5

EXECUTIVE SUMMARY (Cont'd)

Key information	Description	Reference to Part A of this Circular
	(viii) risk of compulsory acquisition by the Government of Malaysia.	
Approvals required	<p>The Proposals are subject to the following approvals being obtained:</p> <p>(i) approval from the non-interested Stockholders of our Company for the Proposals at the forthcoming EGM; and</p> <p>(ii) any other relevant authorities or parties, if required.</p>	Section 8
Conditionality	<p>The Proposals are inter-conditional upon each other in terms of the approval from the non-interested Stockholders of our Company. However, the completion of the Proposals is not inter-conditional upon each other and may be completed independently of one another.</p> <p>The Proposals are not conditional upon any other proposal/scheme undertaken or to be undertaken by our Company.</p>	Section 8
Interest of Directors, Major Stockholders, chief executive(s) of our Company and/or persons connected to them	<p>Save as disclosed below, none of the Directors, Major Stockholders, chief executive(s) of our Company and/or persons connected to them has any interest, whether direct or indirect, in the Proposals:</p> <p>Interested Directors and interested Stockholders</p> <p>(i) Datuk Loh Kian Chong;</p> <p>(ii) Dato' Seri Lim Su Tong;</p> <p>(iii) Dato' Sri Datuk Wira Tan Hui Jing;</p> <p>(iv) Tan Kheng Hwee;</p> <p>(v) Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK); and</p> <p>(vi) Dato' Yaep Chin Yee.</p> <p>Interested Major Stockholders</p> <p>(i) Soaring Success Sdn Bhd;</p> <p>(ii) Loh Kar Bee Holdings Sdn Bhd;</p> <p>(iii) Datuk Loh Kian Chong;</p> <p>(iv) Loh Oon Ling;</p> <p>(v) Loh Phoy Yen Holdings Sdn Bhd;</p> <p>(vi) Dato' Seri Lim Su Tong;</p> <p>(vii) Dato' Lim Kean Seng;</p> <p>(viii) Lim Ee Hean;</p> <p>(ix) Lim Ee Ling;</p> <p>(x) Loh Gim Ean Holdings Sdn Bhd;</p> <p>(xi) Dato' Sri Datuk Wira Tan Hui Jing; and</p> <p>(xii) Tan Hui Ming.</p>	Section 9

Key information	Description	Reference to Part A of this Circular
	<p>Persons connected*</p> <p>(i) Loh Cheng Yean Holdings Sdn Bhd; (ii) Dato' Seri Loh Cheng Yean; (iii) Tan Ju Nguan; (iv) Tan Kheng Ju; (v) Loh Ean Holdings Sdn Bhd; (vi) Loh Boon Siew Holdings Sdn Bhd; and (vii) Vibrant Carnival Sdn Bhd.</p> <p>Note:</p> <p>* <i>For the avoidance of doubt, persons connected who are listed as Interested Directors, interested Stockholders, and/or interested Major Stockholders have not been repeated as persons connected</i></p>	
Audit Committee's statement	<p>Our Audit Committee (comprising members of the Board who are not interested in the Proposals), in arriving at their views, have sought the independent advice from the Independent Adviser for the Proposals.</p> <p>After taking into consideration the evaluation of the Independent Adviser on the Proposals, and having considered all relevant aspects of the Proposals, including but not limited to the rationale and benefits of the Proposals, prospects of the properties to be acquired, the basis and justification for the Total Purchase Consideration, salient terms of the Share Subscription Agreement, SSA, SPA 1 and SPA 2, and the effects of the Proposals, our Audit Committee is of the opinion that the Proposals are:</p> <p>(i) in the best interest of our Company;</p> <p>(ii) fair, reasonable and on normal commercial terms; and</p> <p>(iii) not detrimental to the interests of the non-interested Stockholders.</p>	Section 13
Directors statement and recommendation	<p>Our Board, save for the Interested Directors, after taking into consideration the evaluation of the Independent Adviser on the Proposals, and having considered all relevant aspects of the Proposals, including but not limited to the rationale and benefits of the Proposals, prospects of the properties to be acquired, the basis and justification for the Total Purchase Consideration, salient terms of the Share Subscription Agreement, SSA, SPA 1 and SPA 2, and the effects of the Proposals, is of the opinion that the Proposals are in the best interest of our Company.</p> <p>Accordingly, our Board (save for the Interested Directors) recommends that you vote in favour of the resolution pertaining to the Proposals to be tabled at the forthcoming EGM.</p>	Section 14

EXECUTIVE SUMMARY (Cont'd)

Key information	Description	Reference to Part A of this Circular								
Estimated timeframe for completion	<p>Barring any unforeseen circumstances and subject to all approvals being obtained, the Proposals are expected to be completed in the 3rd quarter of 2026.</p> <p>The tentative timetable for the implementation of the Proposals is as follows:</p> <table><thead><tr><th>Event</th><th>Tentative timing</th></tr></thead><tbody><tr><td>EGM</td><td>13 February 2026</td></tr><tr><td>Fulfilment of the conditions precedent in respect of the Share Subscription Agreement, SPA 1 and SPA 2</td><td>July / August 2026</td></tr><tr><td>Completion of the Proposals</td><td>September 2026</td></tr></tbody></table>	Event	Tentative timing	EGM	13 February 2026	Fulfilment of the conditions precedent in respect of the Share Subscription Agreement, SPA 1 and SPA 2	July / August 2026	Completion of the Proposals	September 2026	Section 15
Event	Tentative timing									
EGM	13 February 2026									
Fulfilment of the conditions precedent in respect of the Share Subscription Agreement, SPA 1 and SPA 2	July / August 2026									
Completion of the Proposals	September 2026									

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PART A

LETTER TO OUR STOCKHOLDERS IN RELATION TO THE PROPOSALS



ORIENTAL HOLDINGS BERHAD

(Registration No. 196301000446 (5286-U))
(Incorporated in Malaysia)

Registered Office:

170-09-01, Livingston Tower
Jalan Argyll
10050 George Town
Penang
Malaysia

29 January 2026

Board of Directors

Datuk Loh Kian Chong	(Executive Chairman)
Dato' Seri Lim Su Tong	(Group Managing Director)
Dato' Sri Datuk Wira Tan Hui Jing	(Deputy Group Managing Director)
Tan Kheng Hwee	(Executive Director)
Lee Kean Teong	(Independent Non-Executive Director)
Nazriah Binti Shaik Alawdin	(Independent Non-Executive Director)
Dato' Md Radzaif Bin Mohamed	(Independent Non-Executive Director)
Dato' Ong Eng Bin	(Independent Non-Executive Director)
Kunitomo Asano	(Non-Independent Non-Executive Director)
Dato' Yaep Chin Yee	(Alternate Director to Dato' Seri Lim Su Tong)

To: The Stockholders

Dear Sir/Madam

- (I) PROPOSED ACQUISITION BY OHB OF 100% EQUITY INTEREST IN NGSB FROM BSSB FOR A CASH CONSIDERATION OF RM167.00 MILLION;**
- (II) PROPOSED ACQUISITION BY FPSB, A WHOLLY-OWNED SUBSIDIARY OF OHB, OF BAYVIEW HOTEL GEORGETOWN AND WISMA BOON SIEW FROM BSSB FOR A CASH CONSIDERATION OF RM153.00 MILLION; AND**
- (III) PROPOSED ACQUISITION BY NLSB, A WHOLLY-OWNED SUBSIDIARY OF OHB, OF BAYVIEW HOTEL LANGKAWI FROM BSDSB FOR A CASH CONSIDERATION OF RM91.00 MILLION,**

WHICH TOTAL CASH CONSIDERATION SHALL AMOUNT TO RM411.00 MILLION

1. INTRODUCTION

On 7 November 2025, CIMB had, on behalf of our Board, announced that:

- (i) Our Company had on even date entered into the Share Subscription Agreement with BSSB and NGSB for the proposed subscription of the Subscription Shares;
- (ii) FPSB, a wholly-owned subsidiary of our Company, had on even date entered into the SPA 1 with BSSB for the proposed acquisition of Bayview Hotel Georgetown and Wisma Boon Siew; and
- (iii) NLSB, a wholly-owned subsidiary of our Company, had on even date entered into the SPA 2 with BSDSB for the proposed acquisition of Bayview Hotel Langkawi.

Further details of the Vendors in relation to the Proposals are set out in **Appendix I** of this Circular.

In view of the interests of the Interested Parties in respect of the Proposals as disclosed in **Part A, Section 9** of this Circular, the Proposals are related party transactions under Paragraph 10.08 of the Listing Requirements. Accordingly, Kenanga IB has been appointed as the Independent Adviser to advise our non-interested Directors and non-interested Stockholders on the Proposals. The IAL in relation to the Proposals is set out in **Part B** of this Circular.

THE PURPOSE OF PART A OF THIS CIRCULAR IS TO PROVIDE STOCKHOLDERS WITH THE DETAILS OF THE PROPOSALS AND TO SEEK APPROVAL FROM STOCKHOLDERS FOR THE RESOLUTION IN RELATION TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

STOCKHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSALS

As part of our Group's strategy to position ourselves as a premier hospitality player, we intend to acquire and rebrand Bayview Beach Resort Penang, Bayview Hotel Georgetown and Bayview Hotel Langkawi through the appointment of an international hotel manager with a proven track record to manage and reposition the Hotels.

The Current Hotel Owners are the respective owners of the Hotels, which are presently tenanted and operated by BHSB under the respective Tenancy Agreements.

On 1 September 2025, BHSB entered into the Ascott Agreements with The Ascott Limited, one of the leading international lodging owner-operators with an established portfolio of serviced residences, co-living spaces and hotel brands. The Ascott Agreements are intended to facilitate the refurbishment and rebranding of the Hotels, as well as their operation and management under Ascott's international hotel brands. Further details of the Ascott Agreements are set out in **Part A, Section 2.10** of this Circular.

Upon completion of the Proposals, the Tenancy Agreements will be terminated, and the Ascott Agreements will be novated from BHSB to our Group. Following the completion of the Proposals and as a result of the novation, our Group will be the owner of the Hotels with Ascott continuing as the operator and manager of the Hotels. Prior to their rebranding under Ascott's portfolio of international brands, the Hotels will undergo refurbishment and renovation works, as further specified in **Part A, Section 2.6** of this Circular.

In addition to the Hotels, the Proposed Georgetown Acquisition also includes the acquisition of Wisma Boon Siew, a 15-storey building comprising an office tower, 2 showrooms and car parking bays, which is part of an integrated development together with Bayview Hotel Georgetown. The said office tower is strategically located in central George Town, providing complementary commercial space within a prime business district and in close proximity to Pulau Pinang's government offices and transportation networks.

2.1 Proposed NGSB Share Acquisition

The Proposed NGSB Share Acquisition entails:

- (i) our Company entering into the Share Subscription Agreement to subscribe to the Subscription Shares which shall, upon allotment and issuance, represent 96.84% equity interest in NGSB, for a cash subscription price of RM153.10 million; and
- (ii) thereafter, following the completion of the Share Subscription Agreement and the RPS Redemption, our Company entering into the SSA to acquire the NGSB Sale Shares from BSSB which shall represent the remaining 3.16% equity interest in NGSB, for a purchase consideration of RM13.90 million in cash,

which in totality, amounts to the Purchase Consideration 1.

The Proposed NGSB Share Acquisition is to facilitate the acquisition of all existing NGSB Shares and redeem all existing redeemable preference shares in NGSB, which are owned by BSSB. Prior to undertaking the Proposed Acquisition of NGSB Sale Shares, the proceeds received by NGSB from our Company pursuant to the Proposed NGSB Share Subscription shall be utilised for the RPS Redemption. Accordingly, following the completion of the Share Subscription Agreement, our Company will procure NGSB to undertake the RPS Redemption by utilising the proceeds from the Subscription Price to complete the redemption of the 1,531,000 redeemable preference shares in NGSB in favour of BSSB being the sole holder of the said 1,531,000 redeemable preference shares and pay the redemption price of RM153.10 million to BSSB, in accordance with the terms of the Share Subscription Agreement. Salient features of the NGSB redeemable preference shares are stipulated in **Section 2 of Appendix III**. Following the RPS Redemption, all redeemable preference shares in NGSB would have been fully redeemed, resulting in the issued share capital of NGSB comprising solely ordinary shares.

The basis in deriving the Subscription Price amount arises from the amount to be utilised for the purposes of the RPS Redemption. The number of new NGSB Shares to be issued and the issue price per NGSB Share pursuant to the Proposed NGSB Share Subscription is to maintain the share capital structure of NGSB as a result of the RPS Redemption. The NGSB Sale Shares Consideration represents the residual balance of the Purchase Consideration 1 after taking into consideration the Subscription Price.

Upon completion of the Proposed NGSB Share Acquisition, NGSB shall become a wholly-owned subsidiary of our Company.

The pro forma effects of the issued share capital of NGSB pursuant to the Proposed NGSB Share Acquisition are set out below:

	No. of shares held by BSSB		No. of shares held by our Company	
	Ordinary shares	Redeemable preference shares	Ordinary shares	Redeemable preference shares
Existing as at LPD	5,000,002	1,531,000	-	-
Pursuant to the Proposed NGSB Share Subscription	-	-	153,100,000	-
	5,000,002	1,531,000	⁽¹⁾ 153,100,000	-
Pursuant to the RPS Redemption ⁽²⁾	-	(1,531,000)	-	-
	5,000,002	-	153,100,000	-
Pursuant to the Proposed Acquisition of NGSB Sale Shares	(5,000,002)	-	⁽³⁾ 5,000,002	-
Total	-	-	158,100,002	-

Notes:

- (1) 153,100,000 NGSB Shares will be allotted and issued by NGSB to our Company for a cash subscription price of RM153.10 million. Upon completion, the Subscription Shares shall represent 96.84% equity interest in NGSB.
- (2) Prior to the execution of the SSA for the Proposed Acquisition of NGSB Sale Shares, the 1,531,000 redeemable preference shares held by BSSB will be fully redeemed by NGSB using the proceeds from the Proposed NGSB Share Subscription.
- (3) Upon completion of the Share Subscription Agreement and the RPS Redemption, our Company will acquire the remaining 5,000,002 NGSB Shares from BSSB for a cash consideration of RM13.90 million. The NGSB Sale Shares represents the remaining 3.16% equity interest in NGSB.

The Proposed NGSB Share Acquisition is subject to the terms and conditions of the Share Subscription Agreement and the SSA. The salient terms of the Share Subscription Agreement and the SSA are set out in **Appendix II(A) and Appendix II(B)** of this Circular, respectively.

The Subscription Shares to be allotted and issued to our Company pursuant to the Share Subscription Agreement and the NGSB Sale Shares to be acquired by our Company pursuant to the SSA will be free from any encumbrances and together with all rights and interests attaching thereto as at the completion of the Share Subscription Agreement and/or the SSA (as the case may be).

2.1.1 Background information on NGSB

NGSB was incorporated as a private limited company in Malaysia under the Companies Act 1965 on 17 January 2012 and have its registered address at Suite I, 2nd Floor, Wisma Lister Garden, 123 Jalan Macalister, 10400 George Town, Pulau Pinang. NGSB is principally involved in property investment activities.

As at the LPD, the issued share capital of NGSB is RM158,100,002 comprising 5,000,002 ordinary shares and 1,531,000 redeemable preference shares. For the avoidance of doubt, following the completion of the Share Subscription Agreement and prior to the execution of the SSA, the 1,531,000 redeemable preference shares in NGSB shall be redeemed by NGSB in favour of BSSB in accordance with the RPS Redemption.

As at the LPD, BSSB is the sole shareholder of NGSB. Further information on BSSB is set out in **Section A, Appendix I** of this Circular.

As at the LPD, NGSB is the registered proprietor of Bayview Beach Resort Penang, further details of which are set out in **Part A, Section 2.1.3** of this Circular.

Pursuant to the Proposed NGSB Share Acquisition, our Company will be acquiring interest in NGSB and indirectly, Bayview Beach Resort Penang, on an “as is where is” basis, free from all encumbrances with vacant possession but subject to hotel guest occupancy, together with all fixtures and fittings.

2.1.2 Original cost and date of investment

The original costs and date of investment by BSSB in NGSB are as follows:

<u>Name</u>	<u>Date of investment</u>	<u>No. of ordinary shares</u>	<u>Amount</u>
			RM
BSSB	27 March 2012	2	2
BSSB	30 November 2013	5,000,000	5,000,000

<u>Name</u>	<u>Date of investment*</u>	<u>No. of preference shares</u>	<u>Amount</u>
			RM
BSSB	30 November 2013	1,610,000	161,000,000

Note:

* On 7 October 2025, BSSB redeemed 79,000 redeemable preference shares at RM7,900,000.

(Source: NGSB)

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2.1.3 Key information on Bayview Beach Resort Penang

Bayview Beach Resort Penang is an operational 4-star rated 365-room resort hotel and 3-storey lodge building along with other supporting amenities and facilities attached thereto located at Batu Ferringgi, Pulau Pinang. The hotel is supported by facilities including the food & beverage outlets namely La Veranda Coffeeshouse and Marco Polo, ballrooms and function rooms, swimming pools, gymnasium, Indoor Kids Playland, museum, concierge services and other amenities.

A tropical garden comprising slender palm trees separates the hotel from the long stretch of white sandy beach at Batu Ferringgi. The hotel includes dedicated play areas and children's pools designed to cater to family-oriented guests.

Bayview Beach Resort Penang is situated right next to the beach, where guests are able to enjoy the surrounding greenery together with the ambient sounds of waves, bird activity and children at play along the Batu Ferringgi shoreline.



Bayview Beach Resort Penang is located along Jalan Batu Ferringgi, Batu Ferringgi, Pulau Pinang and is approximately 13 km due north-west of KOMTAR.

Bayview Beach Resort Penang is easily accessible from KOMTAR via Jalan Penang, Jalan Burma, Jalan Kelawai, Jalan Tanjung Tokong, Jalan Tanjung Bungah and thence onto Jalan Batu Ferringgi, all being well maintained metalled roads.



(Source: Valuation Report)

Further information on Bayview Beach Resort Penang, are as follows:

Registered proprietor	NGSB
Postal address	Bayview Beach Resort Penang, No. 339, Jalan Batu Ferringgi, 11100 Batu Ferringgi, Pulau Pinang.
Title details	<ul style="list-style-type: none"> i. GRN 35081, Lot 330, Section 1, Bandar Batu Ferringgi, District of Timor Laut, Pulau Pinang (“GRN 35081”); ii. GRN 46816, Lot 323, Section 1, Bandar Batu Ferringgi, District of Timor Laut, Pulau Pinang (“GRN 46816”); iii. GRN 46817, Lot 325, Section 1, Bandar Batu Ferringgi, District of Timor Laut, Pulau Pinang (“GRN 46817”); iv. GRN 46818, Lot 329, Section 1, Bandar Batu Ferringgi, District of Timor Laut, Pulau Pinang (“GRN 46818”); v. GRN 58904, Lot 463, Section 1, Bandar Batu Ferringgi, District of Timor Laut, Pulau Pinang (“GRN 58904”); and vi. GRN 58905, Lot 462, Section 1, Bandar Batu Ferringgi, District of Timor Laut, Pulau Pinang (“GRN 58905”).
Tenure	Interest in perpetuity; in respect of all titles
Category of land use	Nil

Restriction in interest	Nil
Encumbrances	Nil
Endorsements	Part of the land has been leased to Lembaga Letrik Negara Tanah Melayu for a term of 30-years commencing 1 October 1978 and expiring on 30 September 2008, vide Presentation No. 0799SC1979004076 Jil. 3 Fol. 93, registered on 24 March 1979; in respect of Lot 463. As at the LPD, the said lease had expired on 30 September 2008 and was not subsequently renewed.
Express condition	<p>i. <u>GRN 35081</u> (FIRST GRADE) The land comprised in this title:</p> <p>(a) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and</p> <p>(b) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;</p> <p>and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).</p> <p>ii. <u>GRN 46816</u> Nil</p> <p>iii. <u>GRN 46817</u> Nil</p> <p>iv. <u>GRN 46818</u> Nil</p> <p>v. <u>GRN 58904</u> (FIRST GRADE) The land comprised in this title:</p> <p>(a) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and</p>

	<p>(b) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;</p> <p>and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).</p> <p>vi. <u>GRN 58905</u> (FIRST GRADE) The land comprised in this title:</p> <p>(a) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and</p> <p>(b) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;</p> <p>and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).</p>
Land area	<p>i. <u>GRN 35081</u> 674.5469 sqm</p> <p>ii. <u>GRN 46816</u> 5,592.6729 sqm</p> <p>iii. <u>GRN 46817</u> 60.1992 sqm</p> <p>iv. <u>GRN 46818</u> 3,071.8314 sqm</p> <p>v. <u>GRN 58904</u> 7,675 sqm</p> <p>vi. <u>GRN 58905</u> 1,929 sqm</p>
Gross floor area	51,422.31 sqm
Number of storeys	13 storeys, along with a basement level

NLA	Not applicable
Occupancy rate	60% for the period from 1 January 2025 to 31 August 2025
Existing use / Proposed use	Hotel
Age of building	Approximately 31.1 years
Audited carrying amount as at 31 December 2024	RM142,076,517 based on the audited financial statements of NGSB
Market value	RM180,000,000.00
Date of valuation	2 September 2025
Independent valuer	Knight Frank
Method of valuation	Income approach by DCF method supported by comparison approach

2.2 Proposed Georgetown Acquisition

The Proposed Georgetown Acquisition entails the acquisition of Bayview Hotel Georgetown and Wisma Boon Siew for a purchase consideration of RM153.00 million in cash.

The Proposed Georgetown Acquisition is subject to the terms and conditions of the SPA 1. The salient terms of the SPA 1 are set out in **Appendix II(C)** of this Circular.

Pursuant to the Proposed Georgetown Acquisition, Bayview Hotel Georgetown and Wisma Boon Siew will be acquired by FPSB on an “as is where is” basis, free from all encumbrances with vacant possession but subject to hotel guest occupancy (in respect of Bayview Hotel Georgetown), together with all fixtures and fittings.

As at the LPD, BSSB is the registered proprietor of Bayview Hotel Georgetown and Wisma Boon Siew, further details of which are set out in **Part A, Section 2.2.1** of this Circular.

Further information on BSSB is set out in **Section A, Appendix I** of this Circular.

2.2.1 Key information on Bayview Hotel Georgetown and Wisma Boon Siew

Bayview Hotel Georgetown and Wisma Boon Siew are part of an integrated development comprising a 15-storey operational 4-star rated 340-room hotel known as Bayview Hotel Georgetown along with other supporting amenities and facilities attached thereto and a 15-storey building comprising office tower, two showrooms and car parking bays. Bayview Hotel Georgetown and Wisma Boon Siew are strategically located within the UNESCO World Heritage City of George Town, Pulau Pinang.

Within the site, Bayview Hotel Georgetown is located in the southern zone, the office tower is located in the north-western zone, whilst the two showrooms are located in the eastern zone, with one of the showrooms situated beneath Bayview Hotel Georgetown.

Bayview Hotel Georgetown offers guest rooms with city or sea views. The hotel is supported by facilities including the Three Sixty Revolving Restaurant & Sky Bar, outdoor swimming pools with a jacuzzi, a fitness centre, meeting rooms and function rooms. These amenities cater to both leisure travellers and corporate clientele.

Wisma Boon Siew is a purpose-built 15-storey office tower comprising a ground-floor retail space, 6 levels of car parking and 8 levels of office accommodation along with 2 units of showrooms designed to accommodate a variety of commercial and professional tenants.





Bayview Hotel Georgetown and Wisma Boon Siew are located along Lebuh Farquhar / Jalan Penang, George Town, Pulau Pinang and is located approximately 2 km due north-east of KOMTAR.

Bayview Hotel Georgetown and Wisma Boon Siew are easily accessible from KOMTAR via Jalan Penang, Jalan Burma, Jalan Transfer, Jalan Sri Bahari, Jalan Penang, Jalan Sultan Ahmad Shah and thence onto Lebuh Farquhar, all being well maintained metalled roads.



(Source: Valuation Report)

Further information on Bayview Hotel Georgetown and Wisma Boon Siew, are as follows:

Registered proprietor	BSSB
Postal address	<p><u>Bayview Hotel Georgetown</u> No. 25-A, Lebuhr Farquhar, 10200 Pulau Pinang.</p> <p><u>Wisma Boon Siew</u> No. 1, Jalan Penang, 10000 Pulau Pinang.</p>
Title details	<p>i. GRN 16262, Lot 404, Section 19, Bandar George Town, District of Timor Laut, State of Pulau Pinang (“GRN 16262”);</p> <p>ii. GRN 18885, Lot 494, Section 19, Bandar George Town, District of Timor Laut, State of Pulau Pinang (“GRN 18885”);</p> <p>iii. GRN 95262, Lot 807, Section 19, Bandar George Town, District of Timor Laut, State of Pulau Pinang (“GRN 95262”);</p> <p>iv. GRN 95263, Lot 808, Section 19, Bandar George Town, District of Timor Laut, State of Pulau Pinang (“GRN 95263”); and</p> <p>v. GRN 95264, Lot 809, Section 19, Bandar George Town, District of Timor Laut, State of Pulau Pinang (“GRN 95264”).</p>
Tenure	Interest in perpetuity, in respect of all titles
Category of land use	Nil
Restriction in interest	Nil
Encumbrances	Nil
Endorsements	<ul style="list-style-type: none"> • “Permohonan Pecah Sempadan” vide Presentation No. 0799N2001P73483, registered on 27 October 1998; in respect of Lot 404. • “Permohonan Pecah Sempadan” vide Presentation No. 0799N2001P79484, registered on 27 October 1998; in respect of Lot 494. • Part of the land has been leased to Lembaga Letrik Negara Tanah Melayu for 30 years commencing on 13 February 1987 and expiring on 12 February 2017 vide Presentation No. 0799SC1987010620 Jil. 5 Fol. 164, registered on 28 December 1987; in respect of Lot 808. As at the LPD, the said lease had expired on 12 February 2017 and was not subsequently renewed. • Nil, in respect of the remaining titles.

<p>Express condition</p>	<p>i. <u>GRN 16262</u> (FIRST GRADE) The land comprised in this title:</p> <p>(a) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and</p> <p>(b) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;</p> <p>and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).</p> <p>ii. <u>GRN 18885</u> (FIRST GRADE) The land comprised in this title:</p> <p>(a) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and</p> <p>(b) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;</p> <p>and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).</p> <p>iii. <u>GRN 9526</u> (FIRST GRADE) The land comprised in this title:</p> <p>(a) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and</p>
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	<p>(b) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;</p> <p>and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).</p> <p>iv. <u>GRN 95263</u> (FIRST GRADE) The land comprised in this title:</p> <p>(a) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and</p> <p>(b) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;</p> <p>and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).</p> <p>v. <u>GRN 95264</u> (FIRST GRADE) The land comprised in this title:</p> <p>(a) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and</p> <p>(b) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;</p> <p>and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).</p>
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Land area	<p>i. <u>GRN 16262</u> 107.764 sqm</p> <p>ii. <u>GRN 18885</u> 1,110.3408 sqm</p> <p>iii. <u>GRN 95262</u> 2,067 sqm</p> <p>iv. <u>GRN 95263</u> 4,271 sqm</p> <p>v. <u>GRN 95264</u> 60 sqm</p>
Gross floor area	<p><u>Bayview Hotel Georgetown</u> 31,166.33 sqm</p> <p><u>Wisma Boon Siew</u> 29,315.10 sqm</p>
Number of storeys	<p><u>Bayview Hotel Georgetown</u> 15 storeys, along with a basement level and a rooftop restaurant</p> <p><u>Wisma Boon Siew</u> 15 storeys, along with a basement level</p>
NLA	<p><u>Wisma Boon Siew</u> 12,489.76 sqm (About one-third of the NLA is expected to be self-occupied by our Group following the completion of the Proposals.)</p>
Rental details	<p><u>Wisma Boon Siew</u> Average annual rental income for the past 3 years (2022–2024): RM2.25 million</p>
Occupancy rate	<p><u>Bayview Hotel Georgetown</u> 71% for the period from 1 January 2025 to 31 August 2025</p> <p><u>Wisma Boon Siew</u> 82% as of 2 September 2025</p>
Existing use / Proposed use	Hotel, office tower and showrooms.
Age of building	<p>The east wing of the Bayview Hotel Georgetown is approximately 38.9 years old.</p> <p>The west wing of the Bayview Hotel Georgetown and Wisma Boon Siew are approximately 26.9 years old.</p>
Audited carrying amount as at 31 December 2024	<p><u>Bayview Hotel Georgetown</u> RM23,001,032 based on the audited financial statements of BSSB</p> <p><u>Wisma Boon Siew</u> RM728,535 based on the audited financial statements of BSSB</p>

Summary of the financial performance for the last 3 years	<p><u>Bayview Hotel Georgetown</u> (FYE 31 December 2022 to 2024)</p> <table border="1"> <thead> <tr> <th>RM million</th> <th>FYE2022⁽¹⁾</th> <th>FYE2023⁽¹⁾</th> <th>FYE2024⁽¹⁾</th> </tr> </thead> <tbody> <tr> <td>Total revenue⁽²⁾</td> <td>18.29</td> <td>21.97</td> <td>22.53</td> </tr> <tr> <td>Profit before tax⁽²⁾</td> <td>3.95</td> <td>5.55</td> <td>4.87</td> </tr> </tbody> </table> <p>Notes: (1) There was no separate audited account prepared for Bayview Hotel Georgetown. (2) Including miscellaneous income and rental income. (Source: Figures are obtained by BSSB)</p> <p><u>Wisma Boon Siew</u> (FYE 31 December 2022 to 2024)</p> <table border="1"> <thead> <tr> <th>RM million</th> <th>FYE2022⁽¹⁾</th> <th>FYE2023⁽¹⁾</th> <th>FYE2024⁽¹⁾</th> </tr> </thead> <tbody> <tr> <td>Total revenue</td> <td>2.19</td> <td>2.13</td> <td>2.44</td> </tr> <tr> <td>Loss before tax</td> <td>0.87</td> <td>1.51</td> <td>1.40</td> </tr> </tbody> </table> <p>Note: (1) There was no separate audited account prepared for Wisma Boon Siew. (Source: Figures are obtained by BSSB)</p>	RM million	FYE2022 ⁽¹⁾	FYE2023 ⁽¹⁾	FYE2024 ⁽¹⁾	Total revenue ⁽²⁾	18.29	21.97	22.53	Profit before tax ⁽²⁾	3.95	5.55	4.87	RM million	FYE2022 ⁽¹⁾	FYE2023 ⁽¹⁾	FYE2024 ⁽¹⁾	Total revenue	2.19	2.13	2.44	Loss before tax	0.87	1.51	1.40
	RM million	FYE2022 ⁽¹⁾	FYE2023 ⁽¹⁾	FYE2024 ⁽¹⁾																					
Total revenue ⁽²⁾	18.29	21.97	22.53																						
Profit before tax ⁽²⁾	3.95	5.55	4.87																						
RM million	FYE2022 ⁽¹⁾	FYE2023 ⁽¹⁾	FYE2024 ⁽¹⁾																						
Total revenue	2.19	2.13	2.44																						
Loss before tax	0.87	1.51	1.40																						
Market value	RM160,000,000.00																								
Date of valuation	2 September 2025																								
Independent valuer	Knight Frank																								
Method of valuation	<p><u>Bayview Hotel Georgetown</u> Income approach by DCF method supported by comparison approach</p> <p><u>Wisma Boon Siew</u> Income approach by investment method supported by comparison approach</p>																								

2.2.2 Original cost and date of investment

The original costs and date of investment by BSSB in respect of Bayview Hotel Georgetown and Wisma Boon Siew are as follows:

<u>Property asset</u>	<u>Date of investment</u>	<u>Cost of investment</u> RM
Bayview Hotel Georgetown	29 July 1976	44,940,317
Bayview Hotel Georgetown	27 October 1976	1,755,381
Wisma Boon Siew	7 November 1977	720,923
Wisma Boon Siew	31 December 1984	47,574

(Source: BSSB)

2.3 Proposed Langkawi Hotel Acquisition

The Proposed Langkawi Hotel Acquisition entails the acquisition of Bayview Hotel Langkawi for a purchase consideration of RM91.00 million in cash.

The Proposed Langkawi Hotel Acquisition is subject to the terms and conditions of the SPA 2. The salient terms of the SPA 2 are set out in **Appendix II(D)** of this Circular.

Pursuant to the Proposed Langkawi Hotel Acquisition, Bayview Hotel Langkawi will be acquired by NLSB on an “as is where is” basis, free from all encumbrances with vacant possession but subject to hotel guest occupancy, together with all fixtures and fittings.

As at the LPD, BSDSB is the registered proprietor of Bayview Hotel Langkawi, further details of which are set out in **Part A, Section 2.3.1** of this Circular.

Further information on BSDSB is set out in **Section B, Appendix I** of this Circular.

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2.3.1 Key information on Bayview Hotel Langkawi

Bayview Hotel Langkawi is a 4-star rated 282-room hotel conveniently located within Kuah town, Langkawi. It enjoys a prime location within walking distance of Langkawi's popular duty-free shops, night markets and local dining spots.

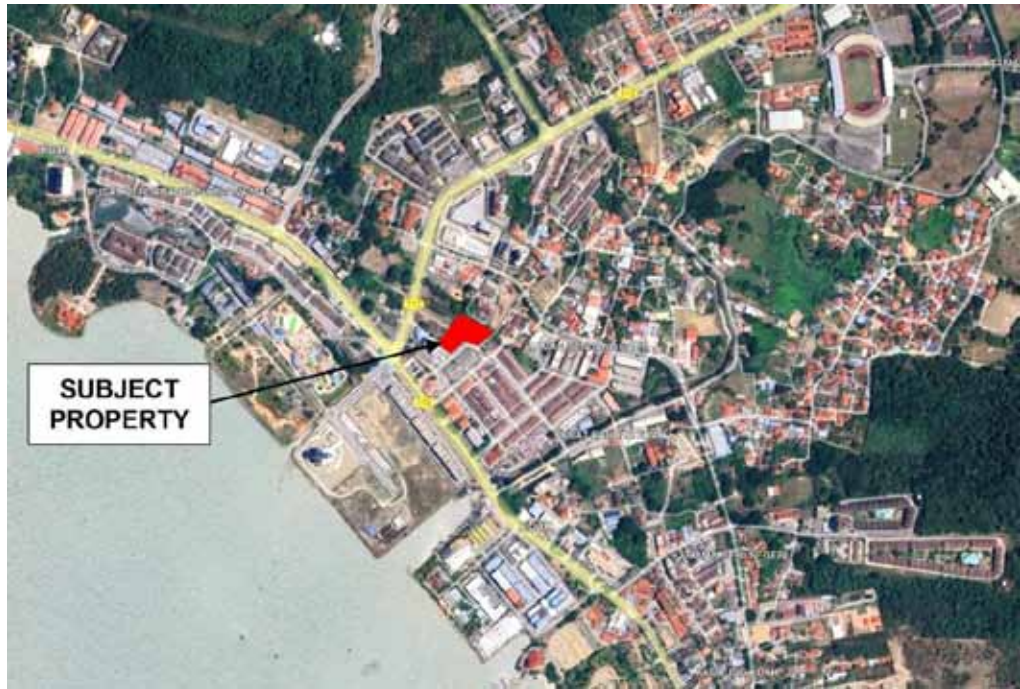
The hotel presents exceptional dining experiences, with Flamingo Coffee House serving an array of local and international favourites, and the Phoenix Restaurant specialising in authentic Chinese cuisine within an elegant setting. For a relaxed vibe, the Woodpecker Lounge provides a stylish setting to savour evening cocktails, enjoy live entertainment, or simply unwind with friends.

Bayview Hotel Langkawi offers a range of wellness and recreational amenities, including an outdoor swimming pool, fully equipped gym and a tranquil spa with various treatments, ensuring comfort and relaxation for both business and leisure guests.



Bayview Hotel Langkawi is located along Jalan Pandak Mayah 1, Pusat Bandar Kuah, Langkawi, Kedah Darul Aman and is approximately 3 km due north-west of Kuah Jetty and approximately 17 km due south-east of Langkawi International Airport.

Bayview Hotel Langkawi is easily accessible from Kuah Jetty via Persiaran Putera and thence onto Jalan Pandak Mayah 1. It is also accessible from Langkawi International Airport via Jalan Lapangan Terbang, Jalan Padang Matsirat, Persiaran Putera and thence onto Jalan Pandak Mayah 1, all being well maintained metalled roads.



(Source: Valuation Report)

Further information on Bayview Hotel Langkawi as follows:

Registered proprietor	BSDSB
Postal address	Bayview Hotel Langkawi, Jalan Pandak Mayah 1, Pusat Bandar Kuah, 07000 Langkawi, Kedah Darul Aman.
Title details	Lot 354 Section 4 held under Title No. GRN 53965, Bandar Kuah, District of Langkawi, Kedah Darul Aman.
Tenure	Interest in perpetuity
Category of land use	Building
Restriction in interest	<p>ix. Restriction in interest</p> <p>The landowner is prohibited from entering into any dealings in respect of the land which is intended to be developed as a commercial building site unless the landowner has constructed and maintained road reserves and surfaced them with stones and tarmac in accordance with the standards of the Public Works Department (“JKR”), and constructed drains to the satisfaction of the local authority, as well as obtained support from the JKR or a guarantee from the state authority and JKR that the roads and drains will be duly completed.</p> <p>x. Additional Condition</p> <p>The landowner shall construct and maintain parking facilities and bus/taxi stops, and shall surface the area with stones and tarmac to the satisfaction of the local authority, and with the support of the JKR.</p>

Encumbrances	Nil												
Endorsements	Nil												
Express condition	Commercial - Hotel and Shopping Centre viii. Express Condition The land contained in this title shall be used as the site for a building (Commercial - Hotel and Shopping Centre) and for other related uses only.												
Land area	5,991 sqm												
Gross floor area	23,936.34 sqm												
Number of storeys	16 storeys												
NLA	Not applicable												
Occupancy rate	69% for the period from 1 January 2025 to 31 August 2025												
Existing use / Proposed use	Hotel												
Age of building	Approximately 29.4 years												
Audited carrying amount as at 31 December 2024	RM7,920,437 based on the audited financial statements of BSDSB												
Summary of the financial performance for the last 3 years	<p>FYE 31 December 2022 to 2024</p> <table border="1"> <thead> <tr> <th>RM million</th> <th>FYE2022⁽¹⁾</th> <th>FYE2023⁽¹⁾</th> <th>FYE2024⁽¹⁾</th> </tr> </thead> <tbody> <tr> <td>Total revenue⁽²⁾</td> <td>13.98</td> <td>17.48</td> <td>17.41</td> </tr> <tr> <td>Profit before tax⁽²⁾</td> <td>1.32</td> <td>2.33</td> <td>1.53</td> </tr> </tbody> </table> <p>Notes: (1) There was no separate audited account prepared for Bayview Hotel Langkawi. (2) Including miscellaneous income and rental income. (Source: Figures obtained by BSDSB)</p>	RM million	FYE2022 ⁽¹⁾	FYE2023 ⁽¹⁾	FYE2024 ⁽¹⁾	Total revenue ⁽²⁾	13.98	17.48	17.41	Profit before tax ⁽²⁾	1.32	2.33	1.53
RM million	FYE2022 ⁽¹⁾	FYE2023 ⁽¹⁾	FYE2024 ⁽¹⁾										
Total revenue ⁽²⁾	13.98	17.48	17.41										
Profit before tax ⁽²⁾	1.32	2.33	1.53										
Market value	RM95,000,000.00												
Date of valuation	2 September 2025												
Independent valuer	Knight Frank												
Method of valuation	Income approach by DCF method supported by comparison approach												

2.3.2 Original cost and date of investment

The original costs and date of investment by BSDSB in respect of Bayview Hotel Langkawi are as follows:

<u>Property asset</u>	<u>Date of investment</u>	<u>Cost of investment</u>
		RM
Bayview Hotel Langkawi	14 April 1993	17,317,757

(Source: BSDSB)

2.4 Basis and justification for the Total Purchase Consideration

The Total Purchase Consideration was arrived at on a “willing-buyer willing-seller” basis after taking into consideration the following:

- (i) the RNAV of NGSB of RM175.66 million and the market value of Bayview Beach Resort Penang owned by NGSB of RM180.00 million, as appraised by Knight Frank, as set out in the Valuation Certificate. The basis and justification for the Proposed NGSB Share Acquisition is set out in **Part A, Section 2.4.1** of this Circular;
- (ii) the market value of Bayview Hotel Georgetown of RM115.00 million and Wisma Boon Siew of RM45.00 million, totalling RM160.00 million, as appraised by Knight Frank as set out in the Valuation Certificate. The basis and justification for the Proposed Georgetown Acquisition is set out in **Part A, Section 2.4.2** of this Circular;
- (iii) the market value of Bayview Hotel Langkawi of RM95.00 million as appraised by Knight Frank, as set out in the Valuation Certificate. The basis and justification for the Proposed Langkawi Hotel Acquisition is set out in **Part A, Section 2.4.3** of this Circular;
- (iv) the successful negotiations between the management of our Company and the respective Vendors to enter into the Proposals for the Total Purchase Consideration of RM411.00 million, notwithstanding that the aggregate RNAV of NGSB and market value of Bayview Hotel Georgetown, Wisma Boon Siew, and Bayview Hotel Langkawi amount to RM430.66 million (“**Total Reference Valuation**”). The Total Purchase Consideration represents a discount of approximately 4.57% to the Total Reference Valuation, premised, amongst others, on the ability of our Group to acquire the Hotels and Wisma Boon Siew collectively and expeditiously, given our strong financial position;
- (v) the rationale and benefits of the Proposals as set out in **Part A, Section 3** of this Circular; and
- (vi) the prospects of the Hotels and Wisma Boon Siew as set out in **Part A, Section 4.6.1, 4.6.2, 4.6.3, and 4.6.4** of this Circular.

2.4.1 Basis and justification for the Proposed NGSB Share Acquisition

The Purchase Consideration 1 was arrived at on a “willing-buyer willing-seller” basis after taking into consideration the following:

- (i) The market value of Bayview Beach Resort Penang of RM180.00 million appraised by Knight Frank, as set out in the Valuation Certificate.

The valuation of Bayview Beach Resort Penang was appraised by Knight Frank using income approach by DCF, supported by the comparison approach in arriving at its assessment of the market value of NGSB.

- (ii) The adjusted RNAV of NGSB of approximately RM175.66 million, derived from:

- (a) audited NA of NGSB of RM149.43 million as at 31 December 2024 based on NGSB's audited financial statements for the FYE 31 December 2024;
- (b) redemption of 79,000 redeemable preference shares in NGSB amounting to RM7.90 million on 7 October 2025 based on available cash balances; and
- (c) net revaluation surplus of RM34.13 million arising from the revaluation of Bayview Beach Resort Penang.

The computation of the adjusted RNAV of NGSB is set out below:

	RM 000
Audited NA value of NGSB as at 31 December 2024	149,429
Add: Net revaluation surplus of Bayview Beach Resort Penang ⁽¹⁾	34,131
Less: Redemption of redeemable preference shares ⁽²⁾	(7,900)
Adjusted RNAV of NGSB	175,660

Notes:

- (1) *The net revaluation surplus of Bayview Beach Resort Penang was computed as follows:*

	RM 000
<i>Market value</i>	<i>180,000</i>
<i>Less: Audited carrying amount as at 31 December 2024</i>	<i>(142,077)</i>
<i>Revaluation surplus</i>	<i>37,923</i>
<i>Less: Real Property Gain Tax (10%)</i>	<i>(3,792)</i>
<i>Net revaluation surplus</i>	<i>34,131</i>

The Proposed NGSB Share Acquisition is deemed as an asset acquisition under MFRS 3.

- (2) *Based on available bank balances as at 31 August 2025.*

2.4.2 Basis and justification for the Proposed Georgetown Acquisition

The respective purchase consideration of Bayview Hotel Georgetown and Wisma Boon Siew of RM110.00 million and RM43.00 million, which amount to the Purchase Consideration 2, was arrived at on a "willing-buyer willing-seller" basis after taking into consideration their respective market value of RM115.00 million and RM45.00 million, respectively, as appraised by Knight Frank in the Valuation Certificate.

The valuation of Bayview Hotel Georgetown was appraised by Knight Frank using income approach by DCF, supported by comparison approach, while the valuation of Wisma Boon Siew was appraised using the income approach by investment method, supported by comparison approach, in arriving at their respective market values.

2.4.3 Basis and justification for the Proposed Langkawi Hotel Acquisition

The Purchase Consideration 3 was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the market value of Bayview Hotel Langkawi of RM95.00 million, as appraised by Knight Frank in the Valuation Certificate.

The valuation of Bayview Hotel Langkawi was appraised by Knight Frank using income approach by DCF, supported by comparison approach in arriving at its assessment of the market value.

2.5 Detailed description of the methodologies adopted by Knight Frank

The valuation of the Hotels was appraised by Knight Frank using income approach by DCF, supported by comparison approach, while the valuation of Wisma Boon Siew was appraised using the income approach by investment method, supported by comparison approach, in arriving at their respective market values.

Further details on the methodologies and approach adopted by Knight Frank for the Proposals stipulated in **Part A, Section 2.4.1** to **Section 2.4.3** of this Circular, are as follows:

2.5.1 Income approach by DCF - the Hotels

This approach incorporates the estimation of future annual cash flows over an investment horizon (forecasted/projected period) from the valuation date by referencing to expected revenue growth rates, operating expenses and terminal value. The present value of future cash flow is then determined by the application of an appropriate discount rate to derive a net present value of the property as at the valuation date.

The key bases and assumptions adopted for the income approach by DCF method as set out in the Valuation Certificate contained in **Appendix IV** of this Circular, are summarised as follows:

Hotel projections

Hotel name	Bayview Beach Resort Penang	Bayview Hotel Georgetown	Bayview Hotel Langkawi
Projected average occupancy rate	Year 1: 40.0% to Year 7: 70.0%	Year 1: 50.0% to Year 7: 75.0%	Year 1: 50.0% to Year 7: 68.0%
Projected average daily rate	Year 1: RM300 to Year 7: RM740	Year 1: RM175 to Year 7: RM460	Year 1: RM210 to Year 7: RM340
Capitalisation rate⁽¹⁾	6.50%		
Discount rate (present value)⁽²⁾	8.50%		

Notes:

- (1) Benchmarked against the analysed yields of selected hotel transactions, reflecting the current market condition in the region of approximately 5.95% to 7.00%. The selected hotel transactions and yield analysis are as follows:

Name of hotels	Pavilion Hotel Kuala Lumpur	The Majestic Hotel	Sunway Clio Hotel
Location	Jalan Bukit Bintang, Kuala Lumpur	Jalan Sultan Hishamuddin, Kuala Lumpur	Bandar Sunway, Selangor
Tenure	Leasehold interest	Leasehold interest	Leasehold interest
Star rating	5-star	5-star	4-star
No. of room	325	300	401
Consideration	RM340,000,000	RM380,000,000	RM340,000,000

Name of hotels	Pavilion Hotel Kuala Lumpur	The Majestic Hotel	Sunway Clio Hotel
Total net revenue	RM23,500,000* First Term agreed rental of the proposed lease agreement	RM26,600,000 First Term agreed rental of the proposed sub-lease agreement	RM20,230,000 Guaranteed Net Property Income
Year of transaction	2024	2017	2017
Source	Bursa Securities / Announcement dated 5 December 2024	Bursa Securities / Announcement dated 26 May 2017	Bursa Securities / Circular dated 10 October 2017
Analysed yield	6.47%	7.00%	5.95%

Note:

* The annual rent of Pavilion Hotel Kuala Lumpur is subject to owner's expenses (i.e. maintenance charges, sinking fund, property taxes and insurance) of RM1.48 million.

- (2) The discount rate is determined by adopting the capitalisation rate together with the long-term growth rate or the expected average annual appreciation of the asset. In general, the long-term growth rate for a particular asset class / sector is benchmarked against the inflation rate (in circa of 1.5% to 3.3%) as well as the compounded annual growth rate of the asset class parameters (in terms of hotel, the occupancy, average daily rate or any other measurable parameter). A discount rate of 8.50% has been adopted for the Hotels, which is about 2.00% higher than the expected rate of return, to reflect additional risk premium of the asset.

2.5.2 Income approach by investment method - Wisma Boon Siew

This approach involves capitalisation of the net annual income stream that is expected to be received from the property after deducting the annual outgoings and other operating expenses incidental to the property with allowance for void by using an appropriate market derived capitalisation rate.

The parameters adopted for the income approach by investment method as set out in the Valuation Certificate contained in **Appendix IV** of this Circular, are summarised as follows:

Summary of parameters of Wisma Boon Siew

Average gross rental	Basement and Upper Floor – RM3.00 psf over NLA Ground Floor – RM5.00 psf over NLA Car Parking: RM220 per bay over total 279 car parking bays
Allowance for outgoings	RM1.80 psf over NLA Car Parking: 25.00%
Void allowance⁽¹⁾	5.00%
Capitalisation rate⁽²⁾	5.50%

Notes:

- (1) Knight Frank has adopted a void allowance of 5.00% as fair representation for allowance of void, unforeseen vacancies, possible rent-free periods, fitting out periods and possibility of bad debts.

- (2) *In view of limited recorded yield transactions of office buildings in the current market condition and it is not possible to identify exactly alike properties to benchmark and / or reference to, Knight Frank benchmarked against the transacted office buildings by deriving yields based on estimated outgoings after having considered factors relating to the NLA, building specification, occupancy, establishment of development, availability of car park and other related factor. The office transactions and yield analysis is as follows:*

Address	<i>No. 64D, Lebu Bishop, George Town, Pulau Pinang</i>	<i>No. 15, Lebu Pantai, George Town, Pulau Pinang</i>	<i>No.9,9A,9B,9C, 9D,9E & 9F, Jalan Zainal Abidin, George Town, Pulau Pinang</i>
Tenure	<i>Interest in perpetuity</i>	<i>Interest in perpetuity</i>	<i>Interest in perpetuity</i>
Approximate NLA	<i>17,476 sq ft</i>	<i>26,422 sq ft</i>	<i>13,553 sq ft</i>
Consideration	<i>RM8,800,000</i>	<i>RM12,000,000</i>	<i>RM6,500,000</i>
Estimated annual net income	<i>RM467,093*</i>	<i>RM675,764*</i>	<i>RM328,130*</i>
Year of transaction	<i>2023</i>	<i>2023</i>	<i>2018</i>
Analysed yield	<i>5.31%</i>	<i>5.63%</i>	<i>5.05%</i>
Source	<i>Jabatan Penilaian dan Perkhidmatan Harta (JPPH)</i>		

Note:

* *Estimated net property income after deducting the outgoings.*

In its valuation assessment, Knight Frank has further allowed a rent loss adjustment for letting up based on a staggered occupancy rate over three years, to be fair after having considered the prevailing market condition, coupled with the existing and incoming supply together with the demand of the product being offered within the immediate and surrounding developments.

The rent loss adjustment is assessed over the stabilisation period using a projected occupancy profile and gross rental rate. During the initial year, the property is expected to experience partial occupancy, resulting in a corresponding level of vacancy and associated rental income foregone. In the second year, occupancy is projected to improve, leading to a reduced level of vacancy and a lower quantum of rental loss. By the third year, the property is assumed to have achieved stabilised occupancy, with no further rent loss anticipated.

The rental losses incurred during the letting-up period are discounted to their present values using an appropriate discount rate. The aggregate of these discounted losses represents the rent loss adjustment, which reflects the income foregone prior to the property reaching stabilised occupancy.

In arriving at the final value of the Wisma Boon Siew, Knight Frank has allocated and considered a quantitative adjustment amounting to RM140,000 to be incurred for works relating to reinstatement of the existing ground floor office space back to its original use as a garage, in accordance with the approved building plan.

2.5.3 Comparison approach

This approach considers the sale of similar or substitute properties and related market data, and establishes a value estimate by processes involving comparison. In general, a property being valued is compared with sale of similar properties that have been transacted in the open market. Listings and offers may also be considered.

The key bases and assumptions adopted for the comparison approach for the Hotels as set out in the Valuation Certificate contained in **Appendix IV** of this Circular, are summarised as follows:

	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name and address	Thistle Johor Bahru, Jalan Sungai Chat, 80100 Johor Bahru, Johor Darul Takzim	Courtyard by Marriott Melaka, Lorong Haji Bachee, Kampung Bukit Cina, 75100 Melaka	Courtyard by Marriott Penang, Jalan Macalister, 10400 Georgetown, Pulau Pinang	Holiday Villa Beach Resort & Spa Langkawi, Pantai Tengah, 07000 Langkawi, Kedah Darul Aman
Type of property	An operational 5-star rated 381-room hotel together with other supporting facilities / amenities	An operational 5-star 284-room hotel together with other supporting facilities / amenities	An operational 4-star rated 199-room hotel together with other supporting facilities / amenities	An operational 4-star rated 238-room hotel together with other supporting facilities / amenities
Approximate age of the building	25 years	3 years	6 years	30 years
Tenure	99-years leasehold interest expiring on 10 October 2087	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Date of transaction	1 September 2025	31 July 2024	26 January 2024	28 June 2023
Consideration	RM150 million	RM160 million	RM165 million	RM105 million
Analysis	RM393,701 per room	RM563,380 per room	RM829,146 per room	RM441,176 per room
Hotel name	Adjusted values⁽¹⁾			
Bayview Beach Resort Penang	RM452,756 per room	RM338,028 per room	RM456,030 per room	RM507,353 per room
Bayview Hotel Georgetown	RM413,386 per room	RM225,352 per room	RM290,201 per room	RM419,118 per room
Bayview Hotel Langkawi	RM354,331 per room	RM169,014 per room	RM207,286 per room	RM352,941 per room

Note:

(1) *General adjustments were made for, amongst others, for the location, beach frontage, tenure, establishment of development, condition / age of building, building design / finishes / quality, hotel operator / hotel branding, hotel star rating, ownership status and ownership / availability of car park.*

The key bases and assumptions adopted for the comparison approach for Wisma Boon Siew as set out in the Valuation Certificate contained in **Appendix IV** of this Circular, are summarised as follows:

	Comparable 1	Comparable 2	Comparable 3
Name and address	No.168, Jalan Argyll, George Town, Pulau Pinang	No. 64D, Lebuhraya, George Town, Pulau Pinang	No. 15, Lebuhraya, George Town, Pulau Pinang
Type of property	An 8-storey office building	A 5-storey office building	A 5-storey office building
Tenure	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Approximate age of the building	20 years	20 years	20 years
NLA	3,117.55 sqm (33,557 sq ft)	1,623.57 sqm (17,476 sq ft)	2,454.68 sqm (26,422 sq ft)
Date of transaction	1 August 2023	9 June 2023	9 June 2023
Consideration	RM16 million	RM8 million	RM12 million
Analysis	RM5,132.24 psqm (RM476.80 psf)	RM5,420.14 psqm (RM503.55 psf)	RM4,888.61 psqm (RM454.17 psf)
Adjusted values⁽¹⁾	RM333.76 psf	RM327.31 psf	RM317.92 psf

Note:

(1) *General adjustments were made for NLA, occupancy, establishment of development, condition / age of building and car park provision.*

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Based on the deliberations of the abovementioned approaches, Knight Frank arrived at the following market values for the properties:

Property	Market value
	RM 000
Bayview Beach Resort Penang	
- Income approach by DCF (primary approach)	180,000
- Comparison approach	185,000
Bayview Hotel Georgetown	
- Income approach by DCF (primary approach)	115,000
- Comparison approach	99,000
Wisma Boon Siew	
- Income approach by investment method (primary approach)	45,000
- Comparison approach	45,000
Bayview Hotel Langkawi	
- Income approach by DCF (primary approach)	95,000
- Comparison approach	99,000

Taking into consideration that the Hotels and Wisma Boon Siew are commercial and income generating properties, Knight Frank has adopted the market value(s) as derived from the income approach by DCF (for the Hotels) and income approach by investment method (for Wisma Boon Siew) as a fair representation for the properties supported by the market value(s) derived from the comparison approach.

In a valuation of a homogeneous real estate such as vacant lands and residential homes, the comparison approach is the most appropriate method of valuation as there are less adjustments and analysis on comparable(s). However, in the case of more complex real estate such as shopping complexes, hotels, office buildings and other income generating or investment properties, qualitative and quantitative adjustments are more difficult to be computed or gauged to reflect the differences of the comparable(s) and the property being valued. Therefore, Knight Frank has considered the income approach by DCF or investment method as the preferred method of valuation in its opinion of market value(s) for the properties.

(Source: Valuation Report)

2.6 Information on the refurbishment and renovation of the Hotels and Wisma Boon Siew and the rebranding of the Hotels

Following the completion of the acquisition of the Hotels pursuant to the Share Subscription Agreement, SSA, SPA 1 and SPA 2 and by virtue of the novation of the respective Ascott Agreements, our Group intends for each Hotel to be rebranded and operated under the "Ascott" brands.

Accordingly, following the completion of the acquisition of the Hotels pursuant to the Share Subscription Agreement, SSA, SPA 1 and SPA 2, each Hotel will undergo the necessary refurbishment and renovation works to meet the standards required by the "Ascott" brands, as detailed below.

Following the completion of the Proposed Georgetown Acquisition, Wisma Boon Siew will also undergo refurbishment and renovation works, as detailed below.

Estimated Total Capital Expenditure

The estimated total capital expenditure to be incurred for the refurbishment and renovation for the Hotels and Wisma Boon Siew amounts to approximately RM236.29 million, which will be funded by our Company via bank borrowings. The breakdown is set out below:

Details	RM million	RM million
Hotels		
- Bayview Beach Resort Penang	(1),(3)107.62	
- Bayview Hotel Georgetown	(1),(3)92.32	
- Bayview Hotel Langkawi	(1),(3)10.79	210.73
Wisma Boon Siew		(2),(4)25.56
Total		236.29

Notes:

(1) Source: Valuation Report

(2) Source: Company

(3) The estimated breakdown of the major cost components of the capital expenditure for the Hotels is set out below:

	Bayview Beach Resort Penang	Bayview Hotel Georgetown	Bayview Hotel Langkawi
	RM million	RM million	RM million
<i>Interior design guest room</i>	45.70	36.64	5.61
<i>Mechanical and electrical</i>	39.44	34.02	2.12
<i>Interior design common area and back of house (non- customer facing areas)</i>	10.85	12.83	1.70
<i>Architectural and landscape</i>	7.98	4.90	0.04
<i>Civil and structural works, preliminaries and general conditions, and kitchen and laundry equipment</i>	3.65	3.93	1.32
Total	107.62	92.32	10.79

(4) The estimated breakdown of the major cost components of the capital expenditure for Wisma Boon Siew is set out below:

	Wisma Boon Siew
	RM million
<i>Mechanical and electrical</i>	13.47
<i>Architectural</i>	5.72
<i>Civil and structural works, preliminaries and general conditions, and industrial cleaning</i>	3.22
<i>Food and beverage outlets</i>	3.15
Total	25.56

2.6.1 Bayview Beach Resort Penang

The scope of the refurbishment and renovation works in respect of Bayview Beach Resort Penang encompasses architectural enhancements to the façade, fresh wall finishes, lobbies, common areas, facilities, structural repairs, upgrading of the guest rooms alongside essential mechanical and electrical upgrades.

Following the completion of the said refurbishment and renovation works, Bayview Beach Resort Penang is targeted to be rebranded as “Ascott Batu Ferringhi Penang” in the first half of 2028.

(Source: Valuation Certificate)

2.6.2 Bayview Hotel Georgetown

The scope of the refurbishment and renovation works in respect of Bayview Hotel Georgetown encompasses architectural enhancements to the façade, fresh wall finishes, structural repairs, and upgrading of the guest rooms alongside essential mechanical and electrical upgrades.

Following the completion of the said refurbishment and renovation works, Bayview Hotel Georgetown is targeted to be rebranded as “Oakwood Georgetown Penang” in the first half of 2028.

(Source: Valuation Certificate)

2.6.3 Wisma Boon Siew

The scope of the refurbishment and renovation works in respect of Wisma Boon Siew encompasses architectural enhancements to the façade, cladding, floor finishes, and structural repairs, alongside essential mechanical and electrical upgrades.

The completion of the said refurbishment and renovation works is targeted to be completed in the second half of 2026.

(Source: Company)

2.6.4 Bayview Hotel Langkawi

The scope of the refurbishment and renovation works in respect of Bayview Hotel Langkawi encompasses upgrades of guest rooms with new built-in furniture, wallpaper, sanitary fittings, painting, and electrical appliances, complemented by interior design.

Following the completion of the said refurbishment and renovation works, Bayview Hotel Langkawi is targeted to be rebranded as “FOX Hotel Langkawi” in the second half of 2027.

(Source: Valuation Certificate)

2.7 Estimated total funding required and source of funding

The estimated total funding required to undertake the Proposals is set out below:

Purpose	RM million
Total Purchase Consideration	411.00
Estimated expenses relating to the Proposals ⁽¹⁾	20.00
Total	431.00

Note:

(1) The breakdown of the estimated expenses relating to the Proposals comprise the following:

	RM million
Stamp duties relating to the Share Subscription Agreement, SSA, SPA 1, and SPA 2	9.77
Miscellaneous fees (such as printing cost, cost to convene the EGM and advertising cost) ^(a)	4.41
Other fees and expenses including loan documentation and other agreements	2.96
Professional fees	2.86
Total	20.00

Note:

(a) The estimated breakdown and major cost components of the miscellaneous fees are set out below:

	RM million
Stamp duty on additional loan documentation for the capital expenditure	1.70
Contingencies	1.41
Printing cost, cost to convene the EGM, advertising cost and subsequent fees and expenses relating to the Proposals	0.80
Fees payable to authorities and out of pocket expenses on professional fees including service tax	0.50
Total	4.41

The Total Purchase Consideration and the estimated expenses relating to the Proposals will be funded via a combination of internally generated funds and bank borrowings. The breakdown is as follows:

Details	Internally generated funds	Bank borrowings
	RM million	RM million
Purchase Consideration 1	-	(1)167.00
Purchase Consideration 2 and Purchase Consideration 3	(2)14.64	(3)229.36
Estimated expenses relating to the Proposals	20.00	-
Total	34.64	396.36

Notes:

- (1) *Comprises (i) the Subscription Price relating to the Proposed NGSB Share Subscription of RM153.1 million; and (ii) the NGSB Sale Shares Consideration relating to the Proposed Acquisition of NGSB Sale Shares of RM13.9 million.*
- (2) *Comprises deposits and RPGT retention sum relating to SPA 1 and SPA 2.*
- (3) *Comprises the balance payment relating to SPA 1 and SPA 2.*
- (4) *The payment milestones for the Purchase Consideration 1, Purchase Consideration 2, and Purchase Consideration 3 are set out in **Paragraph 2 of Appendix II(A), Paragraph 2 of Appendix II(B), Paragraph 2 of Appendix II(C), and Paragraph 2 of Appendix II(D)** respectively.*

The estimated total capital expenditure to be incurred for the refurbishment and renovation of the Hotels and Wisma Boon Siew will also be funded via bank borrowings. The breakdown of the total estimated capital expenditure to be incurred for the Hotels and Wisma Boon Siew is set out in **Part A, Section 2.6** of this Circular.

2.8 Liabilities to be assumed

Save for the obligation to procure NGSB to undertake the RPS Redemption pursuant to the Share Subscription Agreement, our Company will not assume any other liabilities, including contingent liabilities and/or guarantees arising from the Proposals.

2.9 Additional financial commitment

In addition to the Total Purchase Consideration and estimated expenses relating to the Proposals, our Group is expected to incur an estimated total capital expenditure for the refurbishment and renovation works in respect of the Hotels and Wisma Boon Siew of RM236.29 million, as outlined in **Part A, Section 2.6** of this Circular.

Save as disclosed above, our Group does not expect to incur any additional financial commitment in relation to the Proposals.

2.10 Information on the Ascott Agreements

The Current Hotel Owners have entered into the Tenancy Agreements with BHSB in respect of the Hotels. Subsequent to the Tenancy Agreements, BHSB had on 1 September 2025 entered into the Ascott Agreements with The Ascott Limited, comprising Ascott International Management (2001) Pte Ltd ("**Technical Advisor**") and Ascott International Management (Malaysia) Sdn Bhd ("**Operator**") for the management and operation of the Hotels.

Ascott is a wholly-owned business unit of CapitaLand Investment Limited. Its portfolio includes more than 1,000 properties spanning over 230 cities across more than 40 countries which presence spans Asia Pacific, Central Asia, Europe, the Middle East, Africa and the United States of America.

Ascott specialises in managing and franchising a wide range of lodging options, including serviced residences, hotels, resorts, social living properties and branded residences, catering to the varying needs and preferences of global travellers. Through the ASR, members enjoy exclusive privileges and curated experiences, enhancing every aspect of their travel journey.

Upon completion of the Proposals, the Ascott Agreements shall be novated by BHSB to our Group.

Under the Ascott Agreements (once novated), our Group shall be responsible for owning and financing the hotel property, approving budgets and capital expenditure, maintaining the physical asset, ensuring asset-level compliance, and receiving the economic results of the hotel's performance. Whereas Ascott is appointed as the third-party operator responsible for managing day-to-day hotel operations in return for agreed management fees.

2.10.1 Framework Agreement

BHSB, the Technical Advisor, and the Operator are parties to the Framework Agreement which governs the intended operation, management, marketing, and maintenance of several properties, including the Hotels. The Framework Agreement sets out timelines for executing the respective management agreements and technical advisory agreements, outlines rebranding targets, and grants the Operator the first right to manage the Hotels. It also specifies fee structures, including the technical advisory fee which is a fixed milestone fee for the provision of technical advisory services from the signing of the Ascott Agreements leading up to the commencement date of the Hotels. The management, trademark and global marketing fees are based on percentage of total revenue, whereas, the incentive management fee is based on percentage of gross operating profit.

It is part of the conditions precedent under the Share Subscription Agreement, SPA 1 and SPA 2 for the Framework Agreement to be novated to our Group effective on the completion date of the Share Subscription Agreement.

2.10.2 Management Agreement(s)

BHSB and the Operator are parties to individual Management Agreements for each of the Hotels. Each Management Agreement governs the operation and rebranding of the respective Hotel, under which the Operator manages the property exclusively through a conversion phase and subsequently as a rebranded hotel. BHSB's obligations pursuant to the Management Agreement(s) include, amongst others, undertaking renovations within stipulated timelines and maintaining a leasehold possessory interest over the Hotels. Fees payable include management, technical advisory, trademark, marketing, reservation, loyalty program, and shared services fees, in addition to a hotel reserve contribution. The Operator provides technical advisory, management, and marketing services while ensuring compliance with brand standards. Each Management Agreement also sets out exclusivity restrictions, termination rights (for breaches, underperformance, or ownership changes).

It is part of the conditions precedent under the Share Subscription Agreement, SPA 1 and SPA 2 for the relevant Management Agreement(s) relating to each Hotel to be novated to NGSB, FPSB and NLSB respectively (as the case may be), effective on the respective completion date(s) of the Share Subscription Agreement, SPA 1 and SPA 2.

2.10.3 Technical Advisory Agreement(s)

BHSB and the Technical Advisor are parties to individual Technical Advisory Agreements for each of the Hotels. Each Technical Advisory Agreement governs the Technical Advisor's role to provide professional advice and support to the respective Hotel Owners in connection with the refurbishment and rebranding of the respective Hotels. This includes reviewing and advising on design, specifications, and plans to ensure compliance with Ascott brand and standards; monitoring construction, refurbishment, and fit-out works; ensuring quality, cost efficiency, and timely delivery; coordinating with consultants, contractors, and relevant authorities. The Technical Advisor acts as an independent expert by ensuring that all works are executed in accordance with the required standards and completed within the agreed budget and timeline.

It is part of the conditions precedent under the Share Subscription Agreement, SPA 1 and SPA 2 for the relevant Technical Advisory Agreement(s) relating to each Hotel to be novated to NGSB, FPSB and NLSB respectively (as the case may be), effective on the respective completion date(s) of the Share Subscription Agreement, SPA 1 and SPA 2.

3. RATIONALE AND BENEFITS OF THE PROPOSALS

Our Group is engaged in multiple core business segments, namely automotive and related products, plastic products, hotels and resorts, plantation, investment holding, investment properties and trading of building material products and healthcare. For the FYE 31 December 2024, the hotels and resorts segment contributed approximately 6% to our Group's total revenue.

Our Group's proposed acquisition of the Hotels aligns with its strategy to expand and diversify its hospitality portfolio by investing in hospitality assets with good potential, while strengthening our Group's recurring income stream from the hotels and resorts segment. The proposed acquisition of the Hotels, with Ascott coming in as the operator and manager of the Hotels, also supports our Group's operational restructuring to transition towards a third-party management model for its hotels and resorts.

As at the LPD, our Group has 7 operating hospitality units under its portfolio as shown below:

Hotels	Location	Star rating	Year 2025 Managed by
Bayview Hotel Malacca	Malaysia	4 star	Bayview International Hotels Pte Ltd
30 Bencoolen	Singapore	4 star	Bayview International Hotels Pte Ltd/ The Ascott Limited ⁽¹⁾
Bayview Geographe Resort	Australia	4 star	Bayview International Hotels Pte Ltd/ Accor Group ⁽²⁾
The Sydney Boulevard Hotel	Australia	4 star	Bayview International Hotels Pte Ltd/ Accor Group ⁽²⁾
Wairakei Resort Taupo	New Zealand	4 star	Bayview International Hotels Pte Ltd/ Accor Group ⁽²⁾
Somerset Park Suanplu	Thailand	4 star	The Ascott Limited
Thistle Holborn The Kingsley Hotel	United Kingdom	4 star	Clermont Hotel Group

Notes:

(1) Shift in management commenced on 1 October 2025.

(2) Shift in management commenced on 1 May 2025.

Upon completion of the Proposals, our Group's hotel portfolio in Malaysia will increase from 1 to 4 properties, with the total number of rooms increasing from 188 to 1,175. In aggregate, our Group's overall hotel portfolio will grow from 7 to 10 properties. With our Group's domestic hospitality operations currently contributing approximately 4% to their hotels and resorts segment revenue in FYE 31 December 2024, the addition of the Hotels will enable our Group to strengthen its hospitality assets and market presence in Malaysia. Accordingly, this would also provide greater geographical diversification to our Group's hospitality portfolio, thereby reducing concentration risks and broadening its recurring income base within the hotels and resorts segment.

The proposed acquisition of the Hotels further provides a strategic platform for our Group to strengthen its hospitality footprint across key tourist destinations in Pulau Pinang and Kedah. Collectively, the Hotels form a complementary portfolio that enables our Group to serve a diverse mix of business and leisure travellers, thus delivering synergistic benefits to our Group.

Our Group currently has 2 hotels under Ascott's management including 30 Bencoolen in Singapore and Somerset Park Suanplu in Thailand. Extending on this familiar relationship will allow our Group to benefit from Ascott's established international brands and professional operational expertise as well as leverage on its global distribution network.

Aside from the Hotels, upon completion of the Proposed Georgetown Acquisition, Wisma Boon Siew will be the first commercial property for our Group in Pulau Pinang, allowing our Group to have a footprint in Pulau Pinang's office space market. The rising demand for flexible workspaces in Pulau Pinang presents a potential opportunity for our Group to strategically position itself within this evolving market.

Notwithstanding the above, the prospects of the enlarged Group are subject to prevailing conditions in the hospitality, tourism and property investment sector, as well as our Group's ability to manage, sustain and improve its operations in these sectors.

Premised on the above and considering the market outlook set out in **Part A, Sections 4.1 to 4.5** of this Circular, the Proposals are expected to be favourable and able to contribute positively to our Group's long-term financial performance.

4. INDUSTRY OVERVIEW AND PROSPECTS

4.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 5.2% in the third quarter (“3Q”) of 2025 (second quarter (“2Q”) of 2025: 4.4%), driven by sustained domestic demand and higher net exports. Household spending was supported by positive labour market conditions, income-related policy measures, and cash assistance programmes. Investment activity was underpinned by continued capital expansion by both private and public sectors. On the external front, net exports registered higher growth as export growth outpaced import growth.

On the supply side, growth was led by the services and manufacturing sectors. Growth in the services sector was mainly contributed by consumer-related sub-sectors, while the manufacturing sector’s performance was driven by stronger production in electrical and electronics (E&E) and consumer-related goods. Meanwhile, the mining and quarrying sector rebounded, reflecting a recovery in crude oil and natural gas production post-scheduled maintenance work. On a quarter-on-quarter, seasonally-adjusted basis, growth expanded by 2.4% (2Q 2025: 2.2%).

Headline inflation remained stable at 1.3% (2Q 2025: 1.3%), while core inflation increased to 2% (2Q 2025: 1.8%). While the higher core inflation added impetus to headline inflation during the quarter, this was offset by declines in selected administered prices. In particular, electricity (-4.6%; 2Q 2025: 0%) and diesel (-5%; 2Q 2025: 8%) prices were lower during the quarter, in line with the recent electricity tariff restructuring and moderate global cost conditions. Both headline and core inflation are expected to remain moderate for the remainder of the year, supported by steady domestic demand and continued easing in global cost conditions. These factors, together with Government measures to cushion the impact of domestic policy reforms on households, will help sustain a low and stable inflation environment. Heading into 2026, inflation is expected to remain moderate amid steady domestic demand, stable labour market conditions, and favourable supply conditions.

On the external front, export growth is expected to be impacted by tariffs and more moderate external demand. However, growth would be supported by continued demand for E&E goods, inbound tourism and the recovery in mining-related exports.

Despite the challenging external environment, Malaysia’s economic outlook remains on track to achieve growth between 4% and 4.8% in 2025, supported by resilient domestic demand. Household spending will be supported by continued employment and wage growth, as well as income-related policy measures. Investment activity will be sustained by progress of infrastructure projects, further realisation of approved private investments, and the implementation of national master plans.

(Source: Economic and Financial Developments in Malaysia in 3Q 2025, Bank Negara Malaysia)

4.2 Overview and outlook of the tourism industry in Malaysia

In 2019, Malaysia recorded 26.1 million tourist arrivals and RM86.1 billion in receipts, falling short of its targets of 28.1 million visitors and RM92.2 billion in receipts. Nonetheless, the country managed to register modest annual growth rates of 1.0% in tourist arrivals and 2.4% in receipts. However, the onset of the COVID-19 pandemic in 2020, marked by the World Health Organisation’s declaration on 11 March 2020, led to the closure of international borders and a drastic decline in tourism. As a result, tourist arrivals dropped to 4.3 million with RM12.7 billion in receipts, depicting sharp annual declines of 83.4% and 85.3%, respectively. The situation worsened in 2021, with only 134,728 arrivals and RM0.2 billion in receipts, largely due to successive phases of movement control orders implemented to contain the pandemic.

Following the full reopening of Malaysia's borders on 1 April 2022, the tourism industry began to recover, recording approximately 10.1 million tourist arrivals and RM28.2 billion in receipts during the year. Recovery momentum continued into 2023, with 20.1 million tourist arrivals surpassing the revised target of 19.1 million, and corresponding tourism receipts reaching RM71.3 billion. The top five highest tourist arrivals in 2023 were from Singapore, Indonesia, Thailand, China and Brunei.

In 2024, Malaysia's tourism sector continued to rebound, recording 25.0 million tourist arrivals and generating RM102.2 billion in receipts, marking a yearly increase of 24.2% in arrivals and 43.4% in revenue. Singapore remained the leading source of international tourists with approximately 9.10 million arrivals, followed by Indonesia and China, which contributed around 3.65 million and 3.29 million visitors, respectively.

With that, Malaysia welcomed 8.4 million tourists in the first 4 months of 2025. Year-on-year, there was a 10.5% increase in tourist arrivals (January – April 2024: 7.6 million arrivals). Looking ahead, the country aims to attract 31.3 million international tourist arrivals and generate tourism receipts of RM125.5 billion for the full year of 2025.

As provided under Budget 2025, Malaysia will continue to focus on enhancing infrastructure and systems at all entry points to better accommodate international and regional meetings, incentives, conferences, and exhibitions, including the ASEAN Chairmanship and various state-level Visit Year programmes. The government will also ramp up global promotions for Visit Malaysia 2026 through targeted advertising, increased presence at World Expos and other strategic initiatives aimed at restoring pre-pandemic levels of tourist arrivals and strengthening Malaysia's position as a leading global tourism destination.

(Source: Valuation Report)

4.3 Overview and outlook of the hotel market in Pulau Pinang

In 2019, domestic guests continued to outnumber foreign guests, but both segments were significantly disrupted in 2020 and 2021 due to the COVID-19 pandemic, with the number of foreign arrivals plunging to just 11,000 in 2021, while domestic tourism, though affected, showed greater resilience. A strong recovery began in 2022, led by a sharp rebound in domestic guests exceeding 4.3 million, which further grew to 5.24 million in 2024. Foreign arrivals recovered more gradually but reached 3.0 million in 2024, surpassing pre-pandemic levels for the first time. Overall, 2024 marked a new peak in Pulau Pinang's total hotel guests, underscoring the sustained strength of domestic travel alongside the robust resurgence of international visitors.

Accompanying tourist growth, Pulau Pinang witnessed a consistent uptick in the presence of both 4-star and 5-star hotels in 2024, with positive compound annual growth rate ("CAGR") of 6.0% and 12.7%, respectively. This trend indicates a steady growth in the hospitality sector. Correspondingly, the number of rooms in both categories experienced growth, with CAGRs of 4.4% for 4-star category and 11.3% for 5-star category. As of 1Q 2025, there are 21 hotels in the 5-star category that offers a total of 5,694 rooms and 30 hotels in the 4-star category that offers a total of 7,844 rooms.

The hospitality market in Pulau Pinang is projected to sustain positive momentum in the second half of 2025, driven by increased air connectivity, visa-free travel policies for key markets such as China and India and targeted promotional efforts. Enhanced air connectivity includes new direct flights between Pulau Pinang and Chennai in India, Chengdu in China (the eighth direct flight between China and Pulau Pinang after Guangzhou, Xiamen, Shanghai, Hong Kong, Shenzhen, Chongqing and Xi'an) and Yangon in Myanmar. The Malaysia-China visa-free agreement was extended for five years in April 2025, enabling citizens of both nations to enjoy visa-free stays of up to 90 days cumulatively within a six-month period. Strategic promotional initiatives designed to stimulate tourism growth in the State include the "Not the Penang You Know" campaign by Penang Global Tourism, delegations and roadshows to China, India and Taiwan by the Penang Tourism & Creative Economy and bilateral tourism collaborations with Uzbekistan.

The ongoing expansion of Penang International Airport and the launch of new hotel developments continue to enhance the state's hospitality landscape. The Penang Waterfront Convention Centre, is also poised to be a key catalyst, drawing more business events and boosting overall demand. At the same time, cruise tourism in Pulau Pinang is expected to grow further, supported by a rise in cruise ship arrivals at the Swettenham Pier Cruise Terminal, expanded itineraries from major cruise lines such as Oceania Cruises and regular sailings by Resorts World Cruises. Strategic efforts by the Penang Port Commission and Tourism Malaysia to attract international cruise lines, along with improved infrastructure, are boosting the State's profile as a regional cruise hub.

Pulau Pinang's tourism appeal is further elevated by its recognition as one of Lonely Planet's seven best destinations to visit in Southeast Asia. In July last year, the travel guide also ranked Pulau Pinang among the top two destinations in the region for solo travellers, highlighting its vibrant street food scene and rich creative culture. Such accolades are expected to enhance the state's visibility and attract more tourists, providing an additional boost to the local tourism industry.

(Source: Valuation Report)

4.4 Overview and outlook of the office market in Pulau Pinang

As of 2024, the existing supply of purpose-built private office spaces on Penang Island* stood at circa 7.08 million sq ft, marking a modest yearly increase of 3.2%, largely driven by the completion of Sunshine Tower in Ayer Itam (227,600 sq ft NLA). However, in the first quarter of 2025, the total supply declined to 6.32 million sq ft following a National Property Information Centre recategorization exercise, which excluded smaller and older buildings that no longer function as office premises across the region.

Despite minor fluctuations, the overall existing supply of purpose-built private office spaces on Penang Island has remained stable, ranging from 6.79 to 7.31 million sq ft over the past six years. This consistency is likely attributed to the repurposing of vacant or outdated office buildings into hotels, serviced apartments, healthcare facilities or educational institutions, suggesting slow growth in the island's office market.

In general, the office market in Pulau Pinang is expected to remain stable in 2025 despite 3 new office towers, collectively offering approximately 608,010 sq ft of new office spaces coming on stream. With new supply coming onto the market, the average rental rates of existing purpose-built office spaces are expected to remain challenging whilst newer office spaces will be better sought after.

The co-working market in Pulau Pinang is poised for significant expansion in 2025, driven by increasing demand for flexible workspaces and strategic expansion plans by leading operators. For instance, INFINITY8 has launched its first Pulau Pinang location, INFINITY8 Reserve George Town, marking its entry into the northern market. Simultaneously, WORQ, a prominent co-working space provider, intends to expand beyond the Klang Valley, targeting Johor and Pulau Pinang as its initial expansion locations this year, leveraging the growing demand for flexible workspaces in Malaysia's major economic hubs.

The Global Business Services (“**GBS**”) sector in Pulau Pinang is poised for significant growth in the coming years, driven by strategic initiatives, substantial investments and supportive government policies. This growth is expected to generate approximately 3,000 new local jobs, reinforcing Pulau Pinang's position as a premier GBS hub within Malaysia. The State Government, through agencies such as InvestPenang, actively promotes the GBS sector by providing premium office space and fostering a supportive ecosystem for high-impact activities, including integrated circuit design, digital GBS, research and development and digital technology investments.

(Source: Valuation Report)

Note:

* References to Penang Island exclude the Seberang Perai part of the state of Pulau Pinang.

4.5 Overview and outlook of the hotel market in Langkawi

The tourism sector in Langkawi had been relatively stable with annual tourist arrivals hovering between 3.6 million to 3.7 million between 2015 and 2018 before peaking at 3.9 million arrivals in 2019. Impacted by the unprecedented COVID-19 pandemic which led to the closure of international borders, the number of arrivals plunged to 1.8 million and 1.1 million in 2020 and 2021, respectively.

Following the country's transition to the endemic phase in April 2022, the tourism industry has gradually recovered. Langkawi welcomed 2.6 million visitors in 2022, followed by 2.8 million and 2.9 million arrivals in 2023 and 2024, respectively. During the first eight months of 2025, arrivals increased by 17.2% to 2.0 million, reflecting a notable progress as the island moves toward its goal of attracting 3.5 million visitors in 2025.

The hospitality market in Kedah is expected to register growth in 2025, supported by the State's "Visit Kedah Year 2025" campaign and related initiatives aimed at tourism promotion and infrastructure improvements. The State Government of Kedah is targeting about seven million visitors in 2025, above the earlier forecast of 6.5 million, through more than 150 planned tourism events across the state. Langkawi being Kedah's main tourist destination, is anticipated to play a central role, leveraging its beaches, cultural heritage, and range of leisure activities.

Cross-border tourism from Southern Thailand is also positioned as a contributor to Kedah's hospitality market. The state benefits from its proximity to Satun and Songkhla, with efforts directed at attracting Thai tourists through marketing campaigns and travel packages. These measures aim to facilitate travel and encourage collaboration between Malaysian and Thai travel agencies.

Langkawi recorded stronger performance in early 2025, with visitor arrivals increasing by around 20%, from 250,000 in January 2024 to 300,000 in January 2025. Hotel occupancy rates also rose from 58.1% to 68.3% during the same period. This reflects Langkawi's traditional position as a tourism hub, supported by international connectivity and promotional activities, which are expected to contribute to broader hospitality market growth in Kedah.

(Source: Valuation Report)

4.6 Prospects of the Hotels and Wisma Boon Siew

4.6.1 Bayview Beach Resort Penang

Bayview Beach Resort Penang is situated along Batu Ferringgi beach, which is one of Pulau Pinang's most famous beach destinations, drawing both international and domestic visitors year-round. The resort offers direct beach access with scenic ocean views, spacious guestrooms with private balconies, a large swimming pool, family-friendly amenities, diverse dining options, attracting both leisure and business travellers.

The resort is well-connected and accessible via Jalan Tanjung Bungah, the main coastal road linking to George Town, Pulau Pinang's capital. It is also accessible from Penang International Airport (approximately 50 minutes), George Town (approximately 30 minutes) and the Penang Bridge (approximately 40 minutes) by private vehicle, taxi or ride-sharing service. Public transportation, including Rapid Penang's bus routes 101 and 102, provides convenient service to Batu Ferringgi, George Town, KOMTAR and Penang International Airport. Alternatively, the planned North Coastal Paired Road Project is a 10.6 km highway stretching from Tanjung Bungah to Teluk Bahang that is expected to reduce peak travel time from 45 minutes to 7 minutes.

Under Ascott's management, the resort will be rebranded and operated under the name Ascott Batu Ferringhi Penang. The repositioning to an upper-upscale resort will strengthen its market appeal as a revitalised beach resort in Batu Ferringgi, setting it apart from its aging competitors. Additionally, the rebranding will position it as a hub for wellness retreats, staycations, corporate events, weddings and functions seeking an elegant and well-equipped venue for meetings, conferences and corporate events. In addition to physical upgrades, offering distinctive, high-quality guest experiences and implementing targeted marketing strategies will be key to enhancing the resort's appeal. These efforts will support the repositioning strategy to align the resort with current market trends and stakeholder expectations.

The resort stands to benefit from Ascott's strong global reputation, trusted service standards and wide distribution network. Through Ascott's customer loyalty program, ASR, the hotel will gain access to a large pool of repeat guests and loyal members. Furthermore, Ascott's corporate partnerships and global connections will help increase the hotel's business opportunities and visibility. This rebranding will also deliver stronger marketing support, boost guest confidence and position the resort for long-term growth.

(Source: Valuation Report)

4.6.2 Bayview Hotel Georgetown

Bayview Hotel Georgetown is positioned as a mid-range hotel offering budget-friendly accommodations with attractive rates for both leisure and business travellers. Strategically located within the UNESCO World Heritage Site of George Town, the hotel is within walking distance of major historical and cultural landmarks like Fort Cornwallis, Pinang Peranakan Mansion, Cheong Fatt Tze Mansion (Blue Mansion) and Armenian Street. Its proximity to local attractions makes it an ideal stay for tourists looking to explore George Town without the need for extensive transportation. The hotel features key amenities, including a swimming pool, fitness centre, meeting rooms and a revolving rooftop restaurant.

With that, Bayview Hotel Georgetown enjoys excellent accessibility and connectivity via diverse transportation modes. Convenient access is provided by Lebuhraya Farquhar and Lebuhraya Leith, offering seamless connections to Jalan Penang and Jalan Burma, facilitating efficient city-wide travel. By way of private vehicles, taxis or ride-sharing services, the hotel is accessible from the Swettenham Pier Cruise Terminal (approximately 5 minutes), KOMTAR (approximately 6 minutes), Penang Bridge (approximately 20 minutes) and Penang International Airport (approximately 30 minutes). Public transportation options include Rapid Penang bus routes 101, 103 and 104, offering access to Gurney Drive, Batu Ferringgi and Penang Hill. Additionally, the Free Central Area Transit bus system connects major George Town landmarks, with several bus stops in proximity to the hotel. Bicycle rentals and the LinkBike bike-sharing program are also available for short distance travel.

Under Ascott's management, the hotel will be rebranded and operated under the name Oakwood Georgetown Penang. The hotel will be refurbished to target different market segments, through the repositioning of room inventory, with deluxe rooms aimed at upscale free independent travellers and corporate travellers, while superior rooms are directed towards group inclusive tours and leisure demand. The rebranding aims to leverage Oakwood's brand presence in the corporate, leisure and hotel markets, which is anticipated to improve market visibility, strengthen brand awareness and enhance customer acquisition. The introduction of new dining concepts, an upgraded revolving restaurant and the opening of Oakbar is expected to enhance the hotel's food and beverage revenue. Similar to the above, the hotel will also benefit from ASR.

(Source: Valuation Report)

4.6.3 Wisma Boon Siew

Wisma Boon Siew forms part of an integrated development with Bayview Hotel Georgetown. Located in Pulau Pinang's Central Business District, George Town boasts a high concentration of major financial institutions, corporate headquarters and commercial enterprises. Additionally, George Town plays a pivotal role in legal, regulatory and administrative affairs as a key centre for government agencies, consulates and municipal offices.

(Source: Valuation Report)

4.6.4 Bayview Hotel Langkawi

Bayview Hotel Langkawi is located in Kuah Town, the district capital of Langkawi. Its proximity to duty-free shopping centres, restaurants, government offices and the Langkawi Ferry Terminal provide convenient access for visitors. Aside to the location, the hotel provides good value within the 4-star hotel segment in Langkawi, offering guests quality accommodation, a convenient location and essential amenities at a competitive price point. Additionally, it is equipped with meeting rooms, banquet halls and a business centre, making it suitable for corporate events, seminars and official functions, particularly for business travellers and government agencies.

The hotel can be accessed via Jalan Padang Matsirat and Jalan Ayer Hangat, which are major arterial roads in Langkawi. Furthermore, it is located approximately 5 minutes from the Langkawi Ferry Terminal and around 25 minutes from Langkawi International Airport by way of private vehicle, taxi or ride-sharing services.

Under Ascott's management, the hotel will be rebranded and operated under the name FOX Hotel Langkawi. The hotel will undergo refurbishment and renovation works centred on cosmetic upgrades to meet FOX Hotel standards. Besides the guest rooms, the common areas and back-of-house facilities will also undergo redesign and modernisation to improve guest experience and staff efficiency. Similar to the other hotels, the hotel will also benefit from ASR.

(Source: Valuation Report)

In light of the positive outlook for Malaysia's tourism industry and the hotel markets in Pulau Pinang and Langkawi, supported by the Visit Malaysia Year 2026 campaign and various Government incentives, Bayview Beach Resort Penang, Bayview Hotel Georgetown and Bayview Hotel Langkawi are well-positioned to capture increased tourist demand and grow their market share.

Separately, the rising demand for flexible workspaces in Pulau Pinang, together with the projected expansion of co-working space in Malaysia from 5.0% to 30.0% by 2030, presents an opportunity for Wisma Boon Siew to strategically position itself within this evolving market.

(Source: Valuation Report)

4.7 Prospects of OHB Group

Our Group has multiple core businesses which include, amongst others, the hotels and resorts segment and the investment properties and trading of building material products segment.

The hotels and resorts segment contributed approximately 6% of our Group's total revenue for each of the FYE 31 December 2022, 2023 and 2024. As at LPD, our Group's hotel portfolio comprises 7 operating hospitality units, with 1 hotel located in Malaysia and 6 hotels located overseas. This segment is guided by our vision to become a preferred hospitality brand by providing guests with a warm and personalised experience with each stay.

The investment properties and trading of building material products segment contributed approximately 11%, 12% and 9% of our Group's total revenue for the FYE 31 December 2022, 2023 and 2024 respectively, and includes, amongst others, the ownership of 2 commercial properties in the central business district of Melbourne, as well as a commercial complex comprising a block of service apartments and retail spaces located to the southeast of Melbourne.

The acquisition of the Hotels will enlarge and diversify our Group's hospitality portfolio and enhance its recurring income stream from its hospitality assets. The Hotels will also significantly strengthen our Group's presence in Malaysia's hospitality sector, increasing our domestic hotel portfolio from 1 to 4 properties. In addition, the planned refurbishment and rebranding of the Hotels under Ascott's portfolio of international brands is expected to upgrade the assets to international standards and yield higher returns in the long-term. With Ascott appointed as the operator and manager of the Hotels, and by leveraging on its global network, brand standards, and operational expertise, our Group expects the operating performance of the Hotels to improve. In turn, our Group anticipates that this will contribute positively to the overall financial performance of our Group, with higher returns generated from its hospitality assets.

The acquisition of Wisma Boon Siew is expected to enhance our Group's recurring rental income stream from its investment properties. In addition, the proposed refurbishment of the office building is expected to improve its attractiveness and competitiveness, which is expected to provide higher rental rates and enhance returns to our Group. Further, the acquisition will also enable our Group to establish its corporate head office in Pulau Pinang, providing a dedicated corporate presence and supporting our Group's operational requirements as we continue to grow.

As stated in **Part A, Section 3** of this Circular, notwithstanding the above, the prospects of the enlarged Group are subject to prevailing conditions in the hospitality, tourism and property investment sector, as well as our Group's ability to manage, sustain and improve its operations in these sectors.

Premised on the above and considering the market outlook set out in **Part A, Sections 4.1 to 4.5** of this Circular, the Proposals are expected to be favourable and able to contribute positively to our Group's long-term financial performance.

5. RISK FACTORS

Our Board does not anticipate that the Proposals will result in a material change to the risk profile of our Group save for the inherent risk factors associated with the hotel industry, of which our Group is already involved in, and will be addressed as part of our Group's ordinary course of business. The following are some non-exhaustive risk factors that may be inherent to our Group in relation to the Proposals.

5.1 Risks relating to the Proposals

5.1.1 Delay or non-completion of the Proposals

The completion of the Proposals is conditional upon the conditions precedent as set out in **Paragraph 3 of Appendix II(A), Appendix II(C) and Appendix II(D)** of this Circular being fulfilled. The non-fulfilment of the conditions precedent may result in the Share Subscription Agreement, SPA 1 or SPA 2 being terminated (as the case maybe). In addition, there can be no assurance that the Proposals can be completed within the time period permitted under the Share Subscription Agreement, SPA 1 or SPA 2. Nevertheless, our Company, FPSB and/or NLSB (as the case may be) will take the necessary steps to facilitate the fulfilment of the conditions precedent which are within their control within the timeframe stipulated in the Share Subscription Agreement, SPA 1 or SPA 2. Upon termination of the Share Subscription Agreement, SSA, SPA 1 or SPA 2, our Company, FPSB and/or NLSB (as the case may be) and the respective Vendors shall be discharged from their respective obligations without any liability to each other, save for any antecedent breach under the Share Subscription Agreement, SSA, SPA 1 or SPA 2 (where relevant) occurring prior to such termination.

5.1.2 Non-registration of the transfer of title in respect of Bayview Hotel Georgetown and Wisma Boon Siew as well as Bayview Hotel Langkawi and non-registration of the transfer of the NGSB Sale Shares

Prior to the execution of the SPA 1 and SPA 2, FPSB and NLSB have respectively taken all necessary action to ensure the instruments of transfer are in a registrable form. This includes conducting searches at the relevant land office to ascertain the absence of caveats and/or encumbrances, which may prevent the registration of FPSB and NLSB (as the case may be) as the registered owner of Bayview Hotel Georgetown and Wisma Boon Siew as well as Bayview Hotel Langkawi prior to the presentation of the instrument of transfer and other necessary transfer documents at the relevant land office.

Given the current practices of the land offices in Malaysia, it is not uncommon that the period between the date of presentation of instruments relating to dealing in a land transaction and the registration thereof could take several months. Nevertheless, upon registration, the date of registration will be the date of presentation of the instruments of dealing. The potential delay and therefore, uncertainty, in the respective registration of FPSB and NLSB (as the case may be) as the registered owner of Bayview Hotel Georgetown and Wisma Boon Siew as well as Bayview Hotel Langkawi is not unique.

The SPA 1 and SPA 2 provide that if the transfer of Bayview Hotel Georgetown and Wisma Boon Siew as well as Bayview Hotel Langkawi cannot be registered for any reason whatsoever, respective Vendors and FPSB and/or NLSB (as the case may be) shall work together to procure the registration of the transfer within 14 business days or such longer period as the parties may mutually agree on. However, if the matter giving rise to the non-registration cannot be rectified, FPSB and/or NLSB (as the case may be) may by a notice in writing to Vendors terminate the SPA 1 or SPA 2 upon which the Vendors shall have a period of 7 business days from the date of the termination notice to refund all the monies paid by FPSB and/or NLSB (as the case may be) with interest accrued.

Similarly under the SSA, in the event the NGSB Sale Shares are not able to be registered under the name of our Company, our Company may by notice in writing to Vendors terminate the SSA, upon which Vendor shall have a period of 3 business days from the date of the termination notice to refund the deposit amount paid by our Company together with interest accrued thereon at a rate of 4% per annum.

Notwithstanding the above, pursuant to the SSA, SPA 1 and SPA 2, the parties have agreed that our Company, FPSB and NLSB (as the case may be) shall only be obliged to make the balance payment in respect of the NGSB Sale Shares Consideration, Purchase Consideration 2 and Purchase Consideration 3 within 14 business days from the date the NGSB Sale Shares are duly registered in the name of our Company and within 14 business days from the date Bayview Hotel Georgetown and Wisma Boon Siew as well as Bayview Hotel Langkawi are duly registered in the respective name of FPSB and NLSB.

5.1.3 Refurbishment and renovation risks following the completion of the Proposals

Following the completion of the Proposals, our Company intends to undertake refurbishment and renovation works on the Hotels to facilitate their rebranding under the “Ascott” brands, as well as similar refurbishment and renovation works on Wisma Boon Siew. The capital expenditure to be incurred by our Company for these refurbishment and renovation works are estimates at this juncture and may be subject to revision after further engagement with Ascott, the relevant contractors and architects.

The estimated completion timeline for the refurbishment and renovation may also vary depending on the nature and scope of the works and could be delayed by external factors beyond our Company’s control. These include, but not limited to, potential disruptions in the supply of construction materials, labour shortages, or delays on the part of contractors or subcontractors to perform their obligations. Any delay may consequently delay the timing for the rebranding of the Hotels which may have potential financial implications to our Company.

Notwithstanding this, our Company will work closely with Ascott, which has extensive experience in hotel rebranding and refurbishment, and will appoint contractors and architects with a proven track record to ensure the works meet the required standards of the respective “Ascott” brands and timeline. Given that Ascott’s fee structure is dependent on the operating income of the Hotels, it is in the best interest of both our Company and Ascott to complete the refurbishment and renovation works in a timely manner.

5.1.4 Financing risk

Our Group will secure bank borrowings to partially fund the Proposals and to wholly fund the capital expenditure to be incurred for the refurbishment and renovation works of the Hotels and Wisma Boon Siew. The ability to secure the bank borrowings and its consequential financing costs are dependent on numerous factors, including general economic and capital market conditions, and prevailing interest rates. As such, our Group may be exposed to movements in interest rates in respect of the bank borrowings to be secured, which may lead to higher financing costs.

Notwithstanding the above, our Group is expected to remain in a net cash position after taking into consideration the borrowings for the Proposals. Depending on the cost of borrowings, our Group may source from its internal generated cash to fund the capital expenditure relating to the refurbishment and renovation works of the Hotels and Wisma Boon Siew. Nevertheless, our Group will continuously review our debt portfolio, which includes taking into consideration our Group’s financing level, interest costs as well as cash flows to ensure we remain at an optimal level.

5.2 Risks relating to the hospitality industry

The hospitality industry is subject to a wide range of risk factors that can significantly impact its performance and profitability. Economic cycles and market volatility play a major role, as consumer spending and travel behaviour are closely tied to overall economic conditions. The industry is also heavily dependent on tourism, making it vulnerable to fluctuations in travel trends, geopolitical instability, and global crises such as pandemics. Furthermore, hotels often face seasonal variations in demand, which can lead to inconsistent cash flows throughout the year.

Some of the Hotels, being an older and dated hotel, may require substantial improvements to maintain its relevance in this evolving hospitality market. Aging infrastructure, including plumbing, air conditioning, and electrical systems, presents potential operational challenges and may result in increased maintenance costs. The hotel operates in a highly competitive environment, facing pressure from a wide spectrum of hospitality providers. At the higher end of the market, luxury hotels such as Eastern & Oriental and The Prestige cater to business travellers and affluent tourists seeking premium five-star amenities.

Meanwhile, modern mid-range business hotels like Cititel Express, Hotel Neo+, and Travelodge Georgetown appeal to cost-conscious guests with competitive pricing, contemporary design, and strategic locations. In addition, alternative accommodation platforms such as Airbnb and boutique homestays continue to grow in popularity, particularly among millennials, digital nomads, and budget-conscious travellers who value affordability, personalised experiences, and unique lodging environments. These trends place additional pressure on occupancy rates and room pricing for traditional hotels. Given the increasing presence of modern budget hotels and luxury boutique accommodations in Pulau Pinang, a strategic revitalisation of the Hotels is crucial to preserve its market position and continue attracting discerning travellers.

To remain competitive, the Hotels require periodic capital expenditures, refurbishments, renovations, and upgrades. Any further development of the Hotels may involve significant investment. While our Group may have the opportunity to increase room rates following such improvements, the extent to which rates can be revised will depend on various factors, including the underlying profitability of the property and broader conditions within the hospitality industry.

5.3 Risks relating to the office rental market

The office rental market in Pulau Pinang is highly competitive. Any further increase in the supply of office spaces within the vicinity of George Town area may impact the occupancy and rental rates of Wisma Boon Siew.

Notwithstanding the above, our Board believes these risks can be mitigated by the proposed refurbishment and the strategic location of Wisma Boon Siew. In addition, occupancy risk is further mitigated by the intended occupation of certain floors by our Group as well as our ability to leverage existing tenant relationships to support the take-up of the remaining space.

5.4 Risks relating to the property market

5.4.1 Political, economic and regulatory risks

Any changes in the political, economic and regulatory conditions in Malaysia where the property is located could adversely affect the financial performance or prospects of the property, which in turn will adversely affect the financial performance of our Group by means of an impairment on the investment in the property. These include, but not limited to, unfavourable changes in general economic, business or credit conditions, political leadership or social development and changes in government policy (such as changes in interest rates, inflation rate, taxation, currency exchange controls, licensing and introduction of new regulations), risks of war and terrorist attacks, natural disasters and outbreak of infectious diseases.

Our Group will continuously monitor the changing environment so as to respond and adapt to any change in the political, economic and regulatory conditions accordingly, as and when they arise in the future.

5.4.2 Compulsory acquisition by the Government of Malaysia (“Government”)

The Government has the power to compulsorily acquire any land in Malaysia pursuant to the provisions of the applicable legislation including the Land Acquisition Act 1960 for certain purposes where the compensation to be awarded is based on the fair market value of a property assessed on the basis prescribed in the Land Acquisition Act 1960 and other relevant laws. Compulsory acquisition by the Government could adversely affect the value of the property, which could impair our Group’s financial condition and results of operations.

Furthermore, if all or any portion of the property is compulsorily acquired by the Government at a point in time when the market value of the property has decreased, the level of compensation paid to FPSB or NLSB (as the case maybe) may be less than the Purchase Consideration 2 and Purchase Consideration 3 which may have an adverse effect on our Group’s business, financial condition, results of operations and prospects.

In the event of any compulsory acquisition, FPSB or NLSB (as the case maybe) will seek to minimise any potential losses from such transaction, including invoking the relevant provisions of the Land Acquisition Act 1960 in relation to its rights to submit an objection in respect of the compensation, where necessary.

In the event FPSB or NLSB (as the case maybe) elects to terminate the SPA 1 or SPA 2, FPSB or NLSB shall within 10 business days from the date of receipt of the Vendor’s notice in relation to the compulsory acquisition by the Government, give notice in writing to the Vendor of its intention to terminate the SPA 1 or SPA 2.

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6. EFFECTS OF THE PROPOSALS

6.1 Share capital and substantial Stockholders' stockholdings

The Proposals will not have any effect on the issued share capital of our Company and the substantial Stockholders' stockholdings in our Company as the Proposals do not involve any issuance of new Stocks.

6.2 NA per stock and gearing

For illustrative purposes only, the pro forma effects of the Proposals on the consolidated NA per Stock and the gearing of our Company based on the latest audited consolidated financial statements for the FYE 31 December 2024 are set out below:

	Audited as at 31 December 2024	After the Proposals
	RM 000	RM 000
Share capital	620,462	620,462
Reserves	6,893,340	(1)6,883,110
NA	7,513,802	7,503,572
Weighted average number of Stocks in issue (excluding treasury stocks) (000)	620,354	620,354
NA per Stock (RM)	12.11	12.10
Total borrowings ⁽²⁾	2,732,812	(3)3,129,172
Cash and cash equivalents ⁽⁴⁾	3,335,869	3,300,869
Net cash ⁽⁵⁾	603,057	171,697
Gearing ratio (times) ⁽⁶⁾	0.36	0.42
Net gearing ratio (times) ⁽⁷⁾	(8)-	(8)-

Notes:

- (1) After taking into consideration the estimated expenses relating to the Proposals of RM20.0 million, out of which RM9.77 million is directly attributable to expenditure capitalisable under MFRS 116 while RM10.23 million comprises other expenses that do not meet the criteria and will be expensed off in reserves.
- (2) Including lease liabilities.
- (3) Assuming Purchase Consideration 1 and balance payment of Purchase Consideration 2 and Purchase Consideration 3 (after payment of deposits and RPGT retention sum) amounting to RM396.36 million are funded by borrowings.
- (4) After taking into account (i) the consolidation of NGSB's bank balances amounting to RM7.54 million as at 31 December 2024 and less the redeemable preference shares redemption sum of RM7.90 million on 7 October 2025; (ii) estimated expenses relating to the Proposals of RM20 million; and (iii) deposits and RPGT retention sum of Purchase Consideration 2 and Purchase Consideration 3 amounting to RM14.64 million.
- (5) Net cash is calculated as total borrowings less cash and cash equivalents.
- (6) Gearing is calculated as total borrowings divided by NA.
- (7) Net gearing is calculated as net borrowings divided by NA. The net borrowings are in a net cash position.
- (8) Not applicable.

6.3 Earnings and EPS

The Proposals are not expected to have any effect on our Group's earnings and EPS for the FYE 31 December 2025 as the Proposals are only expected to be completed in 2026. Moving forward, the Proposals are expected to contribute positively to our Group's future earnings in the long term.

For illustrative purposes, based on the audited consolidated financial statements of our Company for the FYE 31 December 2024 and assuming that the Proposals had been effected on 1 January 2024, being the beginning of the FYE 31 December 2024, the pro forma effects of the Proposals on the consolidated earnings and EPS of our Company are as follows:

	Audited FYE 31 December 2024	After the Proposals
	RM 000	RM 000
Profit after tax (" PAT ") attributable to Stockholders	598,068	(2)598,068
<i>Less:</i>		
Estimated expenses relating to the Proposals	-	(20,000)
<i>Add:</i>		
Capitalisable stamp duties in relation to the Share Subscription Agreement, SSA, SPA 1 and SPA 2	-	9,770
PAT attributable to Stockholders	598,068	587,838
Weighted average number of Stocks in issue (excluding treasury stocks) (000)	620,354	620,354
EPS (RM) ⁽¹⁾	0.96	0.95

Notes:

- (1) Computed based on the PAT attributable to Stockholders divided by the weighted average number of Stocks in issue (excluding treasury stocks).
- (2) As the acquisition of NGSB is accounted for as an asset acquisition instead of a business combination under MFRS 3 as explained in **Part A, Section 2.4.1** of this Circular, accordingly the financial results of NGSB will not be consolidated and therefore are not required to be accounted for in the pro forma effect. Similarly, the acquired properties are recognised individually at cost, being the purchase considerations directly attributable to their acquisition in accordance with MFRS 116. As such, there will be no effect on the pro forma PAT.

6.4 Convertible securities

As at the LPD, our Company does not have any convertible securities in issue.

7. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposals pursuant to Paragraph 10.02(g) of the Listing Requirements is approximately 5.47%, calculated based on the Total Purchase Consideration compared with the audited consolidated NA of our Company as at 31 December 2024.

8. APPROVALS REQUIRED

The Proposals are subject to the following approvals being obtained:

- (i) approval from the non-interested Stockholders of our Company for the Proposals at the forthcoming EGM; and
- (ii) any other relevant authorities or parties, if required.

The Proposals are inter-conditional upon each other in terms of the approval from the non-interested Stockholders of our Company.

However, the completion of the Proposals is not inter-conditional upon each other and may be completed independently of one another.

Save as disclosed above, the Proposals are not conditional upon any other proposal/scheme undertaken or to be undertaken by our Company.

9. INTEREST OF DIRECTORS, MAJOR STOCKHOLDERS, CHIEF EXECUTIVE(S) OF OUR COMPANY AND/OR PERSONS CONNECTED TO THEM

Save as disclosed below, none of our Directors, Major Stockholders and chief executives of our Company and/or persons connected to them has any interest, direct or indirect in the Proposals:

- (i) Datuk Loh Kian Chong, our Executive Chairman, direct Stockholder and indirect Major Stockholder, is a director of BSSB, BSDSB and NGSB as well as an indirect substantial shareholder of BSSB and indirect substantial shareholder of BSDSB;
- (ii) Dato' Seri Lim Su Tong, our Group Managing Director, direct Stockholder and indirect Major Stockholder, is the Managing Director of BSSB and an indirect shareholder BSDSB. He is also one of the executors of the estate of Tan Sri Dato' Loh Boon Siew (demised) which holds 367,500 ordinary shares in BSDSB;
- (iii) Dato' Sri Datuk Wira Tan Hui Jing, our Deputy Group Managing Director and indirect Major Stockholder, is an alternate director of BSSB (alternate to Tan Hui Ming), alternate director of BSDSB (alternate to Tan Kheng Hwee), director of NGSB and indirect shareholder of BSDSB;
- (iv) Tan Kheng Hwee, our Executive Director, direct Stockholder and indirect substantial Stockholder, is an alternate director of BSSB (alternate to Dato' Seri Loh Cheng Yean), director of BSDSB, indirect substantial shareholder of BSSB and indirect shareholder of BSDSB;
- (v) Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK), our Non-Independent Non-Executive Director, direct Stockholder and indirect substantial Stockholder, is a director of BSSB, indirect substantial shareholder of BSSB and indirect shareholder of BSDSB. He has retired from his position as Director on 10 June 2025;
- (vi) Dato' Yaep Chin Yee, our Director (alternate to Dato' Seri Lim Su Tong) and direct Stockholder is interested in the Proposals by virtue of being the alternate Director to Dato' Seri Lim Su Tong;
- (vii) Soaring Success Sdn Bhd ("**SSSB**"), our direct Major Stockholder, is a person connected to Datuk Loh Kian Chong, Dato' Seri Lim Su Tong and Dato' Sri Datuk Wira Tan Hui Jing by virtue of being a company in which Datuk Loh Kian Chong and Dato' Sri Datuk Wira Tan Hui Jing hold more than 20% interest while Dato' Seri Lim Su Tong is deemed interested in SSSB by virtue of his children's shareholding in SSSB;

- (viii) Loh Kar Bee Holdings Sdn Bhd, our direct Stockholder and indirect Major Stockholder, is an indirect substantial shareholder of BSSB as well as direct and indirect substantial shareholder of BSDSB. It is a person connected to Datuk Loh Kian Chong by virtue of being a company owned by the family members of Datuk Loh Kian Chong;
- (ix) Loh Oon Ling, our indirect Major Stockholder, is an indirect substantial shareholder of BSSB and indirect substantial shareholder of BSDSB. She is a person connected to Datuk Loh Kian Chong by virtue of being the sister of Datuk Loh Kian Chong;
- (x) Loh Phoy Yen Holdings Sdn Bhd, our direct Stockholder and indirect Major Stockholder, is a direct shareholder of BSDSB. It is a person connected to Dato' Seri Lim Su Tong by virtue of being a company owned by the family members of Dato' Seri Lim Su Tong;
- (xi) Dato' Lim Kean Seng, our direct Stockholder and indirect Major Stockholder, is an alternate director of BSSB (alternate to Dato' Seri Lim Su Tong), director of BSDSB and indirect shareholder of BSDSB. He is a person connected to Dato' Seri Lim Su Tong by virtue of being the son of Dato' Seri Lim Su Tong;
- (xii) Lim Ee Hean, our indirect Major Stockholder, is an alternate director of BSDSB (alternate to Dato' Lim Kean Seng) and indirect shareholder of BSDSB. She is a person connected to Dato' Seri Lim Su Tong by virtue of being the daughter of Dato' Seri Lim Su Tong;
- (xiii) Lim Ee Ling, our indirect Major Stockholder, is an indirect shareholder of BSDSB. She is a person connected to Dato' Seri Lim Su Tong by virtue of being the daughter of Dato' Seri Lim Su Tong;
- (xiv) Loh Gim Ean Holdings Sdn Bhd, our direct Stockholder and indirect Major Stockholder, is a direct shareholder of BSDSB. It is a person connected to Dato' Sri Datuk Wira Tan Hui Jing by virtue of being a company owned by the family members of Dato' Sri Datuk Wira Tan Hui Jing;
- (xv) Tan Hui Ming, our direct Stockholder and indirect Major Stockholder, is a director of both BSSB and BSDSB as well as an indirect shareholder of BSDSB. He is a person connected to Dato' Sri Datuk Wira Tan Hui Jing by virtue of being the brother of Dato' Sri Datuk Wira Tan Hui Jing;
- (xvi) Loh Cheng Yean Holdings Sdn Bhd, our direct substantial Stockholder, is a direct substantial shareholder of BSSB and direct shareholder of BSDSB. It is a person connected to Tan Kheng Hwee by virtue of being a company owned by the family members of Tan Kheng Hwee;
- (xvii) Dato' Seri Loh Cheng Yean, our direct Stockholder and indirect substantial Stockholder, is a director of BSSB, indirect substantial shareholder of BSSB and indirect shareholder of BSDSB. She is a person connected to Tan Kheng Hwee by virtue of being the mother of Tan Kheng Hwee;
- (xviii) Tan Ju Nguan, our direct Stockholder and indirect substantial Stockholder, is an indirect substantial shareholder of BSSB and indirect shareholder of BSDSB. He is a person connected to Tan Kheng Hwee by virtue of being the brother of Tan Kheng Hwee;
- (xix) Tan Kheng Ju, our direct Stockholder and indirect substantial Stockholder, is an indirect substantial shareholder of BSSB and indirect shareholder of BSDSB. She is a person connected to Tan Kheng Hwee by virtue of being the sister of Tan Kheng Hwee;
- (xx) Loh Ean Holdings Sdn Bhd, our direct substantial Stockholder, is a direct substantial shareholder of BSSB and direct shareholder of BSDSB. It is a person connected to Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK) by virtue of being a company owned by the family members of Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK);

- (xxi) Loh Boon Siew Holdings Sdn Bhd, our direct Stockholder, is a direct shareholder of BSDSB. It is a person connected to Datuk Loh Kian Chong, Dato' Sri Datuk Wira Tan Hui Jing, Tan Hui Ming, Dato' Lim Kean Seng, Lim Ee Ling, Lim Ee Hean and Loh Oon Ling by virtue of each of them holding more than 20% interest in Loh Boon Siew Holdings Sdn Bhd through Vibrant Carnival Sdn Bhd;
- (xxii) Vibrant Carnival Sdn Bhd, our indirect Stockholder, is an indirect shareholder of BSDSB. It is a person connected to Loh Kar Bee Holdings Sdn Bhd, Loh Phoy Yen Holdings Sdn Bhd and Loh Gim Ean Holdings Sdn Bhd by virtue of Loh Kar Bee Holdings Sdn Bhd, Loh Phoy Yen Holdings Sdn Bhd and Loh Gim Ean Holdings Sdn Bhd each holding more than 20% interest in Vibrant Carnival Sdn Bhd;
- (xxiii) BSSB, is one of the Vendors. It is a person connected to Datuk Loh Kian Chong by virtue of Datuk Loh Kian Chong holding more than 20% indirect interest in BSSB; and
- (xxiv) BSDSB, is one of the Vendors. It is a person connected to Datuk Loh Kian Chong by virtue of Datuk Loh Kian Chong holding more than 20% indirect interest in BSDSB.

In view of the interests of the Interested Parties, the Proposals are deemed as related party transactions under Paragraph 10.08 of the Listing Requirements.

Accordingly, the Interested Directors have abstained and will continue to abstain from deliberating and voting at all relevant board meeting(s) of our Company in respect of the Proposals. The Interested Directors will also abstain from voting in respect of their direct and indirect stockholdings in our Company, on the resolution pertaining to the Proposals to be tabled at our Company's forthcoming EGM. Further, the Interested Directors will also undertake to ensure that all persons connected to them will abstain from voting in respect of their direct and/or indirect interest, if any, on the resolution pertaining to the Proposals to be tabled at our Company's forthcoming EGM.

The interested Stockholders will abstain from voting in respect of their direct and/or indirect stockholdings in our Company on the resolution pertaining to the Proposals to be tabled at our Company's forthcoming EGM. The interested Stockholders have also undertaken to ensure persons connected to them shall abstain from voting on the resolution pertaining to the Proposals to be tabled at our Company's forthcoming EGM.

The direct and indirect stockholdings of Interested Parties in our Company as at the LPD are as follows:

	Direct		Indirect	
	No. of Stocks	%	No. of Stocks	%
Interested Directors and interested Stockholders				
Datuk Loh Kian Chong	1,000,000	0.16	⁽¹⁾ 264,507,644	42.64
Dato' Seri Lim Su Tong	2,966,906	0.48	⁽²⁾ 258,416,040	41.66
Dato' Sri Datuk Wira Tan Hui Jing	-	-	⁽³⁾ 255,267,744	41.15
Tan Kheng Hwee	172,032	0.03	⁽⁴⁾ 42,234,190	6.81
Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK) (retired on 10 June 2025)	181,149	0.03	⁽⁵⁾ 42,396,062	6.84
*Dato' Yaep Chin Yee	100,000	0.02	-	-
Interested Major Stockholders				
SSSB	239,667,250	38.64	-	-
Loh Kar Bee Holdings Sdn Bhd	12,943,200	2.09	⁽⁶⁾ 251,214,444	40.50
Datuk Loh Kian Chong	1,000,000	0.16	⁽¹⁾ 264,507,644	42.64
Loh Oon Ling	-	-	⁽⁷⁾ 264,157,644	42.59

	Direct		Indirect	
	No. of Stocks	%	No. of Stocks	%
Loh Phoy Yen Holdings Sdn Bhd	4,108,047	0.66	⁽⁶⁾ 251,214,444	40.50
Dato' Seri Lim Su Tong	2,966,906	0.48	⁽²⁾ 258,416,040	41.66
Dato' Lim Kean Seng	857,683	0.14	⁽⁸⁾ 257,558,357	41.52
Lim Ee Hean	-	-	⁽⁸⁾ 257,558,357	41.52
Lim Ee Ling	-	-	⁽⁸⁾ 257,558,357	41.52
Loh Gim Ean Holdings Sdn Bhd	4,053,300	0.65	⁽⁶⁾ 251,214,444	40.50
Dato' Sri Datuk Wira Tan Hui Jing	-	-	⁽³⁾ 255,267,744	41.15
Tan Hui Ming	38,307	0.01	⁽³⁾ 255,267,744	41.15
Persons connected**				
Loh Cheng Yean Holdings Sdn Bhd	42,234,190	6.81	-	-
Dato' Seri Loh Cheng Yean	486,755	0.08	⁽⁹⁾ 42,691,914	6.88
Tan Ju Nguan	130,560	0.02	⁽⁴⁾ 42,234,190	6.81
Tan Kheng Ju	86,016	0.01	⁽⁴⁾ 42,234,190	6.81
Loh Ean Holdings Sdn Bhd	31,734,190	5.12	-	-
Loh Boon Siew Holdings Sdn Bhd	11,547,194	1.86	-	-
Vibrant Carnival Sdn Bhd	-	-	⁽¹⁰⁾ 11,547,194	1.86

Notes:

- * For the avoidance of doubt, notwithstanding the LPD, Dato' Yaep Chin Yee was appointed onto our Board as an alternate Director to Dato' Seri Lim Su Tong on 13 January 2026 and his direct stockholding in our Company as stated above is as at 13 January 2026.
- ** For the avoidance of doubt, persons connected who are listed as Interested Directors, interested Stockholders, and/or interested Major Stockholders have not been repeated as persons connected
- (1) Deemed interested pursuant to Section 8(4) of the Act by virtue of his shareholdings in SSSB, Loh Kar Bee Holdings Sdn Bhd, Loh Boon Siew Holdings Sdn Bhd and Global Investments Ltd as well as deemed interested pursuant to Section 59(11)(c) of the Act via his spouse.
- (2) Deemed interested via his children in accordance with Section 59(11)(c) of the Act, who in turn are deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholdings in SSSB, Loh Phoy Yen Holdings Sdn Bhd, Loh Boon Siew Holdings Sdn Bhd, Tong Yen Sdn Bhd, United Formula Sdn Bhd, Global Wealth Ltd and Global Investments Ltd.
- (3) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholdings in SSSB, Loh Gim Ean Holdings Sdn Bhd and Loh Boon Siew Holdings Sdn Bhd.
- (4) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholding in Loh Cheng Yean Holdings Sdn Bhd.
- (5) Deemed interested pursuant to Section 8(4) of the Act by virtue of his shareholding in Loh Ean Holdings Sdn Bhd, and pursuant Section 59(11)(c) of the Act via his demised spouse and child.
- (6) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholdings in SSSB and Loh Boon Siew Holdings Sdn Bhd.
- (7) Deemed interested pursuant to Section 8(4) of the Act by virtue of her shareholdings in SSSB, Loh Kar Bee Holdings Sdn Bhd and Loh Boon Siew Holdings Sdn Bhd.
- (8) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholdings in SSSB, Loh Phoy Yen Holdings Sdn Bhd, Loh Boon Siew Holdings Sdn Bhd, Tong Yen Sdn Bhd, United Formula Sdn Bhd, Global Wealth Ltd and Global Investments Ltd.
- (9) Deemed interested pursuant to Section 8(4) of the Act by virtue of her shareholding in Loh Cheng Yean Holdings Sdn Bhd, and pursuant to Section 59(11)(c) of the Act via her demised spouse and children.
- (10) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding in Loh Boon Siew Holdings Sdn Bhd.

10. OUTSTANDING CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals as set out in this Circular, there are no other outstanding corporate proposals that have been announced by our Company which are not yet completed as at the LPD.

The Proposals are not conditional or inter-conditional upon any other corporate exercise undertaken or to be undertaken by our Company.

11. TRANSACTIONS WITH THE INTERESTED PARTIES FOR THE PAST 12 MONTHS

Save for the Proposals and as disclosed below, there are no other related party transactions (other than recurrent related party transactions pursuant to Paragraph 10.09 of the Listing Requirements), entered into between our Group and the Interested Parties during the past 12 months preceding the LPD:

No.	Details of transaction	RM 000
1.	Subscription of redeemable preference shares by Oriental Rubber & Palm Oil Sdn. Berhad, our wholly-owned subsidiary, in its related company, Oriental Boon Siew (M) Sdn Bhd ⁽¹⁾ for working capital purposes	7,000
2.	Disposal of motor vehicle from Kah Motor Company Sdn Berhad, our wholly-owned subsidiary, to our retired Director, Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK), for his personal use	272
3.	Disposal of furniture and fittings from Star Life Pharma Sdn Bhd, our wholly-owned subsidiary, to Melaka Straits Medical Centre Sdn Bhd ⁽²⁾ , for business operational purposes	1
	Total	7,273

Notes:

(1) 51% owned by Oriental Rubber & Palm Oil Sdn Berhad and 49%-owned by related party.

(2) 52% owned by our Company and 48% owned by related parties.

12. ADVISERS

12.1 Principal Adviser

CIMB has been appointed to act as Principal Adviser for the Proposals.

12.2 Independent Adviser

In view that the Proposals constitute related party transactions, Kenanga IB has been appointed to act as Independent Adviser to undertake the following:

- (i) comment as to whether the Proposals are:
 - (a) fair and reasonable so far as the Stockholders are concerned; and
 - (b) to the detriment of the non-interested Stockholders,

and set out the reasons for such opinion, the key assumptions made and the factors taken into consideration in forming that opinion;

- (ii) advise the non-interested Stockholders whether they should vote in favour of the Proposals; and
- (iii) take all reasonable steps to satisfy itself that it has a reasonable basis to make the comments and advice in relation to items (i) and (ii) above.

13. AUDIT COMMITTEE'S STATEMENT

Our Audit Committee (comprising members of the Board who are not interested in the Proposals), in arriving at their views, have sought the independent advice from the Independent Adviser for the Proposals.

After taking into consideration the evaluation of the Independent Adviser on the Proposals, and having considered all relevant aspects of the Proposals, including but not limited to the rationale and benefits of the Proposals, prospects of the properties to be acquired, the basis and justification for the Total Purchase Consideration, salient terms of the Share Subscription Agreement, SSA, SPA 1 and SPA 2, and the effects of the Proposals, our Audit Committee is of the opinion that the Proposals are:

- (i) in the best interest of our Company;
- (ii) fair, reasonable and on normal commercial terms; and
- (iii) not detrimental to the interests of the non-interested Stockholders.

14. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, save for the Interested Directors, after taking into consideration the evaluation of the Independent Adviser on the Proposals, and having considered all relevant aspects of the Proposals, including but not limited to the rationale and benefits of the Proposals, prospects of the properties to be acquired, the basis and justification for the Total Purchase Consideration, salient terms of the Share Subscription Agreement, SSA, SPA 1 and SPA 2, and the effects of the Proposals, is of the opinion that the Proposals are in the best interest of our Company.

Accordingly, our Board (save for the Interested Directors) recommends that you **vote in favour** of the resolution pertaining to the Proposals to be tabled at the forthcoming EGM.

15. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all approvals being obtained, the Proposals are expected to be completed in the 3rd quarter of 2026. The tentative timetable for the implementation of the Proposals is set out below:

Event	Tentative timing
EGM	13 February 2026
Fulfilment of the conditions precedent in respect of the Share Subscription Agreement, SPA 1 and SPA 2	July / August 2026
Completion of the Proposals	September 2026

16. EGM

The EGM of our Company will be conducted at Plenitude Grand Ballroom, Level 3, Ascott Gurney Penang, No. 18, Gurney Drive, 10250 George Town, Penang, Malaysia on Friday, 13 February 2026 at 2.30 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modification, the resolution to give effect to the Proposals.

If the Stockholders are unable to participate and vote at the EGM, the Stockholders are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions contained therein. In such event, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited with the Poll Administrator at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia or via electronic means through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time stipulated for holding the EGM, otherwise the instrument of proxy should not be treated as valid. For further information on the electronic lodgement of Form of Proxy, please refer to the Administrative Guide available on the Company's corporate website. The lodging of the Form of Proxy will not preclude the Stockholders from participating and voting in person at the EGM should the Stockholders subsequently wish to do so.

17. FURTHER INFORMATION

Stockholders 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
ORIENTAL HOLDINGS BERHAD

LEE KEAN TEONG
Independent Non-Executive Director

PART B

**INDEPENDENT ADVICE LETTER FROM KENANGA IB TO OUR NON-INTERESTED
STOCKHOLDERS IN RELATION TO THE PROPOSALS**

EXECUTIVE SUMMARY

All capitalised terms used in this Executive Summary shall have the same meanings as the words and expressions defined in the “Definitions” section of the Circular, except where the context otherwise requires or where otherwise defined in this IAL. All references to “we”, “us” or “our” in this Executive Summary are references to Kenanga IB, being the Independent Adviser for the Proposals.

This Executive Summary is intended to be a brief summary of this IAL which has been prepared by Kenanga IB to provide the non-interested Stockholders of OHB with an independent evaluation of the Proposals and to express our recommendation on the Proposals.

You are advised to read and understand both this IAL and the letter from the Board set out in Part A of the Circular together with the accompanying appendices, and to carefully consider the evaluations and recommendations contained in both the letters before voting on the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

1. INTRODUCTION

On 7 November 2025, CIMB had, on behalf of the Board, announced that:

- (i) OHB had on even date entered into the Share Subscription Agreement with BSSB and NGSB for the proposed subscription of the Subscription Shares;
- (ii) FPSB, a wholly-owned subsidiary of OHB, had on even date entered into the SPA 1 with BSSB for the proposed acquisition of Bayview Hotel Georgetown and Wisma Boon Siew; and
- (iii) NLSB, a wholly-owned subsidiary of OHB, had on even date entered into the SPA 2 with BSDSB for the proposed acquisition of Bayview Hotel Langkawi.

The Proposals are deemed related party transactions under Paragraph 10.08 of the Listing Requirements in view of the interests of the Interested Parties, as set out in **Part A, Section 9 of the Circular**.

Accordingly, the Board had appointed Kenanga IB, on 17 July 2025, as the Independent Adviser to advise the non-interested Directors and the non-interested Stockholders of OHB on the fairness and reasonableness of the Proposals, and whether the non-interested Stockholders of OHB should vote in favour of the Proposals.

The purpose of this IAL is to provide the non-interested Stockholders of OHB with an independent evaluation on the fairness and reasonableness of the Proposals on a holistic basis and whether the Proposals are detrimental to the non-interested Stockholders of OHB, together with Kenanga IB’s recommendation on whether the non-interested Stockholders of OHB should vote in favour of the resolution pertaining to the Proposals, subject to the scope and limitations specified herein.

Nonetheless, the non-interested Stockholders of OHB should rely on their own evaluation of the merits of the Proposals before deciding on the course of action to be taken at the forthcoming EGM.

This IAL is prepared solely for the use of the non-interested Stockholders of OHB for the purpose of considering the merits of the Proposals and should not be used or relied upon by any other party or for any other purposes whatsoever.

2. EVALUATIONS OF THE PROPOSALS

In arriving at our conclusion and recommendation, we have considered, assessed and evaluated the Proposals based on the following:

Reference in this IAL	Consideration factors	Evaluation
Section 6.1	Rationale and benefits of the Proposals	<p>We noted that the Proposals are expected to be beneficial to OHB in view of the following:</p> <ul style="list-style-type: none"> (i) alignment with OHB Group’s strategy to expand and diversify its hospitality portfolio; (ii) supports OHB Group’s operational restructuring to transition towards a third-party management model for its hotels and resorts; (iii) expansion and diversification of OHB Group’s hospitality portfolio and market presence in Malaysia; (iv) strategic platform for OHB Group to strengthen hospitality footprint across key tourist destinations in Pulau Pinang and Kedah; (v) extending on the familiar relationship with Ascott; and (vi) allows OHB Group to have a footprint in Pulau Pinang’s office market.

Premised on the above, we are of the view that the rationale and benefits of the Proposals are **reasonable**.

Section 6.2	Basis and justification for the Total Purchase Consideration	<p>We noted that the Total Purchase Consideration was arrived at on a “willing-buyer willing-seller” basis after taking into consideration the following:</p> <ul style="list-style-type: none"> (i) the RNAV of NGSB of RM175.66 million and the market value of Bayview Beach Resort Penang owned by NGSB of RM180.00 million, as appraised by Knight Frank; (ii) the market value of Bayview Hotel Georgetown of RM115.00 million and Wisma Boon Siew of RM45.00 million, totaling RM160.00 million, as appraised by Knight Frank; (iii) the market value of Bayview Hotel Langkawi of RM95.00 million as appraised by Knight Frank; and (iv) the successful negotiations between the management of OHB and the Vendors to enter into the Proposals for the Total Purchase Consideration of RM411.00 million, notwithstanding that the aggregate RNAV of NGSB and market value of Bayview Hotel Georgetown, Wisma Boon Siew and Bayview Hotel Langkawi amount to RM430.66 million.
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We have reviewed the valuation methodologies, key bases and assumptions adopted by Knight Frank in the valuation of Bayview Beach Resort Penang, Bayview Hotel Georgetown, Wisma Boon Siew and Bayview Hotel Langkawi.

EXECUTIVE SUMMARY (CONT'D)

Reference in this IAL	Consideration factors	Evaluation
		We are of the view that the Total Purchase Consideration for the Proposals is fair as it represents a discount of RM19.66 million or 4.57% to the aggregate RNAV of NGSB and market value of Bayview Hotel Georgetown, Wisma Boon Siew and Bayview Hotel Langkawi of RM430.66 million and the basis in arriving at the Total Purchase Consideration is reasonable .
Section 6.3	Salient terms of the Share Subscription Agreement, SSA, SPA 1 and SPA 2	Based on our review of the salient terms of the Share Subscription Agreement, SSA, SPA 1 and SPA 2, we are of the view that the overall terms and conditions of the Share Subscription Agreement, SSA, SPA 1 and SPA 2, are reasonable and not detrimental to the interests of the non-interested Stockholders of OHB.
Section 6.4	Effects of the Proposals	We are of the view that the pro forma effects of the Proposals are not detrimental to the interests of the non-interested Stockholders of OHB on an overall basis.
Section 6.5	Industry overview, outlook and prospects	We are of the opinion that moving forward, barring any unforeseen circumstances, the long-term prospects of the tourism industry as well as the Hotels and Wisma Boon Siew are generally positive as the location of the properties in strategic destinations will provide OHB geographical diversification, which will reduce concentration risks and broaden the Group's recurring income base.
Section 6.6	Risk factors in relation to the Proposals	<p>We noted that the risks associated with the Proposals are the typical risks associated with the business of OHB and are inherent in transactions of this nature. Hence, the Proposals are not expected to significantly change the business risk profile of OHB or expose OHB to any significant new risk that is not within its current hospitality and commercial property portfolio.</p> <p>Nonetheless, we wish to highlight that although measures have been / will be taken by OHB Group, to the extent possible, to mitigate such risks associated with the Proposals, no assurance can be given that one or a combination of the risk factors will not occur and give rise to material adverse impact on the business and operation of OHB Group, its financial performance or prospects thereon.</p>

3. CONCLUSION AND RECOMMENDATION

In arriving at our conclusion and recommendation, we have assessed and evaluated the Proposals, taking into consideration the various factors set out in **Section 6 of this IAL**. The non-interested Stockholders of OHB should consider all the merits and demerits of the Proposals based on all relevant pertinent factors including those which are as set out in **Part A of the Circular**, the relevant appendices thereof, this IAL and other publicly available information.

Premised on our evaluation of the Proposals in **Section 6 of this IAL**, we are of the opinion that the Proposals are **fair, reasonable** and **not detrimental** to the interests of the non-interested Stockholders of OHB.

Accordingly, we recommend the non-interested Stockholders of OHB to **vote in favour** of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

Kenanga

29 January 2026

To: The non-interested Stockholders of Oriental Holdings Berhad

Dear Sir / Madam,

ORIENTAL HOLDINGS BERHAD

INDEPENDENT ADVICE LETTER TO THE NON-INTERESTED STOCKHOLDERS OF ORIENTAL HOLDINGS BERHAD IN RELATION TO THE PROPOSALS

This IAL is prepared for inclusion in the Circular to the Stockholders of OHB in relation to the Proposals and should be read in conjunction with the same. All capitalised terms used in this IAL shall have the same meaning as the words and expressions provided in the “Definitions” section of the Circular in relation to the Proposals, except where the context otherwise requires or otherwise as defined herein. All references to “we”, “us” or “our” in this IAL are references to Kenanga IB, being the Independent Adviser for the Proposals.

1. INTRODUCTION

On 7 November 2025, CIMB had, on behalf of the Board, announced that:

- (i) OHB had on even date entered into the Share Subscription Agreement with BSSB and NGSB for the proposed subscription of the Subscription Shares;
- (ii) FPSB, a wholly-owned subsidiary of OHB, had on even date entered into the SPA 1 with BSSB for the proposed acquisition of Bayview Hotel Georgetown and Wisma Boon Siew; and
- (iii) NLSB, a wholly-owned subsidiary of OHB, had on even date entered into the SPA 2 with BSDSB for the proposed acquisition of Bayview Hotel Langkawi.

The Proposals are deemed related party transactions under Paragraph 10.08 of the Listing Requirements in view of the interests of the Interested Parties, as set out in **Part A, Section 9 of the Circular**.

Accordingly, the Board had appointed Kenanga IB, on 17 July 2025, as the Independent Adviser to advise the non-interested Directors and the non-interested Stockholders of OHB on the fairness and reasonableness of the Proposals, and whether the non-interested Stockholders of OHB should vote in favour of the Proposals.

The purpose of this IAL is to provide the non-interested Stockholders of OHB with an independent evaluation on the fairness and reasonableness of the Proposals on a holistic basis and whether the Proposals are detrimental to the non-interested Stockholders of OHB, together with Kenanga IB’s recommendation on whether the non-interested Stockholders of OHB should vote in favour of the resolution pertaining to the Proposals, subject to the scope and limitations specified herein.

Nonetheless, the non-interested Stockholders of OHB should rely on their own evaluation of the merits of the Proposals before deciding on the course of action to be taken at the forthcoming EGM.

This IAL is prepared solely for the use of the non-interested Stockholders of OHB for the purpose of considering the merits of the Proposals and should not be used or relied upon by any other party or for any other purposes whatsoever.

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THE NON-INTERESTED STOCKHOLDERS OF OHB ARE ADVISED TO READ AND UNDERSTAND BOTH THIS CIRCULAR AND THE LETTER FROM THE BOARD SET OUT IN PART A OF THE CIRCULAR TOGETHER WITH THE ACCOMPANYING APPENDICES, AND TO CAREFULLY CONSIDER THE EVALUATIONS AND RECOMMENDATIONS CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

IF THE NON-INTERESTED STOCKHOLDERS OF OHB ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, THE NON-INTERESTED STOCKHOLDERS OF OHB SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. DETAILS OF THE PROPOSALS

The Proposals entail the following:

- (i) in respect of the Proposed NGSB Share Acquisition:
 - (a) OHB entering into the Share Subscription Agreement to subscribe to the Subscription Shares which shall, upon allotment and issuance, represent 96.84% equity interest in NGSB, for a cash subscription price of RM153.10 million; and
 - (b) thereafter, following the completion of the Share Subscription Agreement and the RPS Redemption, OHB entering into the SSA to acquire the NGSB Sale Shares from BSSB which shall represent the remaining 3.16% equity interest in NGSB, for a purchase consideration of RM13.90 million in cash,

which in totality, amounts to the Purchase Consideration 1 of RM167.00 million.

The Proposed NGSB Share Acquisition is to facilitate the acquisition of all existing NGSB Shares and redeem all existing redeemable preference shares in NGSB, which are owned by BSSB. Prior to undertaking the Proposed Acquisition of NGSB Sale Shares, the proceeds received by NGSB from the Company pursuant to the Proposed NGSB Share Subscription shall be utilised for the RPS Redemption. Accordingly, following the completion of the Share Subscription Agreement, the Company will procure NGSB to undertake the RPS Redemption by utilising the proceeds from the Subscription Price to complete the redemption of the 1,531,000 redeemable preference shares in NGSB in favour of BSSB being the sole holder of the said 1,531,000 redeemable preference shares and pay the redemption price of RM153.10 million to BSSB, in accordance with the terms of the Share Subscription Agreement. Following the RPS Redemption, all redeemable preference shares in NGSB would have been fully redeemed, resulting in the issued share capital of NGSB comprising solely ordinary shares. Upon completion of the Proposed NGSB Share Acquisition, NGSB shall become a wholly-owned subsidiary of the Company.

The Subscription Shares to be allotted and issued to OHB pursuant to the Share Subscription Agreement and the NGSB Sale Shares to be acquired by OHB pursuant to the SSA will be free from encumbrances and together with all rights and interests attaching thereto as at the completion of the Share Subscription Agreement and / or the SSA (as the case may be).

Pursuant to the Proposed NGSB Share Acquisition, OHB will be acquiring interest in NGSB and indirectly, Bayview Beach Resort Penang on an "as is where is" basis, free from all encumbrances with vacant possession but subject to hotel guest occupancy, together with all fixtures and fittings;

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- (ii) in respect of the Proposed Georgetown Acquisition, the acquisition of Bayview Hotel Georgetown and Wisma Boon Siew on an “as is where is” basis, free from all encumbrances with vacant possession but subject to hotel guest occupancy (in respect of Bayview Hotel Georgetown), together with all fixtures and fittings, for a purchase consideration of RM153.00 million in cash; and
- (iii) in respect of the Proposed Langkawi Hotel Acquisition, the acquisition of Bayview Hotel Langkawi on an “as is where is” basis, free from all encumbrances with vacant possession but subject to hotel guest occupancy, together with all fixtures and fittings, for a purchase consideration of RM91.00 million in cash.

Further details of the Proposals are set out in **Part A, Section 2 of the Circular** and should be read in its entirety.

As such, the Total Purchase Consideration of RM411.00 million comprises the following:

	RM million	RM million
Subscription Price	153.10	
NGSB Sale Shares Consideration	13.90	
Purchase Consideration 1		167.00
Purchase Consideration 2		153.00
Purchase Consideration 3		91.00
Total Purchase Consideration		411.00

As part of OHB Group’s strategy to position themselves as a premier hospitality player, the Group intends to acquire and rebrand Bayview Beach Resort Penang, Bayview Hotel Georgetown and Bayview Hotel Langkawi through the appointment of an international hotel manager with a proven track record to manage and reposition the Hotels.

The Current Hotel Owners are the respective owners of the Hotels, which are presently tenanted and operated by BHSB under the respective Tenancy Agreements.

On 1 September 2025, BHSB entered into the Ascott Agreements with The Ascott Limited, intended to facilitate the refurbishment and rebranding of the Hotels, as well as their operation and management under Ascott’s international hotel brands. Further details of the Ascott Agreements are set out in **Part A, Section 2.10 of the Circular**.

Upon completion of the Proposals, the Tenancy Agreements will be terminated, and the Ascott Agreements will be novated from BHSB to OHB Group. Following the completion of the Proposals and as a result of the novation, OHB Group will be the owner of the Hotels with Ascott continuing as the operator and manager of the Hotels. Prior to their rebranding under Ascott’s portfolio of international brands, the Hotels will undergo refurbishment and renovation works, as further specified in **Part A, Section 2.6 of the Circular**.

In addition to the Hotels, the Proposed Georgetown Acquisition also includes the acquisition of Wisma Boon Siew, which is an adjoining 15-storey building comprising an office tower, 2 showrooms and car parking bays. The said office tower is strategically located in central Georgetown, providing complementary commercial space within a prime business district and in close proximity to Pulau Pinang’s government offices and transportation networks.

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3. INTERESTS OF DIRECTORS, MAJOR STOCKHOLDERS, CHIEF EXECUTIVES OF THE COMPANY AND / OR PERSONS CONNECTED TO THEM

Save as disclosed below, none of the Directors, Major Stockholders and chief executives of OHB and / or persons connected to them have any interest, direct or indirect, in the Proposals:

- (i) Datuk Loh Kian Chong, the Executive Chairman, direct Stockholder and indirect Major Stockholder, is a director of BSSB, BSDSB and NGSB as well as an indirect substantial shareholder of BSSB and indirect substantial shareholder of BSDSB;
- (ii) Dato' Seri Lim Su Tong, the Group Managing Director, direct Stockholder and indirect Major Stockholder, is the Managing Director of BSSB and an indirect shareholder of BSDSB. He is also one of the executors of the estate of Tan Sri Dato' Loh Boon Siew (deceased) which holds 367,500 ordinary shares in BSDSB;
- (iii) Dato' Sri Datuk Wira Tan Hui Jing, the Deputy Group Managing Director and indirect Major Stockholder, is an alternate director of BSSB (alternate to Tan Hui Ming), alternate director of BSDSB (alternate to Tan Kheng Hwee), director of NGSB and indirect shareholder BSDSB;
- (iv) Tan Kheng Hwee, the Executive Director, direct Stockholder and indirect substantial Stockholder, is an alternate director of BSSB (alternate to Dato' Seri Loh Cheng Yean), director of BSDSB, indirect substantial shareholder of BSSB and indirect shareholder of BSDSB;
- (v) Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK), the Non-Independent Non-Executive Director, direct Stockholder and indirect substantial Stockholder, is a director of BSSB, indirect substantial shareholder of BSSB and indirect shareholder BSDSB. He has retired from his position as Director on 10 June 2025;
- (vi) Dato' Yaep Chin Yee, a Director (alternate to Dato' Seri Lim Su Tong) and direct Stockholder, is interested in the Proposals by virtue of being the alternate Director to Dato' Seri Lim Su Tong;
- (vii) Soaring Success Sdn Bhd ("**SSSB**"), a direct Major Stockholder, is a person connected to Datuk Loh Kian Chong, Dato' Seri Lim Su Tong and Dato' Sri Datuk Wira Tan Hui Jing by virtue of being a company in which Datuk Loh Kian Chong and Dato' Sri Datuk Wira Tan Hui Jing hold more than 20% interest while Dato' Seri Lim Su Tong is deemed interested in SSSB by virtue of his son's shareholding in SSSB;
- (viii) Loh Kar Bee Holdings Sdn Bhd, a direct Stockholder and indirect Major Stockholder, is an indirect substantial shareholder of BSSB as well as direct and indirect substantial shareholder of BSDSB. It is a person connected to Datuk Loh Kian Chong by virtue of being a company owned by the family members of Datuk Loh Kian Chong;
- (ix) Loh Oon Ling, an indirect Major Stockholder, is an indirect substantial shareholder of BSSB and indirect substantial shareholder of BSDSB. She is a person connected to Datuk Loh Kian Chong by virtue of being the sister of Datuk Loh Kian Chong;
- (x) Loh Phoy Yen Holdings Sdn Bhd, a direct Stockholder and indirect Major Stockholder, is a direct shareholder of BSDSB. It is a person connected to Dato' Seri Lim Su Tong by virtue of being a company owned by the family members of Dato' Seri Lim Su Tong;
- (xi) Dato' Lim Kean Seng, a direct Stockholder and indirect Major Stockholder, is an alternate director of BSSB (alternate to Dato' Seri Lim Su Tong), director of BSDSB and indirect shareholder of BSDSB. He is a person connected to Dato' Seri Lim Su Tong by virtue of being the son of Dato' Seri Lim Su Tong;

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- (xii) Lim Ee Hean, an indirect Major Stockholder, is an alternate director of BSDSB (alternate to Dato' Lim Kean Seng) and indirect shareholder of BSDSB. She is a person connected to Dato' Seri Lim Su Tong by virtue of being the daughter of Dato' Seri Lim Su Tong;
- (xiii) Lim Ee Ling, an indirect Major Stockholder, is an indirect shareholder of BSDSB. She is a person connected to Dato' Seri Lim Su Tong by virtue of being the daughter of Dato' Seri Lim Su Tong;
- (xiv) Loh Gim Ean Holdings Sdn Bhd, a direct Stockholder and indirect Major Stockholder, is a direct shareholder of BSDSB. It is a person connected to Dato' Sri Datuk Wira Tan Hui Jing by virtue of being a company owned by the family members of Dato' Sri Datuk Wira Tan Hui Jing;
- (xv) Tan Hui Ming, a direct Stockholder and indirect Major Stockholder, is a director of both BSSB and BSDSB as well as an indirect shareholder of BSDSB. He is a person connected to Dato' Sri Datuk Wira Tan Hui Jing by virtue of being the brother of Dato' Sri Datuk Wira Tan Hui Jing;
- (xvi) Loh Cheng Yean Holdings Sdn Bhd, a direct substantial Stockholder, is a direct substantial shareholder of BSSB and direct shareholder of BSDSB. It is a person connected to Tan Kheng Hwee by virtue of being a company owned by the family members of Tan Kheng Hwee;
- (xvii) Dato' Seri Loh Cheng Yean, a direct Stockholder and indirect substantial Stockholder, is a director of BSSB, indirect substantial shareholder of BSSB and indirect shareholder of BSDSB. She is a person connected to Tan Kheng Hwee by virtue of being the mother of Tan Kheng Hwee;
- (xviii) Tan Ju Nguan, a direct Stockholder and indirect substantial Stockholder, is an indirect substantial shareholder of BSSB and indirect shareholder of BSDSB. He is a person connected to Tan Kheng Hwee by virtue of being the brother of Tan Kheng Hwee;
- (xix) Tan Kheng Ju, a direct Stockholder and indirect substantial Stockholder, is an indirect substantial shareholder of BSSB and indirect shareholder of BSDSB. She is a person connected to Tan Kheng Hwee by virtue of being the sister of Tan Kheng Hwee;
- (xx) Loh Ean Holdings Sdn Bhd, a direct substantial Stockholder, is a direct substantial shareholder of BSSB and direct shareholder of BSDSB. It is a person connected to Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK) by virtue of being a company owned by the family members of Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK);
- (xxi) Loh Boon Siew Holdings Sdn Bhd, a direct Stockholder, is a direct shareholder of BSDSB. It is a person connected to Datuk Loh Kian Chong, Dato' Sri Datuk Wira Tan Hui Jing, Tan Hui Ming, Dato' Lim Kean Seng, Lim Ee Ling, Lim Ee Hean and Loh Oon Ling who hold more than 20% interest in Loh Boon Siew Holdings Sdn Bhd;
- (xxii) Vibrant Carnival Sdn Bhd, an indirect Stockholder, is an indirect shareholder of BSDSB. It is a person connected to Loh Kar Bee Holdings Sdn Bhd, Loh Phoy Yen Holdings Sdn Bhd and Loh Gim Ean Holdings Sdn Bhd by virtue of Loh Kar Bee Holdings Sdn Bhd, Loh Phoy Yen Holdings Sdn Bhd and Loh Gim Ean Holdings Sdn Bhd each holding more than 20% interest in Vibrant Carnival Sdn Bhd;
- (xxiii) BSSB, is one of the Vendors. It is a person connected to Datuk Loh Kian Chong by virtue of Datuk Loh Kian Chong holding more than 20% indirect interest in BSSB; and
- (xxiv) BSDSB, is one of the Vendors. It is a person connected to Datuk Loh Kian Chong by virtue of Datuk Loh Kian Chong holding more than 20% indirect interest in BSDSB.

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In view of the interests of the Interested Parties, the Proposals are deemed as related party transactions under Paragraph 10.08 of the Listing Requirements.

Accordingly, the Interested Directors have abstained and will continue to abstain from deliberating and voting at all relevant board meeting(s) of OHB in respect of the Proposals. The Interested Directors will also abstain from voting in respect of their direct and indirect stockholdings in the Company, on the resolution pertaining to the Proposals to be tabled at the Company's forthcoming EGM. Further, the Interested Directors will also undertake to ensure that all persons connected to them will abstain from voting in respect of their direct and / or indirect interest, if any, on the resolution pertaining to the Proposals to be tabled at the Company's forthcoming EGM.

The Interested Stockholders will abstain from voting in respect of their direct and / or indirect stockholdings in OHB on the resolution pertaining to the Proposals to be tabled at the Company's forthcoming EGM. The Interested Stockholders have also undertaken to ensure that persons connected to them shall abstain from voting on the resolution pertaining to the Proposals to be tabled at the Company's forthcoming EGM.

Please refer to **Part A, Section 9 of the Circular** for further details.

4. SCOPE AND LIMITATIONS OF OUR EVALUATIONS OF THE PROPOSALS

We have not been involved in the formulation, deliberation and negotiation of the terms and conditions of the Proposals.

Our scope as the Independent Adviser is limited to expressing an independent opinion on the Proposals insofar as the non-interested Directors and non-interested Stockholders of OHB are concerned based on information and documents made available to us as set out below:

- (i) the information contained in **Part A of the Circular** together with the accompanying appendices (including the Valuation Certificate);
- (ii) the valuation reports prepared by Knight Frank;
- (iii) the Share Subscription Agreement, SSA, SPA 1 and SPA 2;
- (iv) other information, documents, confirmations and / or representations provided by the Board and the management of OHB ("**Management**"); and
- (v) other relevant publicly available information.

It is not within our terms of reference to express any opinion on legal, accounting and taxation issues relating to the Proposals or commercial merits of the Proposals.

We have relied on the Board and the Management to exercise due care to ensure that all information, documents and representations provided to us to facilitate our evaluations are accurate, valid and complete in all material respects and free from material omission. The Board has seen, reviewed and accepted this IAL. We have also undertaken reasonableness checks and where possible, corroborating such information with independent sources. The Board has, individually and collectively, accepted full responsibility for the accuracy, validity and completeness of the information provided to us and given herein (save for our assessment, evaluations and opinions) and has confirmed that after making all reasonable enquiries and to the best of their knowledge and belief, there is no omission of any fact that would make any statement in this IAL incomplete, misleading or inaccurate.

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Accordingly, having made all reasonable enquiries, we are satisfied with the sufficiency of the information provided and disclosure from the Board and the Management, and we have no reason to believe that any of the information is unreasonable, unreliable, inaccurate, incomplete and / or that there are any facts not contained in this IAL, the omission of which would make any information in this IAL misleading.

Our evaluations and opinions as set out in this IAL are based upon market, economic, industry, regulatory and the information / documents made available to us, as at the LPD. Such conditions may change significantly over a short period of time. Accordingly, our evaluations and opinions in this IAL do not consider the information, events and conditions arising after the LPD.

We will notify the non-interested Stockholders of OHB, if after the despatch of the Circular, we:

- (i) become aware of any significant change affecting the information contained in this IAL;
- (ii) have reasonable grounds to believe that a material statement in this IAL is misleading or deceptive; or
- (iii) have reasonable grounds to believe that there is a material omission in this IAL.

If circumstances require, a supplementary IAL will be sent to the non-interested Stockholders of OHB if there are material changes in our recommendation as set out in this IAL.

In forming our opinion, we have considered factors which we believe would be of relevance and general importance to the non-interested Stockholders of OHB as a whole. We have not taken into consideration any specific investment objective, financial situation, risk profiles or particular needs of any individual stockholder or any specific group of stockholders. We recommend that any individual stockholder or group of stockholders who are in doubt as to the action to be taken or require advice in relation to the Proposals in the context of their individual objectives, financial situation, risk profiles or particular needs, to consult their respective stockbrokers, bank managers, solicitors, accountants or other professional advisers. We shall not be liable for any damage or loss of any kind sustained or suffered by any individual stockholder or any specific group of stockholders relying on the evaluation as set out in this IAL for any purpose whatsoever.

5. DECLARATION OF CONFLICT OF INTEREST AND OUR CREDENTIALS, EXPERIENCE AND EXPERTISE

Save for our appointment as the Independent Adviser for the Proposals, we do not have any other professional relationship with OHB for the past 2 years. We confirm that there is no situation of conflict of interest that exists or is likely to exist in relation to our role as the Independent Adviser to OHB for the Proposals.

We provide a range of advisory services which include, amongst others, mergers, acquisitions and divestitures, take-overs / general offers, fund raising and initial public offerings. We have experience in the independent analysis of transactions and issuing opinions on whether the terms and financial conditions of a transaction are deemed fair and reasonable, including those of acquisitions, disposals and general offers. We are a holder of a Capital Markets Services Licence issued by the Securities Commission Malaysia as a principal adviser who is permitted to carry on the regulated activity of advising on corporate finance under the Capital Markets and Services Act 2007.

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Our credentials and experience as an Independent Adviser since 2022 up to the LPD, include amongst others, the following:

No.	Company	Proposal
1.	Genting Malaysia Berhad (" Genting Malaysia ")	Independent advice circular dated 13 November 2025 to the non-interested directors and the holders of the offer shares in Genting Malaysia pertaining to an unconditional voluntary take-over offer.
2.	FGV Holdings Berhad (" FGV ")	Independent advice circular dated 26 June 2025 to the non-interested directors and the holders of the offer shares in FGV pertaining to an unconditional voluntary take-over offer.
3.	Lianson Fleet Group Berhad (" LFG ")	Independent advice letter dated 11 June 2025 to the non-interested shareholders of LFG in relation to the proposed variation to certain clauses of a share sale and purchase agreement, and proposed exemptions from the obligation to undertake a mandatory take-over offer.
4.	Parkwood Holdings Berhad (" Parkwood ")	Independent advice letter dated 17 April 2025 to the non-interested shareholders of Parkwood in relation to the proposed exemptions from the obligation to undertake a mandatory take-over offer.
5.	ICON Offshore Berhad (" ICON ")	Independent advice letter dated 10 January 2025 to the non-interested directors and shareholders of ICON pertaining to proposed related party acquisitions.
6.	Ranhill Utilities Berhad (" Ranhill ")	Independent advice circular dated 28 June 2024 to the non-interested directors and the holders of the offer shares in Ranhill pertaining to an unconditional mandatory take-over offer.
7.	UMW Holdings Berhad (" UMW ")	Independent advice circular dated 8 January 2024 to the holders of the offer shares in UMW pertaining to an unconditional mandatory take-over offer.
8.	Pelikan International Corporation Berhad (" PICB ")	Independent advice letter dated 7 September 2023 to the shareholders of PICB pertaining to a proposed disposal.
9.	Malaysian Building Society Berhad (" MBSB ")	Independent advice letter dated 12 July 2023 to the shareholders of MBSB in relation to a proposed acquisition of 100% equity interest of Malaysian Industrial Development Finance Berhad from its sole shareholder, Permodalan Nasional Berhad.
10.	Sunway Real Estate Investment Trust (" Sunway REIT ")	Independent advice letter dated 31 May 2023 to the non-interested unitholders of Sunway REIT pertaining to a proposed acquisition.
11.	Lingkar Trans Kota Holdings Berhad (" LITRAK ")	Independent advice letter dated 15 May 2023 to the shareholders of LITRAK pertaining to a proposed capital reduction and repayment, and proposed delisting.
12.	Boustead Holdings Berhad (" Boustead ")	Independent advice circular dated 17 April 2023 to the holders of the offer shares in Boustead pertaining to a conditional voluntary take-over offer.

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No.	Company	Proposal
13.	CapitaLand Malaysia Trust (“CLMT”)	Independent advice letter dated 8 February 2023 to the non-interested unitholders of CLMT pertaining to the proposed acquisition of 433 strata titles within Queensbay Mall held by Special Coral Sdn Bhd, and the entire equity stakes in Scenic Growth Sdn Bhd, Luxury Ace Sdn Bhd, Success Idea Sdn Bhd, and Milky Way Hypermarkets / Retail Complexes Berhad.
14.	Lion Posim Berhad (“LPB”)	Independent advice letter dated 17 November 2022 to the non-interested shareholders of LPB pertaining to a proposed unincorporated joint venture and proposed diversification.
15.	Cycle & Carriage Bintang Berhad (“CCB”)	Independent advice circular dated 15 August 2022 to the holders of the offer shares in CCB pertaining to an unconditional voluntary take-over offer.

Premised on the above, we are capable, competent and have the relevant experience in carrying out our role and responsibilities as the Independent Adviser for the Proposals.

6. EVALUATIONS OF THE PROPOSALS

In forming our opinion to the non-interested Stockholders of OHB, we have taken the following into consideration in our evaluation:

Section 6.1	: Rationale and benefits of the Proposals
Section 6.2	: Basis and justification for the Total Purchase Consideration
Section 6.3	: Salient terms of the Share Subscription Agreement, SSA, SPA 1 and SPA 2
Section 6.4	: Effects of the Proposals
Section 6.5	: Industry overview and prospects
Section 6.6	: Risk factors in relation to the Proposals

6.1 Rationale and benefits of the Proposals

Our evaluation of the rationale and benefits of the Proposals, as set out in **Part A, Section 3 of the Circular**, are as follows:

(i) Alignment with OHB Group’s strategy to expand and diversify its hospitality portfolio

We noted that the Proposals are consistent with OHB Group’s strategy to expand and diversify its hospitality portfolio by investing in hospitality assets with good potential. The addition of the Hotels (i.e. Bayview Beach Resort Penang, Bayview Hotel Georgetown and Bayview Hotel Langkawi) is expected to contribute positively to OHB’s earnings and its domestic hospitality presence by enhancing the Group’s room capacity, increasing its total rooms offered in Malaysia from 188 to 1,175, which allows for cost synergy and operational efficiency, which in turn will **strengthen the Group’s recurring income stream** from the hotels and resorts segment.

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(ii) **Supports OHB Group’s operational restructuring to transition towards a third-party management model for its hotels and resorts**

Further, as at the LPD, OHB Group has 7 operating hospitality units as set out below:

Hotels	Location	Star Rating	Year 2025 managed by
Bayview Hotel Malacca	Malaysia	4 star	Bayview International Hotels Pte Ltd
30 Bencoolen	Singapore	4 star	Bayview International Hotels Pte Ltd / The Ascott Limited ⁽¹⁾
Bayview Geographe Resort	Australia	4 star	Bayview International Hotels Pte Ltd / Accor Group ⁽²⁾
The Sydney Boulevard Hotel	Australia	4 star	Bayview International Hotels Pte Ltd / Accor Group ⁽²⁾
Wairakei Resort Taupo	New Zealand	4 star	Bayview International Hotels Pte Ltd / Accor Group ⁽²⁾
Somerset Park Suanplu	Thailand	4 star	The Ascott Limited
Thistle Holborn The Kingsley Hotel	United Kingdom	4 star	Clermont Hotel Group

Notes:

(1) Shift in management commenced on 1 October 2025.

(2) Shift in management commenced on 1 May 2025.

Based on the table above, we noted that the Proposals support OHB Group’s operational restructuring to transition towards a third-party management model for its hotels and resorts. In 2025, 30 Bencoolen, Bayview Geographe Resort, The Sydney Boulevard Hotel and Wairakei Resort Taupo had a shift in management from Bayview International Hotels Pte Ltd (which is a wholly-owned subsidiary of OHB Group) to a third-party management company. Following the completion of the Proposals and as a result of the novation of the Ascott Agreements from BHSB to OHB Group, the Group will be the owner of the Hotels with Ascott coming in as the operator of the hotels. This is expected to bring forth benefits including improved efficiency and profitability through the third-party management company’s expertise and economies of scale.

(iii) **Expansion and diversification of OHB Group’s hospitality portfolio and market presence in Malaysia**

As at the FYE 31 December 2024, the hotels and resorts segment contributed approximately 6% to the Group’s total revenue, whereas the Group’s domestic hospitality operations currently contribute approximately 4% to their hotels and resorts segment revenue. The expansion of the Group’s hospitality portfolio is expected to broaden the Group’s recurring income base within the hotels and resorts segment, both on a domestic and overall basis.

After the completion of the Proposals and transfer of beneficial ownership of the Hotels to OHB Group, OHB Group’s hospitality portfolio will expand, whereby OHB Group’s hotel portfolio in Malaysia will increase from 1 to 4 properties, while its overall hotel portfolio will grow from 7 to 10 properties. The addition of Bayview Beach Resort Penang, Bayview Hotel Georgetown and Bayview Hotel Langkawi complements OHB’s existing hotel portfolio in Malaysia (i.e. Bayview Hotel Malacca) and is expected to reduce the Group’s dependence on Bayview Hotel Malacca (as the sole domestic hospitality unit, as at the LPD).

Therefore, the Proposals allow for **diversification of the Group’s geographical presence** into the northern region of Peninsular Malaysia, which in turn **reduces the concentration risks** and potential overreliance of the Group on a single hospitality asset.

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(iv) **Strategic platform for OHB Group to strengthen its hospitality footprint across key tourist destinations in Pulau Pinang and Langkawi**

We noted the following on the locations of the respective Hotels from the Valuation Reports:

Details on the location of the Hotels	
Bayview Beach Resort Penang	<ul style="list-style-type: none"> Strategically located along the Batu Feringgi beach, offering direct beach access with scenic ocean views of the Straits of Malacca Easily accessible via Jalan Tanjung Bungah, the main coastal road linking to George Town, Pulau Pinang's capital Accessible from Penang International Airport (approximately 50 minutes), George Town (approximately 30 minutes) and the Penang Bridge (approximately 40 minutes) <p><i>(Source: Valuation Report)</i></p>
Bayview Hotel Georgetown	<ul style="list-style-type: none"> Strategically located within the UNESCO World Heritage Site of George Town, and within walking distance away from several historical and cultural landmarks including Fort Cornwallis, Pinang Peranakan Mansion, Cheong Fatt Tze Mansion (Blue Mansion) and Armenian Street Set to benefit from accessibility and proximity to local attractions, key amenities and services Convenient access via Lebuhraya Farquhar and Lebuhraya Leith, offering seamless connections to Jalan Penang and Jalan Burma, facilitating efficient city-wide travel Accessible from the Swettenham Pier Cruise Terminal (approximately 5 minutes), KOMTAR (approximately 6 minutes), Penang Bridge (approximately 20 minutes) and Penang International Airport (approximately 30 minutes) <p><i>(Source: Valuation Report)</i></p>
Bayview Hotel Langkawi	<ul style="list-style-type: none"> Strategically located in Kuah Town, the district capital of Langkawi Proximity to duty-free shopping centres, restaurants, government offices and the Langkawi Ferry Terminal provide convenient access for visitors Accessible via Jalan Padang Matsirat and Jalan Ayer Hangat, which are major arterial roads in Langkawi Accessible from the Langkawi Ferry Terminal (approximately 5 minutes) and the Langkawi International Airport (approximately 25 minutes) <p><i>(Source: Valuation Report)</i></p>

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Based on the information above, we noted that the Hotels stand to benefit in terms of hotel patronage as its strategic location in key tourist destinations, namely Batu Ferringgi and George Town in Pulau Pinang and Kuah Town in Langkawi and proximity to local tourist attractions in addition to the Hotels being easily accessible via major roads and highways enhance their appeal to both business and leisure visitors.

Considering these advantages, the Hotels represents a strategic platform for the Group to **strengthen its hospitality footprint across key tourist destinations** in Pulau Pinang and Langkawi.

(v) **Extending on the familiar relationship with Ascott**

We noted that OHB Group currently has 2 hotels within its hotels and resorts portfolio under Ascott's management, namely 30 Bencoolen in Singapore and Somerset Park Suanplu in Thailand. Extending on this familiar relationship with Ascott is expected to provide operational efficiencies, lower management fees and favourable terms as more hotels come under Ascott's management, taking into consideration Ascott's brand strength, operational expertise and global distribution network.

Further, we also noted that Ascott is a globally recognized hospitality operator with well-established brands including Somerset, Citadines and Iyf, and has a proven track record in managing serviced residences and hotels across diverse markets. Ascott has won numerous awards in relation to its brands including, among others, the following:

- a) The Ascott Limited – World's Leading Serviced Apartment Brand 2024 by World Travel Awards 2024 (won for the second consecutive year by The Ascott Limited);
- b) The Ascott Limited – Malaysia's Leading Serviced Apartment Brand 2024 by World Travel Awards 2024 (won for the second consecutive year by The Ascott Limited); and
- c) Ascott – Best Serviced Apartment Brand by Business Traveller UK Awards 2024

(Source: Awards and Recognition, Ascott Star Rewards)

Additionally, the Hotels under Ascott's management stand to benefit from Ascott's customer loyalty program, Ascott Star Rewards ("**ASR**"). Through ASR, the Hotels gain access to Ascott's large pool of repeat guests and loyal members who are more likely to seek out Ascott-branded properties, potentially driving higher occupancy and revenue. In 2024, ASR membership reportedly grew by over 40% to surpass five million, while ASR members on average spent 55% more than non-members, which brought about over 30% increase in ASR-driven room revenue in 2024. For OHB, this translates into leveraging on Ascott's reputation and network to enhance overall profitability.

(Source: Ascott powers up loyalty programme, Ascott Star Rewards, with enhanced member features to treble membership by 2028, CapitaLand)

Based on the above, Ascott's involvement as hotel operator will allow OHB Group to **leverage Ascott's established international brand** to reposition the Hotels competitively against future supply and boost occupancy and room rates of the Hotels.

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(vi) Allows OHB Group to have a footprint in Pulau Pinang’s office market

We also noted that the acquisition of Wisma Boon Siew represents the Group’s first commercial property in Pulau Pinang, which allows the Group to have a footprint in Pulau Pinang’s office space market. Wisma Boon Siew is strategically located in the capital of George Town, nearby Bayview Hotel Georgetown and is also set to benefit from high foot traffic due to its accessibility and proximity to key amenities and services. This, in addition to the rising demand for flexible workspaces in Pulau Pinang, presents OHB Group an opportunity to strategically position itself within this evolving market.

Premised on the above, we are of the opinion that the rationale and benefits of the Proposals are reasonable. Nevertheless, the non-interested Stockholders of OHB should note that the potential benefits arising from the Proposals are subject to certain risk factors as disclosed in Part A, Section 5 of the Circular and our commentaries as set out in Section 6.6 of this IAL.

6.2 Basis and justification for the Total Purchase Consideration

As set out in **Part A, Section 2.4 of the Circular**, we noted that the Total Purchase Consideration for the Proposals was arrived at between the parties on a “willing-buyer willing-seller” basis after taking into consideration the following:

- (i) the RNAV of NGSB of RM175.66 million and the market value of Bayview Beach Resort Penang owned by NGSB of RM180.00 million, as appraised by the independent valuer, Knight Frank, as set out in the Valuation Certificate;
- (ii) the market value of Bayview Hotel Georgetown of RM115.00 million and Wisma Boon Siew of RM45.00 million, totaling RM160.00 million, as appraised by Knight Frank as set out in the Valuation Certificate;
- (iii) the market value of Bayview Hotel Langkawi of RM95.00 million as appraised by Knight Frank, as set out in the Valuation Certificate;
- (iv) the successful negotiations between the management of OHB and the Vendors to acquire the Proposals for the Total Purchase Consideration of RM411.00 million, notwithstanding that the aggregate RNAV of NGSB and market value of Bayview Hotel Georgetown, Wisma Boon Siew and Bayview Hotel Langkawi amount to RM430.66 million (“**Total Reference Valuation**”). The Total Purchase Consideration represents a discount of approximately 4.57% to the Total Reference Valuation, premised, amongst others, on the ability of the OHB Group to acquire the Hotels and Wisma Boon Siew collectively and expeditiously, given its strong financial position;
- (v) the rationale and benefits of the Proposals as set out in **Part A, Section 3 of the Circular**; and
- (vi) the prospects of the Hotels and Wisma Boon Siew as set out in **Part A, Sections 4.6.1, 4.6.2, 4.6.3 and 4.6.4 of the Circular**.

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We note from **Part A of the Circular** that the Total Purchase Consideration represents a discount of approximately 4.57% to the Total Reference Valuation, as set out below:

No.	Property Name	Market Value / Adjusted RNAV (RM million)	Purchase Consideration (RM million)	Premium / (Discount) (RM million)	Premium / (Discount) (%)
1.	Bayview Beach Resort Penang	*175.66	167.00	(8.66)	(4.93)
2.	Bayview Hotel Georgetown	115.00	110.00	(5.00)	(4.35)
3.	Wisma Boon Siew	45.00	43.00	(2.00)	(4.44)
4.	Bayview Hotel Langkawi	95.00	91.00	(4.00)	(4.21)
	Total	430.66	411.00	(19.66)	(4.57)

Note:

- * In view that NGSB is the registered proprietor of Bayview Beach Resort Penang, the RNAV method is used to represent the fair value of NGSB by adjusting the market value of Bayview Beach Resort Penang against its book value. For the avoidance of doubt, the adjusted RNAV only applies to Bayview Beach Resort Penang (due to Bayview Beach Resort Penang being an indirect acquisition pursuant to the Proposed NGSB Share Acquisition), whereas the market value of Bayview Hotel Georgetown, Wisma Boon Siew and Bayview Hotel Langkawi (which are to be acquired directly) is used to represent the fair value of the respective properties.

The computation of the adjusted RNAV of NGSB is set out below:

Description	RM'000	RM'000
Audited NA value of NGSB as at 31 December 2024		149,429
Market value of Bayview Beach Resort Penang	180,000	
Less: Audited carrying amount as at 31 December 2024	(142,077)	
Revaluation surplus	37,923	
Less: Real Property Gains Tax (10%) ⁽¹⁾	(3,792)	
Net revaluation surplus		34,131
Less: Redemption of preference shares ⁽²⁾		(7,900)
Add: Issuance of 153,100,000 new ordinary shares ⁽³⁾	153,100	
Less: Redemption of 1,531,000 preference shares ⁽⁴⁾	(153,100)	
Net change		-
Adjusted RNAV		175,660

Notes:

- (1) Assuming the asset is sold at market value, the applicable Real Property Gains Tax rate has been considered in accordance with the Real Property Gains Tax Act 1976 in order to arrive at the net revaluation surplus. The Real Property Gains Tax will be imposed on a company when it disposes of its assets, to be calculated based on the net gain from the disposal and depending on its date of acquisition.
- (2) Based on available bank balances as at 31 August 2025.
- (3) Pursuant to the Share Subscription Agreement, there will be an allotment and issuance of 153,100,000 new ordinary shares in NGSB to OHB at an issuance price of RM1.00 for each new ordinary share for a Subscription Price of RM153.10 million.
- (4) Following the completion of the Share Subscription Agreement but prior to the execution of the SSA, pursuant to the RPS Redemption, the 1,531,000 preference shares in NGSB shall be redeemed by NGSB in favour of BSSB at RM100.00 for each preference share amounting to RM153.10 million.

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In evaluating the valuation of the entire equity interest in NGSB, we are of the opinion that the asset-based valuation methodology, i.e. the RNAV methodology, is the most suitable valuation methodology as it will more accurately reflect the value of NGSB based on its underlying assets, i.e. Bayview Beach Resort Penang, and it is a commonly used valuation for asset-based companies.

RNAV is a valuation methodology used in approaching valuations of asset-based companies where all or a substantial portion of its property-related assets are carried at its historical costs. RNAV takes into consideration any surplus and / or deficit arising from the revaluation of the material assets of a company to reflect their current market values, based on the assumption that the market values of the assets are realisable on willing-buyer willing-seller basis in the open market. The RNAV is adjusted to take into consideration the valuation of Bayview Beach Resort Penang prepared by Knight Frank to reflect the fair market value of Bayview Beach Resort Penang.

We have also reviewed the Valuation Reports. The non-interested Stockholders of OHB are advised to read our commentaries below and refer to the Valuation Certificate enclosed in **Appendix IV of the Circular** for further information on the valuation of Bayview Beach Resort Penang, Bayview Hotel Georgetown, Wisma Boon Siew and Bayview Hotel Langkawi.

A detailed description of the methodologies adopted by Knight Frank are as follows:

Assets Valued	Valuation approach	Methodology approach
Hotels	Income approach by Discounted Cash Flow ("DCF") (primary)	The DCF approach incorporates the estimation of future annual cash flows over an investment horizon (forecasted / projected period) from the valuation date by referencing to expected revenue growth rates, operating expenses and terminal value. The present value of future cash flow is then determined by the application of an appropriate discount rate to derive a net present value of the property as at the valuation date.
	Comparison approach (secondary)	The comparison approach considers the sales of similar or substitute properties and related market data and establishes a value estimate by adjustments made for differences in factors that affect value. In general, a property being valued is compared with sales of similar properties that have been transacted in the open market. Listings and offers may also be considered.
Wisma Boon Siew	Income approach by investment method (primary)	This approach involves capitalisation of the net annual income stream that is expected to be received from the property after deducting the annual outgoings and other operating expenses incidental to the property with allowance for void by using an appropriate market derived capitalisation rate.
	Comparison approach (secondary)	The comparison approach considers the sales of similar or substitute properties and related market data and establishes a value estimate by adjustments made for differences in factors that affect value. In general, a property being valued is compared with sales of similar properties that have been transacted in the open market. Listings and offers may also be considered.

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We noted that the Hotels were valued based on the income approach by DCF (as the Hotels are commercial and income generating assets with detailed forecasts and projections on future income) as the primary method of valuation and supported by the comparison approach, whereas Wisma Boon Siew was valued based on the income approach by investment method (as it is a commercial and income generating asset with rental income) as the primary method of valuation and also supported by the comparison approach.

We are of the view that the methodologies adopted by Knight Frank are reasonable, appropriate and consistent with generally applied valuation methodologies for the respective assets. We have reviewed the key bases and assumptions adopted by Knight Frank and are satisfied with the reasonableness of the key bases and assumptions. As such, we are satisfied with the valuation conducted by Knight Frank as well as the reasonableness of the market values for Bayview Beach Resort Penang, Bayview Hotel Georgetown, Wisma Boon Siew and Bayview Hotel Langkawi.

Our commentaries on the key bases and assumptions adopted by Knight Frank to arrive at their market values are set out in the ensuing sections.

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6.2.1 Market value of Bayview Beach Resort Penang

Summarised below are our commentaries in respect of the key bases and assumptions adopted by Knight Frank to arrive at the market value of Bayview Beach Resort Penang using the **income approach by DCF**:

No	Key bases and assumptions	Kenanga IB's comments																											
1.	<p>Projected average daily rate ("ADR")</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Projected ADR (RM)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>300</td> </tr> <tr> <td>2</td> <td>300</td> </tr> <tr> <td>3</td> <td>590</td> </tr> <tr> <td>4</td> <td>640</td> </tr> <tr> <td>5</td> <td>680</td> </tr> <tr> <td>6</td> <td>710</td> </tr> <tr> <td>7</td> <td>740</td> </tr> </tbody> </table>	Year	Projected ADR (RM)	1	300	2	300	3	590	4	640	5	680	6	710	7	740	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected ADR for Bayview Beach Resort Penang for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical ADR from 2022 to Jan – Aug 2025, which ranges from RM284 to RM318, as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Historical ADR of Bayview Beach Resort Penang (RM)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td>318</td> <td>299</td> <td>287</td> <td>284</td> </tr> </tbody> </table> <p>We noted that Knight Frank placed greater reliance on historical data from 2024 to 2025, where the tourism and hotel industry in Malaysia is fully recovered and normalised as compared to the earlier years where the hospitality industry was impacted by coronavirus disease 2019 ("COVID-19"). Hence, the historical ADR from 2024 to 2025 of RM284 – RM287 shall be more reflective of the current performance of Bayview Beach Resort Penang.</p> <p>The projected ADR in Years 1 and 2 (whereby Bayview Beach Resort Penang is operating prior to being rebranded ("Conversion Term") is reflective of and approximates the historical ADR range from 2024 to 2025 of RM284 – RM287. In view of Bayview Beach Resort Penang having achieved a historical ADR of RM318 previously in 2022, we are of the opinion that the ADR adopted for the Conversion Term is reasonable;</p>	Historical ADR of Bayview Beach Resort Penang (RM)			2022	2023	2024	Jan – Aug 2025	318	299	287	284
Year	Projected ADR (RM)																												
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Kenanga

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		<p>(ii) the historical ADR range of the selected competitive set ("CompSet"), which exhibit comparable characteristics to Bayview Beach Resort Penang, as set out below:</p> <table border="1" data-bbox="371 203 459 1041"> <thead> <tr> <th colspan="4">Historical ADR range of the CompSet ⁽¹⁾ (RM)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>Jan – Jul 2025</th> </tr> </thead> <tbody> <tr> <td>435 – 661</td> <td>528 – 728</td> <td>616 – 852</td> <td>468 – 925</td> </tr> </tbody> </table> <p>Note: (1) The selected CompSet includes 5-star hotels such as Shangri-La Rasa Sayang, Hard Rock Hotel Penang, Lone Pine Hotel and Parkroyal Penang Resort.</p> <p>We note that the projected ADR of Bayview Beach Resort Penang during the Conversion Term is lower than the historical ADR range of the CompSet, which indicates that Knight Frank has adopted a more conservative ADR than the market for the Conversion Term.</p> <p>We also note that the projected ADR from Year 3 to Year 7 ("Rebranded Term"), upon re-commencement of operations after the refurbishment and renovation, ranging from RM590 – RM740 is within the historical ADR range of the CompSet from 2024 to 2025;</p> <p>(iii) the published room rates from A-DATA Online Travel Agents (OTAs) forward pricing of the CompSet from January to July 2025, ranging from RM550 to RM803. We note that the projected ADR range from Year 3 to Year 7 of RM590 – RM740 is within the range of the published room rates of the CompSet of RM550 – RM803;</p> <p>(iv) the Operator's forecast as below:</p> <table border="1" data-bbox="1059 562 1294 1041"> <thead> <tr> <th>Year</th> <th>Projected ADR (RM)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>293</td> </tr> <tr> <td>2</td> <td>- (1)</td> </tr> <tr> <td>3</td> <td>590</td> </tr> <tr> <td>4</td> <td>669</td> </tr> <tr> <td>5</td> <td>723</td> </tr> <tr> <td>6</td> <td>780</td> </tr> <tr> <td>7</td> <td>786</td> </tr> </tbody> </table> <p>Note: (1) The Operator's forecast for Year 2 is not available as it falls within the planned period for refurbishment and renovation works.</p>	Historical ADR range of the CompSet ⁽¹⁾ (RM)				2022	2023	2024	Jan – Jul 2025	435 – 661	528 – 728	616 – 852	468 – 925	Year	Projected ADR (RM)	1	293	2	- (1)	3	590	4	669	5	723	6	780	7	786
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Kenanga

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		<p>We noted that the projected ADR range adopted by Knight Frank aligns with the Operator's forecasted range of RM293 – RM786 from Year 1 to Year 7; and</p> <p>(v) the rebranding of Bayview Beach Resort Penang to Ascott Batu Ferringhi Penang. We note that there is a significant jump in the projected ADR from RM300 in Year 2 to RM590 in Year 3. We view the spike in ADR as reasonable as Bayview Beach Resort Penang would have completed refurbishment and renovation works and is expected to commence operations as the rebranded Ascott Batu Ferringhi from 1H2028 (Year 3).</p> <p>Premised on the above, we are of the view that the ADR adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>																																														
2.	<p>Projected average occupancy rate ("AOR")</p> <table border="1" data-bbox="703 1249 938 1872"> <thead> <tr> <th>Year</th> <th>Projected AOR (%)</th> </tr> </thead> <tbody> <tr><td>1</td><td>40.0</td></tr> <tr><td>2</td><td>40.0</td></tr> <tr><td>3</td><td>55.0</td></tr> <tr><td>4</td><td>60.0</td></tr> <tr><td>5</td><td>65.0</td></tr> <tr><td>6</td><td>70.0</td></tr> <tr><td>7</td><td>70.0</td></tr> </tbody> </table>	Year	Projected AOR (%)	1	40.0	2	40.0	3	55.0	4	60.0	5	65.0	6	70.0	7	70.0	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected AOR for Bayview Beach Resort Penang for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical AOR from 2022 to Jan – Aug 2025, which ranges from 57.2% to 65.0%, as follows:</p> <table border="1" data-bbox="900 203 1015 1043"> <thead> <tr> <th colspan="3">Historical AOR of Bayview Beach Resort Penang (%)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>57.2</td> <td>65.0</td> <td>61.4</td> </tr> <tr> <td></td> <td></td> <th>Jan – Aug 2025</th> </tr> <tr> <td></td> <td></td> <td>60.0</td> </tr> </tbody> </table> <p>We noted that Knight Frank adopted an estimated AOR of 40.0% in Year 1 and Year 2 under the Conversion Term in view of the anticipated gradual reduction in operational resources and expenses during the Conversion Term due to the refurbishment and renovation works. We view the conservative AOR projection for these years as reasonable. We further noted that the highest yearly AOR achieved by Bayview Beach Resort Penang from 2022 to 2025 was 65.0% in 2023;</p> <p>(ii) the historical AOR range of the CompSet as set out below:</p> <table border="1" data-bbox="1289 203 1378 1043"> <thead> <tr> <th colspan="3">Historical AOR range of the CompSet (%)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>35.3 – 71.3</td> <td>51.7 – 82.7</td> <td>62.5 – 87.3</td> </tr> <tr> <td></td> <td></td> <th>Jan – Jul 2025</th> </tr> <tr> <td></td> <td></td> <td>56.4 – 80.7</td> </tr> </tbody> </table>	Historical AOR of Bayview Beach Resort Penang (%)			2022	2023	2024	57.2	65.0	61.4			Jan – Aug 2025			60.0	Historical AOR range of the CompSet (%)			2022	2023	2024	35.3 – 71.3	51.7 – 82.7	62.5 – 87.3			Jan – Jul 2025			56.4 – 80.7
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		<p>We also note that the projected AOR from Year 3 to Year 7, ranging from 55.0% to 70.0% approximates the historical AOR range of the CompSet from 2024 to 2025;</p> <p>(iii) the Operator's forecast as below:</p> <table border="1" data-bbox="454 562 687 1039"> <thead> <tr> <th>Year</th> <th>Projected AOR (%)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>65.8</td> </tr> <tr> <td>2</td> <td>- (1)</td> </tr> <tr> <td>3</td> <td>55.0</td> </tr> <tr> <td>4</td> <td>60.0</td> </tr> <tr> <td>5</td> <td>65.0</td> </tr> <tr> <td>6</td> <td>70.0</td> </tr> <tr> <td>7</td> <td>70.0</td> </tr> </tbody> </table> <p>Note: (1) The Operator's forecast for Year 2 is not available as it falls within the planned period for refurbishment and renovation works.</p> <p>We noted that aside from Year 1 and Year 2, whereby Knight Frank adopted a more conservative projection in AOR of 40.0% to account for the gradual reduction in operational resources and expenses, the projected AOR range adopted by Knight Frank aligns with the Operator's forecasted range from 55.0% in Year 3 to 70.0% in Year 7; and</p> <p>(iv) the rebranding of Bayview Beach Resort Penang to Ascott Batu Ferringhi Penang. We view the large AOR growth of 10% from 55.0% in Year 2 to 65.0% in Year 3 as reasonable as it reflects the resumption of hotel operations following refurbishment and renovation works. Further, Knight Frank adopted a 5% yearly growth rate in AOR from Year 3 to Year 6 and assumed zero growth of the AOR from Year 6 to Year 7. We view the high growth rate upon re-commencement of operations reasonable as newly completed or rebranded hotels generally require time to build market awareness and stabilise operations, before the growth rate eventually declines as the hotel gradually reaches maturity with a stable occupancy rate.</p> <p>Premised on the above, we are of the view that the AOR adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Year	Projected AOR (%)	1	65.8	2	- (1)	3	55.0	4	60.0	5	65.0	6	70.0	7	70.0
Year	Projected AOR (%)																	
1	65.8																	
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3.	<p>Projected operating revenue from food and beverage ("F&B")</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Projected operating revenue from F&B (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td>1 to 2</td> <td>22.8</td> </tr> <tr> <td>3 to 7</td> <td>19.0</td> </tr> </tbody> </table>	Year	Projected operating revenue from F&B (% of gross operating revenue)	1 to 2	22.8	3 to 7	19.0	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected operating revenue from F&B for Bayview Beach Resort Penang for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical operating revenues from F&B (as a percentage of gross operating revenue) of Bayview Beach Resort Penang from 2022 to Jan – Aug 2025, which ranged from 20.8% to 22.6%, as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Historical operating revenue from F&B (% of gross operating revenue)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td>20.8</td> <td>22.6</td> <td>22.4</td> <td>22.0</td> </tr> </tbody> </table> <p>We noted that the projected operating revenue from F&B from Year 1 to Year 2 is consistent at 22.8%, before stabilising at 19.0% in Year 3 onwards. The projected operating revenue from F&B in Years 1 and 2 of 22.8% is reflective of and approximates the historical range of 22.0% to 22.4% recorded from 2024 to 2025.</p> <p>We would like to highlight that despite the operating revenue from F&B (as a percentage of gross operating revenue) appearing to decrease from 22.8% in Year 2 to 19.0% in Year 3, this does not indicate a reduction in the actual ringgit amount revenue from F&B. The actual amount of F&B revenue in ringgit is expected to increase from Year 3 onwards, supported by higher guest occupancy. The decrease in percentage contribution is attributable to a significant increase in room revenue, driven by higher ADR and AOR, which expands the overall gross operating revenue base and consequently reduces F&B's relative contribution when expressed as a percentage of gross operating revenue;</p> <p>(ii) the industry average operating revenue from F&B of selected CompSet based on the published data by Malaysia Hotel Industry Survey of Operations issued by Horwath ("HTL") are as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Industry average operating revenue from F&B (% of gross operating revenue)</th> </tr> <tr> <th>HTL 2022</th> <th>HTL 2023</th> <th>HTL 2024</th> </tr> </thead> <tbody> <tr> <td>33.0</td> <td>34.0</td> <td>34.0</td> </tr> </tbody> </table>	Historical operating revenue from F&B (% of gross operating revenue)			2022	2023	2024	Jan – Aug 2025	20.8	22.6	22.4	22.0	Industry average operating revenue from F&B (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	33.0	34.0	34.0
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		<p>We noted that Knight Frank's projection range between 19.0% to 22.8% appears to be lower than the industry average range of operating revenue from F&B of 33.0% to 34.0%; and</p> <p>(iii) the Operator's forecast from 21.4% in Year 3, before stabilising at 18.6% in Year 7. We note that Knight Frank's projection approximates the Operator's forecast.</p> <p>Premised on the above, we are of the view that the operating revenue from F&B adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>																		
4.	<p>Projected operating revenue from other operated departments</p> <table border="1" data-bbox="619 1205 762 1872"> <thead> <tr> <th data-bbox="619 1659 703 1872">Year</th> <th data-bbox="619 1205 703 1659">Projected operating revenue from other operated departments (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td data-bbox="703 1659 735 1872">1 to 2</td> <td data-bbox="703 1205 735 1659">0.1</td> </tr> <tr> <td data-bbox="735 1659 762 1872">3 to 7</td> <td data-bbox="735 1205 762 1659">0.5</td> </tr> </tbody> </table>	Year	Projected operating revenue from other operated departments (% of gross operating revenue)	1 to 2	0.1	3 to 7	0.5	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected operating revenue from other operated departments (encompassing revenue generated from laundry, health centre, swimming pool, valet and others) for Bayview Beach Resort Penang for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical operating revenue from other operated departments (as a percentage of gross operating revenue) of Bayview Beach Resort Penang from 2022 to Jan – Aug 2025, which ranged from 0.02% to 0.1%, as follows:</p> <table border="1" data-bbox="871 203 1015 1043"> <thead> <tr> <th colspan="4" data-bbox="871 203 927 1043">Historical operating revenue from other operated departments (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="927 824 983 1043">2022</th> <th data-bbox="927 611 983 824">2023</th> <th data-bbox="927 398 983 611">2024</th> <th data-bbox="927 203 983 398">Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td data-bbox="983 824 1015 1043">0.02</td> <td data-bbox="983 611 1015 824">0.1</td> <td data-bbox="983 398 1015 611">0.1</td> <td data-bbox="983 203 1015 398">0.04</td> </tr> </tbody> </table> <p>We noted that Knight Frank's projection of 0.1% in Years 1 and 2 is within the range of the historical operating revenue from other operated departments of Bayview Beach Resort Penang of 0.02% to 0.1%;</p>	Historical operating revenue from other operated departments (% of gross operating revenue)				2022	2023	2024	Jan – Aug 2025	0.02	0.1	0.1	0.04
Year	Projected operating revenue from other operated departments (% of gross operating revenue)																			
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		<p>(ii) the industry average operating revenue from other operated departments of selected CompSet based on the published data by HTL, as follows:</p> <table border="1" data-bbox="367 201 486 1041"> <thead> <tr> <th colspan="3">Industry average operating revenue from other operated departments (% of gross operating revenue)</th> </tr> <tr> <th>HTL 2022</th> <th>HTL 2023</th> <th>HTL 2024</th> </tr> </thead> <tbody> <tr> <td>1.0</td> <td>1.0</td> <td>2.0</td> </tr> </tbody> </table> <p>We noted that Knight Frank's projection range for Year 1 to Year 7 between 0.1% to 0.5% appears to be lower than the industry average range of operating revenue from other operated departments of 1.0% to 2.0%, which indicates adoption of a more conservative range than the market;</p> <p>(iii) the Operator's forecast of 0.4% from Year 3 to Year 7. We noted that Knight Frank's projection of 0.5% from Year 3 to Year 7 under the Rebranded Term approximates the Operator's forecast; and</p> <p>(iv) the revenue from other operated departments is expected to continue growing along with the room revenue, as these ancillary services are closely linked to guest occupancy and length of stay. As room revenue increases, driven by higher ADR and AOR, the demand for and subsequent revenue generated from complementary services rises.</p> <p>Premised on the above, we are of the view that the operating revenue from other operated departments adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Industry average operating revenue from other operated departments (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	1.0	1.0	2.0
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5.	<p>Projected miscellaneous income</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Projected miscellaneous income (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td>1 to 2</td> <td>1.2</td> </tr> <tr> <td>3 to 7</td> <td>0.5</td> </tr> </tbody> </table>	Year	Projected miscellaneous income (% of gross operating revenue)	1 to 2	1.2	3 to 7	0.5	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected miscellaneous income (encompassing revenue related to a third party or revenues that do not incur any direct operating expenses, including foreign currency transaction gains, income from rental of stores and showcases, commissions, cancellation penalties, cash discounted earned et cetera) for Bayview Beach Resort Penang for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical miscellaneous income (as a percentage of gross operating revenue) of Bayview Beach Resort Penang from 2022 to Jan – Aug 2025, which ranged from 0.8% to 1.1%, as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Historical miscellaneous income (% of gross operating revenue)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td>0.8</td> <td>0.9</td> <td>1.1</td> </tr> </tbody> </table> <p>We noted that Knight Frank's projection range between 0.5% to 1.2% from Year 1 to Year 7 approximates the historical miscellaneous income range of between 0.8% to 1.1%;</p> <p>(ii) the industry average miscellaneous income of selected CompSet based on the published data by HTL are as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Industry average miscellaneous income (% of gross operating revenue)</th> </tr> <tr> <th>HTL 2022</th> <th>HTL 2023</th> <th>HTL 2024</th> </tr> </thead> <tbody> <tr> <td>3.0</td> <td>3.0</td> <td>1.0</td> </tr> </tbody> </table> <p>We noted that Knight Frank's projection range between 0.5% to 1.2% appears to approximate the industry average range of operating revenue from other operated departments of 1.0% to 3.0%; and</p> <p>(iii) the Operator's forecast from 0.5% in Year 3, before stabilising at 0.3% in Year 7. We note that Knight Frank's projection approximates the Operator's forecast.</p> <p>Premised on the above, we are of the view that the miscellaneous income adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Historical miscellaneous income (% of gross operating revenue)			2022	2023	Jan – Aug 2025	0.8	0.9	1.1	Industry average miscellaneous income (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	3.0	3.0	1.0
Year	Projected miscellaneous income (% of gross operating revenue)																									
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9.	<p>Projected Furniture, Fixtures and Equipment (FF&E) Reserves</p> <p>3.0% of gross operating revenue</p>	<p>Reasonable</p> <p>We noted that the projected FF&E Reserves are in accordance with the terms set out in the Management Agreement in respect of Bayview Beach Resort Penang. Further, the projected FF&E Reserves of 3.0% of gross operating revenue falls within the acceptable range based on industry norms and usual practice evidenced by the industry range for FF&E Reserves ranging from 3.0% to 4.0% from 2022 to 2024, as follows:</p> <table border="1" data-bbox="507 192 624 1133"> <thead> <tr> <th colspan="3">Industry average FF&E Reserves (% of gross operating revenue)</th> </tr> <tr> <th>Item</th> <th>HTL 2022</th> <th>HTL 2023</th> </tr> </thead> <tbody> <tr> <td>FF&E Reserves</td> <td>4.0</td> <td>3.0</td> </tr> <tr> <td></td> <td></td> <td>HTL 2024</td> </tr> <tr> <td></td> <td></td> <td>4.0</td> </tr> </tbody> </table> <p>Premised on the above, we are of the view that the FF&E Reserves adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Industry average FF&E Reserves (% of gross operating revenue)			Item	HTL 2022	HTL 2023	FF&E Reserves	4.0	3.0			HTL 2024			4.0								
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10.	<p>Projected property tax (quit rent and assessment) and other taxes</p> <table border="1" data-bbox="823 1149 963 1872"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="2">Projected property and other taxes (% of gross operating revenue)</th> </tr> <tr> <th>Years 1 to 2</th> <th>Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td>Property and other taxes</td> <td>In the range of 3.0% to 38.2%</td> <td>In the range of 0.8% to 2.8%</td> </tr> </tbody> </table>	Item	Projected property and other taxes (% of gross operating revenue)		Years 1 to 2	Years 3 to 7	Property and other taxes	In the range of 3.0% to 38.2%	In the range of 0.8% to 2.8%	<p>Reasonable</p> <p>We noted that the projected property and other taxes adopted in Year 1 is based on the actual property taxes of Bayview Beach Resort Penang of RM663,487. Further, an estimated growth rate of 1.0% per annum is adopted to account for the possibility of revision on the assessment rate.</p> <p>Further, the projected range of property and other taxes (as a percentage of gross operating revenue) falls within the acceptable range based on industry norms and usual practice evidenced by the industry range for property and other taxes ranging from 1.0% to 4.0% from 2022 to 2024, as follows:</p> <table border="1" data-bbox="1070 192 1187 1133"> <thead> <tr> <th colspan="3">Industry average property and other taxes (% of gross operating revenue)</th> </tr> <tr> <th>Item</th> <th>HTL 2022</th> <th>HTL 2023</th> </tr> </thead> <tbody> <tr> <td>Property and other taxes</td> <td>4.0</td> <td>1.0</td> </tr> <tr> <td></td> <td></td> <td>HTL 2024</td> </tr> <tr> <td></td> <td></td> <td>1.0</td> </tr> </tbody> </table>	Industry average property and other taxes (% of gross operating revenue)			Item	HTL 2022	HTL 2023	Property and other taxes	4.0	1.0			HTL 2024			1.0
Item	Projected property and other taxes (% of gross operating revenue)																								
	Years 1 to 2	Years 3 to 7																							
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		1.0																							

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No	Key bases and assumptions	Kenanga IB's comments																	
		<p>We noted that the projected property tax and other taxes (as a percentage of gross operating revenue) increases significantly to 38.2% in Year 2, from 3.0% in Year 1. Although a growth rate of 1.0% per annum is applied onto the actual ringgit value of tax of RM633,487 in Year 1 to result in a projected actual ringgit value of tax of RM639, 822 in Year 2, the projected property tax and other taxes (as a percentage of gross operating revenue) will increase sharply due to the significant fall in gross operating revenue in Year 2 as Bayview Beach Resort Penang is projected to operate for only 29 days in that year due to the renovation and refurbishment works.</p> <p>Premised on the above, we are of the view that the property tax and other taxes adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>																	
11.	<p>Projected insurance premium</p> <table border="1" data-bbox="678 1167 821 1872"> <thead> <tr> <th data-bbox="678 1668 762 1872">Item</th> <th data-bbox="678 1417 762 1668">Projected insurance premium (% of gross operating revenue) Years 1 to 2</th> <th data-bbox="678 1167 762 1417">Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td data-bbox="762 1668 821 1872">Insurance</td> <td data-bbox="762 1417 821 1668">In the range of 0.4% to 5.4%</td> <td data-bbox="762 1167 821 1417">In the range of 0.1% to 0.4%</td> </tr> </tbody> </table>	Item	Projected insurance premium (% of gross operating revenue) Years 1 to 2	Years 3 to 7	Insurance	In the range of 0.4% to 5.4%	In the range of 0.1% to 0.4%	<p>Reasonable</p> <p>We noted that the projected insurance premium adopted in Year 1 is based on the actual insurance expense of Bayview Beach Resort Penang of RM88,476. Further, an annual growth rate of 2.0% has been adopted in the projection, which we consider reasonable as it is broadly aligned with historical inflation trends and is slightly above the average headline and core inflation of 1.8% recorded in 2024.</p> <p>(Source: <i>Economic and Monetary Review 2024, Bank Negara Malaysia</i>)</p> <p>Further, the projected insurance premium (as a percentage of gross operating revenue) generally falls within the acceptable range based on industry norms and usual practice evidenced by the industry range for insurance premium ranging from 0.0% to 1.0% from 2022 to 2024, as follows:</p> <table border="1" data-bbox="1038 203 1153 1135"> <thead> <tr> <th data-bbox="1038 853 1094 1135" rowspan="2">Item</th> <th colspan="3" data-bbox="1038 203 1094 853">Industry average insurance premium (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="1094 853 1118 1135">HTL 2022</th> <th data-bbox="1094 421 1118 853">HTL 2023</th> <th data-bbox="1094 203 1118 421">HTL 2024</th> </tr> </thead> <tbody> <tr> <td data-bbox="1118 853 1153 1135">Insurance premium</td> <td data-bbox="1118 853 1153 898">1.0</td> <td data-bbox="1118 421 1153 465">0.0</td> <td data-bbox="1118 203 1153 248">0.0</td> </tr> </tbody> </table>	Item	Industry average insurance premium (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	Insurance premium	1.0	0.0	0.0
Item	Projected insurance premium (% of gross operating revenue) Years 1 to 2	Years 3 to 7																	
Insurance	In the range of 0.4% to 5.4%	In the range of 0.1% to 0.4%																	
Item	Industry average insurance premium (% of gross operating revenue)																		
	HTL 2022	HTL 2023	HTL 2024																
Insurance premium	1.0	0.0	0.0																

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No	Key bases and assumptions	Kenanga IB's comments						
		<p>We noted that the projected insurance premium (as a percentage of gross operating revenue) increases significantly to 5.4% in Year 2, from 0.4% in Year 1. Although a growth rate of 2.0% per annum is applied onto the actual ringgit value of insurance premium of RM88,476 in Year 1 to result in a projected actual ringgit value of insurance premium of RM90,246 in Year 2, the projected insurance premium (as a percentage of gross operating revenue) will increase sharply due to the significant fall in gross operating revenue in Year 2 as Bayview Beach Resort Penang is projected to operate for only 29 days in that year due to the renovation and refurbishment works.</p> <p>Premised on the above, we are of the view that the insurance premium adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>						
12.	<p>Projected capital expenditure ("CAPEX")</p> <table border="1" data-bbox="678 1151 766 1870"> <thead> <tr> <th data-bbox="678 1608 703 1870">Item</th> <th data-bbox="678 1151 703 1608">RM</th> </tr> </thead> <tbody> <tr> <td data-bbox="703 1608 729 1870">CAPEX</td> <td data-bbox="703 1151 729 1608">107,616,250</td> </tr> <tr> <td data-bbox="729 1608 754 1870">CAPEX per room</td> <td data-bbox="729 1151 754 1608">294,839</td> </tr> </tbody> </table>	Item	RM	CAPEX	107,616,250	CAPEX per room	294,839	<p>Reasonable</p> <p>We noted that the projected CAPEX is based on the estimated planned CAPEX provided by OHB, with the amount apportioned on a pro-rata basis (61.1% in Year 2 and 38.9% in Year 3) over the renovation period for Bayview Beach Resort Penang. We noted that the scope of works includes upgrading the hotel façade, guest rooms, common areas, back-of-house facilities, landscaping and other related improvements in accordance to the specification, quality, standard and design concept required by Ascott.</p> <p>Premised on the above, we are of the view that the CAPEX adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>
Item	RM							
CAPEX	107,616,250							
CAPEX per room	294,839							

No	Key bases and assumptions	Kenanga IB's comments																
13.	<p>Capitalisation rate of 6.50%</p>	<p>Reasonable</p> <p>We noted that Knight Frank adopted the capitalisation rate of 6.50% after taking into consideration the following:</p> <p>(i) analysed yields of suitable hotels located in Kuala Lumpur and Selangor, which range from 5.95% to 7.00%, as follows:</p> <table border="1" data-bbox="507 192 738 1037"> <thead> <tr> <th>Hotel name</th> <th>Location</th> <th>Type of property</th> <th>Net yield (%)</th> </tr> </thead> <tbody> <tr> <td>Pavilion Hotel Kuala Lumpur</td> <td>Kuala Lumpur</td> <td>5-star 325-room hotel</td> <td>6.47</td> </tr> <tr> <td>The Majestic Hotel</td> <td>Kuala Lumpur</td> <td>5-star 300-room hotel</td> <td>7.00</td> </tr> <tr> <td>Sunway Clio Hotel</td> <td>Bandar Sunway, Selangor</td> <td>4-star 401-room hotel</td> <td>5.95</td> </tr> </tbody> </table> <p>We noted that the capitalisation rate of 6.50% adopted by Knight Frank falls within the range of analysed net yields of the selected hotel transactions i.e. 5.95% to 7.00%; and</p> <p>(ii) the adjusted analysed yield of Bayview Beach Resort Penang after making general adjustments to account for, among others, location / accessibility, tenure, building quality / specifications and proposed lease / fixed rental structure, which ranges from 6.20% to 7.00%.</p> <p>Premised on the above, we are of the view that the capitalisation rate adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Hotel name	Location	Type of property	Net yield (%)	Pavilion Hotel Kuala Lumpur	Kuala Lumpur	5-star 325-room hotel	6.47	The Majestic Hotel	Kuala Lumpur	5-star 300-room hotel	7.00	Sunway Clio Hotel	Bandar Sunway, Selangor	4-star 401-room hotel	5.95
Hotel name	Location	Type of property	Net yield (%)															
Pavilion Hotel Kuala Lumpur	Kuala Lumpur	5-star 325-room hotel	6.47															
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Sunway Clio Hotel	Bandar Sunway, Selangor	4-star 401-room hotel	5.95															

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No	Key bases and assumptions	Kenanga IB's comments
14.	Discount rate of 8.50%	<p>Reasonable</p> <p>We note that Knight Frank adopted a discount rate that is 2.00% higher than the capitalisation rate of 6.50% to reflect the additional risk premium of the asset.</p> <p>We further note that Knight Frank's interpretation of the discount rate is based on the premise that the value of a dollar to be received in the future is equal to a dollar today minus some factor to account for the risk that the future dollar may not materialise (which can also be explained as opportunity cost, expected return of capital when invested elsewhere).</p> <p>Knight Frank then adopted the capitalisation rate together with the long-term growth rate of the asset and benchmarked the long-term growth rate for the asset against the inflation rate (circa 1.5% to 3.3%) as well as the compounded annual growth rate ("CAGR") of the asset class parameters (such as AOR, AOD, et cetera).</p> <p>We also noted that the additional 2.0% risk premium is within the range of the expected 2025 headline inflation of between 2.0% to 3.5%, based on the 2025 Economic Outlook published by the Ministry of Finance.</p> <p>(Source: <i>Economic Outlook 2025, Ministry of Finance Malaysia</i>)</p> <p>Premised on the above, we are of the view that the discount rate adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>
15.	Projection period of 7 years	<p>Reasonable</p> <p>We are of the view that the projection period of 7 years adopted by Knight Frank is reasonable as the projection of 7 years allows for an assessment of the long-term return that is likely to be derived from Bayview Beach Resort Penang.</p>

Premised on the above, we are of the view that the key bases and assumptions adopted by Knight Frank to ascertain the market value of Bayview Beach Resort Penang using the income approach by DCF are **reasonable**.

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Summarised below are our commentaries in respect of the key bases and assumptions adopted by Knight Frank to arrive at the market value of Bayview Beach Resort Penang using the **comparison approach**:

	Comparable 1 (Thistle Johor Bahru)	Comparable 2 (Courtyard by Marriott Melaka)	Comparable 3 (Courtyard by Marriott Penang Hotel)	Comparable 4 (Holiday Villa Beach Resort & Spa Langkawi)
Location	Jalan Sungai Chat, 80100 Johor Bahru, Johor Darul Takzim	Lorong Haji Bachee, Kampung Bukit Cina, 75100 Melaka	Jalan Macalister, 10400 Georgetown, Pulau Pinang	Pantai Tengah, 07000 Langkawi, Kedah Darul Aman
Type	An operational 5-star rated 381-room hotel together with other supporting facilities / amenities	An operational 5-star rated 284-room hotel together with other supporting facilities / amenities	An operational 4-star rated 199-room hotel together with other supporting facilities / amenities	An operational 4-star rated 238-room hotel together with other supporting facilities / amenities
Tenure	99-year leasehold interest expiring 10 October 2087	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Age of building	Approximately 25 years	Approximately 3 years	Approximately 6 years	Approximately 30 years
No. of rooms	381 rooms	284 rooms	199 rooms	238 rooms
Transaction date	1 September 2025	31 July 2024	26 January 2024	28 June 2023
Consideration	RM150,000,000	RM160,000,000	RM165,000,000	RM105,000,000
Analysis (RM per room)	RM393,701	RM563,380	RM829,146	RM441,176
Adjustments	General adjustments made for location, beachfront, tenure, condition / age of building, building design / finishes / quality, hotel operator / hotel branding, hotel star rating and ownership / availability of car park	General adjustments made for location, beachfront, establishment of the development, condition / age of building, building design / finishes / quality, hotel operator / hotel branding, hotel star rating, ownership status and ownership / availability of car park	General adjustments made for location, beachfront, establishment of the development, condition / age of building, building design / finishes / quality, hotel operator / branding, hotel star rating, ownership status and ownership / availability of car park	General adjustments made for location and hotel operator / hotel branding.
Adjusted value (RM per room)	RM452,756	RM338,028	RM456,030	RM507,353

Based on the above, the adjusted values range from RM338,028 per room to RM507,353 per room. Knight Frank has adopted Comparable 4 (Holiday Villa Beach Resort & Spa Langkawi) as the best comparable as Comparable 4 had the least number of adjustments applied (for location and hotel operator / hotel branding only). Therefore, Knight Frank has adopted a rounded value of RM185,000,000 (analysed to be RM506,849 per room) as a fair representation of the market value of Bayview Beach Resort Penang.

Based on the reasons and justifications above, we are of the view that the location, the basis of the adjustments made and the selection of the comparable by Knight Frank to ascertain the market value of Bayview Beach Resort Penang using the comparison approach are **reasonable**.

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Reconciliation of value:

The market values of Bayview Beach Resort Penang from the income approach by DCF and comparison approach, are as follows:

Valuation approach	Market value
Income approach by DCF	RM180,000,000
Comparison approach	RM185,000,000

In view that Bayview Beach Resort Penang is an income generating property, the Valuer has adopted the market value derived from the income approach by DCF of RM180.00 million as a fair representation of the market value of Bayview Beach Resort Penang.

Further, in view that NGSB is the registered proprietor of Bayview Beach Resort Penang, the RNAV method is used to represent the fair value of NGSB by adjusting the market value of Bayview Beach Resort Penang against its book value. We are of the opinion that the adjustments made are reasonable and the adjusted RNAV of NGSB of RM175.66 million (as computed in **Section 6.2 of this IAL**) represents a fair value of NGSB.

As the purchase consideration of RM167.00 million for NGSB is below the adjusted RNAV of NGSB of RM175.66 million (after taking into consideration the market value of Bayview Beach Resort Penang as appraised by Knight Frank as well as the adjustments made to the net asset value of NGSB), we are of the view that the purchase consideration for NGSB is **fair** and the basis in arriving at the purchase consideration is **reasonable**.

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6.2.2 Market value of Bayview Hotel Georgetown

Summarised below are our commentaries in respect of the key bases and assumptions adopted by Knight Frank to arrive at the market value of Bayview Hotel Georgetown using the **income approach by DCF**:

No	Key bases and assumptions	Kenanga IB's comments																												
1.	<p>Projected ADR</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Projected ADR (RM)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>175</td> </tr> <tr> <td>2</td> <td>175</td> </tr> <tr> <td>3</td> <td>410</td> </tr> <tr> <td>4</td> <td>430</td> </tr> <tr> <td>5</td> <td>440</td> </tr> <tr> <td>6</td> <td>450</td> </tr> <tr> <td>7</td> <td>460</td> </tr> </tbody> </table>	Year	Projected ADR (RM)	1	175	2	175	3	410	4	430	5	440	6	450	7	460	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected ADR for Bayview Hotel Georgetown for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical ADR from 2022 to Jan – Aug 2025, which ranges from RM167 to RM185, as follows:</p> <table border="1"> <thead> <tr> <th colspan="4">Historical ADR of Bayview Hotel Georgetown (RM)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td>185</td> <td>170</td> <td>171</td> <td>167</td> </tr> </tbody> </table> <p>We also noted that Knight Frank placed greater reliance on historical data from 2024 to 2025, where the tourism and hotel industry in Malaysia is fully recovered and normalised as compared to the earlier years where the hospitality industry was impacted by COVID-19. Hence, the historical ADR from 2024 to 2025 of RM167 – RM171 shall be more reflective of the current performance of Bayview Hotel Georgetown.</p> <p>The projected ADR in Years 1 and 2 (whereby Bayview Hotel Georgetown is operating under the Conversion Term) is reflective of and approximates the historical ADR range from 2024 to 2025 of RM167 – RM171. In view of Bayview Hotel Georgetown having achieved a historical ADR of RM185 in 2022, we are of the opinion that the ADR adopted for the Conversion Term is reasonable;</p>	Historical ADR of Bayview Hotel Georgetown (RM)				2022	2023	2024	Jan – Aug 2025	185	170	171	167
Year	Projected ADR (RM)																													
1	175																													
2	175																													
3	410																													
4	430																													
5	440																													
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2022	2023	2024	Jan – Aug 2025																											
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No	Key bases and assumptions	Kenanga IB's comments																												
		<p>(ii) the historical ADR range of the selected CompSet, which exhibit comparable characteristics to Bayview Hotel Georgetown, as set out below:</p> <table border="1" data-bbox="363 199 454 1039"> <thead> <tr> <th colspan="3">Historical ADR range of the CompSet ⁽¹⁾ (RM)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>Jan – Jul 2025</th> </tr> </thead> <tbody> <tr> <td>309 – 496</td> <td>404 – 480</td> <td>401 – 499</td> </tr> <tr> <td></td> <td></td> <td>390 – 421</td> </tr> </tbody> </table> <p>Note: (1) The selected CompSet includes 4-star and 5-star hotels such as JEN Penang Georgetown by Shangri-La (4-star), St Giles Wembley Penang (4-star), Ascott Gurney Penang (5-star), G Hotel Gurney (5-star) and G Hotel Kelawai (5-star).</p> <p>We note that the projected ADR of Bayview Hotel Georgetown during the Conversion Term is lower than the historical ADR range of the CompSet, which indicates that Knight Frank has adopted a more conservative ADR than the market for the Conversion Term.</p> <p>We also note that the projected ADR from Year 3 to Year 7, upon re-commencement of operations after the refurbishment and renovation, ranging from RM410 – RM460 is within the historical ADR range of the CompSet from 2024 to 2025;</p> <p>(iii) the published room rates from A-DATA Online Travel Agents (OTAs) forward pricing of the CompSet from January to July 2025, ranging from RM407 to RM465. We note that the projected ADR range from Year 3 to Year 7 of RM410 – RM460 is within the range of the published room rates of the CompSet of RM407 – RM465;</p> <p>(iv) the Operator's forecast as below:</p> <table border="1" data-bbox="1072 557 1307 1039"> <thead> <tr> <th>Year</th> <th>Projected ADR (RM)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>172</td> </tr> <tr> <td>2</td> <td>- ⁽¹⁾</td> </tr> <tr> <td>3</td> <td>410</td> </tr> <tr> <td>4</td> <td>430</td> </tr> <tr> <td>5</td> <td>442</td> </tr> <tr> <td>6</td> <td>448</td> </tr> <tr> <td>7</td> <td>459</td> </tr> </tbody> </table> <p>Note: (1) The Operator's forecast for Year 2 is not available as it falls within the planned period for refurbishment and renovation works.</p>	Historical ADR range of the CompSet ⁽¹⁾ (RM)			2022	2023	Jan – Jul 2025	309 – 496	404 – 480	401 – 499			390 – 421	Year	Projected ADR (RM)	1	172	2	- ⁽¹⁾	3	410	4	430	5	442	6	448	7	459
Historical ADR range of the CompSet ⁽¹⁾ (RM)																														
2022	2023	Jan – Jul 2025																												
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7	459																													

No	Key bases and assumptions	Kenanga IB's comments																																						
		<p>We noted that the projected ADR range adopted by Knight Frank aligns with the Operator's forecasted range of RM172 – RM459 from Year 1 to Year 7; and</p> <p>(v) the rebranding of Bayview Hotel Georgetown to Oakwood Georgetown Penang. We note that there is a significant jump in the projected ADR from RM175 in Year 2 to RM410 in Year 3. We view the spike in ADR as reasonable as Bayview Hotel Georgetown would have completed refurbishment and renovation works and is expected to commence operations as the rebranded Oakwood Georgetown Penang from 1H2028 (Year 3).</p> <p>Premised on the above, we are of the view that the ADR adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>																																						
2.	<p>Projected AOR</p> <table border="1" data-bbox="708 1256 943 1877"> <thead> <tr> <th>Year</th> <th>Projected AOR (%)</th> </tr> </thead> <tbody> <tr><td>1</td><td>50.0</td></tr> <tr><td>2</td><td>50.0</td></tr> <tr><td>3</td><td>55.0</td></tr> <tr><td>4</td><td>65.0</td></tr> <tr><td>5</td><td>70.0</td></tr> <tr><td>6</td><td>75.0</td></tr> <tr><td>7</td><td>75.0</td></tr> </tbody> </table>	Year	Projected AOR (%)	1	50.0	2	50.0	3	55.0	4	65.0	5	70.0	6	75.0	7	75.0	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected AOR for Bayview Hotel Georgetown for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical AOR from 2022 to Jan – Aug 2025, which ranges from 54.8% to 75.8%, as follows:</p> <table border="1" data-bbox="903 199 1018 1039"> <thead> <tr> <th colspan="3">Historical AOR of Bayview Hotel Georgetown (%)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>54.8</td> <td>75.3</td> <td>75.8</td> <td>71.3</td> </tr> </tbody> </table> <p>We noted that Knight Frank adopted an estimated AOR of 50.0% in Year 1 and Year 2 under the Conversion Term in view of the anticipated gradual reduction in operational resources and expenses, during the Conversion Term due to the refurbishment and renovation works. We view the conservative AOR projection for these years as reasonable. We further noted that the highest yearly AOR achieved by Bayview Hotel Georgetown from 2022 to 2025 was 75.8% in 2024;</p> <p>(ii) the historical AOR range of the CompSet as set out below:</p> <table border="1" data-bbox="1289 199 1378 1039"> <thead> <tr> <th colspan="3">Historical AOR range of the CompSet (%)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>Jan – Jul 2025</th> </tr> </thead> <tbody> <tr> <td>24.6 – 66.6</td> <td>42.1 – 77.7</td> <td>50.7 – 76.2</td> <td>39.9 – 75.6</td> </tr> </tbody> </table>	Historical AOR of Bayview Hotel Georgetown (%)			2022	2023	2024	2025	54.8	75.3	75.8	71.3	Historical AOR range of the CompSet (%)			2022	2023	2024	Jan – Jul 2025	24.6 – 66.6	42.1 – 77.7	50.7 – 76.2	39.9 – 75.6
Year	Projected AOR (%)																																							
1	50.0																																							
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Kenanga

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		<p>We also note that the projected AOR from Year 3 to Year 7, ranging from 55.0% to 75.0% approximates the historical AOR range of the CompSet from 2024 to 2025;</p> <p>(iii) the Operator's forecast as below:</p> <table border="1" data-bbox="454 555 689 1034"> <thead> <tr> <th>Year</th> <th>Projected AOR (%)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>79.8</td> </tr> <tr> <td>2</td> <td>- (1)</td> </tr> <tr> <td>3</td> <td>58.0</td> </tr> <tr> <td>4</td> <td>66.0</td> </tr> <tr> <td>5</td> <td>71.0</td> </tr> <tr> <td>6</td> <td>74.0</td> </tr> <tr> <td>7</td> <td>74.0</td> </tr> </tbody> </table> <p>Note: (1) The Operator's forecast for Year 2 is not available as it falls within the planned period for refurbishment and renovation works.</p> <p>We noted that aside from Year 1 and Year 2, whereby Knight Frank adopted a more conservative projection in AOR of 50.0% to account for the gradual reduction in operational resources and expenses, the projected AOR range adopted by Knight Frank aligns with the Operator's forecasted range from 58.0% in Year 3 to 74.0% in Year 7; and</p> <p>(iv) the rebranding of Bayview Hotel Georgetown to Oakwood Georgetown Penang. We view the large AOR growth rate of 10% from 55.0% in Year 3 to 65.0% in Year 4 as reasonable as it reflects the resumption of hotel operations following refurbishment and renovation works. Further, Knight Frank adopted a 5% yearly growth rate in AOR from Year 4 to Year 6 and assumed zero growth of the AOR from Year 6 to Year 7. We view the high growth rate upon re-commencement of operations reasonable as newly completed or rebranded hotels generally require time to build market awareness and stabilise operations, before the growth rate eventually declines as the hotel gradually reaches maturity with a stable occupancy rate.</p> <p>Premised on the above, we are of the view that the AOR adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Year	Projected AOR (%)	1	79.8	2	- (1)	3	58.0	4	66.0	5	71.0	6	74.0	7	74.0
Year	Projected AOR (%)																	
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3.	<p data-bbox="292 1435 316 1890">Projected operating revenue from F&B</p> <table border="1" data-bbox="344 1211 517 1879"> <thead> <tr> <th data-bbox="344 1666 453 1879">Year</th> <th data-bbox="344 1211 453 1666">Projected operating revenue from F&B (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td data-bbox="453 1666 485 1879">1 to 2</td> <td data-bbox="453 1211 485 1666">21.0</td> </tr> <tr> <td data-bbox="485 1666 517 1879">3 to 7</td> <td data-bbox="485 1211 517 1666">23.0 in Y3 and stabilised at 23.2% from Y4 onwards</td> </tr> </tbody> </table>	Year	Projected operating revenue from F&B (% of gross operating revenue)	1 to 2	21.0	3 to 7	23.0 in Y3 and stabilised at 23.2% from Y4 onwards	<p data-bbox="292 999 316 1133">Reasonable</p> <p data-bbox="344 188 427 1133">We note that Knight Frank adopted the projected operating revenue from F&B for Bayview Hotel Georgetown for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p data-bbox="453 188 536 1133">(i) the historical operating revenues from F&B (as a percentage of gross operating revenue) of Bayview Hotel Georgetown from 2022 to January – August 2025, which ranged from 19.3% to 21.2%, as follows:</p> <table border="1" data-bbox="564 188 683 1039"> <thead> <tr> <th colspan="4" data-bbox="564 188 596 1039">Historical operating revenue from F&B (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="596 904 628 1039">2022</th> <th data-bbox="596 613 628 904">2023</th> <th data-bbox="596 389 628 613">2024</th> <th data-bbox="596 188 628 389">Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td data-bbox="628 904 660 1039">21.1</td> <td data-bbox="628 613 660 904">21.2</td> <td data-bbox="628 389 660 613">20.5</td> <td data-bbox="628 188 660 389">19.3</td> </tr> </tbody> </table> <p data-bbox="711 188 874 1039">We noted that the projected operating revenue from F&B from Year 1 to Year 2 is consistent at 21.0%, before increasing to 23.0% in Year 3 and stabilising at 23.2% in Year 6 onwards. The projected operating revenue from F&B in Years 1 and 2 of 21.0% is slightly higher than the historical range of 19.3% to 20.5% recorded from 2024 to 2025 to reflect improved contribution of operating revenue from the F&B department;</p> <p data-bbox="903 188 963 1133">(ii) the industry average operating revenue from F&B of selected CompSet based on the published data by HTL are as follows:</p> <table border="1" data-bbox="986 188 1104 1039"> <thead> <tr> <th colspan="3" data-bbox="986 188 1043 1039">Industry average operating revenue from F&B (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="1043 748 1075 1039">HTL 2022</th> <th data-bbox="1043 479 1075 748">HTL 2023</th> <th data-bbox="1043 188 1075 479">HTL 2024</th> </tr> </thead> <tbody> <tr> <td data-bbox="1075 748 1104 1039">33.0</td> <td data-bbox="1075 479 1104 748">34.0</td> <td data-bbox="1075 188 1104 479">34.0</td> </tr> </tbody> </table> <p data-bbox="1133 188 1216 1039">We noted that Knight Frank's projection range between 21.0% to 23.2% appears to be lower than the industry average range of operating revenue from F&B of 33.0% to 34.0%; and</p> <p data-bbox="1244 188 1327 1133">(iii) the Operator's forecast from 23.3% in Year 3, before declining to 23.0% in Year 4 and stabilising back at 23.3% in Year 6 onwards. We note that Knight Frank's projection approximates the Operator's forecast.</p> <p data-bbox="1356 188 1406 1133">Premised on the above, we are of the view that the operating revenue from F&B adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Historical operating revenue from F&B (% of gross operating revenue)				2022	2023	2024	Jan – Aug 2025	21.1	21.2	20.5	19.3	Industry average operating revenue from F&B (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	33.0	34.0	34.0
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4.	<p>Projected operating revenue from other operated departments</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Projected operating revenue from other operated departments (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td>1 to 2</td> <td>0.5</td> </tr> <tr> <td>3 to 7</td> <td>2.0</td> </tr> </tbody> </table>	Year	Projected operating revenue from other operated departments (% of gross operating revenue)	1 to 2	0.5	3 to 7	2.0	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected operating revenue from other operated departments (encompassing revenue generated from laundry, health centre, swimming pool, valet and others) for Bayview Hotel Georgetown for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical operating revenue from other operated departments (as a percentage of gross operating revenue) of Bayview Hotel Georgetown from 2022 to January – August 2025, which ranged from 0.5% to 1.9%, as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Historical operating revenue from other operated departments (% of gross operating revenue)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> <th>Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td>1.9</td> <td>1.0</td> <td>0.5</td> <td></td> <td>1.2</td> </tr> </tbody> </table> <p>We noted that Knight Frank's projection of 0.5% in Years 1 and 2 is within the range of the historical operating revenue from other operated departments of Bayview Hotel Georgetown of 0.5% to 1.9%. Although the projection of 2.0% in the Rebranded Term represents an increase compared to the historical revenue of 2024 and 2025, it approximates the historical operating revenue from other operated departments in 2022 of 1.9%;</p> <p>(ii) the industry average operating revenue from other operated departments of selected CompSet based on the published data by HTL, as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Industry average operating revenue from other operated departments (% of gross operating revenue)</th> </tr> <tr> <th>HTL 2022</th> <th>HTL 2023</th> <th>HTL 2024</th> </tr> </thead> <tbody> <tr> <td>1.0</td> <td>1.0</td> <td>2.0</td> </tr> </tbody> </table> <p>We noted that Knight Frank's projection range between 0.5% to 2.0% approximates the industry average range of operating revenue from other operated departments of 1.0% to 2.0%, which indicates adoption of a range that is similar to that of the market;</p> <p>(iii) the Operator's forecast of 1.8% from Year 3 to Year 7. We noted that Knight Frank's projection for Year 3 to Year 7 of 2.0% approximates the Operator's forecast; and</p>	Historical operating revenue from other operated departments (% of gross operating revenue)			2022	2023	2024	2025	Jan – Aug 2025	1.9	1.0	0.5		1.2	Industry average operating revenue from other operated departments (% of gross operating revenue)		HTL 2022	HTL 2023	HTL 2024	1.0	1.0	2.0
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5.	<p data-bbox="539 1512 564 1877">Projected miscellaneous income</p> <table border="1" data-bbox="593 1211 738 1877"> <thead> <tr> <th data-bbox="593 1666 651 1877">Year</th> <th data-bbox="593 1211 651 1666">Projected miscellaneous income (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td data-bbox="651 1666 679 1877">1 to 2</td> <td data-bbox="651 1211 679 1666">4.0</td> </tr> <tr> <td data-bbox="679 1666 738 1877">3 to 7</td> <td data-bbox="679 1211 738 1666">2.0 in Year 3 and stabilised at 1.8% from Year 4 onwards</td> </tr> </tbody> </table>	Year	Projected miscellaneous income (% of gross operating revenue)	1 to 2	4.0	3 to 7	2.0 in Year 3 and stabilised at 1.8% from Year 4 onwards	<p data-bbox="292 1093 317 1133">(iv)</p> <p data-bbox="292 192 427 1037">the revenue from other operated departments is expected to continue growing along with the room revenue, as these ancillary services are closely linked to guest occupancy and length of stay. As room revenue increases, driven by higher ADR and AOR, the demand for and subsequent revenue generated from complementary services rises.</p> <p data-bbox="456 192 512 1133">Premised on the above, we are of the view that the operating revenue from other operated departments adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p> <p data-bbox="539 999 564 1133">Reasonable</p> <p data-bbox="593 192 762 1133">We note that Knight Frank adopted the projected miscellaneous income (encompassing revenue related to a third party or revenues that do not incur any direct operating expenses, including foreign currency transaction gains, income from rental of stores and showcases, commissions, cancellation penalties, cash discounted earned et cetera) for Bayview Hotel Georgetown for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p data-bbox="791 192 871 1133">(i) the historical miscellaneous income (as a percentage of gross operating revenue) of Bayview Hotel Georgetown from 2022 to Jan – Aug 2025, which ranges from 3.7% to 4.8%, as follows:</p> <table border="1" data-bbox="900 203 1016 1043"> <thead> <tr> <th colspan="3" data-bbox="900 259 925 1043">Historical miscellaneous income (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="925 819 967 1043">2022</th> <th data-bbox="925 607 967 819">2023</th> <th data-bbox="925 394 967 607">2024</th> </tr> </thead> <tbody> <tr> <td data-bbox="967 819 1016 1043">4.8</td> <td data-bbox="967 607 1016 819">3.7</td> <td data-bbox="967 394 1016 607">4.3</td> </tr> <tr> <td colspan="2" data-bbox="1016 394 1042 1043"></td> <td data-bbox="1016 259 1042 394">Jan – Aug 2025</td> </tr> <tr> <td colspan="2" data-bbox="1042 394 1067 1043"></td> <td data-bbox="1042 259 1067 394">4.0</td> </tr> </tbody> </table> <p data-bbox="1046 192 1102 1043">We noted that Knight Frank's projection range for Year 1 to Year 2 is within the historical miscellaneous income range between 3.7% to 4.8%;</p>	Historical miscellaneous income (% of gross operating revenue)			2022	2023	2024	4.8	3.7	4.3			Jan – Aug 2025			4.0
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Other operated departments	From 17.5% in Year 3 and stabilised at 14.7% in Year 7									

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7.	Projected undistributed expenses	<table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="7">Projected undistributed expenses (% of gross operating revenue)</th> </tr> <tr> <th>Y1</th> <th>Y2</th> <th>Y3</th> <th>Y4</th> <th>Y5</th> <th>Y6</th> <th>Y7</th> </tr> </thead> <tbody> <tr> <td>Administrative & General</td> <td>9.4</td> <td>43.1</td> <td>8.6</td> <td>6.0</td> <td>5.6</td> <td>5.2</td> <td>5.2</td> </tr> <tr> <td>Information & Telecommunications System</td> <td>2.1</td> <td>2.2</td> <td>1.5</td> <td>1.3</td> <td>1.2</td> <td>1.1</td> <td>1.1</td> </tr> <tr> <td>Sales & Marketing</td> <td>2.8</td> <td>2.9</td> <td>8.8</td> <td>7.5</td> <td>7.0</td> <td>6.5</td> <td>6.5</td> </tr> <tr> <td>Property Operation & Maintenance</td> <td>8.6</td> <td>39.0</td> <td>7.7</td> <td>5.3</td> <td>4.9</td> <td>4.6</td> <td>4.6</td> </tr> <tr> <td>Utilities</td> <td>14.1</td> <td>14.5</td> <td>10.3</td> <td>8.7</td> <td>8.1</td> <td>7.6</td> <td>7.6</td> </tr> </tbody> </table>		Item	Projected undistributed expenses (% of gross operating revenue)							Y1	Y2	Y3	Y4	Y5	Y6	Y7	Administrative & General	9.4	43.1	8.6	6.0	5.6	5.2	5.2	Information & Telecommunications System	2.1	2.2	1.5	1.3	1.2	1.1	1.1	Sales & Marketing	2.8	2.9	8.8	7.5	7.0	6.5	6.5	Property Operation & Maintenance	8.6	39.0	7.7	5.3	4.9	4.6	4.6	Utilities	14.1	14.5	10.3	8.7	8.1	7.6	7.6	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected undistributed expenses (for Bayview Hotel Georgetown for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical undistributed expenses (as a percentage of gross operating revenue) of Bayview Hotel Georgetown, from 2022 to Jan – Aug 2025, as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="3">Historical undistributed expenses (% of gross operating revenue)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td>Administrative & General</td> <td>7.3</td> <td>7.3</td> <td>8.0</td> <td>10.0</td> </tr> <tr> <td>Information & Telecommunications System</td> <td>1.6</td> <td>1.8</td> <td>2.1</td> <td>2.7</td> </tr> <tr> <td>Sales & Marketing</td> <td>4.2</td> <td>2.7</td> <td>2.3</td> <td>2.9</td> </tr> <tr> <td>Property Operation & Maintenance</td> <td>6.3</td> <td>5.8</td> <td>7.2</td> <td>7.5</td> </tr> <tr> <td>Utilities</td> <td>11.1</td> <td>12.6</td> <td>12.0</td> <td>12.3</td> </tr> </tbody> </table> <p>We note that the projected undistributed expenses adopted by Knight Frank generally approximate the historical operating costs and expenses of Bayview Hotel Georgetown.</p> <p>We also note that during the refurbishment and renovation period (part of Year 2 to part of Year 3, from 2H2026 to 1H2028), only essential expenses such as Administrative & General and Property Operation & Maintenance will be incurred, and that approximately 30.0% of usual expenses is projected for these items whereas no costs are projected for the remaining expenses.</p> <p>We note that the higher projected undistributed expenses for the Administrative & General item in Year 2 of 43.1% (which marks a significant increase from 9.4% in Year 1), and for the Property Operation & Maintenance item in Year 2 of 39.0% (which marks a significant increase from 8.6% in Year 1) reflects the absence of operating revenue during the refurbishment and renovation period to rebrand Bayview Hotel Georgetown into Oakwood Georgetown Penang;</p>		Item	Historical undistributed expenses (% of gross operating revenue)			2022	2023	2024	Jan – Aug 2025	Administrative & General	7.3	7.3	8.0	10.0	Information & Telecommunications System	1.6	1.8	2.1	2.7	Sales & Marketing	4.2	2.7	2.3	2.9	Property Operation & Maintenance	6.3	5.8	7.2	7.5	Utilities	11.1	12.6	12.0	12.3
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		<p>(ii) the industry range for undistributed expenses as follows:</p> <table border="1" data-bbox="343 197 657 1039"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="2">Industry average undistributed expenses (% of gross operating revenue)</th> </tr> <tr> <th>HTL 2022</th> <th>HTL 2023</th> <th>HTL 2024</th> </tr> </thead> <tbody> <tr> <td>Administrative & General</td> <td>13.0</td> <td>9.0</td> <td>8.0</td> </tr> <tr> <td>Information & Telecommunications System</td> <td>6.0</td> <td>2.0</td> <td>2.0</td> </tr> <tr> <td>Sales & Marketing</td> <td>9.0</td> <td>6.0</td> <td>6.0</td> </tr> <tr> <td>Property Operation & Maintenance</td> <td>12.0</td> <td>6.0</td> <td>5.0</td> </tr> <tr> <td>Utilities</td> <td>11.0</td> <td>7.0</td> <td>8.0</td> </tr> </tbody> </table> <p>We noted that Knight Frank's projected undistributed expenses approximate the industry average range of undistributed expenses; and</p> <p>(iii) the Operator's forecast for Year 3 to Year 7, as below:</p> <table border="1" data-bbox="821 203 1190 1039"> <thead> <tr> <th>Item</th> <th>Operator's forecast of undistributed expenses (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td>Administrative & General</td> <td>From 5.0% in Year 3 and stabilised at 4.8% from Year 5 onwards</td> </tr> <tr> <td>Information & Telecommunications System</td> <td>From 1.3% in Year 3 and stabilised at 1.0% from Year 6 onwards</td> </tr> <tr> <td>Sales & Marketing</td> <td>From 7.9% in Year 3 and stabilised at 6.4% from Year 5 onwards</td> </tr> <tr> <td>Property Operation & Maintenance</td> <td>From 7.3% in Year 3 and stabilised at 4.3% from Year 6 onwards</td> </tr> <tr> <td>Utilities</td> <td>From 9.5% in Year 3 and stabilised at 7.5% from Year 5 onwards</td> </tr> </tbody> </table> <p>We noted that Knight Frank generally projected slightly higher undistributed expenses for each item, compared to the Operator's forecast, indicating a more conservative approach in its projection.</p> <p>Premised on the above, we are of the view that the undistributed expenses adopted by Knight Frank from Year 1 to Year 7 are reasonable.</p>	Item	Industry average undistributed expenses (% of gross operating revenue)		HTL 2022	HTL 2023	HTL 2024	Administrative & General	13.0	9.0	8.0	Information & Telecommunications System	6.0	2.0	2.0	Sales & Marketing	9.0	6.0	6.0	Property Operation & Maintenance	12.0	6.0	5.0	Utilities	11.0	7.0	8.0	Item	Operator's forecast of undistributed expenses (% of gross operating revenue)	Administrative & General	From 5.0% in Year 3 and stabilised at 4.8% from Year 5 onwards	Information & Telecommunications System	From 1.3% in Year 3 and stabilised at 1.0% from Year 6 onwards	Sales & Marketing	From 7.9% in Year 3 and stabilised at 6.4% from Year 5 onwards	Property Operation & Maintenance	From 7.3% in Year 3 and stabilised at 4.3% from Year 6 onwards	Utilities	From 9.5% in Year 3 and stabilised at 7.5% from Year 5 onwards
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8.	<p>Projected base management fee, incentive fees, trademark fee, global marketing fee</p> <table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="2">Projected fees (% of gross operating revenue)</th> </tr> <tr> <th>Years 1 to 2</th> <th>Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td>Base management fee</td> <td>1.5</td> <td>1.25</td> </tr> <tr> <td>Incentive fees</td> <td>1.0⁽¹⁾</td> <td>1.3 – 2.2⁽²⁾</td> </tr> <tr> <td>Trademark fee</td> <td>Not applicable</td> <td>0.5%</td> </tr> <tr> <td>Global marketing fee</td> <td>Not applicable</td> <td>0.5%</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) <i>The incentive fees for Year 1 are in the region of 4.0% of the gross operating profit, as per the Management Agreement. This projection is not applicable in Year 2, due to the projected loss in that year.</i></p> <p>(2) <i>The incentive fees for Year 3 to Year 7 are in the region of 4.0% to 6.0% of the gross operating profit, as per the Management Agreement.</i></p>	Item	Projected fees (% of gross operating revenue)		Years 1 to 2	Years 3 to 7	Base management fee	1.5	1.25	Incentive fees	1.0 ⁽¹⁾	1.3 – 2.2 ⁽²⁾	Trademark fee	Not applicable	0.5%	Global marketing fee	Not applicable	0.5%	<p>Reasonable</p> <p>We noted that the projected base management fee, incentive fees, trademark fee, and global marketing fee are in accordance with the terms as set out in the Management Agreement as part of the Ascott Agreements to be novated to OHB Group.</p> <p>We noted that the projected base management fee and incentive fees approximate the industry average range, as set out below:</p> <table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="3">Industry average management fees (% of gross operating revenue)</th> </tr> <tr> <th>HTL 2022</th> <th>HTL 2023</th> <th>HTL 2024</th> </tr> </thead> <tbody> <tr> <td>Base management fee</td> <td>2.0</td> <td>2.0</td> <td>2.0</td> </tr> <tr> <td>Incentive fees</td> <td>2.0</td> <td>2.0</td> <td>2.0</td> </tr> </tbody> </table> <p>We also noted that the trademark fee and global marketing fee are not applicable during the Conversion Term, as these fees are only applicable once the hotel commences operations after its rebranding as Oakwood Georgetown Penang from Year 3 onwards. Additionally, there is no available industry benchmark for these fees.</p> <p>Additionally, based on Knight Frank's projections, the projected total management fees (as a percentage of gross operating revenue) for Year 1 to Year 7 are as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="3">Total management fees (% of gross operating revenue)</th> </tr> <tr> <th>Year 1</th> <th>Year 2</th> <th>Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td>Projected total management fees</td> <td>2.7</td> <td>1.5</td> <td>3.55 – 4.45</td> </tr> </tbody> </table> <p>The projected total management fees in Years 1 and 2 are lower than the industry average total of 4.0%. However, from Year 3 to Year 7, the projected total management fees are expected to range from 2.45% to 4.45% as the incentive fees increase following the increase in the hotel's gross operating revenue as well as the addition of the trademark fee and global marketing fee. We noted that the highest projected total management fees of 4.45% represent a minimal increase of not more than 0.45% against the combined industry average total for management fees (including base management fee and incentive fees) of 4.00%.</p> <p>Premised on the above, we are of the view that the base management fee, incentive fees, trademark fee and global marketing fee adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Item	Industry average management fees (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	Base management fee	2.0	2.0	2.0	Incentive fees	2.0	2.0	2.0	Item	Total management fees (% of gross operating revenue)			Year 1	Year 2	Years 3 to 7	Projected total management fees	2.7	1.5	3.55 – 4.45
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9.	<p>Projected Furniture, Fixtures and Equipment (FF&E) Reserves</p> <p>3.0% of gross operating revenue</p>	<p>Reasonable</p> <p>We noted that the projected FF&E Reserves are in accordance with the terms set out in the Management Agreement in respect of Bayview Hotel Georgetown. Further, the projected FF&E Reserves of 3.0% of gross operating revenue falls within the acceptable range based on industry norms and usual practice evidenced by the industry range for FF&E Reserves ranging from 3.0% to 4.0% from 2022 to 2024, as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Industry average FF&E Reserves (% of gross operating revenue)</th> </tr> <tr> <th>Item</th> <th>HTL 2022</th> <th>HTL 2023</th> </tr> </thead> <tbody> <tr> <td>FF&E Reserves</td> <td>4.0</td> <td>3.0</td> </tr> <tr> <td></td> <td></td> <td>HTL 2024</td> </tr> <tr> <td></td> <td></td> <td>4.0</td> </tr> </tbody> </table> <p>Premised on the above, we are of the view that the FF&E Reserves adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Industry average FF&E Reserves (% of gross operating revenue)			Item	HTL 2022	HTL 2023	FF&E Reserves	4.0	3.0			HTL 2024			4.0								
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10.	<p>Projected property tax (quit rent and assessment) and other taxes</p> <table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="2">Projected property and other taxes (% of gross operating revenue)</th> </tr> <tr> <th>Years 1 to 2</th> <th>Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td>Property and other taxes</td> <td>In the range of 2.0% to 25.8%</td> <td>In the range of 0.5% to 1.9%</td> </tr> </tbody> </table>	Item	Projected property and other taxes (% of gross operating revenue)		Years 1 to 2	Years 3 to 7	Property and other taxes	In the range of 2.0% to 25.8%	In the range of 0.5% to 1.9%	<p>Reasonable</p> <p>We noted that the projected property and other taxes adopted in Year 1 is based on the actual property taxes of Bayview Hotel Georgetown of RM296,283. Further, an estimated growth rate of 1.0% per annum is adopted to account for the possibility of revision on the assessment rate.</p> <p>Further, the projected range of property and other taxes (as a percentage of gross operating revenue) falls within the acceptable range based on industry norms and usual practice evidenced by the industry range for property and other taxes ranging from 1.0% to 4.0% from 2022 to 2024, as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Industry average property and other taxes (% of gross operating revenue)</th> </tr> <tr> <th>Item</th> <th>HTL 2022</th> <th>HTL 2023</th> </tr> </thead> <tbody> <tr> <td>Property and other taxes</td> <td>4.0</td> <td>1.0</td> </tr> <tr> <td></td> <td></td> <td>HTL 2024</td> </tr> <tr> <td></td> <td></td> <td>1.0</td> </tr> </tbody> </table>	Industry average property and other taxes (% of gross operating revenue)			Item	HTL 2022	HTL 2023	Property and other taxes	4.0	1.0			HTL 2024			1.0
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		<p>We noted that the projected property tax and other taxes (as a percentage of gross operating revenue) increases significantly to 25.8% in Year 2, from 2.0% in Year 1. Although a growth rate of 1.0% per annum is applied onto the actual ringgit value of tax of RM296,283 in Year 1 to result in a projected actual ringgit value of tax of RM299,245 in Year 2, the projected property tax and other taxes (as a percentage of gross operating revenue) will increase sharply due to the significant fall in gross operating revenue in Year 2 as Bayview Hotel Georgetown is projected to operate for only 29 days in that year due to the renovation and refurbishment works</p> <p>Premised on the above, we are of the view that the property tax and other taxes adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>																			
11.	<p>Projected insurance premium</p> <table border="1" data-bbox="679 1171 823 1877"> <thead> <tr> <th data-bbox="679 1675 762 1877" rowspan="2">Item</th> <th colspan="2" data-bbox="679 1171 762 1675">Projected insurance premium (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="762 1424 823 1675">Years 1 to 2</th> <th data-bbox="762 1171 823 1424">Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td data-bbox="762 1675 823 1877">Insurance</td> <td data-bbox="762 1424 823 1675">In the range of 0.5% to 6.2%</td> <td data-bbox="762 1171 823 1424">In the range of 0.1% to 0.5%</td> </tr> </tbody> </table>	Item	Projected insurance premium (% of gross operating revenue)		Years 1 to 2	Years 3 to 7	Insurance	In the range of 0.5% to 6.2%	In the range of 0.1% to 0.5%	<p>Reasonable</p> <p>We noted that the projected insurance premium adopted in Year 1 is based on the actual insurance expenses of Bayview Hotel Georgetown of about RM70,000. Further, an annual growth rate of 2.0% has been adopted in the projection, which we consider reasonable as it is broadly aligned with historical inflation trends and is slightly above the average headline and core inflation of 1.8% recorded in 2024.</p> <p>(Source: <i>Economic and Monetary Review 2024, Bank Negara Malaysia</i>)</p> <p>Further, the projected insurance premium (as a percentage of gross operating revenue) generally falls within the acceptable range based on industry norms and usual practice evidenced by the industry range for insurance premium ranging from 0.0% to 1.0% from 2022 to 2024, as follows:</p> <table border="1" data-bbox="1040 197 1157 1131"> <thead> <tr> <th data-bbox="1040 848 1094 1131" rowspan="2">Item</th> <th colspan="3" data-bbox="1040 197 1094 848">Industry average insurance premium (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="1094 629 1123 848">HTL 2022</th> <th data-bbox="1094 412 1123 629">HTL 2023</th> <th data-bbox="1094 197 1123 412">HTL 2024</th> </tr> </thead> <tbody> <tr> <td data-bbox="1123 848 1157 1131">Insurance premium</td> <td data-bbox="1123 629 1157 848">1.0</td> <td data-bbox="1123 412 1157 629">0.0</td> <td data-bbox="1123 197 1157 412">0.0</td> </tr> </tbody> </table>	Item	Industry average insurance premium (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	Insurance premium	1.0	0.0	0.0
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12.	<p>Projected CAPEX</p> <table border="1" data-bbox="679 1171 767 1879"> <thead> <tr> <th data-bbox="679 1615 703 1879">Item</th> <th data-bbox="679 1171 703 1615">RM</th> </tr> </thead> <tbody> <tr> <td data-bbox="703 1615 735 1879">CAPEX</td> <td data-bbox="703 1171 735 1615">92,324,867</td> </tr> <tr> <td data-bbox="735 1615 767 1879">CAPEX per room</td> <td data-bbox="735 1171 767 1615">271,544</td> </tr> </tbody> </table>	Item	RM	CAPEX	92,324,867	CAPEX per room	271,544	<p>Reasonable</p> <p>We noted that the projected CAPEX is based on the estimated planned CAPEX provided by OHB, with the amount apportioned on a pro-rata basis (61.1% in Year 2 and 38.9% in Year 3) over the renovation period for Bayview Hotel Georgetown. We noted that the scope of works includes upgrading the hotel façade, guest rooms, common areas, back-of-house facilities, landscaping and other related improvements in accordance to the specification, quality, standard and design concept required by Ascott.</p> <p>Premised on the above, we are of the view that the CAPEX adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>
Item	RM							
CAPEX	92,324,867							
CAPEX per room	271,544							

No	Key bases and assumptions	Kenanga IB's comments																
13.	<p>Capitalisation rate of 6.50%</p>	<p>Reasonable</p> <p>We noted that Knight Frank adopted the capitalisation rate of 6.50% after taking into consideration the following:</p> <p>(i) analysed yields of suitable hotels located in Kuala Lumpur and Selangor, which range from 5.95% to 7.00%, as follows:</p> <table border="1" data-bbox="512 185 740 1039"> <thead> <tr> <th>Hotel name</th> <th>Location</th> <th>Type of property</th> <th>Net yield (%)</th> </tr> </thead> <tbody> <tr> <td>Pavilion Hotel Kuala Lumpur</td> <td>Kuala Lumpur</td> <td>5-star 325-room hotel</td> <td>6.47</td> </tr> <tr> <td>The Majestic Hotel</td> <td>Kuala Lumpur</td> <td>5-star 300-room hotel</td> <td>7.00</td> </tr> <tr> <td>Sunway Clio Hotel</td> <td>Bandar Sunway, Selangor</td> <td>4-star 401-room hotel</td> <td>5.95</td> </tr> </tbody> </table> <p>We noted that the capitalisation rate of 6.50% adopted by Knight Frank falls within the range of analysed net yields of the selected hotel transactions i.e. 5.95% to 7.00%; and</p> <p>(ii) the adjusted analysed yield of Bayview Hotel Georgetown after making general adjustments to account for, among others, location / accessibility, tenure, building quality / specifications and proposed lease / fixed rental structure, which ranges from 6.20% to 7.00%.</p> <p>Premised on the above, we are of the view that the capitalisation rate adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Hotel name	Location	Type of property	Net yield (%)	Pavilion Hotel Kuala Lumpur	Kuala Lumpur	5-star 325-room hotel	6.47	The Majestic Hotel	Kuala Lumpur	5-star 300-room hotel	7.00	Sunway Clio Hotel	Bandar Sunway, Selangor	4-star 401-room hotel	5.95
Hotel name	Location	Type of property	Net yield (%)															
Pavilion Hotel Kuala Lumpur	Kuala Lumpur	5-star 325-room hotel	6.47															
The Majestic Hotel	Kuala Lumpur	5-star 300-room hotel	7.00															
Sunway Clio Hotel	Bandar Sunway, Selangor	4-star 401-room hotel	5.95															

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No	Key bases and assumptions	Kenanga IB's comments
14.	Discount rate of 8.50%	<p>Reasonable</p> <p>We note that Knight Frank adopted a discount rate that is 2.00% higher than the capitalisation rate of 6.50% to reflect the additional risk premium of the asset.</p> <p>We further note that Knight Frank's interpretation of the discount rate is based on the premise that the value of a dollar to be received in the future is equal to a dollar today minus some factor to account for the risk that the future dollar may not materialise (which can also be explained as opportunity cost, expected return of capital when invested elsewhere).</p> <p>Knight Frank then adopted the capitalisation rate together with the long-term growth rate of the asset and benchmarked the long-term growth rate for the asset against the inflation rate (circa 1.5% to 3.3%) as well as the CAGR of the asset class parameters (such as AOR, AOD, et cetera).</p> <p>We also noted that the additional 2.0% risk premium is within the range of the expected 2025 headline inflation of between 2.0% to 3.5%, based on the 2025 Economic Outlook published by the Ministry of Finance.</p> <p>(Source: <i>Economic Outlook 2025, Ministry of Finance Malaysia</i>)</p> <p>Premised on the above, we are of the view that the discount rate adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>
15.	Projection period of 7 years	<p>Reasonable</p> <p>We are of the view that the projection period of 7 years adopted by Knight Frank is reasonable as the projection of 7 years allows for an assessment of the long-term return that is likely to be derived from Bayview Hotel Georgetown.</p>

Premised on the above, we are of the view that the key bases and assumptions adopted by Knight Frank to ascertain the market value of Bayview Hotel Georgetown using the income approach by DCF are **reasonable**.

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Summarised below are our commentaries in respect of the key bases and assumptions adopted by Knight Frank to arrive at the market value of Bayview Hotel Georgetown using the **comparison approach**:

	Comparable 1 (Thistle Johor Bahru)	Comparable 2 (Courtyard by Marriott Melaka)	Comparable 3 (Courtyard by Marriott Penang Hotel)	Comparable 4 (Holiday Villa Beach Resort & Spa Langkawi)
Location	Jalan Sungai Chat, 80100 Johor Bahru, Johor Darul Takzim	Lorong Haji Bachee, Kampung Bukit Cina, 75100 Melaka	Jalan Macalister, 10400 Georgetown, Pulau Pinang	Pantai Tengah, 07000 Langkawi, Kedah Darul Aman
Type	An operational 5-star rated 381-room hotel together with other supporting facilities / amenities	An operational 5-star rated 284-room hotel together with other supporting facilities / amenities	An operational 4-star rated 199-room hotel together with other supporting facilities / amenities	An operational 4-star rated 238-room hotel together with other supporting facilities / amenities
Tenure	99-year leasehold interest expiring on 10 October 2087	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Age of building	Approximately 25 years	Approximately 3 years	Approximately 6 years	Approximately 30 years
No. of rooms	381 rooms	284 rooms	199 rooms	238 rooms
Transaction date	1 September 2025	31 July 2024	26 January 2024	28 June 2023
Consideration	RM150,000,000	RM160,000,000	RM165,000,000	RM105,000,000
Analysis (RM per room)	RM393,701	RM563,380	RM829,146	RM441,176
Adjustments	General adjustments made for location, tenure, establishment of development, condition / age of building, building design / finishes / quality, hotel operator / hotel branding, hotel star rating and ownership / availability of car park	General adjustments made for location, condition / age of building, building design / finishes / quality, hotel operator / hotel branding, hotel star rating, ownership status and ownership / availability of car park	General adjustments made for condition / age of building, building design / finishes / quality, hotel operator / hotel branding, ownership status and ownership / availability of car park	General adjustments made for location, beachfront, establishment of development, condition / age of building, hotel operator / hotel branding and ownership / availability of car park
Adjusted value (RM per room)	RM413,386	RM225,352	RM290,201	RM419,118

Based on the above, the adjusted values range from RM225,352 per room to RM419,118 per room. Knight Frank has adopted Comparable 3 (Courtyard by Marriott Penang Hotel) as the best comparable as Comparable 3 has the least number of adjustments applied (condition / age of building, building design / finishes / quality, hotel operator / hotel branding, ownership status and ownership / availability of car park). Therefore, Knight Frank has adopted a rounded value of RM99,000,000 (analysed to be RM291,176 per room) as a fair representation of the market value of Bayview Hotel Georgetown.

Based on the reasons and justifications above, we are of the view that the location, basis of the adjustments made and the selection of the comparable by Knight Frank to ascertain the market value of Bayview Hotel Georgetown using the comparison approach are **reasonable**.

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Reconciliation of value:

The market value of Bayview Hotel Georgetown from the income approach by DCF and comparison approach, are as follows:

Valuation approach	Market value
Income approach by DCF	RM115,000,000
Comparison approach	RM99,000,000

In view that Bayview Hotel Georgetown is an income generating property, the Valuer has adopted the market value derived from the income approach by DCF of RM115.00 million as a fair representation of the market value of Bayview Hotel Georgetown.

As the purchase consideration of RM110.00 million for Bayview Hotel Georgetown is below the market value of RM115.00 million as appraised by Knight Frank, we are of the view that the purchase consideration for Bayview Hotel Georgetown is fair and the basis in arriving at the purchase consideration is reasonable.

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6.2.3 Market value of Bayview Hotel Langkawi

Summarised below are our commentaries in respect of the key bases and assumptions adopted by Knight Frank to arrive at the market value of Bayview Hotel Langkawi using the **income approach by DCF**:

No	Key bases and assumptions	Kenanga IB's comments																												
1.	<p>Projected ADR</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Projected ADR (RM)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>210</td> </tr> <tr> <td>2</td> <td>210</td> </tr> <tr> <td>3</td> <td>280</td> </tr> <tr> <td>4</td> <td>305</td> </tr> <tr> <td>5</td> <td>320</td> </tr> <tr> <td>6</td> <td>330</td> </tr> <tr> <td>7</td> <td>340</td> </tr> </tbody> </table>	Year	Projected ADR (RM)	1	210	2	210	3	280	4	305	5	320	6	330	7	340	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected ADR for Bayview Hotel Langkawi for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical ADR from 2022 to January – August 2025, which ranges from RM156 to RM223, as follows:</p> <table border="1"> <thead> <tr> <th colspan="4">Historical ADR of Bayview Hotel Langkawi (RM)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td>156</td> <td>187</td> <td>200</td> <td>223</td> </tr> </tbody> </table> <p>We noted that Knight Frank placed greater reliance on historical data from 2024 to 2025, where the tourism and hotel industry in Malaysia is fully recovered and normalised as compared to the earlier years where the hospitality industry was impacted by COVID-19. Hence, the ADR of RM200 – RM223 shall be more reflective of the current performance of Bayview Hotel Langkawi.</p> <p>The projected ADR in Years 1 and 2 of RM210 under the Conversion Term is reflective of and is within the historical ADR range from 2024 to 2025 of RM200 – RM223. In view of Bayview Hotel Langkawi having achieved a historical ADR of RM223 in the period between January to August 2025, we are of the opinion that the ADR adopted for the Conversion Term is reasonable;</p>	Historical ADR of Bayview Hotel Langkawi (RM)				2022	2023	2024	Jan – Aug 2025	156	187	200	223
Year	Projected ADR (RM)																													
1	210																													
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No	Key bases and assumptions	Kenanga IB's comments																												
		<p>(ii) the historical ADR range of the selected CompSet, which exhibit comparable characteristics as Bayview Hotel Langkawi, as set out below:</p> <table border="1" data-bbox="365 199 454 1039"> <thead> <tr> <th colspan="3">Historical ADR range of the CompSet ⁽¹⁾ (RM)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>155 – 299</td> <td>229 – 467</td> <td>229 – 514</td> </tr> <tr> <td></td> <td></td> <td>257 – 468</td> </tr> </tbody> </table> <p>Note: ⁽¹⁾ The selected CompSet includes 3-star and 4-star hotels such as <i>Adya Hotel Langkawi (4-star)</i>, <i>Mercurie Langkawi Pantai Cenang (4-star)</i>, <i>Nadlas Hotel Cenang Langkawi (3-star)</i> and <i>The Bayou Hotel Langkawi (3-star)</i>.</p> <p>We note that the projected ADR of Bayview Hotel Langkawi during the Conversion Term is lower than the historical ADR range of the CompSet, which indicates that Knight Frank has adopted a more conservative ADR than the market for the Conversion Term.</p> <p>We also note that the projected ADR from Year 3 to Year 7, upon re-commencement of operations after the refurbishment and renovation, ranging from RM280 – RM340 is within the historical ADR range of the CompSet from 2024 to 2025;</p> <p>(iii) the published room rates from A-DATA Online Travel Agents (OTAs) forward pricing of the CompSet from January to July 2025, ranging from RM201 to RM375.</p> <p>We note that the projected ADR range from Year 3 to Year 7 of RM280 – RM340 is within the range of the published room rates of the CompSet of RM201 – RM375;</p> <p>(iv) the Operator's forecast as below:</p> <table border="1" data-bbox="1074 557 1310 1039"> <thead> <tr> <th>Year</th> <th>Projected ADR (RM)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>205</td> </tr> <tr> <td>2</td> <td>- ⁽¹⁾</td> </tr> <tr> <td>3</td> <td>280</td> </tr> <tr> <td>4</td> <td>304</td> </tr> <tr> <td>5</td> <td>323</td> </tr> <tr> <td>6</td> <td>331</td> </tr> <tr> <td>7</td> <td>340</td> </tr> </tbody> </table> <p>Note: ⁽¹⁾ The Operator's forecast for Year 2 is not available as it falls within the planned period for refurbishment and renovation works.</p>	Historical ADR range of the CompSet ⁽¹⁾ (RM)			2022	2023	2024	155 – 299	229 – 467	229 – 514			257 – 468	Year	Projected ADR (RM)	1	205	2	- ⁽¹⁾	3	280	4	304	5	323	6	331	7	340
Historical ADR range of the CompSet ⁽¹⁾ (RM)																														
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No	Key bases and assumptions	Kenanga IB's comments																											
		<p>We noted that the projected ADR range adopted by Knight Frank aligns closely with the Operator's forecasted range of RM205 – RM340 from Year 1 to Year 7; and</p> <p>(v) the rebranding of Bayview Hotel Langkawi to FOX Hotel Langkawi. We note that there is a significant jump in the projected ADR from RM210 in Year 2 to RM280 in Year 3. We view the spike in ADR as reasonable as Bayview Hotel Langkawi would have completed refurbishment and renovation works and is expected to commence operations as the rebranded FOX Hotel Langkawi from 2H2027 (Year 3).</p> <p>Premised on the above, we are of the view that the ADR adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>																											
2.	<p>Projected AOR</p> <table border="1" data-bbox="735 1256 970 1877"> <thead> <tr> <th>Year</th> <th>Projected AOR (%)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>50.0</td> </tr> <tr> <td>2</td> <td>50.0</td> </tr> <tr> <td>3</td> <td>60.0</td> </tr> <tr> <td>4</td> <td>65.0</td> </tr> <tr> <td>5</td> <td>67.0</td> </tr> <tr> <td>6</td> <td>68.0</td> </tr> <tr> <td>7</td> <td>68.0</td> </tr> </tbody> </table>	Year	Projected AOR (%)	1	50.0	2	50.0	3	60.0	4	65.0	5	67.0	6	68.0	7	68.0	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected AOR for Bayview Hotel Langkawi for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical AOR from 2022 to January – August 2025, which ranges from 57.2% to 65.0%, as follows:</p> <table border="1" data-bbox="930 199 1046 1039"> <thead> <tr> <th colspan="3">Historical AOR of Bayview Hotel Langkawi (%)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>61.3</td> <td>65.3</td> <td>60.3</td> <td>69.1</td> </tr> </tbody> </table> <p>We noted that Knight Frank adopted an estimated AOR of 50.0% in Year 1 and Year 2 under the Conversion Term in view of the anticipated gradual reduction in operational resources and expenses, prior to the refurbishment and renovation phase. We view the conservative AOR projection for these years as reasonable.</p> <p>We further noted that the highest yearly AOR achieved by Bayview Hotel Langkawi from 2024 to 2025 was 69.1% in Jan – Aug 2025;</p>	Historical AOR of Bayview Hotel Langkawi (%)			2022	2023	2024	2025	61.3	65.3	60.3	69.1
Year	Projected AOR (%)																												
1	50.0																												
2	50.0																												
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No	Key bases and assumptions	Kenanga IB's comments																												
		<p>(ii) the historical AOR range of the CompSet as set out below:</p> <table border="1" data-bbox="344 203 432 1039"> <thead> <tr> <th colspan="4">Historical AOR range of the CompSet (%)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>Jan – Jul 2025</th> </tr> </thead> <tbody> <tr> <td>22.2 – 69.3</td> <td>43.9 – 67.5</td> <td>42.4 – 77.6</td> <td>52.1 – 77.3</td> </tr> </tbody> </table> <p>We also note that the projected AOR from Year 3 to Year 7, ranging from 60.0% to 68.0% approximates the historical AOR range of the CompSet from 2024 to 2025;</p> <p>(iii) the Operator's forecast as below:</p> <table border="1" data-bbox="627 560 860 1039"> <thead> <tr> <th>Year</th> <th>Projected AOR (%)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>64.8</td> </tr> <tr> <td>2</td> <td>- (1)</td> </tr> <tr> <td>3</td> <td>60.0</td> </tr> <tr> <td>4</td> <td>65.0</td> </tr> <tr> <td>5</td> <td>67.0</td> </tr> <tr> <td>6</td> <td>70.0</td> </tr> <tr> <td>7</td> <td>70.0</td> </tr> </tbody> </table> <p>Note: (1) The Operator's forecast for Year 2 is not available as it falls within the planned period for refurbishment and renovation works.</p> <p>We noted that aside from Year 1 and Year 2, whereby Knight Frank adopted a more conservative projection in AOR of 50.0% to account for the gradual reduction in operational resources and expenses, the projected AOR range adopted by Knight Frank closely aligns with the Operator's forecasted range from 60.0% in Year 3 to 68.0% in Year 7; and</p> <p>(iv) the rebranding of Bayview Hotel Langkawi to FOX Hotel Langkawi. We view the large AOR growth of 10% from 50.0% in Year 2 to 60.0% in Year 3 as reasonable as it reflects the resumption of hotel operations following refurbishment and renovation works. Further, Knight Frank adopted a steadily declining yearly growth rate in AOR from Year 3 to Year 6 and assumed zero growth of the AOR from Year 6 to Year 7. We view the high growth rate upon re-commencement of operations as reasonable as newly completed or rebranded hotels generally require time to build market awareness and stabilise operations, before the growth rate eventually declines as the hotel gradually reaches maturity with a stable occupancy rate.</p>	Historical AOR range of the CompSet (%)				2022	2023	2024	Jan – Jul 2025	22.2 – 69.3	43.9 – 67.5	42.4 – 77.6	52.1 – 77.3	Year	Projected AOR (%)	1	64.8	2	- (1)	3	60.0	4	65.0	5	67.0	6	70.0	7	70.0
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No	Key bases and assumptions	Kenanga IB's comments																		
3.	<p data-bbox="403 1435 427 1877">Projected operating revenue from F&B</p> <table border="1" data-bbox="456 1211 600 1877"> <thead> <tr> <th data-bbox="456 1666 539 1877">Year</th> <th data-bbox="456 1211 539 1666">Projected operating revenue from F&B (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td data-bbox="539 1666 563 1877">1 to 2</td> <td data-bbox="539 1211 563 1666">26.5</td> </tr> <tr> <td data-bbox="563 1666 600 1877">3 to 7</td> <td data-bbox="563 1211 600 1666">24.0</td> </tr> </tbody> </table>	Year	Projected operating revenue from F&B (% of gross operating revenue)	1 to 2	26.5	3 to 7	24.0	<p data-bbox="320 197 371 1133">Premised on the above, we are of the view that the AOR adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p> <p data-bbox="403 999 427 1133">Reasonable</p> <p data-bbox="456 197 539 1133">We note that Knight Frank adopted the projected operating revenue from F&B for Bayview Hotel Langkawi for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p data-bbox="568 197 651 1133">(i) the historical operating revenues from F&B (as a percentage of gross operating revenue) of Bayview Hotel Langkawi from 2022 to January – August 2025, which ranges from 23.2% to 26.8%, as follows:</p> <table border="1" data-bbox="679 197 794 1039"> <thead> <tr> <th colspan="3" data-bbox="679 197 703 1039">Historical operating revenue from F&B (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="703 824 727 1039">2022</th> <th data-bbox="703 613 727 824">2023</th> <th data-bbox="703 197 727 613">Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td data-bbox="727 824 751 1039">26.8</td> <td data-bbox="727 613 751 824">26.1</td> <td data-bbox="727 197 751 613">23.2</td> </tr> <tr> <td data-bbox="751 824 775 1039"></td> <td data-bbox="751 613 775 824">26.6</td> <td data-bbox="751 197 775 613"></td> </tr> </tbody> </table> <p data-bbox="823 197 959 1039">We noted that the projected operating revenue from F&B from Year 1 to Year 2 is consistent at 26.5%, before stabilising at 24.0% in Year 3 onwards. The projected operating revenue from F&B in Years 1 and 2 of 26.5% is reflective of and approximates the historical operating revenue range from 2024 to 2025 of 23.2% to 26.6%.</p> <p data-bbox="991 197 1265 1039">We would like to highlight that despite the operating revenue from F&B (as a percentage of gross operating revenue) appearing to decrease from 26.5% in Year 2 to 24.0% in Year 3, the actual ringgit amount revenue from F&B projected by Knight Frank actually increases from Year 3 onwards as the revenue from F&B is expected to grow along with room revenue as guest occupancy increases. The apparent drop in percentage is driven by a significant increase in room revenue (supported by higher ADR and AOR). As room revenue grows at a faster pace, it expands the gross operating revenue base and results in the projected revenue generated from F&B decreasing when expressed as a percentage of gross operating revenue;</p>	Historical operating revenue from F&B (% of gross operating revenue)			2022	2023	Jan – Aug 2025	26.8	26.1	23.2		26.6	
Year	Projected operating revenue from F&B (% of gross operating revenue)																			
1 to 2	26.5																			
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26.8	26.1	23.2																		
	26.6																			

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No	Key bases and assumptions	Kenanga IB's comments								
		<p>(i) the industry average operating revenue from F&B of selected CompSet based on the published data by HTL are as follows:</p> <table border="1" data-bbox="373 199 489 1039"> <thead> <tr> <th colspan="2">Industry average operating revenue from F&B (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td>HTL 2022</td> <td>29.0</td> </tr> <tr> <td>HTL 2023</td> <td>35.0</td> </tr> <tr> <td>HTL 2024</td> <td>32.0</td> </tr> </tbody> </table> <p>We noted that Knight Frank's projection range between 24.0% to 26.5% appears to be lower than the industry average range of operating revenue from F&B of 33.0% to 34.0%; and</p> <p>(ii) the Operator's forecast from 24.3% in Year 3, before stabilising at 22.6% in Year 7. We note that Knight Frank's projection approximates the Operator's forecast.</p> <p>Premised on the above, we are of the view that the operating revenue from F&B adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Industry average operating revenue from F&B (% of gross operating revenue)		HTL 2022	29.0	HTL 2023	35.0	HTL 2024	32.0
Industry average operating revenue from F&B (% of gross operating revenue)										
HTL 2022	29.0									
HTL 2023	35.0									
HTL 2024	32.0									

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4.	<p data-bbox="292 1182 319 1877">Projected operating revenue from other operated departments</p> <table border="1" data-bbox="344 1211 488 1877"> <thead> <tr> <th data-bbox="344 1666 427 1877">Year</th> <th data-bbox="344 1211 427 1666">Projected operating revenue from other operated departments (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td data-bbox="427 1666 459 1877">1 to 2</td> <td data-bbox="427 1211 459 1666">0.5</td> </tr> <tr> <td data-bbox="459 1666 488 1877">3 to 7</td> <td data-bbox="459 1211 488 1666">0.8</td> </tr> </tbody> </table>	Year	Projected operating revenue from other operated departments (% of gross operating revenue)	1 to 2	0.5	3 to 7	0.8	<p data-bbox="292 999 316 1133">Reasonable</p> <p data-bbox="344 197 456 1133">We note that Knight Frank adopted the projected operating revenue from other operated departments (encompassing revenue generated from laundry, health centre, swimming pool, valet and others) for Bayview Hotel Langkawi for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p data-bbox="485 197 568 1133">(i) the historical operating revenue from other operated departments (as a percentage of gross operating revenue) of Bayview Hotel Langkawi from 2022 to January – August 2025, which ranges from 0.4% to 0.6%, as follows:</p> <table border="1" data-bbox="595 203 738 1039"> <thead> <tr> <th colspan="4" data-bbox="595 203 651 1039">Historical operating revenue from other operated departments (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="651 824 707 1039">2022</th> <th data-bbox="651 611 707 824">2023</th> <th data-bbox="651 398 707 611">2024</th> <th data-bbox="651 203 707 398">Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td data-bbox="707 824 738 1039">0.6</td> <td data-bbox="707 611 738 824">0.4</td> <td data-bbox="707 398 738 611">0.5</td> <td data-bbox="707 203 738 398">0.5</td> </tr> </tbody> </table> <p data-bbox="767 197 850 1039">We noted that Knight Frank's projection of 0.5% in Years 1 and 2 is aligned with the historical operating revenue from other operated departments of Bayview Hotel Langkawi from 2024 to 2025;</p> <p data-bbox="879 197 935 1133">(ii) the industry average operating revenue from other operated departments of selected CompSet based on the published data by HTL, as follows:</p> <table border="1" data-bbox="962 203 1074 1039"> <thead> <tr> <th colspan="3" data-bbox="962 203 1018 1039">Industry average operating revenue from other operated departments (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="1018 757 1074 1039">HTL 2022</th> <th data-bbox="1018 544 1074 757">HTL 2023</th> <th data-bbox="1018 203 1074 544">HTL 2024</th> </tr> </thead> <tbody> <tr> <td data-bbox="1074 757 1106 1039">1.0</td> <td data-bbox="1074 544 1106 757">1.0</td> <td data-bbox="1074 203 1106 544">1.0</td> </tr> </tbody> </table> <p data-bbox="1102 197 1214 1039">We noted that Knight Frank's projection range between 0.5% to 0.8% appears to be slightly lower than the industry average range of operating revenue from other operated departments of 1.0% to 2.0%, which indicates adoption of a more conservative range than the market;</p> <p data-bbox="1243 197 1299 1133">(iii) the Operator's forecast of 0.8% from Year 3 to Year 7. We noted that Knight Frank's projection is aligned with the Operator's forecast; and</p>	Historical operating revenue from other operated departments (% of gross operating revenue)				2022	2023	2024	Jan – Aug 2025	0.6	0.4	0.5	0.5	Industry average operating revenue from other operated departments (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	1.0	1.0	1.0
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		<p>(iv) the revenue from other operated departments is expected to continue growing along with the room revenue, as these ancillary services are closely linked to guest occupancy and length of stay. As room revenue increases, driven by higher ADR and AOR, the demand for and subsequent revenue generated from complementary services rises.</p> <p>Premised on the above, we are of the view that the operating revenue from other operated departments adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>																	
5.	<p>Projected miscellaneous income</p> <table border="1" data-bbox="596 1211 711 1877"> <thead> <tr> <th>Year</th> <th>Projected miscellaneous income (% of gross operating revenue)</th> </tr> </thead> <tbody> <tr> <td>1 to 2</td> <td>1.0</td> </tr> <tr> <td>3 to 7</td> <td>1.2</td> </tr> </tbody> </table>	Year	Projected miscellaneous income (% of gross operating revenue)	1 to 2	1.0	3 to 7	1.2	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected miscellaneous income (encompassing revenue related to a third party or revenues that do not incur any direct operating expenses, including foreign currency transaction gains, income from rental of stores and showcases, commissions, cancellation penalties, cash discounted earned et cetera) for Bayview Hotel Langkawi for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical miscellaneous income (as a percentage of gross operating revenue) of Bayview Hotel Langkawi from 2022 to January – August 2025, which ranges from 0.9% to 2.0%, as follows:</p> <table border="1" data-bbox="903 203 1018 1039"> <thead> <tr> <th colspan="3">Historical miscellaneous income (% of gross operating revenue)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td>2.0</td> <td>1.1</td> <td>1.1</td> <td>0.9</td> </tr> </tbody> </table> <p>We noted that Knight Frank's projection range between 1.0% to 1.2% approximates the historical miscellaneous income range of between 0.9% to 2.0%;</p>	Historical miscellaneous income (% of gross operating revenue)			2022	2023	2024	Jan – Aug 2025	2.0	1.1	1.1	0.9
Year	Projected miscellaneous income (% of gross operating revenue)																		
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6.	<p>Projected operating costs and expenses</p> <table border="1" data-bbox="847 1171 1050 1879"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="2">Projected operating costs and expenses (% of departmental revenue)</th> </tr> <tr> <th>Years 1 to 2</th> <th>Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td>Rooms</td> <td>27.0</td> <td>28.0</td> </tr> <tr> <td>F&B</td> <td>75.0</td> <td>65.0</td> </tr> <tr> <td>Other operated departments</td> <td>30.0</td> <td>33.0</td> </tr> </tbody> </table>	Item	Projected operating costs and expenses (% of departmental revenue)		Years 1 to 2	Years 3 to 7	Rooms	27.0	28.0	F&B	75.0	65.0	Other operated departments	30.0	33.0	<p>Reasonable</p> <p>We note that Knight Frank adopted the projected operating costs and expenses of Bayview Hotel Langkawi for Year 1 to Year 7 after taking into consideration, amongst others, the following benchmarks:</p> <p>(i) the historical operating costs and expenses (as a percentage of the departmental revenue) of Bayview Hotel Langkawi, from 2022 to January – August 2025, as follows:</p> <table border="1" data-bbox="1070 203 1302 1039"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="3">Historical operating costs and expenses (% of departmental revenue)</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2024</th> <th>Jan – Aug 2025</th> </tr> </thead> <tbody> <tr> <td>Rooms</td> <td>26.4</td> <td>27.6</td> <td>28.3</td> <td>26.2</td> </tr> <tr> <td>F&B</td> <td>73.4</td> <td>72.5</td> <td>79.8</td> <td>80.1</td> </tr> <tr> <td>Other operated departments</td> <td>14.2</td> <td>22.6</td> <td>25.7</td> <td>21.0</td> </tr> </tbody> </table>	Item	Historical operating costs and expenses (% of departmental revenue)			2022	2023	2024	Jan – Aug 2025	Rooms	26.4	27.6	28.3	26.2	F&B	73.4	72.5	79.8	80.1	Other operated departments	14.2	22.6	25.7	21.0
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		<p>We note that the projected operating costs and expenses adopted by Knight Frank from Years 1 to 2 approximate the historical operating costs and expenses of Bayview Hotel Langkawi and reflect the anticipated winding down of operations prior to the commencement of refurbishment and renovation works;</p> <p>(ii) the industry range for operating costs and expenses as follows:</p> <table border="1" data-bbox="480 197 683 1039"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="3">Industry average operating costs and expenses (% of departmental revenue)</th> </tr> <tr> <th>HTL 2022</th> <th>HTL 2023</th> <th>HTL 2024</th> </tr> </thead> <tbody> <tr> <td>Rooms</td> <td>38.0</td> <td>27.0</td> <td>25.0</td> </tr> <tr> <td>F&B</td> <td>102.0</td> <td>73.0</td> <td>73.0</td> </tr> <tr> <td>Other operated departments</td> <td>246.0</td> <td>85.0</td> <td>69.0</td> </tr> </tbody> </table> <p>Rooms: We noted that the range adopted by Knight Frank of 27.0% from Year 1 to 28.0% in Year 7 is within the industry average range of operating costs and expenses (rooms) of 25.0% to 38.0%.</p> <p>F&B: We noted that the projection adopted by Knight Frank of 75.0% in Years 1 and 2, and 65.0% in Year 3 onwards, approximates the industry average range of operating costs and expenses (F&B) of 73.0% to 102.0%.</p> <p>Other operated departments: We noted that the projection adopted by Knight Frank of 30.0% in Years 1 and 2, and 33.0% from Year 3 onwards, is significantly lower than the industry average range of operating costs and expenses (other operated departments) of 65.0% to 97.0%. Notwithstanding, we are of the view that the projected range is reasonable as it approximates the historical range of Bayview Hotel Langkawi's operating costs and expenses; and</p>	Item	Industry average operating costs and expenses (% of departmental revenue)			HTL 2022	HTL 2023	HTL 2024	Rooms	38.0	27.0	25.0	F&B	102.0	73.0	73.0	Other operated departments	246.0	85.0	69.0
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		<p>We note that the projected undistributed expenses adopted by Knight Frank generally approximates the historical operating costs and expenses of Bayview Hotel Langkawi.</p> <p>We also note that during the refurbishment and renovation period (part of Year 2 to part of Year 3, from 2H2026 to 2H2027), only essential expenses such as Administrative & General and Property Operation & Maintenance will be incurred, and that approximately 30.0% of usual expenses is projected for these items whereas no costs are projected for the remaining expenses.</p> <p>We also note that the higher projected undistributed expenses for the Administrative & General item in Year 2 of 36.7% (which marks a significant increase from 8.0% in Year 1), and for the Property Operation & Maintenance item in Year 2 of 32.1% (which marks a significant increase from 7.0% in Year 1) reflects the absence of operating revenue during the refurbishment and renovation period to rebrand Bayview Hotel Langkawi into FOX Hotel Langkawi;</p> <p>(ii) the industry range for undistributed expenses as follows:</p> <table border="1" data-bbox="815 181 1157 1037"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="3">Industry average undistributed expenses (% of gross operating revenue)</th> </tr> <tr> <th>HTL 2022</th> <th>HTL 2023</th> <th>HTL 2024</th> </tr> </thead> <tbody> <tr> <td>Administrative & General</td> <td>21.0</td> <td>9.0</td> <td>10.0</td> </tr> <tr> <td>Information & Telecommunications System</td> <td>7.0</td> <td>2.0</td> <td>2.0</td> </tr> <tr> <td>Sales & Marketing</td> <td>9.0</td> <td>5.0</td> <td>5.0</td> </tr> <tr> <td>Property Operation & Maintenance</td> <td>11.0</td> <td>6.0</td> <td>5.0</td> </tr> <tr> <td>Utilities</td> <td>15.0</td> <td>8.0</td> <td>9.0</td> </tr> </tbody> </table> <p>We noted that Knight Frank's projected undistributed expenses approximate the industry average range of undistributed expenses; and</p>	Item	Industry average undistributed expenses (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	Administrative & General	21.0	9.0	10.0	Information & Telecommunications System	7.0	2.0	2.0	Sales & Marketing	9.0	5.0	5.0	Property Operation & Maintenance	11.0	6.0	5.0	Utilities	15.0	8.0	9.0
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Property Operation & Maintenance	Stabilised at 5.0% throughout													
Utilities	Stabilised at 9.8% from throughout													

No	Key bases and assumptions	Kenanga IB's comments																																											
8.	<p>Projected base management fee, incentive fees, trademark fee, global marketing fee</p> <table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="2">Projected fees (% of gross operating revenue)</th> </tr> <tr> <th>Years 1 to 2</th> <th>Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td>Base management fee</td> <td>1.5</td> <td>1.25</td> </tr> <tr> <td>Incentive fees</td> <td>1.2⁽¹⁾</td> <td>1.4 – 2.1⁽²⁾</td> </tr> <tr> <td>Trademark fee</td> <td>Not applicable</td> <td>0.5%</td> </tr> <tr> <td>Global marketing fee</td> <td>Not applicable</td> <td>0.5%</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) <i>The incentive fees for Year 1 are in the region of 4.0% of the gross operating profit, as per the Management Agreement. This projection is not applicable in Year 2, due to the projected loss in that year.</i></p> <p>(2) <i>The incentive fees for Year 3 to Year 7 are in the region of 5.0% to 6.0% of the gross operating profit, as per the Management Agreement.</i></p>	Item	Projected fees (% of gross operating revenue)		Years 1 to 2	Years 3 to 7	Base management fee	1.5	1.25	Incentive fees	1.2 ⁽¹⁾	1.4 – 2.1 ⁽²⁾	Trademark fee	Not applicable	0.5%	Global marketing fee	Not applicable	0.5%	<p>We noted that the projected base management fee, incentive fees, trademark fee, and global marketing fee are in accordance with the terms as set out in the Management Agreement as part of the Ascott Agreements to be novated to OHB Group.</p> <p>We noted that the projected base management fee and incentive fees approximate the industry average range, as set out below:</p> <table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="3">Industry average management fees (% of gross operating revenue)</th> </tr> <tr> <th>HTL 2022</th> <th>HTL 2023</th> <th>HTL 2024</th> </tr> </thead> <tbody> <tr> <td>Base management fee</td> <td>2.0</td> <td>2.0</td> <td>2.0</td> </tr> <tr> <td>Incentive fees</td> <td>2.0</td> <td>2.0</td> <td>2.0</td> </tr> </tbody> </table> <p>We also noted that the trademark fee and global marketing fee are not applicable during the Conversion Term, as these fees are only applicable once the hotel commences operations after its rebranding as FOX Hotel Langkawi from Year 3 onwards. Additionally, there is no available industry benchmark for these fees.</p> <p>Additionally, based on Knight Frank's projections, the projected total management fees (as a percentage of gross operating revenue) for Year 1 to Year 7 are as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="3">Total management fees (% of gross operating revenue)</th> </tr> <tr> <th>Year 1</th> <th>Year 2</th> <th>Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td>Projected total management fees</td> <td>2.7</td> <td>1.5</td> <td>3.65 – 4.35</td> </tr> </tbody> </table> <p>The projected total management fees in Years 1 and 2 are lower than the industry total of 4.0%. However, from Year 3 to Year 7, the projected total management fees are expected to range from 3.65% to 4.35% as the incentive fees increase following the increase in the hotel's gross operating revenue as well as the addition of the trademark fee and global marketing fee. We noted that the highest projected total management fees of 4.35% represent a minimal increase of not more than 0.35% against the combined industry average total for management fees (including base management fee and incentive fees) of 4.00%.</p> <p>Premised on the above, we are of the view that the base management fee, incentive fees, trademark fee and global marketing fee adopted by Knight Frank from Year 1 to Year 7 are reasonable.</p>	Item	Industry average management fees (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	Base management fee	2.0	2.0	2.0	Incentive fees	2.0	2.0	2.0	Item	Total management fees (% of gross operating revenue)			Year 1	Year 2	Years 3 to 7	Projected total management fees	2.7	1.5	3.65 – 4.35
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No	Key bases and assumptions	Kenanga IB's comments																							
9.	<p>Projected Furniture, Fixtures and Equipment (FF&E) Reserves</p> <p>3.0% of gross operating revenue</p>	<p>Reasonable</p> <p>We noted that the projected FF&E Reserves are in accordance with the terms set out in the Management Agreement in respect of Bayview Hotel Langkawi. Further, the projected FF&E Reserves of 3.0% of gross operating revenue falls within the acceptable range based on industry norms and usual practice evidenced by the industry range for FF&E Reserves ranging from 2.0% to 4.0% from 2022 to 2024, as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Industry average FF&E Reserves (% of gross operating revenue)</th> </tr> <tr> <th>Item</th> <th>HTL 2022</th> <th>HTL 2023</th> </tr> </thead> <tbody> <tr> <td>FF&E Reserves</td> <td>2.0</td> <td>4.0</td> </tr> <tr> <td></td> <td></td> <td>HTL 2024</td> </tr> <tr> <td></td> <td></td> <td>3.0</td> </tr> </tbody> </table> <p>Premised on the above, we are of the view that the FF&E Reserves adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Industry average FF&E Reserves (% of gross operating revenue)			Item	HTL 2022	HTL 2023	FF&E Reserves	2.0	4.0			HTL 2024			3.0								
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Item	HTL 2022	HTL 2023																							
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10.	<p>Projected property tax (quit rent and assessment) and other taxes</p> <table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="2">Projected property and other taxes (% of gross operating revenue)</th> </tr> <tr> <th>Years 1 to 2</th> <th>Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td>Property and other taxes</td> <td>In the range of 3.0% to 38.2%</td> <td>In the range of 0.8% to 2.8%</td> </tr> </tbody> </table>	Item	Projected property and other taxes (% of gross operating revenue)		Years 1 to 2	Years 3 to 7	Property and other taxes	In the range of 3.0% to 38.2%	In the range of 0.8% to 2.8%	<p>Reasonable</p> <p>We noted that the projected property and other taxes adopted in Year 1 is based on the actual property taxes of Bayview Hotel Langkawi of RM104,142. Further, an estimated growth rate of 1.0% per annum is adopted to account for the possibility of revision on the assessment rate.</p> <p>Further, the projected range of property and other taxes (as a percentage of gross operating revenue) falls within the acceptable range based on industry norms and usual practice evidenced by the industry range for property and other taxes ranging from 1.0% to 6.0% from 2022 to 2024, as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Industry average property and other taxes (% of gross operating revenue)</th> </tr> <tr> <th>Item</th> <th>HTL 2022</th> <th>HTL 2023</th> </tr> </thead> <tbody> <tr> <td>Property and other taxes</td> <td>46.0</td> <td>1.0</td> </tr> <tr> <td></td> <td></td> <td>HTL 2024</td> </tr> <tr> <td></td> <td></td> <td>1.0</td> </tr> </tbody> </table>	Industry average property and other taxes (% of gross operating revenue)			Item	HTL 2022	HTL 2023	Property and other taxes	46.0	1.0			HTL 2024			1.0
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		HTL 2024																							
		1.0																							

No	Key bases and assumptions	Kenanga IB's comments																			
		<p>We noted that the projected property tax and other taxes (as a percentage of gross operating revenue) increases significantly to 38.2% in Year 2, from 3.0% in Year 1. Although a growth rate of 1.0% per annum is applied onto the actual ringgit value of tax of RM633,487 in Year 1 to result in a projected actual ringgit value of tax of RM639, 822 in Year 2, the projected property tax and other taxes (as a percentage of gross operating revenue) will increase sharply due to the significant fall in gross operating revenue in Year 2 as Bayview Hotel Langkawi is projected to operate for only 29 days in that year due to the renovation and refurbishment works.</p> <p>Premised on the above, we are of the view that the property tax and other taxes adopted by Knight Frank from Year 1 to Year 7 are reasonable.</p>																			
11.	<p>Projected insurance premium</p> <table border="1" data-bbox="679 1171 823 1877"> <thead> <tr> <th data-bbox="679 1675 762 1877" rowspan="2">Item</th> <th colspan="2" data-bbox="679 1171 762 1675">Projected insurance premium (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="762 1422 823 1675">Years 1 to 2</th> <th data-bbox="762 1171 823 1422">Years 3 to 7</th> </tr> </thead> <tbody> <tr> <td data-bbox="762 1675 823 1877">Insurance</td> <td data-bbox="762 1422 823 1675">In the range of 0.4% to 5.2%</td> <td data-bbox="762 1171 823 1422">In the range of 0.2% to 0.3%</td> </tr> </tbody> </table>	Item	Projected insurance premium (% of gross operating revenue)		Years 1 to 2	Years 3 to 7	Insurance	In the range of 0.4% to 5.2%	In the range of 0.2% to 0.3%	<p>Reasonable</p> <p>We noted that the projected insurance premium adopted in Year 1 is based on the actual insurance expenses of Bayview Hotel Langkawi of RM60,698. Further, an annual growth rate of 2.0% has been adopted in the projection, which we consider reasonable as it is broadly aligned with historical inflation trends and is slightly above the average headline and core inflation of 1.8% recorded in 2024.</p> <p>(Source: <i>Economic and Monetary Review 2024, Bank Negara Malaysia</i>)</p> <p>Further, the projected insurance premium (as a percentage of gross operating revenue) generally falls within the acceptable range based on industry norms and usual practice evidenced by the industry range for insurance premium ranging from 0.0% to 1.0% from 2022 to 2024, as follows:</p> <table border="1" data-bbox="1040 197 1157 1131"> <thead> <tr> <th data-bbox="1040 848 1094 1131" rowspan="2">Item</th> <th colspan="3" data-bbox="1040 197 1094 848">Industry average insurance premium (% of gross operating revenue)</th> </tr> <tr> <th data-bbox="1094 629 1123 848">HTL 2022</th> <th data-bbox="1094 412 1123 629">HTL 2023</th> <th data-bbox="1094 197 1123 412">HTL 2024</th> </tr> </thead> <tbody> <tr> <td data-bbox="1123 848 1157 1131">Insurance premium</td> <td data-bbox="1123 629 1157 848">1.0</td> <td data-bbox="1123 412 1157 629">0.0</td> <td data-bbox="1123 197 1157 412">0.0</td> </tr> </tbody> </table>	Item	Industry average insurance premium (% of gross operating revenue)			HTL 2022	HTL 2023	HTL 2024	Insurance premium	1.0	0.0	0.0
Item	Projected insurance premium (% of gross operating revenue)																				
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	HTL 2022	HTL 2023	HTL 2024																		
Insurance premium	1.0	0.0	0.0																		

No	Key bases and assumptions	Kenanga IB's comments						
		<p>We noted that the projected insurance premium (as a percentage of gross operating revenue) increases significantly to 5.4% in Year 2, from 0.4% in Year 1. Although a growth rate of 2.0% per annum is applied onto the actual ringgit value of insurance premium of RM88,476 in Year 1 to result in a projected actual ringgit value of insurance premium of RM90,246 in Year 2, the projected insurance premium (as a percentage of gross operating revenue) will increase sharply due to the significant fall in gross operating revenue in Year 2 as Bayview Hotel Langkawi is projected to operate for only 29 days in that year due to the renovation and refurbishment works.</p> <p>Premised on the above, we are of the view that the insurance premium adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>						
12.	<p>Projected CAPEX</p> <table border="1" data-bbox="679 1171 767 1879"> <thead> <tr> <th data-bbox="679 1615 703 1879">Item</th> <th data-bbox="679 1171 703 1615">RM</th> </tr> </thead> <tbody> <tr> <td data-bbox="703 1615 727 1879">CAPEX</td> <td data-bbox="703 1171 727 1615">10,792,400</td> </tr> <tr> <td data-bbox="727 1615 751 1879">CAPEX per room</td> <td data-bbox="727 1171 751 1615">38,271</td> </tr> </tbody> </table>	Item	RM	CAPEX	10,792,400	CAPEX per room	38,271	<p>Reasonable</p> <p>We noted that the projected CAPEX is based on the estimated planned CAPEX provided by OHB, with the amount apportioned on a pro-rata basis (92.0% in Year 2 and 8.0% in Year 3) over the renovation period for Bayview Hotel Langkawi. We noted that the scope of works includes upgrading the hotel façade, guest rooms, common areas, back-of-house facilities, landscaping and other related improvements in accordance to the specification, quality, standard and design concept required by Ascott.</p> <p>Premised on the above, we are of the view that the CAPEX adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>
Item	RM							
CAPEX	10,792,400							
CAPEX per room	38,271							

No	Key bases and assumptions	Kenanga IB's comments																
13.	<p>Capitalisation rate of 6.50%</p>	<p>Reasonable</p> <p>We noted that Knight Frank adopted the capitalisation rate of 6.50% after taking into consideration the following:</p> <p>(i) analysed yields of suitable hotels located in Kuala Lumpur and Selangor, which range from 5.95% to 7.00%, as follows:</p> <table border="1" data-bbox="512 197 740 1039"> <thead> <tr> <th>Hotel name</th> <th>Location</th> <th>Type of property</th> <th>Net yield (%)</th> </tr> </thead> <tbody> <tr> <td>Pavilion Hotel Kuala Lumpur</td> <td>Kuala Lumpur</td> <td>5-star 325-room hotel</td> <td>6.47</td> </tr> <tr> <td>The Majestic Hotel</td> <td>Kuala Lumpur</td> <td>5-star 300-room hotel</td> <td>7.00</td> </tr> <tr> <td>Sunway Clio Hotel</td> <td>Bandar Sunway, Selangor</td> <td>4-star 401-room hotel</td> <td>5.95</td> </tr> </tbody> </table> <p>We noted that the capitalisation rate of 6.50% adopted by Knight Frank falls within the range of analysed net yields of the selected hotel transactions i.e. 5.95% to 7.00%; and</p> <p>(ii) the adjusted analysed yield of Bayview Hotel Langkawi after making general adjustments to account for, among others, location / accessibility, tenure, building quality / specifications and proposed lease / fixed rental structure, which ranges from 5.95% to 7.00%.</p> <p>Premised on the above, we are of the view that the capitalisation rate adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>	Hotel name	Location	Type of property	Net yield (%)	Pavilion Hotel Kuala Lumpur	Kuala Lumpur	5-star 325-room hotel	6.47	The Majestic Hotel	Kuala Lumpur	5-star 300-room hotel	7.00	Sunway Clio Hotel	Bandar Sunway, Selangor	4-star 401-room hotel	5.95
Hotel name	Location	Type of property	Net yield (%)															
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Sunway Clio Hotel	Bandar Sunway, Selangor	4-star 401-room hotel	5.95															

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No	Key bases and assumptions	Kenanga IB's comments
14.	Discount rate of 8.50%	<p>Reasonable</p> <p>We note that Knight Frank adopted a discount rate that is 2.00% higher than the capitalisation rate of 6.50% to reflect the additional risk premium of the asset.</p> <p>We further note that Knight Frank's interpretation of the discount rate is based on the premise that the value of a dollar to be received in the future is equal to a dollar today minus some factor to account for the risk that the future dollar may not materialise (which can also be explained as opportunity cost, expected return of capital when invested elsewhere).</p> <p>Knight Frank then adopted the capitalisation rate together with the long-term growth rate of the asset and benchmarked the long-term growth rate for the asset against the inflation rate (circa 1.5% to 3.3%) as well as the CAGR of the asset class parameters (such as AOR, AOD, et cetera).</p> <p>We also noted that the additional 2.0% risk premium is within the range of the expected 2025 headline inflation of between 2.0% to 3.5%, based on the 2025 Economic Outlook published by the Ministry of Finance.</p> <p>(Source: <i>Economic Outlook 2025, Ministry of Finance Malaysia</i>)</p> <p>Premised on the above, we are of the view that the discount rate adopted by Knight Frank from Year 1 to Year 7 is reasonable.</p>
15.	Projection period of 7 years	<p>Reasonable</p> <p>We are of the view that the projection period of 7 years adopted by Knight Frank is reasonable as the projection of 7 years allows for an assessment of the long-term return that is likely to be derived from Bayview Hotel Langkawi.</p>

Premised on the above, we are of the view that the key bases and assumptions adopted by Knight Frank to ascertain the market value of Bayview Hotel Langkawi using the income approach by DCF are **reasonable**.

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Summarised below are our commentaries in respect of the key bases and assumptions adopted by Knight Frank to arrive at the market value of Bayview Hotel Langkawi using the **comparison approach**:

	Comparable 1 (Thistle Johor Bahru)	Comparable 2 (Courtyard by Marriott Melaka)	Comparable 3 (Courtyard by Marriott Penang Hotel)	Comparable 4 (Holiday Villa Beach Resort & Spa Langkawi)
Location	Jalan Sungai Chat, 80100 Johor Bahru, Johor Darul Takzim	Lorong Haji Bachee, Kampung Bukit Cina, 75100 Melaka	Jalan Macalister, 10400 Georgetown, Pulau Pinang	Pantai Tengah, 07000 Langkawi, Kedah Darul Aman
Type	An operational 5-star rated 381-room hotel together with other supporting facilities / amenities	An operational 5-star rated 284-room hotel together with other supporting facilities / amenities	An operational 4-star rated 199-room hotel together with other supporting facilities / amenities	An operational 4-star rated 238-room hotel together with other supporting facilities / amenities
Tenure	99-year leasehold interest expiring on 10 October 2087	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Age of building	Approximately 25 years	Approximately 3 years	Approximately 6 years	Approximately 30 years
No. of rooms	381 rooms	284 rooms	199 rooms	238 rooms
Transaction date	1 September 2025	31 July 2024	26 January 2024	28 June 2023
Consideration	RM150,000,000	RM160,000,000	RM165,000,000	RM105,000,000
Analysis (RM per room)	RM393,701	RM563,380	RM829,146	RM441,176
Adjustments	General adjustments made for location, tenure condition / age of building, building design / finishes / quality, hotel operator / hotel branding, hotel star rating and ownership / availability of car park	General adjustments made for location, establishment of development, condition / age of building, building design / finishes / quality, hotel operator / hotel branding, hotel star rating ownership status and ownership / availability of car park	General adjustments made for location, establishment of development, condition / age of building, building design / finishes / quality, hotel operator / hotel branding, ownership status and ownership / availability of car park	General adjustments made for location, beach frontage and hotel operator / hotel branding
Adjusted value (RM per room)	RM354,331	RM169,014	RM207,286	RM352,941

Based on the above, the adjusted values range from RM169,014 per room to RM354,331 per room. Knight Frank has adopted Comparable 4 (Holiday Villa Beach Resort & Spa Langkawi) as the best comparable as Comparable 4 has the least adjustments applied (location, beach frontage and hotel operator / hotel branding). Therefore, Knight Frank has adopted a rounded value of RM99,000,000 (analysed to be RM351,064 per room) as a fair representation of the market value of Bayview Hotel Langkawi.

Based on the reasons and justifications above, we are of the view that the location, basis of the adjustments made and the selection of the comparable by Knight Frank to ascertain the market value of Bayview Hotel Langkawi using the comparison approach are **reasonable**.

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Reconciliation of value:

The market values of Bayview Hotel Langkawi from the income approach by DCF and comparison approach, are as follows:

Valuation approach	Market value
Income approach by DCF	RM95,000,000
Comparison approach	RM99,000,000

In view that Bayview Hotel Langkawi is an income generating property, the Valuer has adopted the market value derived from the income approach by DCF of RM95.00 million as a fair representation of the market value of Bayview Hotel Langkawi.

As the purchase consideration of RM91.00 million for Bayview Hotel Langkawi is below the market value of RM95.00 million as appraised by Knight Frank, we are of the view that the purchase consideration for Bayview Hotel Langkawi is **fair** and the basis in arriving at the purchase consideration is **reasonable.**

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6.2.4 Market value of Wisma Boon Siew

Summarised below are our commentaries in respect of the key bases and assumptions adopted by Knight Frank to arrive at the market value of Wisma Boon Siew using the **income approach – investment method**:

No	Key bases and assumptions	Kenanga IB's comments																																																				
1.	<p>Average gross rental</p> <table border="1"> <thead> <tr> <th>Details</th> <th>Amount (RM per month)</th> </tr> </thead> <tbody> <tr> <td>Basement and Upper Floor</td> <td>RM3.00 psf</td> </tr> <tr> <td>Ground Floor</td> <td>RM5.00 psf</td> </tr> <tr> <td>Car Parking</td> <td>RM220 per bay</td> </tr> </tbody> </table>	Details	Amount (RM per month)	Basement and Upper Floor	RM3.00 psf	Ground Floor	RM5.00 psf	Car Parking	RM220 per bay	<p>Reasonable</p> <p>We note that Knight Frank adopted the average gross rental rate after taking into consideration, among others, the following benchmarks:</p> <p>(i) the asking gross rentals in selected office buildings in Pulau Pinang as set out below:</p> <table border="1"> <thead> <tr> <th>Building</th> <th>Location</th> <th>Type</th> <th>Asking Rental (RM psf / month)</th> </tr> </thead> <tbody> <tr> <td colspan="4">Asking gross rentals of Upper Floor</td> </tr> <tr> <td>Menara Boustead Penang</td> <td>George Town</td> <td>Office Space</td> <td>RM3.30</td> </tr> <tr> <td>Menara KWSP</td> <td>George Town</td> <td>Office Space</td> <td>RM3.00</td> </tr> <tr> <td>MWE Plaza</td> <td>George Town</td> <td>Office Space</td> <td>RM3.00</td> </tr> <tr> <td>Wisma Eastern</td> <td>George Town</td> <td>Office Space</td> <td>RM3.00</td> </tr> <tr> <td>Wisma MTT</td> <td>George Town</td> <td>Office Space</td> <td>RM3.50</td> </tr> <tr> <td colspan="4">Asking gross rentals of Ground Floor</td> </tr> <tr> <td>Wisma MTT</td> <td>George Town</td> <td>Retail Space</td> <td>RM5.00</td> </tr> <tr> <td>New World Park</td> <td>George Town</td> <td>Retail Space</td> <td>RM5.36</td> </tr> <tr> <td>The Courtyard Beach Street</td> <td>George Town</td> <td>Retail Space</td> <td>RM5.00</td> </tr> </tbody> </table> <p>We note that the average gross rental adopted by Knight Frank of RM3.00 psf for the Upper Floor is within the range of asking gross rentals of selected office buildings in Pulau Pinang used as office space, which range from RM3.00 to RM3.50 psf / month. We also note that Knight Frank adopted this range for the Basement Floor due to its similar functional characteristics to the Upper Floor for potential use as office space instead of retail space.</p>	Building	Location	Type	Asking Rental (RM psf / month)	Asking gross rentals of Upper Floor				Menara Boustead Penang	George Town	Office Space	RM3.30	Menara KWSP	George Town	Office Space	RM3.00	MWE Plaza	George Town	Office Space	RM3.00	Wisma Eastern	George Town	Office Space	RM3.00	Wisma MTT	George Town	Office Space	RM3.50	Asking gross rentals of Ground Floor				Wisma MTT	George Town	Retail Space	RM5.00	New World Park	George Town	Retail Space	RM5.36	The Courtyard Beach Street	George Town	Retail Space	RM5.00
Details	Amount (RM per month)																																																					
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		<p>We also note that the average gross rental adopted by Knight Frank of RM5.00 psf for the Ground Floor is within the range of asking gross rentals selected office buildings in Pulau Pinang used as retail space, which range from RM5.00 to RM5.36. We note that the Ground Floor rentals are typically higher than those of Basement and Upper Floor due primarily due to greater visibility and retail potential;</p> <p>(ii) the concluded rentals in selected office buildings in Pulau Pinang as set out below:</p> <table border="1" data-bbox="512 185 1246 1086"> <thead> <tr> <th data-bbox="512 907 624 1086">Building</th> <th data-bbox="512 741 624 907">Location</th> <th data-bbox="512 584 624 741">Type</th> <th data-bbox="512 360 624 584">Commencement Year</th> <th data-bbox="512 185 624 360">Asking Rental (RM psf / month)</th> </tr> </thead> <tbody> <tr> <td data-bbox="624 907 735 1086">Menara Boustead Penang</td> <td data-bbox="624 741 735 907">George Town</td> <td data-bbox="624 584 735 741">Office Space</td> <td data-bbox="624 360 735 584">2025</td> <td data-bbox="624 185 735 360">RM3.30</td> </tr> <tr> <td data-bbox="735 907 823 1086">Menara Boustead Penang</td> <td data-bbox="735 741 823 907">George Town</td> <td data-bbox="735 584 823 741">Office Space</td> <td data-bbox="735 360 823 584">2022</td> <td data-bbox="735 185 823 360">RM3.00</td> </tr> <tr> <td data-bbox="823 907 879 1086">MWE Plaza</td> <td data-bbox="823 741 879 907">George Town</td> <td data-bbox="823 584 879 741">Office Space</td> <td data-bbox="823 360 879 584">2022</td> <td data-bbox="823 185 879 360">RM3.00</td> </tr> <tr> <td data-bbox="879 907 935 1086">MWE Plaza</td> <td data-bbox="879 741 935 907">George Town</td> <td data-bbox="879 584 935 741">Office Space</td> <td data-bbox="879 360 935 584">2019</td> <td data-bbox="879 185 935 360">RM3.00</td> </tr> <tr> <td colspan="5" data-bbox="935 907 1246 1086" style="text-align: center;">Concluded rentals of Ground Floor</td></tr> <tr> <td data-bbox="967 907 1038 1086">Undisclosed Office Building</td> <td data-bbox="967 741 1038 907">George Town</td> <td data-bbox="967 584 1038 741">Retail Space</td> <td data-bbox="967 360 1038 584">2025</td> <td data-bbox="967 185 1038 360">RM5.00</td> </tr> <tr> <td data-bbox="1038 907 1126 1086">Undisclosed Office Building</td> <td data-bbox="1038 741 1126 907">George Town</td> <td data-bbox="1038 584 1126 741">Retail Space</td> <td data-bbox="1038 360 1126 584">2025</td> <td data-bbox="1038 185 1126 360">RM5.36</td> </tr> <tr> <td data-bbox="1126 907 1182 1086">Burmah House</td> <td data-bbox="1126 741 1182 907">George Town</td> <td data-bbox="1126 584 1182 741">Retail Space</td> <td data-bbox="1126 360 1182 584">2020</td> <td data-bbox="1126 185 1182 360">RM4.82</td> </tr> <tr> <td data-bbox="1182 907 1246 1086">Wisma Great Eastern</td> <td data-bbox="1182 741 1246 907">George Town</td> <td data-bbox="1182 584 1246 741">Retail Space</td> <td data-bbox="1182 360 1246 584">2020</td> <td data-bbox="1182 185 1246 360">RM5.00</td> </tr> </tbody> </table>	Building	Location	Type	Commencement Year	Asking Rental (RM psf / month)	Menara Boustead Penang	George Town	Office Space	2025	RM3.30	Menara Boustead Penang	George Town	Office Space	2022	RM3.00	MWE Plaza	George Town	Office Space	2022	RM3.00	MWE Plaza	George Town	Office Space	2019	RM3.00	Concluded rentals of Ground Floor					Undisclosed Office Building	George Town	Retail Space	2025	RM5.00	Undisclosed Office Building	George Town	Retail Space	2025	RM5.36	Burmah House	George Town	Retail Space	2020	RM4.82	Wisma Great Eastern	George Town	Retail Space	2020	RM5.00
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		<p>We note that the average gross rental adopted by Knight Frank of RM3.00 psf for the Upper Floor is within the range of concluded rentals of selected office buildings in Pulau Pinang used as office space, which range from RM3.00 to RM3.30 psf. Similarly to (i), we also note that Knight Frank adopted this range for the Basement Floor due to its similar functional characteristics to the Upper Floor.</p> <p>We also note that the average gross rental adopted by Knight Frank of RM5.00 psf for the Ground Floor is within the range of concluded gross rentals of selected office buildings in Pulau Pinang used as retail space, which range from RM4.82 to RM5.36; and</p> <p>(iii) the asking rentals of car parking bays of other selected office buildings located within Pulau Pinang.</p> <table border="1" data-bbox="678 190 853 1086"> <thead> <tr> <th>Selected Office Buildings in Pulau Pinang</th> <th>Location</th> <th>Asking Rental (RM per bay / month)</th> </tr> </thead> <tbody> <tr> <td>Menara Boustead</td> <td>George Town</td> <td>RM210 per bay</td> </tr> <tr> <td>Wisma Great Eastern</td> <td>George Town</td> <td>RM232 per bay</td> </tr> <tr> <td>Livingston Tower</td> <td>George Town</td> <td>RM220 per bay</td> </tr> <tr> <td>Hunza Tower</td> <td>George Town</td> <td>RM198 per bay</td> </tr> </tbody> </table> <p>We note that the average gross rental adopted by Knight Frank of RM220 per bay for car parking bays is within the range of asking car park rentals of selected office buildings in Pulau Pinang, which range from RM198 to RM232 per bay.</p> <p>Premised on the above, we are of the view that the average gross rental adopted by Knight Frank is reasonable.</p>	Selected Office Buildings in Pulau Pinang	Location	Asking Rental (RM per bay / month)	Menara Boustead	George Town	RM210 per bay	Wisma Great Eastern	George Town	RM232 per bay	Livingston Tower	George Town	RM220 per bay	Hunza Tower	George Town	RM198 per bay
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2.	<p>Allowance for outgoings</p> <table border="1"> <thead> <tr> <th></th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Office</td> <td>RM1.80 psf</td> </tr> <tr> <td>Car Park</td> <td>25.00%</td> </tr> </tbody> </table>		Amount	Office	RM1.80 psf	Car Park	25.00%	<p>Reasonable</p> <p>We note that Knight Frank adopted the allowance for outgoings after taking into consideration, among others, the following benchmarks:</p> <p>(i) the historical outgoings of Wisma Boon Siew, as below;</p> <table border="1"> <thead> <tr> <th rowspan="2">Description</th> <th colspan="3">Historical outgoings of Wisma Boon Siew</th> </tr> <tr> <th>2021</th> <th>2022</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Office</td> <td>-</td> <td>RM1.64 psf</td> <td>RM1.70 psf</td> </tr> <tr> <td>Car park</td> <td>23.00%</td> <td>23.00%</td> <td>24.00%</td> </tr> </tbody> </table> <p>We note that the allowance for outgoings adopted by Knight Frank for the office of RM1.80 psf is within the range of historical outgoings of Wisma Boon Siew, which ranges from RM1.64 psf and RM1.83 psf. Further, the allowance for outgoings adopted by Knight Frank for the car park of 25.00% also approximates the range of historical outgoings of Wisma Boon Siew;</p> <p>(ii) the historical outgoings of another comparable office building within Georgetown at approximately RM1.60 psf in 2023. We note that the allowance for outgoings adopted by Knight Frank of RM1.80 psf approximates the historical outgoings of the comparable office building. We also noted that there is limited availability of market evidence for office outgoings, thus greater reliance is placed on the historical outgoings of Wisma Boon Siew; and</p> <p>(iii) the historical car park outgoings measured against the estimated car park rentals of office buildings within the vicinity, which reflected an outgoing ratio of approximately 23% to 24% (23% for Year 2021 and 2022, and 24% for Year 2023 and 2024). This has been further benchmarked against another commercial asset in Pulau Pinang, which reflected an outgoing ratio of about 27% on the same basis.</p> <p>Premised on the above, we are of the view that the allowance for outgoings adopted by Knight Frank is reasonable.</p>	Description	Historical outgoings of Wisma Boon Siew			2021	2022	2024	Office	-	RM1.64 psf	RM1.70 psf	Car park	23.00%	23.00%	24.00%
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No	Key bases and assumptions	Kenanga IB's comments								
3.	Void allowance of 5.00%	<p>Reasonable</p> <p>A void allowance of the annual income is adopted for allowance of void, unforeseen vacancies, possible rent-free periods, fitting out periods and possibility of bad debts.</p> <p>The void allowance of 5.00% adopted by Knight Frank is within the range of generally adopted allowance for void of between 5.00% and 10.00%, as the rental period for offices are usually for a longer period of time rather than shorter terms.</p> <p>Premised on the above, we are of the view that the long-term void allowance of 5.00% void adopted by Knight Frank is reasonable.</p>								
4.	Capitalisation rate of 5.50%	<p>Reasonable</p> <p>We noted that Knight Frank adopted 5.50% as the capitalisation rate after taking into consideration the following:</p> <p>(i) the analysed yields of recent transactions of comparable properties in Georgetown, which range from 5.05% to 5.63%, as follows:</p> <table border="1" data-bbox="850 1193 1093 1534"> <thead> <tr> <th data-bbox="850 1193 901 1534">Comparable Properties</th> <th data-bbox="850 1534 1093 1556">Net yield (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="901 1193 957 1534">No. 64D, Lebuh Bishop, Georgetown, Pulau Pinang</td> <td data-bbox="901 1534 957 1556">5.31</td> </tr> <tr> <td data-bbox="957 1193 1013 1534">No. 15, Lebuh Pantai, Georgetown, Pulau Pinang</td> <td data-bbox="957 1534 1013 1556">5.63</td> </tr> <tr> <td data-bbox="1013 1193 1093 1534">9, 9A, 9B, 9C, 9D, 9E & 9F, Jalan Zainal Abidin, Georgetown, Pulau Pinang</td> <td data-bbox="1013 1534 1093 1556">5.05</td> </tr> </tbody> </table> <p>We noted that the capitalisation rate of 5.50% adopted by Knight Frank falls within the range of analysed net yields of the selected hotel transactions i.e. 5.05% to 5.63%; and</p> <p>(ii) the adjusted average yield after making general adjustments to account for, among others, net lettable area, building specification, occupancy, establishment of development and availability of car park, which ranges from 5.05% to 5.88%.</p> <p>Premised on the above, we are of the view that the capitalisation rate adopted by Knight Frank is reasonable as it falls within the analysed net yields of actual office building transactions.</p>	Comparable Properties	Net yield (%)	No. 64D, Lebuh Bishop, Georgetown, Pulau Pinang	5.31	No. 15, Lebuh Pantai, Georgetown, Pulau Pinang	5.63	9, 9A, 9B, 9C, 9D, 9E & 9F, Jalan Zainal Abidin, Georgetown, Pulau Pinang	5.05
Comparable Properties	Net yield (%)									
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Based on the Valuation Report, we noted that Knight Frank made the following adjustments in its valuation assessment of Wisma Boon Siew, details of which are set out below:

- (a) a rent loss adjustment for letting up based on a staggered occupancy rate over three years, to be fair after having considered the prevailing market condition, coupled with the existing and incoming supply together with the demand of the product being offered within the immediate and surrounding developments; and
- (b) in arriving at the final value of Wisma Boon Siew, Knight Frank allocated and considered a quantitative adjustment amounting to RM140,000 to be incurred for works relating to reinstatement of the existing ground floor office space back to its original use as a garage, in accordance with the approved building plan.

The rent loss adjustment is assessed over the stabilisation period using a projected occupancy profile and gross rental rate. During the initial year, the property is expected to experience partial occupancy, resulting in a corresponding level of vacancy and associated rental income foregone. In the second year, occupancy is projected to improve, leading to a reduced level of vacancy and a lower quantum of rental loss. By the third year, the property is assumed to have achieved stabilised occupancy, with no further rent loss anticipated.

The rental losses incurred during the letting-up period are discounted to their present values using an appropriate discount rate. The aggregate of these discounted losses represents the rent loss adjustment, which reflects the income foregone prior to the property reaching stabilised occupancy.

We are of the view that the rent loss adjustment for letting up is **reasonable** as it reflects the prevailing market condition, supply and demand, and the realistic time and cost implications of achieving full occupancy of the property.

Further, we noted that Knight Frank has considered the industry average costing as derived from analysis of other awarded contracts of the demolition work for general buildings of RM20.00 psf. As the estimated office area to be reinstated back to its original use is approximately 7,000 square feet, we are of the view that the allocation of RM140,000 to be incurred for reinstatement works is **reasonable**.

Premised on the above, we are of the view that the key bases and assumptions adopted by Knight Frank to ascertain the market value of Wisma Boon Siew using the income approach by investment method are **reasonable**.

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Summarised below are our commentaries in respect of the key bases and assumptions adopted by Knight Frank to arrive at the market value of Wisma Boon Siew using the **comparison approach**:

	Comparable 1	Comparable 2	Comparable 3
Location	No. 168, Jln Argyll, George Town, Pulau Pinang	No. 64D, Lebuah Bishop, George Town, Pulau Pinang	No. 15, Lebuah Pantai, George Town, Pulau Pinang
Type	An eight (8)-storey office building	A five (5)-storey office building	A five (5)-storey office building
Tenure	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Age of property	Approximately 20 years	Approximately 20 years	Approximately 20 years
Net lettable area	33,557 square feet	17,476 square feet	26,422 square feet
Transaction date	1 August 2023	9 June 2023	9 June 2023
Consideration	RM16,000,000	RM8,800,000	RM12,000,000
Analysis (RM psf)	RM476.80	RM503.54	RM454.17
Adjustments	General adjustments made for net lettable area, establishment of development, condition / age of building and car park provision	General adjustments made for net lettable area, occupancy, establishment of development, condition / age of building and car park provision	General adjustments made for net lettable area, occupancy, establishment of development, condition / age of building and car park provision
Adjusted value (RM psf)	RM333.76	RM327.30	RM317.92

Based on the above, the adjusted values range from RM317.92 psf to RM333.76 psf. Knight Frank has adopted Comparable 1 as the best comparable (being the latest transactions with least dissimilarities) after making adjustments for net lettable area, establishment of development, condition / age of building and car park provision. Therefore, Knight Frank has adopted a rounded value of RM45,000,000 (analysed to be RM334.73 psf) as a fair representation of the market value of Wisma Boon Siew.

Based on the reasons and justifications above, we are of the view that the location, basis of the adjustments made and the selection of the comparable by Knight Frank to ascertain the market value of Wisma Boon Siew using the comparison approach are **reasonable**.

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Reconciliation of value:

The market values of Wisma Boon Siew from the income approach by investment method and comparison approach, are as follows:

Valuation approach	Market value
Income approach by investment method	RM45,000,000
Comparison approach	RM45,000,000

In view that Wisma Boon Siew is an income generating property, the Valuer has adopted the market value derived from the income approach by investment method of RM45.00 million as a fair representation of the market value of Wisma Boon Siew.

As the purchase consideration of RM43.00 million for Wisma Boon Siew is below the market value of RM45.00 million as appraised by Knight Frank, we are of the view that the purchase consideration for Wisma Boon Siew is fair and the basis in arriving at the purchase consideration is reasonable.

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6.2.5 Summary of values and Total Purchase Consideration

A summary of the values derived from the valuation methodologies is set out below:

Property	Primary approach	Secondary approach	Adopted Market Value
	<u>Income approach by DCF</u>	<u>Comparison approach</u>	
Bayview Beach Resort Penang	RM180,000,000	RM185,000,000	RM180,000,000
Bayview Hotel Georgetown	RM115,000,000	RM99,000,000	RM115,000,000
Bayview Hotel Langkawi	RM95,000,000	RM99,000,000	RM95,000,000
	<u>Income approach by investment method</u>	<u>Comparison approach</u>	
Wisma Boon Siew	RM45,000,000	RM45,000,000	RM45,000,000
Total			RM435,000,000

In evaluating the fairness of the Total Purchase Consideration of the Proposals, the Total Purchase Consideration is compared to the Total Reference Valuation (i.e. the indicative fair value of NGSB, Bayview Hotel Georgetown, Wisma Boon Siew and Bayview Hotel Langkawi) as detailed below:

Adjusted RNAV of NGSB	RM175,660,000
Market value of Bayview Hotel Georgetown	RM115,000,000
Market value of Wisma Boon Siew	RM45,000,000
Market value of Bayview Hotel Langkawi	RM95,000,000
Total Reference Valuation	RM430,660,000
Total Purchase Consideration	RM411,000,000
Discount of the Total Purchase Consideration to the Total Reference Valuation	RM19,660,000
Discount of the Total Purchase Consideration to the Total Reference Valuation	4.57%

Based on the assessment above, we are of the view that the Total Purchase Consideration is **fair** as it represents a discount of RM19.66 million or 4.57% to the Total Reference Valuation of RM430.66 million and the basis in arriving at the Total Purchase Consideration is **reasonable**.

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6.3 Salient terms of the Share Subscription Agreement, SSA and SPA 1 and SPA 2

The Proposals are subject to the terms and conditions of the Share Subscription Agreement, SSA, SPA 1 and SPA 2 as set out in **Appendix II of the Circular**. We have evaluated the salient terms of the Share Subscription Agreement, SSA, SPA 1 and SPA 2 in relation to the Proposals in their entirety, summarised as follows:

6.3.1 Salient terms of the Share Subscription Agreement

No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
1.	<p>SUBSCRIPTION OF SHARES</p> <p>Subject to the terms and conditions of the Share Subscription Agreement, OHB shall subscribe to and NGSB shall allot and issue the Subscription Shares to OHB (free from encumbrances) in consideration of the full payment of the Subscription Price. BSSB, being the sole shareholder of NGSB, agrees to waive any pre-emptive rights, rights of first refusal, or similar rights it may have, whether under the constitutional documents of NGSB or under applicable law, in connection with the allotment and issuance of the Subscription Shares to OHB.</p> <p>NGSB is the registered and beneficial owner of Bayview Beach Resort Penang.</p>	<p>Reasonable</p> <p>We noted that this term relates to the subject matter of the proposed acquisition of 96.84% equity interest in NGSB, whereby subject to the satisfaction or waiver of the conditions precedent, OHB shall subscribe to and NGSB shall allot and issue the Subscription Shares to OHB (free from encumbrances).</p> <p>We also noted that BSSB, as the sole shareholder of NGSB, agrees to waive any pre-emptive rights, rights of first refusal, or similar rights it may have in connection with the allotment and issuance of the Subscription Shares to OHB, which allows OHB to subscribe to the shares without dispute or challenges from the existing shareholder (i.e. BSSB).</p>
2.	<p>SUBSCRIPTION PRICE</p> <p>Subject to the fulfillment of the Conditions Precedent (hereinafter defined) and subject to OHB receiving the Completion Document (hereinafter defined), OHB shall pay the Subscription Price amounting to RM153,100,000.00 in respect of the Subscription Shares to NGSB on a date falling within fourteen (14) business days from the date all the Conditions Precedent (hereinafter defined) are fulfilled (or waived) (as the case may be) or such other date as OHB, BSSB and NGSB may mutually agree in writing ("Unconditional Date").</p>	<p>Reasonable</p> <p>We noted that this is a normal commercial term which sets out the Subscription Price and timeframe of which payment is to be made upon fulfilment (or waiving) of all the Conditions Precedent or such other date mutually agreed between the parties.</p>

No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
3.	<p data-bbox="295 1547 320 1870">CONDITIONS PRECEDENT</p> <p data-bbox="349 875 464 1870">The Share Subscription Agreement is conditional upon the fulfilment of the following conditions precedent within a period of nine (9) months from the date the Share Subscription Agreement is executed, or such longer period as OHB, BSSB and NGSB may mutually agree upon in writing ("Conditional Period"):</p> <p data-bbox="496 875 584 1870">(a) approval of the Stockholders at an EGM to be convened for OHB to undertake the Proposals pursuant to the Share Subscription Agreement, SSA, SPA 1 and SPA 2 ("Stockholders' Approval CP");</p> <p data-bbox="616 875 783 1870">(b) BSSB shall procure the novation to OHB and / or NGSB (as the case may be) of all rights and obligations of BHSB under the Ascott Agreements with effect from the Completion Date (hereinafter defined), with such novation to be evidenced by duly executed and stamped novation agreement(s) on terms substantially similar to those set out in the existing Ascott Agreement (with such amendments as may be necessary to give effect to the novation);</p> <p data-bbox="815 875 991 1870">(c) BSSB shall procure BHSB to grant an irrevocable right to NGSB without any charges or fees for NGSB to utilise the "Bayview" brand name as well as the relevant licences, certificates and approvals required to operate Bayview Beach Resort Penang, as may be required by OHB, from the Completion Date (hereinafter defined) until such date as may be elected by OHB and notified to BSSB and BHSB; and</p> <p data-bbox="1023 875 1166 1870">(d) BSSB shall procure the mutual termination of the tenancy agreement dated 14 August 2025 entered into by NGSB and BHSB ("NGSB Tenancy Agreement") in respect of Bayview Beach Resort Penang and the services agreement dated 1 January 2019 entered into by Bayview International Sdn Bhd and BHSB with effect from the Completion Date (hereinafter defined), with no recourse on NGSB.</p> <p data-bbox="1198 875 1286 1870">(hereinafter collectively referred to as "Conditions Precedent") and each a "Condition Precedent"). Save for the Stockholders' Approval CP, OHB may agree to waive any of the Conditions Precedent at any time.</p>	<p data-bbox="295 707 320 855">Reasonable</p> <p data-bbox="349 192 464 855">The Conditions Precedent represent the necessary approvals / procedures to be fulfilled or obtained to facilitate the completion of the Proposed NGSB Share Acquisition. We noted that these terms are to ensure the following:</p> <p data-bbox="496 192 584 855">(a) necessary requisite approvals are obtained to give effect to the completion of the Proposed NGSB Share Acquisition;</p> <p data-bbox="616 192 759 855">(b) the rights and obligations of BHSB under the Ascott Agreements are novated to OHB and that Ascott will act as the hotel operator of Bayview Beach Resort Penang following the completion of the Proposed NGSB Share Acquisition;</p> <p data-bbox="815 192 991 855">(c) provides comfort that Bayview Beach Resort Penang is able to continue operating without interruptions using the "Bayview" brand name as well as the relevant licenses, certificates and approvals necessary, as may be required by OHB, from the Completion Date until such date as may be elected by OHB;</p> <p data-bbox="1023 192 1134 855">(d) ensures that the NGSB Tenancy Agreement and the services agreement between Bayview International Sdn Bhd and BHSB are terminated with no recourse on NGSB; and</p> <p data-bbox="1166 192 1254 855">(e) to safeguard the interests of both parties in the event of non-fulfilment of any of the Conditions Precedent by the Conditional Period.</p> <p data-bbox="1286 192 1374 855">We also noted that save for the Stockholders' Approval CP, which is a regulatory requirement, OHB has the right to waive any of the Conditions Precedent at any time.</p>

No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
4.	<p data-bbox="288 1507 320 1877">SUBSCRIPTION COMPLETION</p> <p data-bbox="347 880 435 1877">Completion of the Share Subscription Agreement shall take place on a date falling within fourteen (14) business days from the Unconditional Date or such other date as OHB, NGSB and BSSB may agree in writing ("Completion Date").</p> <p data-bbox="467 880 611 1877">On the Completion Date, NGSB shall (and BSSB shall procure NGSB to) deliver to OHB copies of the resolutions duly certified as true copies by the company secretary, of the board of directors of NGSB ("Board") and / or shareholders, under which the Board and / or the shareholders (as the case may be) have approved in relation to the allotment and issuance of the Subscription Shares:</p> <ul style="list-style-type: none"> <li data-bbox="643 880 730 1877">(a) confirmation that NGSB authorises and facilitates the issuance of the Subscription Shares (if and where necessary) with the terms and rights set out in the Share Subscription Agreement; <li data-bbox="762 880 850 1877">(b) authorising the name of OHB to be entered into the register of members and any other relevant statutory registers of NGSB as the holder of the Subscription Shares so allotted and issued; and <li data-bbox="882 880 938 1877">(c) authorising and directing the sealing of the share certificate(s) in respect of the Subscription Shares <p data-bbox="962 1283 994 1877">(hereinafter referred to as "Completion Document").</p> <p data-bbox="1026 880 1169 1877">On the Completion Date, in exchange for the Completion Document, OHB shall pay to NGSB the Subscription Price in full to NGSB's nominated account and upon receipt of the full Subscription Price, NGSB shall (and BSSB shall procure the NGSB to) effect the allotment and issuance of the Subscription Shares to OHB in accordance with the terms and conditions of the Share Subscription Agreement ("Completion").</p>	<p data-bbox="288 712 320 857">Reasonable</p> <p data-bbox="347 192 555 857">We noted that this term ensures the completion of the Share Subscription Agreement upon the exchange of the Completion Document for the full payment of the Subscription Price and also ensures that NGSB effects the subsequent allotment and issuance of the Subscription Shares to OHB in accordance with the terms and conditions of the Share Subscription Agreement.</p> <p data-bbox="587 192 762 857">We also noted that this term sets out the necessary documents which are required to be handed to OHB by NGSB on the Completion Date, simultaneously with the full payment of the Subscription Price by OHB to NGSB, marking the completion of the Share Subscription Agreement.</p>

No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
5.	<p>OBLIGATIONS AFTER COMPLETION</p> <p>After Completion and subject to NGSB's receipt of the full Subscription Price, NGSB shall (and BSSB shall procure NGSB to) lodge with the Registrar (as defined in the Act) the documents and forms as required under the Act in relation to the allotment and issuance of the Subscription Shares to OHB as soon as reasonably practicable and not later than the prescribed period for lodgement under the Act.</p> <p>Within ten (10) business days from NGSB's lodgement with the Registrar the documents and forms as required under the Act in relation to the allotment and issuance of the Subscription Shares to OHB, NGSB shall (and BSSB shall procure NGSB to): -</p> <ul style="list-style-type: none"> (a) issue a new share certificate to OHB in respect of the Subscription Shares; (b) update the register of members of NGSB to record the allotment and issuance of the Subscription Shares and deliver a certified true copy of the updated register of members to OHB; and (c) if applicable, lodge the necessary documents and form with the Registrar in relation to OHB's appointment of director's in NGSB. <p>Following Completion, NGSB hereby agrees (and OHB hereby agrees to procure NGSB) to, as soon as reasonably practicable and in any event no later than thirty (30) business days from the date the Subscription Shares are duly allotted and issued to OHB, utilise the proceeds from the Subscription Price to complete the redemption of the 1,531,000 redeemable preference shares in NGSB held by BSSB (including the payment of RM153,100,000.00 ("RPS Redemption Price") to BSSB) in favour of BSSB ("RPS Redemption"). The RPS Redemption Price shall be paid by NGSB to BSSB in immediately available funds by telegraphic or electronic transfer to a bank account nominated by BSSB.</p> <p>Within thirty (30) business days from the completion of the RPS Redemption, or such other date as BSSB and OHB may mutually agree in writing, BSSB and OHB agree to enter into the SSA.</p>	<p>Reasonable</p> <p>This term sets out the obligations of all parties after Completion. This serves to protect OHB's interests by setting out the obligation of NGSB to perform the necessary administrative procedures to effect the allotment and issuance of the Subscription Shares to OHB.</p> <p>We noted that following Completion, NGSB agrees (and OHB agrees to procure NGSB) to complete the RPS Redemption to redeem the 1,531,000 redeemable preference shares in NGSB held by BSSB at RM100.00 for each redeemable preference share. We also noted that upon completion of the RPS Redemption, BSSB and OHB agree to enter into the SSA.</p> <p>We are of the view that this term is non-detrimental to OHB as it outlines the obligations and steps intended to facilitate OHB's acquisition of 100.00% equity interest in NGSB.</p>

No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
6.	<p data-bbox="295 1435 320 1879">POST COMPLETION UNDERTAKING</p> <p data-bbox="352 875 408 1879">Following the Completion of the Share Subscription Agreement, OHB hereby undertakes to:</p> <p data-bbox="440 875 584 1879">(a) cause and / or procure NGSB to refund to BHSB the deposit amount amounting to RM180,000.00 (or such lesser amount as a result of any set-off or deduction under the NGSB Tenancy Agreement), which was paid by BHSB to NGSB in accordance with Clause 2(k) of the NGSB Tenancy Agreement, within fourteen (14) days from the Completion Date; and</p> <p data-bbox="616 875 967 1879">(b) pay to BSSB a sum equivalent to the rental amount actually collected by NGSB from BHSB (taking into account any set-off or deductions) pursuant to the NGSB Tenancy Agreement for such period accruing from the date of the Share Subscription Agreement up until the Completion Date less the actual amount of deposit refunded by NGSB pursuant to the NGSB Tenancy Agreement ("Rental Refund Amount") provided always that all tax instalment payments, administrative, operational, secretarial, accounting and audit fees, costs and expenses incurred by NGSB from the date of the Share Subscription Agreement until the Completion Date ("Expenses") does not exceed RM20,000.00 and that in the event the said Expenses exceed RM20,000.00, any excess Expenses thereof shall be deducted from the Rental Refund Amount, within thirty (30) days from the Completion Date.</p>	<p data-bbox="295 707 320 864">Reasonable</p> <p data-bbox="352 197 496 864">We noted that the deposit amount of RM180,000.00 paid by BHSB to NGSB pursuant to the NGSB Tenancy Agreement is to be refunded to BHSB upon termination of the NGSB Tenancy Agreement. This is a normal commercial term in relation to the refund of deposit upon termination.</p> <p data-bbox="528 197 903 864">We also noted that the Rental Refund Amount to be paid to BSSB represents the actual rental amount collected by NGSB from BHSB during the operational period between the date of the Share Subscription Agreement up until the Completion Date less the actual amount of deposit refunded by NGSB pursuant to the termination of the NGSB Tenancy Agreement. We are of the view that this term is reasonable and not detrimental to the non-interested Stockholders of OHB as Bayview Beach Resort Penang is expected to continue operating under the NGSB Tenancy Agreement up until the Completion Date, with the accrued amount owed to BSSB as the beneficial owner of Bayview Beach Resort Penang during that period of operations.</p> <p data-bbox="935 197 1054 864">Further, we noted that the term includes a RM20,000.00 cap on the Expenses, any surplus of which will be deducted from the Rental Refund Amount due to BSSB. This serves to protect the interest of OHB by limiting its financial exposure.</p>

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No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
7.	<p>TAX INDEMNITY</p> <p>BSSB agrees and undertakes to fully indemnify OHB against any all direct losses, liabilities, cost, charges and expenses made, suffered or incurred by, or otherwise imposed on NGSB after Completion provided always that such losses arise from or in connection with any fact, event, matter or circumstance occurring or existing at any time prior to Completion with respect to or in connection with any additional payment for tax imposed by any tax authority on NGSB for which NGSB failed to pay where:</p> <p>(a) such payment for tax was due prior to Completion; or</p> <p>(b) such additional tax arises from a revised assessment after Completion from a tax authority, which assessment (pursuant to which such revised assessment was made) was assessed and paid prior to Completion.</p> <p>If any tax authority undertakes an audit of NGSB or issues any tax assessment notice to NGSB which relates to any pre-Completion Date return:</p> <p>(a) OHB must as soon as reasonably practicable give BSSB written notice of the audit or assessment and provide full written details of the audit or assessment;</p> <p>(b) BSSB at their own cost and expense shall be involved in all action taken by NGSB in respect of the audit or assessment except to the extent that it relates to a period after the date of Completion; and</p> <p>(c) OHB must procure that NGSB furnishes all assistance that BSSB may reasonably require in relation to action taken in respect of the audit or assessment.</p>	<p>Reasonable</p> <p>We noted that this term serves to protect OHB against the historical tax liabilities of NGSB and ensures that OHB is not exposed to any direct losses, liabilities, cost, charges and expenses made, suffered or incurred by, or otherwise imposed on NGSB that arose at any time prior to Completion.</p>

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No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
8.	<p>WARRANTIES</p> <p>Under the Share Subscription Agreement, BSSB and NGSB jointly and severally warrant and represents, among others that:</p> <p>(a) BSSB and NGSB are companies duly incorporated and validly existing under the Laws of Malaysia, and have full power and authority to enter into and perform the Share Subscription Agreement. The execution, delivery and performance by BSSB and NGSB of the Share Subscription Agreement and the completion of any transactions contemplated thereunder have been or will be on or prior to the Completion Date duly authorised by all necessary actions and the Share Subscription Agreement will be, when duly executed and delivered, valid and binding obligation of BSSB and NGSB, enforceable in accordance with its terms and such execution and delivery;</p> <p>(b) Save as expressly contemplated under the Share Subscription Agreement*, the execution, delivery and performance by BSSB and NGSB of the Share Subscription Agreement does not:</p> <p>(i) conflict with any of, or require the consent of any person under, the terms, conditions or provisions of its constitution; or</p> <p>(ii) violate any applicable law;</p> <p>Note:</p> <p>* For the avoidance of doubt, the Share Subscription Agreement does not expressly contemplate any such matters of conflict, consent and/or violation of laws. As such the qualifier "Save as expressly contemplated under the Share Subscription Agreement" is not applicable to this warranty.</p> <p>(c) No step has been taken in relation to BSSB and / or NGSB nor have legal proceedings have been started or are pending against them for their respective winding-up or for the appointment of a judicial manager, administrator or receiver (including any administrative receiver) or similar officer over any or all of their assets;</p> <p>(d) The details of NGSB as stated in Schedule 1 of the Share Subscription Agreement are true and accurate;</p>	<p>Reasonable</p> <p>This is a normal commercial term typical to transactions of such nature, which sets out the warranties provided by BSSB and NGSB to OHB in relation to the Share Subscription Agreement. The warranties serve to safeguard the interest of OHB prior to the completion of the Share Subscription Agreement.</p>

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No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
(e)	There are no agreements or arrangements in force other than the Share Subscription Agreement, which grant to any person the right to call for the issue, allotment or transfer of any share or loan capital of NGSB and NGSB has not since its date of incorporation given or agreed to give any option in respect of any shares nor issued or agreed to issue or given any option in respect of any debenture or other securities or any right to convert any debt or obligation into shares, whether fully paid or otherwise, of NGSB;	
(f)	No order has been made or petition presented or resolution passed for the winding-up or bankruptcy of BSSB or NGSB, nor has any distress, execution or other process been levied against the BSSB or NGSB or action taken to repossess goods in the BSSB's or the NGSB's possession;	
(g)	No steps have been taken for the appointment of an administrator or receiver of any part of the BSSB's or NGSB's property;	
(h)	No floating charge has been created over any part of the business or assets of NGSB;	
(i)	BSSB and NGSB have not made or proposed any arrangement or composition with their creditors or any class of their creditors;	
(j)	NGSB is not insolvent or will not be rendered insolvent by consummation of the allotment and issuance of the Subscription Shares;	
(k)	BSSB has not issued any power of attorney to any person or persons in respect of any issued shares of any class in the capital of NGSB;	
(l)	Save and except for Bayview Beach Resort Penang and its fixtures and fittings, NGSB does not own any assets or real property;	

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No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
(m)	<p>all quit rent, rates and assessments, sewerage services charges and other similar lawful outgoings due to the relevant authorities in respect of the Bayview Beach Resort Penang up to the date of the Share Subscription Agreement have been or will be duly paid by NGSB. NGSB will not at any time after the date of the Share Subscription Agreement do or suffer to be done or omitted any act matter or thing in or in respect of the Bayview Beach Resort Penang which may render Bayview Beach Resort Penang or any part thereof liable to forfeiture or attachment;</p>	
(n)	<p>NGSB is the legal and beneficial owner of the Bayview Beach Resort Penang with good title, and free from all encumbrances;</p>	
(o)	<p>Bayview Beach Resort Penang fully conform to the particulars and specifications listed in Schedule 2 of the Share Subscription Agreement, with no discrepancies or variations, and all representations regarding size, layout and facilities as listed in the Schedule 2 of the Share Subscription Agreement are true and accurate;</p>	
(p)	<p>save as disclosed in the Share Subscription Agreement, NGSB has not entered into any other agreement, contract, transaction, arrangement or understanding for the sale, lease, assignment or other disposition in whole or in part of Bayview Beach Resort Penang;</p>	
(q)	<p>BSSB and / or NGSB is not in default under any agreement to which it is a party or by which it may be bound and no litigation, arbitration, administration or winding-up proceedings are presently current or pending or threatened which default, litigation, arbitration or administrative proceedings, as the case may be, might affect the Bayview Beach Resort Penang or the solvency of BSSB and / or NGSB or might impair BSSB's and / or NGSB's ability to perform its obligations under the Share Subscription Agreement;</p>	
(r)	<p>NGSB has not issued any power of attorney to any person or persons in respect of the Bayview Beach Resort Penang; and</p>	
(s)	<p>Bayview Beach Resort Penang is not subject to any restriction(s)-in-interest.</p>	

No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
9.	<p>TERMINATION</p> <p>(a) In the event any of the Conditions Precedent are not fulfilled or waived in accordance with the Share Subscription Agreement on or before the expiry of the Conditional Period, either BSSB, NGSB or OHB shall be entitled to terminate the Share Subscription Agreement by way of notice of termination and the Share Subscription Agreement shall cease to have any further force or effect, and the parties shall have no further rights or obligations under it except in respect of:</p> <p>(i) any obligation under the Share Subscription Agreement which is expressly stated to survive or apply after termination (including, without limitation, all warranties, representations, undertakings, indemnities, confidentiality obligations, and provisions relating to governing law and dispute resolution); and</p> <p>(ii) any rights, remedies or obligations which have accrued to either party prior to such termination, including, without limitation, any right to claim damages or other relief in respect of any breach of the Share Subscription Agreement occurring before such termination.</p> <p>For the avoidance of doubt, the termination of the Share Subscription Agreement shall not affect any liability of either party for any act, omission, event or circumstance occurring before such termination.</p> <p>(b) Without prejudice to the provisions in the Share Subscription Agreement, OHB shall be entitled to issue a notice of termination to BSSB to terminate the Share Subscription Agreement, if, at any time prior to Completion –</p> <p>(i) BSSB and / or NGSB commits any breach of a material term and / or any of its obligations under the Share Subscription Agreement which –</p> <p>(1) is incapable of remedy; or</p> <p>(2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;</p>	<p>Reasonable</p> <p>This is a normal commercial term which governs the rights of the non-defaulting party should there be any breaches of the terms and conditions contained in the Share Subscription Agreement by the defaulting party. In the event of default which is not remedied by the defaulting party, the non-defaulting party shall be entitled to terminate the Share Subscription Agreement.</p> <p>We are of the view that this term is reasonable as it entitles the non-defaulting party to terminate the Share Subscription Agreement should there be an occurrence of any of the events set out under this term, safeguarding the interest of the non-defaulting party in the event of default or breach.</p>

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No	Sailient terms of the Share Subscription Agreement	Kenanga IB's comments
	<p>(ii) BSSB and / or NGSB is in breach of any of the fundamental warranties which –</p> <p>(1) is incapable of remedy; or</p> <p>(2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;</p> <p>(iii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of NGSB and / or bankruptcy of BSSB;</p> <p>(iv) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any part of the assets or undertaking of NGSB;</p> <p>(v) NGSB becomes insolvent or is unable to pay its debts or admits in writing its inability to pay its debts as and when they fall due or enter into any composition or arrangement with its creditors or makes a general assignment for the benefit of its creditors; or</p> <p>(vi) NGSB ceases or threatens to cease or carry on the whole or any substantial part of its business (except for the purposes of a bona fide reconstruction or amalgamation which would not result or cause any failure or inability to duly perform or fulfil any obligation under the Share Subscription Agreement).</p> <p>(c) Without prejudice to the provisions in the Share Subscription Agreement, BSSB and / or NGSB shall be entitled to issue a notice of termination to OHB and NGSB or BSSB (as applicable) to terminate the Share Subscription Agreement, if: –</p> <p>(i) OHB fails to pay the Subscription Price on the Completion Date and fails to remedy this within fourteen (14) days of it being notified to do so;</p> <p>(ii) NGSB fails (and OHB fails to procure NGSB) to carry out the RPS Redemption;</p>	

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No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
	<p>(iii) at any time prior to Completion, a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of OHB;</p> <p>(iv) at any time prior to Completion, an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any part of the assets or undertaking of OHB;</p> <p>(v) at any time prior to Completion, OHB becomes insolvent or is unable to pay its debts or admits in writing its inability to pay its debts as and when they fall due or enter into any composition or arrangement with its creditors or make a general assignment for the benefit of its creditors; or</p> <p>(vi) at any time prior to Completion, OHB ceases or threatens to cease or carry on the whole or any substantial part of its business (except for the purposes of a bona fide reconstruction or amalgamation which would not result or cause any failure or inability to duly perform or fulfil any obligation under the Share Subscription Agreement).</p> <p>(d) Following a termination of the Share Subscription Agreement initiated by OHB, the defaulting party, being BSSB or NGSB, as the case may be, agrees to:</p> <p>(i) pay to OHB a sum or RM7,655,000.00, equivalent to 5% of the Subscription Price, as agreed liquidated damages, within ten (10) business days from the date of termination; provided always that in the event NGSB is the defaulting party and fails to pay the said agreed liquidated damages to OHB within the prescribed ten (10) business days, BSSB hereby undertakes to pay to OHB the said agreed liquidated damages on behalf of NGSB within five (5) business days; and</p> <p>(ii) return to OHB all documents, if any, delivered to BSSB and NGSB by or on behalf of OHB.</p>	<p>In the event of termination initiated by OHB, the defaulting party, being BSSB or NGSB, shall be required to pay to OHB a sum equivalent to 5% of the Subscription Price as agreed liquidated damages. In the event NGSB is the defaulting party and fails to pay the agreed liquidated damages, BSSB shall pay the agreed liquidated damages to OHB instead. This ensures that OHB will receive the agreed liquidated damages from either NGSB or BSSB upon termination.</p>

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No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
	<p>(e) In the event the Share Subscription Agreement is terminated by BSSB as a result of NGSB failing to carry out the RPS Redemption ("Non-Redemption Termination"), OHB agrees:</p> <ul style="list-style-type: none"> (i) that BSSB and NGSB shall be entitled to terminate and rescind the Share Subscription Agreement, pursuant to which, OHB shall be required to, within sixty (60) business days from the date of termination, procure NGSB to undertake a capital reduction exercise to cancel the Subscription Shares and return the Subscription Price to OHB; (ii) to return the management of NGSB to BSSB; (iii) to pay to NGSB a sum of RM7,655,000.00, equivalent to 5% of the Subscription Price, as agreed liquidated damages, within ten (10) business days from the date of termination; and (iv) to return to BSSB and NGSB all documents, if any, delivered to OHB by or on behalf of BSSB and / or NGSB. <p>(f) Following a termination of the Share Subscription Agreement initiated by BSSB (save for a Non-Redemption Termination), OHB agrees:</p> <ul style="list-style-type: none"> (i) to pay to BSSB a sum of RM7,655,000.00, equivalent to 5% of the Subscription Price, as agreed liquidated damages, within ten (10) business days from the date of termination; and (ii) to return to BSSB and NGSB all documents, if any, delivered to OHB by or on behalf of BSSB and / or NGSB. <p>(g) For the avoidance of doubt, there shall be no agreed liquidated damages to be paid by OHB, NGSB or BSSB (as the case may be) to the other, in the event the Share Subscription Agreement is terminated as a result of a failure to satisfy and / or fulfill the Conditions Precedent prior to the expiry of the Conditional Period, provided always that such termination did not result from any breach, default, negligence, or wilful act or omission attributable to either party.</p>	<p>In the event of Non-Redemption Termination initiated by BSSB, OHB shall be required to procure NGSB to undertake a capital reduction exercise to cancel the Subscription Shares and return the Subscription Price to OHB. This clause serves to protect the interest of OHB by ensuring that the entire Subscription Price is refunded to OHB in the event of Non-Redemption Termination.</p> <p>Notwithstanding the above, OHB must pay BSSB a sum equivalent to 5% of the Subscription Price as agreed liquidated damages.</p> <p>In the event of termination (save for a Non-Redemption Termination) initiated by BSSB, OHB shall pay BSSB a sum equivalent to 5% of the Subscription Price as agreed liquidated damages.</p> <p>This term allows the non-defaulting party the avenue to terminate the Share Subscription Agreement as well as safeguard the interest of the non-defaulting party in the event that any of the terms and Conditions Precedent cannot be satisfied or waived.</p>

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No	Salient terms of the Share Subscription Agreement	Kenanga IB's comments
(h)	Upon termination of the Share Subscription Agreement, all rights and obligations of the parties shall cease to have effect save that clauses which are expressed to survive its termination or expiry, or which from their nature or context it is contemplated that they are to survive termination shall continue in force following termination of the Share Subscription Agreement (for whatever reason). The parties may exercise the right of to terminate the Share Subscription Agreement without prejudice to any of their respective rights and remedies as may be available to the parties at law or in equity or as specified in the Share Subscription Agreement.	This is a standard survival clause and serves to protect the interests of both parties upon termination of the Share Subscription Agreement, by setting out that all rights and obligations of the parties shall cease to have effect save for the clauses which are expressed to survive its termination or expiry.

Based on our review of the Share Subscription Agreement for the Proposals in its entirety, particularly the salient terms as set out above, we are of the view that the overall terms of the Share Subscription Agreement are reasonable and not detrimental to the non-interested Stockholders of OHB.

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6.3.2 Salient terms of the SSA

No	Salient terms of the SSA	Kenanga IB's comments
1.	<p>SALE AND PURCHASE</p> <p>Subject to the terms and conditions of the SSA, BSSB agrees to sell as the sole legal and beneficial owner of the NGSB Sale Shares and OHB agrees to purchase all the NGSB Sale Shares free from encumbrances and together with all rights including all dividends and distributions declared, made or paid on or after the date OHB pays the full NGSB Sale Shares Consideration to BSSB ("Completion Date"). OHB shall not be obliged to complete the purchase of the NGSB Sale Shares unless the purchase of all the NGSB Sale Shares is completed simultaneously.</p> <p>NGSB is the registered and beneficial owner of Bayview Beach Resort Penang.</p>	<p>Reasonable</p> <p>We noted that this term relates to the subject matter of the proposed acquisition of the remaining 3.16% equity interest in NGSB. We also noted that OHB shall not be obliged to complete the purchase of the NGSB Sale Shares unless the purchase of all the NGSB Sales Shares is completed simultaneously, which ensures that OHB will acquire the remaining 3.16% equity interest in NGSB in its entirety. Upon completion of the SSA, OHB will hold 100.00% equity interest in NGSB.</p>
2.	<p>PURCHASE CONSIDERATION AND PAYMENT TERMS</p> <p>The NGSB Sale Shares Consideration amounting to RM13,900,000.00 in respect of the NGSB Sale Shares shall be payable by OHB to BSSB in the following manner:</p> <p>(a) a fixed sum of RM417,000.00 in cash, equivalent to 3% of the NGSB Sale Shares Consideration, to be paid to BSSB upon execution of the SSA ("Deposit"); and</p> <p>(b) a fixed sum of RM13,483,000.00 in cash, to be paid by OHB to BSSB on or before the last business day of the fourteen (14) business day period from the date the NGSB Sale Shares are duly registered in the name of OHB and the same is recorded accordingly in the register of members of NGSB ("Balance Payment Due Date") ("Balance Payment").</p> <p>In the event the Balance Payment is not paid in full by OHB to BSSB on or before the Balance Payment Due Date, BSSB agrees to grant OHB a further one (1) month commencing from the day following the expiry of the Balance Payment Due Date or such other extended period that may be mutually agreed between the Parties ("Extended Balance Payment Due Date") for OHB to pay the Balance Payment, provided that OHB shall pay late payment interest at a rate of 8% per annum ("Late Payment Interest") to BSSB calculated on a day to day basis on the amount of the outstanding Balance Payment commencing from the first day of the Extended Balance Payment Due Date until but excluding the date the Balance Payment is paid by OHB to BSSB (which in any event shall be on or before the Extended Balance Payment Due Date).</p>	<p>Reasonable</p> <p>We noted that the Deposit represents 3% of the NGSB Sale Shares Consideration. This serves as a safeguard of BSSB's interest in the event OHB fails to satisfy the Balance Payment or breaches the terms of the SSA. In such event, BSSB has the right to terminate the SSA and forfeit the Deposit.</p> <p>We also noted that the Balance Payment will be paid to the Vendor within 14 business days from the date the NGSB Sale Shares are duly registered in the name of OHB. As OHB is only obliged to make the Balance Payment once the NGSB Sale Shares are duly registered under the name of OHB, this clause serves as a safeguard of OHB's interests in the event of any dispute over title transfer if there are delays or issues in the registration process.</p> <p>If the Balance Payment is not paid by the expiry of the Balance Payment Due Date, OHB shall be granted the Extended Balance Payment Due Date, subject to an interest rate of 8% per annum. We noted that the quantum of late payment interest of 8% per annum on the Balance Payment is similar to other property-related transactions.</p>

No	Salient terms of the SSA	Kenanga IB's comments
3.	<p data-bbox="296 1167 320 1872">EVENTS TO OCCUR LEADING UP TO COMPLETION DATE</p> <p data-bbox="352 875 408 1872">Within seven (7) business days from the date of execution of the SSA, BSSB shall do or deliver to OHB (or cause to be done or delivered to OHB):</p> <ul style="list-style-type: none"> <li data-bbox="440 875 584 1872">(a) A certified true copy of the resolution of the board of directors of BSSB authorising the execution by BSSB of the SSA and any documents to be entered into pursuant to or in connection with the SSA and approving the transactions contemplated hereunder, including the sale of the NGSB Sale Shares by BSSB to OHB; <li data-bbox="616 875 727 1872">(b) the duly executed form of transfer of securities as prescribed under Section 105 of the Act relating to all of the NGSB Sale Shares in favour of OHB together with the existing original share certificate in respect of the NGSB Sale Shares issued in the name of BSSB; <li data-bbox="759 875 847 1872">(c) a certified true copy of the resolution of the board of directors of NGSB, subject only to the stamping of the form of transfer of securities referred to in paragraph 4(b) above, approving the: <ul style="list-style-type: none"> <li data-bbox="879 1021 903 1783">(i) transfer of the NGSB Sale Shares from BSSB to OHB; and <li data-bbox="935 875 1046 1783">(ii) cancellation of the existing share certificates in respect of the NGSB Sale Shares and issuance of new share certificates in favour of OHB and registration of OHB as a member of NGSB into the register of members of NGSB; <p data-bbox="1078 1032 1102 1872">(hereinafter collectively referred to as "Vendor Completion Documents").</p> <p data-bbox="1142 875 1342 1872">Within seven (7) business days from the date of execution of the SSA, OHB shall in exchange for BSSB providing all the Vendor Completion Documents, deliver or make available to BSSB a certified true copy or extract of the resolution of the Board and Stockholders authorising the execution by OHB of the SSA and any documents to be entered into pursuant to or in connection with the SSA and approving the transactions contemplated hereunder, including the purchase of the NGSB Sale Shares from BSSB by OHB.</p>	<p data-bbox="296 707 320 853">Reasonable</p> <p data-bbox="352 192 552 853">This term sets out the necessary documents and actions which are required to be done or delivered (or cause to be done or delivered) by BSSB to OHB, by setting out the obligation and timeframe for both parties to perform the necessary administrative procedures to effect the purchase of the NGSB Sale Shares from BSSB by OHB and facilitate Completion.</p>

Kenanga

Salient terms of the SSA		Kenanga IB's comments
No	<p>OHB shall within thirty (30) business days from the date of receipt of the Vendor Completion Documents, or such later date as may be mutually agreed between the parties, procure for the NGSB Sale Shares to be duly registered in the name of OHB and for the same to be recorded in the register of members of NGSB.</p>	
4.	<p>COMPLETION</p> <p>Completion shall take place on the date OHB pays the Balance Payment and Late Payment Interest (if applicable) to BSSB, provided always that OHB shall not be obliged to complete the purchase of any of the NGSB Sale Shares unless the purchase of all the NGSB Sale Shares is completed simultaneously ("Completion Date") ("Completion").</p> <p>The parties agree that:</p> <p>(a) except to the extent already performed, all the provisions of the SSA will, so far as they are capable of being performed or observed, continue in full force and effect notwithstanding Completion; and</p> <p>(b) upon Completion, the beneficial ownership and title to the NGSB Sale Shares shall pass to OHB together with all rights and interests attaching thereto as at the Completion Date.</p>	<p>Reasonable</p> <p>We noted that this term ensures the completion of the SSA upon the payment of the Balance Payment and Late Payment Interest (if applicable) from OHB to BSSB.</p> <p>We also noted that OHB shall not be obliged to complete the purchase of the NGSB Sale Shares unless the purchase of all the NGSB Sales Shares is completed simultaneously, which ensures that OHB will acquire the remaining 3.16% equity interest in NGSB in its entirety.</p> <p>Upon Completion, OHB shall have the beneficial ownership and title to the NGSB Sale Shares together with all rights and interests attaching thereto as at the Completion Date.</p>

Kenanga

No	Salient terms of the SSA	Kenanga IB's comments
5.	<p>TAX INDEMNITY</p> <p>BSSB agrees and undertakes to fully indemnify OHB against any all direct losses, liabilities, cost, charges and expenses made, suffered or incurred by, or otherwise imposed on NGSB after Completion provided always that such losses arise from or in connection with any fact, event, matter or circumstance occurring or existing at any time prior to Completion with respect to or in connection with any additional payment for tax imposed by any tax authority on NGSB for which NGSB failed to pay where:</p> <p>(a) such payment for tax was due prior to completion date of the Share Subscription Agreement; or</p> <p>(b) such additional tax arises from a revised assessment after Completion from a tax authority, which assessment (pursuant to which such revised assessment was made) was assessed and paid prior to completion date of the Share Subscription Agreement.</p> <p>If any tax authority undertakes an audit of NGSB or issues any tax assessment notice to NGSB which relates to any Share Subscription Agreement's pre-completion date return:</p> <p>(a) OHB must as soon as reasonably practicable give BSSB written notice of the audit or assessment and provide full written details of the audit or assessment;</p> <p>(b) BSSB at their own cost and expense shall be involved in all action taken by NGSB in respect of the audit or assessment except to the extent that it relates to a period after the completion date of the Share Subscription Agreement; and</p> <p>(c) OHB must procure that NGSB furnishes all assistance that BSSB may reasonably require in relation to action taken in respect of the audit or assessment.</p>	<p>Reasonable</p> <p>We noted that this term serves to protect OHB against the historical tax liabilities of NGSB and ensures that OHB is not exposed to any direct losses, liabilities, cost, charges and expenses made, suffered or incurred by, or otherwise imposed on NGSB that arose at any time prior to Completion.</p> <p>We noted that there is a timing difference between the completion of the Share Subscription Agreement and the SSA. Notwithstanding this, we are of the view that the tax indemnity cut-off date (being the completion date of the Share Subscription Agreement) is reasonable as OHB will hold 96.84% equity interest in NGSB (which represents a controlling stake and effective economic control) upon completion of the Share Subscription Agreement. This approach also avoids any overlap in tax indemnity coverage and aligns with market practice, where indemnity obligations cease once the buyer obtains control over the target company and its corresponding tax risk.</p>

Kenanga

No	Salient terms of the SSA	Kenanga IB's comments
6.	<p>WARRANTIES</p> <p>Under the SSA, BSSB warrants and represents, among others that:</p> <p>(a) BSSB is a company duly incorporated and validly existing under the Laws of Malaysia, and has full power and authority to enter into and perform the SSA. The execution, delivery and performance by BSSB of the SSA and the completion of any transactions contemplated thereunder have been or will be on or prior to the Completion Date duly authorised by all necessary actions and the SSA will be, when duly executed and delivered, valid and binding obligation of BSSB, enforceable in accordance with its terms and such execution and delivery;</p> <p>(b) Save as expressly contemplated under the SSA*, the execution, delivery and performance by BSSB of the SSA does not:</p> <p>(i) conflict with any of, or require the consent of any person under, the terms, conditions or provisions of its constitution; or</p> <p>(ii) violate any applicable law,</p> <p>which would be adverse to BSSB's title to the NGSB Sale Shares;</p> <p>Note:</p> <p>* For the avoidance of doubt, the SSA does not expressly contemplate any such matters of conflict, consent and / or violation of laws. As such the qualifier "Save as expressly contemplated under the SSA" is not applicable this warranty.</p> <p>(c) No step has been taken in relation to BSSB or legal proceedings have been started or are pending against it for its winding-up or for the appointment of a judicial manager, administrator or receiver (including any administrative receiver) or similar officer over any or all of its assets;</p> <p>(d) The details of NGSB as stated in Schedule 1 of the SSA are true and accurate. The NGSB Sale Shares collectively represent 3.16% of the total shares issued by NGSB, and are validly allotted and issued and are fully paid;</p>	<p>Reasonable</p> <p>This is a normal commercial term typical to transactions of such nature, which sets out the warranties provided by BSSB to OHB in relation to the SSA. The warranties serve to safeguard the interest of OHB prior to the completion of the SSA.</p>

Kenanga

No	Salient terms of the SSA	Kenanga IB's comments
(e)	On delivery of the NGSB Sale Shares and the duly executed relevant share transfer forms by BSSB, OHB shall be able to register the NGSB Sale Shares in the name of OHB subject only to the payment of the relevant stamp duty;	
(f)	There are no agreements or arrangements in force other than the SSA, which grant to any person the right to call for the issue, allotment or transfer of any share or loan capital of NGSB and NGSB has not since its date of incorporation given or agreed to give any option in respect of any shares nor issued or agreed to issue or given any option in respect of any debenture or other securities or any right to convert any debt or obligation into shares, whether fully paid or otherwise, of NGSB;	
(g)	No order has been made or petition presented or resolution passed for the winding-up or bankruptcy of BSSB or NGSB, nor has any distress, execution or other process been levied against the BSSB or NGSB or action taken to repossess goods in the BSSB's or the NGSB's possession;	
(h)	No steps have been taken for the appointment of an administrator or receiver of any part of the BSSB's or NGSB's property;	
(i)	No floating charge has been created over any part of the business or assets of NGSB;	
(j)	BSSB and NGSB have not made or proposed any arrangement or composition with their creditors or any class of their creditors;	
(k)	NGSB is not insolvent or will not be rendered insolvent by consummation of the sale and purchase of the NGSB Sale Shares;	
(l)	BSSB has not issued any power of attorney to any person or persons in respect of the NGSB Sale Shares;	
(m)	Save and except for Bayview Beach Resort Penang and its fixtures and fittings, NGSB does not own any assets or real property;	

Kenanga

No	Salient terms of the SSA	Kenanga IB's comments
(h)	<p>all quit rent, rates and assessments, sewerage services charges and other similar lawful outgoings due to the relevant authorities in respect of the Bayview Beach Resort Penang up to the date of the SSA have been or will be duly paid by NGSB. NGSB will not at any time after the date of the SSA do or suffer to be done or omitted any act matter or thing in or in respect of the Bayview Beach Resort Penang which may render Bayview Beach Resort Penang or any part thereof liable to forfeiture or attachment;</p>	
(o)	<p>NGSB is the legal and beneficial owner of the Bayview Beach Resort Penang with good title, and free from all encumbrances;</p>	
(p)	<p>Bayview Beach Resort Penang fully conform to the particulars and specifications listed in Schedule 2 of the SSA, with no discrepancies or variations, and all representations regarding size, layout and facilities as listed in the Schedule 2 of the SSA are true and accurate;</p>	
(q)	<p>save as disclosed in the SSA, NGSB has not entered into any other agreement, contract, transaction, arrangement or understanding for the sale, lease, assignment or other disposition in whole or in part of Bayview Beach Resort Penang;</p>	
(r)	<p>BSSB and / or NGSB is not in default under any agreement to which it is a party or by which it may be bound and no litigation, arbitration, administration or winding-up proceedings are presently current or pending or threatened which default, litigation, arbitration or administrative proceedings, as the case may be, might affect the Bayview Beach Resort Penang or the solvency of NGSB or might impair the BSSB's ability to perform its obligations under the SSA;</p>	
(s)	<p>NGSB has not issued any power of attorney to any person or persons in respect of the Bayview Beach Resort Penang; and</p>	
(t)	<p>Bayview Beach Resort Penang is not subject to any restriction(s)-in-interest.</p>	

Kenanga

No	Salient terms of the SSA	Kenanga IB's comments
7.	<p>TERMINATION</p> <p>(a) Without prejudice to the provisions in the SSA, OHB shall be entitled to issue a notice of termination to BSSB to terminate the SSA, if, at any time prior to Completion –</p> <p>(i) BSSB commits any breach of a material term and / or any of its obligations under the SSA which –</p> <p>(1) is incapable of remedy; or</p> <p>(2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;</p> <p>(ii) BSSB is in breach of any of the fundamental warranties which –</p> <p>(1) is incapable of remedy; or</p> <p>(2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;</p> <p>(iii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of NGSB and / or bankruptcy of BSSB;</p> <p>(iv) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any part of the assets or undertaking of NGSB;</p> <p>(v) NGSB becomes insolvent or is unable to pay its debts or admits in writing its inability to pay its debts as and when they fall due or enter into any composition or arrangement with its creditors or makes a general assignment for the benefit of its creditors; or</p>	<p>Reasonable</p> <p>This is a normal commercial term which governs the rights of the non-defaulting party should there be any breaches of the terms and conditions contained in the SSA by the defaulting party. In the event of default which is not remedied by the defaulting party, the non-defaulting party shall be entitled to terminate the SSA.</p> <p>We are of the view that this term is reasonable as it entitles the non-defaulting party to terminate the SSA should there be an occurrence of any of the events set out under this term, safeguarding the interest of the non-defaulting party in the event of default or breach.</p>

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No	Salient terms of the SSA	Kenanga IB's comments
	<p>(vi) NGSB ceases or threatens to cease or carry on the whole or any substantial part of its business (except for the purposes of a bona fide reconstruction or amalgamation which would not result or cause any failure or inability to duly perform or fulfil any obligation under the SSA).</p> <p>(b) Without prejudice to the provisions in the SSA, BSSB shall be entitled to issue a notice of termination to OHB to terminate the SSA, if: –</p> <p>(i) OHB fails to pay the Balance Payment on or before the expiry of the Extended Balance Payment Due Date and fails to remedy this within fourteen (14) days of it being notified to do so;</p> <p>(ii) at any time prior to Completion, a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of OHB;</p> <p>(iii) at any time prior to Completion, an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any part of the assets or undertaking of OHB;</p> <p>(iv) at any time prior to Completion, OHB becomes insolvent or is unable to pay its debts or admits in writing its inability to pay its debts as and when they fall due or enter into any composition or arrangement with its creditors or make a general assignment for the benefit of its creditors; or</p> <p>(v) at any time prior to Completion, OHB ceases or threatens to cease or carry on the whole or any substantial part of its business (except for the purposes of a bona fide reconstruction or amalgamation which would not result or cause any failure or inability to duly perform or fulfil any obligation under the SSA).</p>	

Kenanga

No	Salient terms of the SSA	Kenanga IB's comments
	<p>(c) Following a termination of the SSA initiated by OHB, BSSB agrees to:</p> <ul style="list-style-type: none"> (i) refund the Deposit to OHB within three (3) business days together with interest accrued thereon at a rate of 4% per annum, calculated on a day to day basis on the Deposit amount commencing from the date of the SSA until the date of the said Deposit is refunded to OHB; (ii) pay to OHB a sum of RM695,000.00, equivalent to 5% of the NGSB Sale Shares Consideration, as agreed liquidated damages, within ten (10) business days from the date of termination; (iii) return to OHB all documents, if any, delivered to BSSB by or on behalf of OHB; and (iv) procure NGSB to return to OHB all such documents, if any. <p>(d) In the event the SSA is terminated by BSSB as a result of OHB failing to pay the Balance Payment on or before the expiry of the Extended Balance Payment Due Date and fails to remedy this within fourteen (14) days of it being notified to do so ("Non-Payment Termination"), OHB agrees:</p> <ul style="list-style-type: none"> (i) to within seven (7) business days from the date of termination, commence the necessary actions to transfer the NGSB Sale Shares back to BSSB (if applicable) and bear all costs and expenses (including stamp duty and capital gains tax) in respect of such transfer; (ii) that the Deposit paid to BSSB shall be forfeited absolutely to BSSB; (iii) to pay to BSSB an additional sum of RM278,000.00, equivalent to 2% of the NGSB Sale Shares Consideration (this additional sum together with the forfeited Deposit to be treated collectively as agreed liquidated damages), within ten (10) business days from the date of termination; and (iv) to return to BSSB all documents, if any, delivered to OHB by or on behalf of BSSB. 	<p>In the event of termination initiated by OHB, BSSB shall refund the Deposit to OHB with interest accrued thereon at a rate of 4% per annum and pay to OHB a sum equivalent to 5% of the NGSB Sale Shares Consideration as agreed liquidated damages.</p> <p>In the event of termination initiated by BSSB, the Deposit paid by OHB to BSSB shall be forfeited absolutely to BSSB and OHB is to pay to BSSB an additional sum equivalent to 2% of NGSB Sale Shares Consideration (this additional sum together with the forfeited Deposit to be treated collectively as liquidated agreed damages).</p> <p>Additionally, in the event of a Non-Payment Termination initiated by BSSB, OHB must transfer the NGSB Sale Shares back to BSSB and bear all costs and expenses in respect of such transfer. This term is reasonable as it protects the interest of BSSB by ensuring the return of the NGSB Sale Shares to BSSB.</p>

Kenanga

No	Salient terms of the SSA	Kenanga IB's comments
	<p>(e) Following a termination of the SSA initiated by BSSB (save for a Non-Payment Termination), OHB agrees:</p> <ul style="list-style-type: none"> (i) that the Deposit paid to BSSB shall be forfeited absolutely to BSSB; (ii) to pay to BSSB an additional sum of RM278,000.00 equivalent to 2% of the NGSB Sale Shares Consideration (this additional sum together with the forfeited Deposit to be treated collectively as agreed liquidated damages), within ten (10) business days from the date of termination; and (iii) to return to BSSB all documents, if any, delivered to OHB by or on behalf of BSSB. <p>(f) Upon termination of the SSA, all rights and obligations of the parties shall cease to have effect save that clauses which are expressed to survive its termination or expiry, or which from their nature or context it is contemplated that they are to survive termination shall continue in force following termination of the SSA (for whatever reason). The parties may exercise the right of to terminate the SSA without prejudice to any of their respective rights and remedies as may be available to the parties at law or in equity or as specified in the SSA.</p>	<p>This is a standard survival clause and serves to protect the interests of both parties upon termination of the SSA, by setting out that all rights and obligations of the parties shall cease to have effect save for the clauses which are expressed to survive its termination or expiry.</p>

Based on our review of the SSA for the Proposals in its entirety, particularly the salient terms as set out above, we are of the view that the overall terms of the SSA are **reasonable** and **not detrimental** to the non-interested Stockholders of OHB.

Kenanga

6.3.3 Salient terms of SPA 1

No	Salient terms of SPA 1	Kenanga IB's comments
1.	<p>SALE AND PURCHASE</p> <p>Subject to the terms and conditions of the SPA 1, BSSB agrees to sell and FPSB agrees to purchase Bayview Hotel Georgetown and Wisma Boon Siew, (collectively referred to as "Property") free from encumbrances but subject to the conditions of title at the full Purchase Consideration 2.</p>	<p>Reasonable</p> <p>This term relates to the subject matter of the proposed acquisition of the Property, whereby subject to the satisfaction or waiver of the conditions precedent and completion of the Proposed Georgetown Acquisition, OHB shall be the beneficial owner of the Property, free from encumbrances but subject to the conditions of title at the full Purchase Consideration 2.</p>
2.	<p>PURCHASE CONSIDERATION AND PAYMENT TERMS</p> <p>Purchase Consideration 2 amounting to RM153,000,000.00 in respect of the Proposed Georgetown Acquisition shall be payable by FPSB to BSSB in the following manner:</p> <p>(a) a sum of RM4,590,000 equivalent to three percent (3%) of the Purchase Consideration 2, to be paid to BSSB upon execution of the SPA 1 ("Earnest Deposit");</p> <p>(b) a further sum of RM4,590,000 equivalent to three percent (3%) of the Purchase Consideration 2, to be retained by FPSB as stakeholder for the payment of Real Property Gains Tax ("RPGT Retention Sum"). For the avoidance of doubt, the Earnest Deposit and RPGT Retention Sum amounts to 6% of the Purchase Consideration 2 and shall collectively be referred to as the "Deposit"; and</p> <p>(c) a sum of RM143,820,000 equivalent to ninety-four percent (94%) of the Purchase Consideration 2, to be paid by FPSB to BSSB on or before the last business day of the fourteen (14) business day period from the date of successful presentation and registration of the Title Deeds (hereinafter defined) to the Property in the name of FPSB ("Balance Payment Due Date") ("Balance Payment").</p>	<p>Reasonable</p> <p>We noted that the Deposit represents 6% of the Purchase Consideration 2. This serves as a safeguard of BSSB's interest in the event OHB fails to satisfy the Balance Payment or breaches the terms of the SPA 1. In such event, BSSB has the right to terminate the SPA 1 and forfeit the Earnest Deposit.</p> <p>We also noted that the Balance Payment will be paid to BSSB within 14 business days from the date of successful presentation and registration of the Title Deeds to the Property in the name of FPSB. As FPSB is only obliged to make the Balance Payment once the Title Deeds to the Property is duly registered under the name of FPSB, this term serves as a safeguard of FPSB's interests in the event of any dispute over title transfer if there are delays or issues in the registration process.</p>

No	Salient terms of SPA 1	Kenanga IB's comments
	<p>In the event the Balance Payment is not paid in full by FPSB to BSSB on or before the Balance Payment Due Date, BSSB agrees to grant FPSB a further one (1) month commencing from the day following the expiry of the Balance Payment Due Date or such other extended period that may be mutually agreed between the Parties ("Extended Balance Payment Due Date") for FPSB to pay the Balance Payment, provided that FPSB shall pay late payment interest at a rate of eight percent (8%) per annum ("Late Payment Interest") to BSSB calculated on a day to day basis on the amount of the outstanding Balance Payment commencing from the first day of the Extended Balance Payment Due Date until but excluding the date the Balance Payment is paid by FPSB to BSSB (which in any event shall be on or before the Extended Balance Payment Due Date).</p>	<p>If the Balance Payment is not paid in full by the expiry of the Balance Payment Due Date, FPSB will be granted the Extended Balance Payment Due Date, subject to an interest rate of 8% per annum. We noted that the quantum of the late payment interest of 8% per annum is similar to other property-related transactions.</p>
3.	<p>CONDITIONS PRECEDENT</p> <p>The SPA 1 is conditional upon the fulfilment of the following conditions precedent within a period of nine (9) months from the date the SPA 1 is executed, or such longer period as FPSB and BSSB may mutually agree upon in writing ("Conditional Period");</p> <p>(a) approval of the Stockholders at an EGM to be convened for OHB to undertake the Proposals pursuant to the Share Subscription Agreement, SSA, SPA 1 and SPA 2 ("Stockholders' Approval CP");</p> <p>(b) BSSB shall procure the novation to FPSB of all rights and obligations of BHSB under the Ascott Agreements with effect from the Completion Date (hereinafter defined) (save for the Framework Agreement, which shall be novated to OHB with effect from the completion date of the Share Subscription Agreement), with such novation to be evidenced by duly executed and stamped novation agreement(s) on terms substantially similar to those set out in the existing Ascott Agreement (with such amendments as may be necessary to give effect to the novation);</p> <p>(c) BSSB shall procure BHSB to grant an irrevocable right to FPSB without any charges or fees for FPSB to utilise the "Bayview" brand name as well as the relevant licences, certificates and approvals required to operate Bayview Hotel Georgetown, as may be required by FPSB from the Completion Date (hereinafter defined) until such date as may be elected by FPSB and notified to BSSB and BHSB; and</p>	<p>Reasonable</p> <p>The Conditions Precedent represent the necessary approvals / procedures to be fulfilled or obtained to facilitate the completion of the Proposed Georgetown Acquisition. We noted that these terms are to ensure the following:</p> <p>(a) necessary requisite approvals are obtained to give effect to the completion of the Proposed Georgetown Acquisition;</p> <p>(b) the rights and obligations of BHSB under the Ascott Agreements are novated to FPSB and that Ascott will act as the hotel operator of Bayview Hotel Georgetown following the completion of the Proposed Georgetown Acquisition;</p> <p>(c) provides comfort that Bayview Hotel Georgetown is able to continue operating without interruptions using the "Bayview" brand name as well as the relevant licenses, certificates and approvals necessary, as may be required by FPSB, from the Completion Date until such date as may be elected by FPSB;</p>

No	Salient terms of SPA 1	Kenanga IB's comments
	<p>(d) BSSB shall procure the mutual termination of the tenancy agreements entered into by BSSB with various third parties including the tenancy between BSSB and BHSB in respect of Bayview Hotel Georgetown and the services agreement dated 1 January 2019 entered into by Bayview International Sdn Bhd and BHSB with effect from the Completion Date (hereinafter defined), with no recourse on FPSB.</p> <p>(hereinafter collectively referred to as "Conditions Precedent") and each a "Condition Precedent"). Save for the Stockholders' Approval CP, FPSB may agree to waive any of the Conditions Precedent imposed on BSSB at any time.</p>	<p>(d) ensures that the tenancy agreements entered into by BSSB with various third parties including the tenancy between BSSB and BHSB in respect of Bayview Hotel Georgetown and the services agreement between Bayview International Sdn Bhd and BHSB are terminated with no recourse on FPSB; and</p> <p>(e) to safeguard the interests of both parties in the event of non-fulfilment of any of the Conditions Precedent by the Conditional Period.</p> <p>We also noted that save for the Stockholders' Approval CP, which is a regulatory requirement, FPSB has the right to waive any of the Conditions Precedent at any time.</p>
4.	<p>COMPLETION</p> <p>Completion shall take place on the date FPSB pays the Balance Payment and Late Payment Interest (if applicable) to BSSB, provided always that FPSB shall only pay the Balance Payment to BSSB upon the successful presentation and registration of the Title Deeds in the name of FPSB ("Completion Date") ("Completion").</p>	<p>Reasonable</p> <p>This term ensures that the completion of the SPA 1 takes place upon the full payment of the Balance Payment and Late Payment Interest (if applicable) from FPSB to BSSB.</p>
5.	<p>TRANSFER OF TITLE DEEDS</p> <p>Within ten (10) business days from the date the last of the Conditions Precedent have been fulfilled or waived (as the case may be), BSSB shall cause its solicitor to deposit the original titles to the Property ("Title Deeds") with FPSB's solicitor who shall present the valid and registrable Form 14A ("Transfer") of the Property for registration at the land office within fourteen (14) days from its receipt of the Title Deeds or within fourteen (14) days from the date the Transfer has been duly adjudicated and stamped, whichever is later.</p>	<p>Reasonable</p> <p>This term sets out the timeframe and obligations of the parties in respect of the Title Deeds and registration of Transfer. This term stipulates upon fulfilment or waiver (as the case may be) of the Conditions Precedent, the Title Deeds will be deposited by BSSB to FPSB's solicitor who shall present the Transfer of the Property for registration at the land office.</p>

Kenanga

No	Salient terms of SPA 1	Kenanga IB's comments
6.	<p>NON-REGISTRATION OF TRANSFER</p> <p>In the event the Transfer in respect of the Property shall, for reasons not attributable to any fault or omission of the parties, be rejected for registration by the land office resulting in the Property not being able to be registered in the name of FPSB, the parties shall use its best endeavours to rectify the situation within fourteen (14) business days or such longer period as the parties may mutually agree on, failing which either party may upon notice in writing to the other party, elect to terminate SPA 1.</p>	<p>Reasonable</p> <p>This term is reasonable as it sets out the obligations of the parties in the event the Transfer in respect of the Property shall, for reasons not attributable to any fault or omission of the parties, is rejected for registration.</p>
7.	<p>WARRANTIES</p> <p>Under the SPA 1, BSSB warrants and represents, among others that:</p> <ul style="list-style-type: none"> (a) BSSB is a company duly incorporated and existing under the laws of Malaysia; (b) BSSB is the legal and beneficial owner of the Property, free from all encumbrances; (c) BSSB has full power and authority to execute, deliver and perform the terms of SPA 1 and has taken and will before the Completion Date, take all necessary corporate and other actions to authorise the sale of the Property and the execution delivery and performance of the terms of SPA 1; (d) the sale and transfer of the Property are not subject to any further consent, approval, or clearance from any public authorities; 	<p>Reasonable</p> <p>This is a normal commercial term typical to transactions of such nature, which sets out the warranties provided by BSSB to FPSB in relation to the SPA 1. The warranties serve to safeguard the interest of FPSB prior to the completion of the SPA 1.</p>

Kenanga

No	Salient terms of SPA 1	Kenanga IB's comments
	<p>(e) all quit rent, rates and assessments, sewerage services charges and other similar lawful outgoings imposed by and due to the public authorities in respect of the Property up to the date of SPA 1 have been or will be duly paid by BSSB. BSSB will not at any time after the date of SPA 1 do or suffer to be done or omitted any act matter or thing in or in respect of the Property which may render the Property or any part thereof liable to forfeiture or attachment;</p> <p>(f) save as disclosed herein, BSSB has not entered into any other agreement, contract, transaction, arrangement or understanding for the sale, lease, assignment or other disposition in whole or in part of the Property;</p> <p>(g) BSSB is not in default under any agreement to which it is a party or by which it may be bound and no litigation, arbitration, administration or winding-up proceedings are presently current or pending or threatened which default, litigation, arbitration or administrative proceedings, as the case may be, might affect the Property or the solvency of BSSB or might impair BSSB's ability to perform its obligations under SPA 1; and</p> <p>(h) save as disclosed*, BSSB did not issue any power of attorney to any person or persons in respect of the Property.</p> <p>Note: * For the avoidance of doubt, no such power of attorney was disclosed to FPSB by BSSB. As such the qualifier "save as disclosed" is not applicable to this warranty.</p>	<p>We noted that notwithstanding the qualifier "save as disclosed" within the term, no such power of attorney was disclosed to FPSB by BSSB. As such, this term is not detrimental to FPSB, OHB and the non-interested Stockholders of OHB.</p>

Kenanga

No	Salient terms of SPA 1	Kenanga IB's comments
8.	<p>TERMINATION</p> <p>(a) In the event any of the Conditions Precedent are not fulfilled or waived in accordance with the SPA 1 on or before the expiry of the Conditional Period, then either BSSB or FPSB shall be entitled to terminate SPA 1 by prior written notice to the other party and upon giving of such termination notice, SPA 1 shall be rescinded.</p> <p>(b) Without prejudice to the provisions in SPA 1, FPSB shall be entitled to issue a notice of termination to BSSB to terminate the SPA 1, if at any time prior to Completion Date –</p> <p>(i) BSSB commits any breach of a material term and / or any of its obligations under the SPA 1 which –</p> <p>(1) is incapable of remedy; or</p> <p>(2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;</p> <p>(ii) BSSB is in breach of any of the fundamental warranties which –</p> <p>(1) is incapable of remedy; or</p> <p>(2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;</p> <p>(iii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) Business Days of the petition being served) or an order is made or a resolution is passed for the winding up of BSSB;</p> <p>(iv) BSSB enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;</p>	<p>Reasonable</p> <p>This is a normal commercial term which governs the rights of the non-defaulting party should there be any breaches of the terms and conditions contained in the SPA 1 by the defaulting party. In the event of default which is not remedied by the defaulting party, the non-defaulting party shall be entitled to terminate the SPA 1.</p> <p>We are of the view that this term is reasonable as it entitles the non-defaulting party to terminate the SPA 1 should there be an occurrence of any of the events set out under this term, safeguarding the interest of the non-defaulting party in the event of default or breach.</p>

Kenanga

No	Salient terms of SPA 1	Kenanga IB's comments
	<p>(v) a receiver, receiver and manager, liquidator, special administrator, trustee or similar official is appointed over any of the assets or undertaking of BSSB;</p> <p>(vi) BSSB commits any act or omits to do any act which results in the breach or non-fulfilment of any term or condition of any banking, finance or credit facility which has the effect of causing the events specified in clauses b(iii), (iv) or (v) to occur; or</p> <p>(vii) FPSB is unable to register the Transfer at the relevant land office due to the BSSB's breach of any terms and conditions of SPA 1 which is not rectifiable.</p> <p>(c) Without prejudice to the provisions in the SPA 1, BSSB shall be entitled to issue a notice of termination to FPSB to terminate the SPA 1, if at any time prior to Completion Date –</p> <p>(i) FPSB fails to pay the Balance Payment on or before the expiry of the Extended Balance Payment Due Date and fails to remedy this within fourteen (14) days of it being notified to do so;</p> <p>(ii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) Business Days of the petition being served) or an order is made or a resolution is passed for the winding up of FPSB;</p> <p>(iii) FPSB enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;</p> <p>(iv) a receiver, receiver and manager, liquidator, special administrator, trustee or similar official is appointed over any of the assets or undertaking of FPSB; or</p> <p>(v) FPSB commits any act or omits to do any act which results in the breach or non-fulfilment of any term or condition of any banking, finance or credit facility which has the effect of causing the events specified in clauses (c)(ii), (iii) or (iv) to occur.</p>	

Kenanga

No	Salient terms of SPA 1	Kenanga IB's comments
	<p>(d) Following a termination of the SPA 1 initiated by FPSB:</p> <p>(i) BSSB shall refund the Earnest Deposit to FPSB within three (3) business days together with interest accrued thereon at a rate of four percent (4%) per annum, calculated on a day to day basis on the Earnest Deposit amount commencing from the date of the SPA 1 until the date of the said Earnest Deposit is refunded to FPSB;</p> <p>(ii) BSSB shall pursue the refund of RPGT Retention Sum paid by FPSB on behalf of BSSB and refund the same to FPSB within five (5) business days upon receiving the said refund from Director General of Inland Revenue;</p> <p>(iii) BSSB shall pay to FPSB a sum of RM7,650,000, equivalent to five percent (5%) of the Purchase Consideration 2, as agreed liquidated damages, within ten (10) business days from the date of termination; and</p> <p>(iv) FPSB shall:</p> <ol style="list-style-type: none"> (1) return to BSSB all its presentation documents with BSSB's interest in the Property remaining intact and free from encumbrances; (2) deliver to BSSB the documentary proof of the withdrawal of the private caveat and all other encumbrances lodged by FPSB or any person claiming through it; (3) redeliver the vacant possession of the Property to BSSB in the same state and condition as delivered to FPSB; and (4) deliver to BSSB such mutually agreed document to give effect to the rescission or termination of the novation of Ascott Agreements. 	<p>In the event of termination initiated by FPSB, BSSB shall refund the Earnest Deposit to FPSB with interest accrued thereon at a rate of 4% per annum, pursue the refund of RPGT Retention Sum paid by FPSB on behalf of BSSB, and pay to FPSB a sum equivalent to 5% of the Purchase Consideration 2 as agreed liquidated damages.</p>

Kenanga

No	Salient terms of SPA 1	Kenanga IB's comments
	<p>(e) Following a termination of the SPA 1 initiated by BSSB:</p> <ul style="list-style-type: none"> (i) FPSB agrees that the Earnest Deposit paid to BSSB shall be forfeited absolutely to BSSB; (ii) BSSB shall pursue the refund of RPGT Retention Sum paid by FPSB on behalf of BSSB and refund the same to FPSB within five (5) business days upon receiving the said refund from Director General of Inland Revenue; (iii) FPSB to pay to BSSB an additional sum of RM3,060,000, equivalent to two percent (2%) of the Purchase Consideration 2 (this additional sum together with the forfeited Earnest Deposit to be treated collectively as agreed liquidated damages), within ten (10) business days from the date of termination; and (iv) FPSB shall: <ul style="list-style-type: none"> (1) return to BSSB all its presentation documents with BSSB's interest in the Property remaining intact and free from encumbrances; (2) deliver to BSSB the documentary proof of the withdrawal of the private caveat and all other encumbrances lodged by FPSB or any person claiming through it; (3) redeliver the vacant possession of the Property to BSSB in the same state and condition as delivered to FPSB; (4) deliver to BSSB such mutually agreed document to give effect to the rescission or termination of the novation of Ascott Agreements; and (5) if the termination is due to the reason of FPSB's failure to pay Balance Payment on or before the expiry of the Extended Balance Payment Due Date, FPSB shall, at its own cost and expense (including stamp duty and RPGT), within seven (7) business days from the date of termination, commence the necessary actions to effect the transfer and re-registration of the Property back to the BSSB, free from all encumbrances. 	<p>In the event of termination initiated by BSSB, the Earnest Deposit paid by FPSB to BSSB shall be forfeited absolutely to BSSB and FPSB is to pay to BSSB an additional sum equivalent to 2% of the Purchase Consideration 2 (this additional sum together with the forfeited Earnest Deposit to be treated collectively as liquidated agreed damages).</p> <p>We noted that in the event of termination of the SPA 1 initiated by BSSB, the RPGT Retention Sum paid by FPSB on behalf of BSSB to Director General of Inland Revenue shall be refunded.</p>

Kenanga

No	Salient terms of SPA 1	Kenanga IB's comments
	<p>(f) Upon termination of the SPA 1, the SPA 1 shall be null and void and of no further effect and the parties shall have no further claims of whatsoever nature against each other in respect of anything arising from or in connection with SPA 1 (save and except for any antecedent breaches) and BSSB shall be entitled to deal with the Property in any manner as BSSB shall deem fit in its absolute discretion including to sell the Property to any third party(ies) whosever without any further reference whatsoever to FPSB.</p>	<p>This is a standard survival clause and serves to protect the interests of both parties upon termination of the SPA 1, by setting out that all rights and obligations of the parties shall cease to have effect save for the clauses which are expressed to survive its termination or expiry.</p>
9.	<p>VACANT POSSESSION AND PASSING OF INTERESTS</p> <p>(a) Vacant possession of the Property, subject to Bayview Hotel Georgetown's guest occupancy, shall be delivered to FPSB on Completion Date, failing which BSSB shall pay to FPSB interest at the rate of eight percent (8%) per annum to be calculated on a daily basis on the Purchase Consideration 2 from the expiry of the said three (3) business days from the Completion Date until the delivery date of vacant possession of the Property, subject to Bayview Hotel Georgetown's guest occupancy to FPSB.</p> <p>(b) BSSB hereby expressly agrees and confirms that as from the Completion Date, BSSB shall have no rights, title, interests or any claims whatsoever in and to the Property or any part thereof and BSSB hereby expressly further acknowledges that as from the date thereof FPSB shall be entitled to the legal and beneficial title and interests in and to the Property.</p>	<p>Reasonable</p> <p>We noted that this term stipulates that the Property shall be delivered to FPSB on a vacant possession basis on Completion Date, failing which BSSB shall pay to FPSB interest at 8% per annum. This term is not detrimental as it ensures the delivery of vacant possession of the Property on a timely basis. This term also clearly sets out the passing of the legal and beneficial title and interests in and to the Property from BSSB to FPSB.</p>

Based on our review of SPA 1 for the Proposals in its entirety, particularly the salient terms as set out above, we are of the view that the overall terms of SPA 1 are **reasonable** and **not detrimental** to the non-interested Stockholders of OHB.

Kenanga

6.3.4 Salient terms of SPA 2

No	Salient terms of the SPA 2	Kenanga IB's comments
1.	<p>SALE AND PURCHASE</p> <p>Subject to the terms and conditions of the SPA 2, BSDSB agrees to sell Bayview Hotel Langkawi and NLSB agrees to purchase Bayview Hotel Langkawi together with other supporting amenities and facilities attached thereto free from encumbrances but subject to the conditions of title at the full Purchase Consideration 3.</p>	<p>Reasonable</p> <p>This term relates to the subject matter of the proposed acquisition of Bayview Hotel Langkawi, whereby subject to the satisfaction or waiver of the conditions precedent and completion of the Proposed Langkawi Hotel Acquisition, NLSB shall be the beneficial owner of Bayview Hotel Langkawi, together with other supporting amenities and facilities attached thereto free from encumbrances but subject to the conditions of title at the full Purchase Consideration 3.</p>
2.	<p>PURCHASE CONSIDERATION AND PAYMENT TERMS</p> <p>Purchase Consideration 3 amounting to RM91,000,000.00 in respect of the Proposed Langkawi Hotel Acquisition shall be payable by NLSB to BSDSB in the following manner:</p> <p>(a) a sum of RM2,730,000, equivalent to three percent (3%) of the Purchase Consideration 3, to be paid to BSDSB upon execution of the SPA 2 ("Earnest Deposit");</p> <p>(b) a further sum of RM2,730,000, equivalent to three percent (3%) of the Purchase Consideration 3, to be retained by NLSB as stakeholder for the payment of Real Property Gains Tax ("RPGT Retention Sum") For the avoidance of doubt, the Earnest Deposit and RPGT Retention Sum amounts to 6% of the Purchase Consideration 3 and shall collectively be referred to as the "Deposit"; and</p> <p>(c) a sum of RM85,540,000, equivalent to ninety-four percent (94%) of the Purchase Consideration 3, to be paid by NLSB to BSDSB on or before the last business day of the fourteen (14) business day period from the date of the registration of the Title Deed (hereinafter defined) to Bayview Hotel Langkawi are duly registered in the name of NLSB ("Balance Payment Due Date") ("Balance Payment").</p>	<p>Reasonable</p> <p>We noted that the Deposit represents 6% of the Purchase Consideration 3. This serves as a safeguard of BSDSB's interest in the event NLSB fails to satisfy the Balance Payment or breaches the terms of the SPA 2. In such event, BSDSB has the right to terminate the SPA 2 and forfeit the Earnest Deposit.</p> <p>We also noted that the Balance Payment will be paid to BSDSB within 14 business days from the date of successful presentation and registration of the Title Deed to Bayview Hotel Langkawi in the name of NLSB. As NLSB is only obliged to make the Balance Payment once the Title Deed to Bayview Hotel Langkawi is duly registered under the name of NLSB, this clause serves as a safeguard of NLSB's interests in the event of any dispute over title transfer if there are delays or issues in the registration process.</p>

No	Salient terms of the SPA 2	Kenanga IB's comments
	<p>In the event the Balance Payment is not paid in full by NLSB to BSDSB on or before the Balance Payment Due Date, BSDSB agrees to grant NLSB a further one (1) month commencing from the day following the expiry of the Balance Payment Due Date or such other extended period that may be mutually agreed between the Parties ("Extended Balance Payment Due Date") for NLSB to pay the Balance Payment, provided that NLSB shall pay late payment interest at a rate of eight percent (8%) per annum ("Late Payment Interest") to BSDSB calculated on a day to day basis on the amount of the outstanding Balance Payment commencing from the first day of the Extended Balance Payment Due Date until but excluding the date the Balance Payment is paid by NLSB to BSDSB (which in any event shall be on or before the Extended Balance Payment Due Date).</p>	<p>If the Balance Payment is not paid in full by the expiry of the Balance Payment Due Date, NLSB will be granted the Extended Balance Payment Due Date, subject to an interest rate of 8% per annum. We noted that the quantum of the late payment interest of 8% per annum is similar to other property-related transactions.</p>
3.	<p>CONDITIONS PRECEDENT</p> <p>The SPA 2 is conditional upon the fulfilment of the following conditions precedent within a period of nine (9) months from the date the SPA 2 is executed, or such longer period as NLSB and BSDSB may mutually agree upon in writing ("Conditional Period");</p> <p>(a) approval of the Stockholders at an EGM to be convened for OHB to undertake the Proposals pursuant to the Share Subscription Agreement, SSA, SPA 1 and SPA 2 ("Stockholders' Approval CP");</p> <p>(b) BSDSB shall procure the novation to NLSB of all rights and obligations of BHSB under the Ascott Agreements with effect from the Completion Date (hereinafter defined) (save for the Framework Agreement, which shall be novated to OHB with effect from the completion date of the Share Subscription Agreement), with such novation to be evidenced by duly executed and stamped novation agreement(s) on terms substantially similar to those set out in the existing Ascott Agreement (with such amendments as may be necessary to give effect to the novation);</p> <p>(c) BSDSB shall procure BHSB to grant an irrevocable right to NLSB without any charges or fees for NLSB to utilise the "Bayview" brand name as well as the relevant licences, certificates and approvals required to operate Bayview Hotel Langkawi, as may be required by NLSB from the Completion Date (hereinafter defined) until such date as may be elected by NLSB and notified to BSDSB and BHSB; and</p>	<p>Reasonable</p> <p>The Conditions Precedent represent the necessary approvals / procedures to be fulfilled or obtained to facilitate the completion of the Proposed Langkawi Hotel Acquisition. We noted that these terms are to ensure the following:</p> <p>(a) necessary requisite approvals are obtained to give effect to the completion of the Proposed Langkawi Hotel Acquisition;</p> <p>(b) the rights and obligations of BHSB under the Ascott Agreements are novated to NLSB and that Ascott will act as the hotel operator of Bayview Hotel Langkawi following the completion of the Proposed Langkawi Hotel Acquisition;</p> <p>(c) provides comfort that Bayview Hotel Langkawi is able to continue operating without interruptions using the "Bayview" brand name as well as the relevant licenses, certificates and approvals necessary, as may be required by NLSB, from the Completion Date until such date as may be elected by NLSB;</p>

Kenanga

No	Salient terms of the SPA 2	Kenanga IB's comments
	<p>(d) BSDSB shall procure the mutual termination of the tenancy agreement dated 11 August 2025 entered into by BSDSB and BHSB in respect of Bayview Hotel Langkawi and the services agreement dated 1 January 2019 entered into by Bayview International Sdn Bhd and Bayview Hotel Sdn Bhd with effect from the Completion Date, with no recourse on NLSB.</p> <p>(hereinafter collectively referred to as "Conditions Precedent") and each a "Condition Precedent"). Save for the Stockholders' Approval CP, NLSB may agree to waive any of the Conditions Precedent imposed on BSDSB at any time.</p>	<p>(d) ensures that the tenancy agreement dated 11 August 2025 entered into by BSDSB and BHSB in respect of Bayview Hotel Langkawi and the services agreement between Bayview International Sdn Bhd and BHSB are terminated with no recourse on NLSB; and</p> <p>(e) to safeguard the interests of both parties in the event of non-fulfilment of any of the Conditions Precedent by the Conditional Period.</p> <p>We also noted that save for the Stockholders' Approval CP, which is a regulatory requirement, NLSB has the right to waive any of the Conditions Precedent at any time.</p>
4.	<p>COMPLETION</p> <p>Completion shall take place on the date NLSB pays the Balance Payment and Late Payment Interest (if applicable) to BSDSB, provided always that NLSB shall only pay the Balance Payment to BSDSB upon the successful presentation and registration of the Title Deeds in the name of NLSB ("Completion Date") ("Completion").</p>	<p>Reasonable</p> <p>This term ensures that the completion of the SPA 2 takes place upon the full payment of the Balance Payment and Late Payment Interest (if applicable) from NLSB to BSDSB.</p>
5.	<p>TRANSFER OF TITLE DEEDS</p> <p>Within ten (10) business days from the date the last of the Conditions Precedent have been fulfilled or waived (as the case may be), BSDSB shall cause its' solicitor to deposit the original title to Bayview Hotel Langkawi ("Title Deed") with NLSB's solicitor who shall present the valid and registrable Form 14A ("Transfer") of Bayview Hotel Langkawi for registration at the land office within fourteen (14) days from its receipt of the Title Deeds or within fourteen (14) days from the date the Transfer has been duly adjudicated and stamped, whichever is later.</p>	<p>Reasonable</p> <p>This term sets out the timeframe and obligations of the parties in respect of the Title Deed and registration of Transfer. This term stipulates upon fulfilment or waiver (as the case may be) of the Conditions Precedent, the Title Deed will be deposited by BSDSB to NLSB's solicitor who shall present the Transfer of Bayview Hotel Langkawi for registration at the land office.</p>

Kenanga

No	Salient terms of the SPA 2	Kenanga IB's comments
6.	<p>NON-REGISTRATION OF TRANSFER</p> <p>In the event the Transfer in respect of Bayview Hotel Langkawi shall, for reasons not attributable to any fault or omission of the parties, be rejected for registration by the land office resulting in Bayview Hotel Langkawi not being able to be registered in the name of NLSB, the parties shall use its best endeavours to rectify the situation within fourteen (14) business days or such longer period as the parties may mutually agree on, failing which either party may upon notice in writing to the other party, elect to terminate SPA 2.</p>	<p>Reasonable</p> <p>This term is reasonable as it sets out the obligations of the parties in the event the Transfer in respect of Bayview Hotel Langkawi shall, for reasons not attributable to any fault or omission of the parties, is rejected for registration.</p>
7.	<p>WARRANTIES</p> <p>Under the SPA 2, BSDSB warrants and represents, among others that:</p> <p>(a) BSDSB is a company duly incorporated and existing under the laws of Malaysia;</p> <p>(b) BSDSB is the legal and beneficial owner of Bayview Hotel Langkawi, free from all encumbrances;</p> <p>(c) BSDSB has full power and authority to execute, deliver and perform the terms of SPA 2 and has taken and will before the Completion Date, take all necessary corporate and other actions to authorise the sale of Bayview Hotel Langkawi and the execution delivery and performance of the terms of SPA 2;</p> <p>(d) all obligations and conditions arising from restriction-in-interest as stated in the SPA 2 have been duly complied with. Accordingly, the sale and transfer of the Bayview Hotel Langkawi are not subject to any further consent, approval, or clearance from any public authorities;</p> <p>(e) all quit rent, rates and assessments, sewerage services charges and other similar lawful outgoings imposed by and due to the public authorities in respect of Bayview Hotel Langkawi up to the date of SPA 2 have been or will be duly paid by BSDSB. BSDSB will not at any time after the date of SPA 2 do or suffer to be done or omitted any act matter or thing in or in respect of Bayview Hotel Langkawi which may render Bayview Hotel Langkawi or any part thereof liable to forfeiture or attachment;</p>	<p>Reasonable</p> <p>This is a normal commercial term typical to transactions of such nature, which sets out the warranties provided by BSDSB to NLSB in relation to the SPA 2. The warranties serve to safeguard the interest of NLSB prior to the completion of the SPA 2.</p>

Kenanga

No	Salient terms of the SPA 2	Kenanga IB's comments
	<p>(f) save as disclosed herein, BSDSB has not entered into any other agreement, contract, transaction, arrangement or understanding for the sale, lease, assignment or other disposition in whole or in part of Bayview Hotel Langkawi;</p> <p>(g) BSDSB is not in default under any agreement to which it is a party or by which it may be bound and no litigation, arbitration, administration or winding-up proceedings are presently current or pending or threatened which default, litigation, arbitration or administrative proceedings, as the case may be, might affect Bayview Hotel Langkawi or the solvency of BSDSB or might impair BSDSB's ability to perform its obligations under SPA 2;</p> <p>(h) save as disclosed*, BSDSB did not issue any power of attorney to any person or persons in respect of Bayview Hotel Langkawi.</p> <p>Note: * For the avoidance of doubt, no such power of attorney was disclosed to NLSB by BSDSB. As such the qualifier "save as disclosed" is not applicable to this warranty.</p>	<p>We noted that notwithstanding the qualifier "save as disclosed" within the term, no such power of attorney was disclosed to NLSB by BSDSB. As such, this term is not detrimental to NLSB, OHB and the non-interested Stockholders of OHB.</p>

Kenanga

No	Salient terms of the SPA 2	Kenanga IB's comments
8.	<p>TERMINATION</p> <p>(a) In the event any of the Conditions Precedent are not fulfilled or waived in accordance with the SPA 2 on or before the expiry of the Conditional Period, then either BSDSB or NLSB shall be entitled to terminate SPA 2 by prior written notice to the other party and upon giving of such termination notice, SPA 2 shall be rescinded.</p> <p>(b) Without prejudice to the provisions in SPA 2, NLSB shall be entitled to issue a notice of termination to BSDSB to terminate the SPA 2, if at any time prior to Completion Date –</p> <p>(i) BSDSB commits any breach of a material term and / or any of its obligations under the SPA 2 which –</p> <p>(1) is incapable of remedy; or</p> <p>(2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;</p> <p>(ii) BSDSB is in breach of any of the fundamental warranties which –</p> <p>(1) is incapable of remedy; or</p> <p>(2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;</p> <p>(iii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of BSDSB;</p> <p>(iv) BSDSB enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;</p>	<p>Reasonable</p> <p>This is a normal commercial term which governs the rights of the non-defaulting party should there be any breaches of the terms and conditions contained in the SPA 2 by the defaulting party. In the event of default which is not remedied by the defaulting party, the non-defaulting party shall be entitled to terminate the SPA 2.</p> <p>We are of the view that this term is reasonable as it entitles the non-defaulting party to terminate the SPA 2 should there be an occurrence of any of the events set out under this term, safeguarding the interest of the non-defaulting party in the event of default or breach.</p>

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No	Salient terms of the SPA 2	Kenanga IB's comments
	<p>(v) a receiver, receiver and manager, liquidator, special administrator, trustee or similar official is appointed over any of the assets or undertaking of BSDSB;</p> <p>(vi) BSDSB commits any act or omits to do any act which results in the breach or non-fulfilment of any term or condition of any banking, finance or credit facility which has the effect of causing the events specified in clauses b(iii), (iv) or (v) to occur; or</p> <p>(vii) NLSB is unable to register the Transfer at the relevant land office due to the BSDSB's breach of any terms and conditions of SPA 2 which is not rectifiable.</p> <p>(c) Without prejudice to the provisions in the SPA 2, BSDSB shall be entitled to issue a notice of termination to NLSB to terminate the SPA 2, if at any time prior to Completion Date –</p> <p>(i) NLSB fails to pay the Balance Payment on or before the expiry of the Extended Balance Payment Due Date and fails to remedy this within fourteen (14) days of it being notified to do so;</p> <p>(ii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of NLSB;</p> <p>(iii) NLSB enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;</p> <p>(iv) a receiver, receiver and manager, liquidator, special administrator, trustee or similar official is appointed over any of the assets or undertaking of NLSB; or</p> <p>(v) NLSB commits any act or omits to do any act which results in the breach or non-fulfilment of any term or condition of any banking, finance or credit facility which has the effect of causing the events specified in clauses (c)(ii), (iii) or (iv) to occur.</p>	

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No	Salient terms of the SPA 2	Kenanga IB's comments
	<p>(d) Following a termination of the SPA 2 initiated by NLSB:</p> <p>(i) BSDSB shall refund the Earnest Deposit to NLSB together with interest accrued thereon at a rate of four percent (4%) per annum, calculated on a day to day basis on the Earnest Deposit amount commencing from the date of the SPA 2 until the date of the said Earnest Deposit is refunded to NLSB;</p> <p>(ii) BSDSB shall pursue the refund of RPGT Retention Sum paid by NLSB on behalf of BSDSB and refund the same to NLSB within five (5) business days upon receiving the said refund from Director General of Inland Revenue;</p> <p>(iii) BSDSB shall pay to NLSB a sum of RM4,550,000, equivalent to five percent (5%) of the Purchase Consideration 3, as agreed liquidated damages, within ten (10) business days from the date of termination; and</p> <p>(iv) NLSB shall:</p> <p>(a) return to BSDSB all its presentation documents with BSDSB's interest in Bayview Hotel Langkawi remaining intact and free from encumbrances;</p> <p>(b) deliver to BSDSB the documentary proof of the withdrawal of the private caveat and all other encumbrances lodged by NLSB or any person claiming through it;</p> <p>(c) redeliver the vacant possession of Bayview Hotel Langkawi to BSDSB in the same state and condition as delivered to NLSB; and</p> <p>(d) deliver to BSDSB such mutually agreed document to give effect to the rescission or termination of the novation of Ascott Agreements.</p>	<p>In the event of termination initiated by NLSB, BSDSB shall refund the Earnest Deposit to NLSB with interest accrued thereon at a rate of 4% per annum, pursue the refund of RPGT Retention Sum paid by NLSB on behalf of BSDSB, and pay to NLSB a sum equivalent to 5% of the Purchase Consideration 3 as agreed liquidated damages.</p>

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No	Salient terms of the SPA 2	Kenanga IB's comments
	<p>(e) Following a termination of the SPA 2 initiated by BSDSB:</p> <ul style="list-style-type: none"> (i) NLSB agrees that the Earnest Deposit paid to BSDSB shall be forfeited absolutely to BSDSB; (ii) BSDSB shall pursue the refund of RPGT Retention Sum paid by NLSB on behalf of BSDSB and refund the same to NLSB within five (5) business days upon receiving the said refund from Director General of Inland Revenue; (iii) NLSB to pay to BSDSB an additional sum of RM1,820,000, equivalent to two percent (2%) of the Purchase Consideration 3 (this additional sum together with the forfeited Earnest Deposit to be treated collectively as agreed liquidated damages), within ten (10) business days from the date of termination; and (iv) NLSB shall: <ul style="list-style-type: none"> (a) return to BSDSB all its presentation documents with BSDSB's interest in Bayview Hotel Langkawi remaining intact and free from encumbrances; (b) deliver to BSDSB the documentary proof of the withdrawal of the private caveat and all other encumbrances lodged by NLSB or any person claiming through it; (c) redeliver the vacant possession of Bayview Hotel Langkawi to BSDSB in the same state and condition as delivered to NLSB; (d) deliver to BSDSB such mutually agreed document to give effect to the rescission or termination of the novation of Ascott Agreements; and 	<p>In the event of termination initiated by BSDSB, the Earnest Deposit paid by NLSB to BSDSB shall be forfeited absolutely to BSDSB and NLSB is to pay to BSDSB an additional sum equivalent to 2% of the Purchase Consideration 3 (this additional sum together with the forfeited Earnest Deposit to be treated collectively as liquidated agreed damages).</p> <p>We noted that in the event of termination of the SPA 2 initiated by BSDSB, the RPGT Retention Sum paid by NLSB on behalf of BSDSB to Director General of Inland Revenue shall be refunded.</p>

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No	Salient terms of the SPA 2	Kenanga IB's comments
	<p>(e) if the termination is due to the reason of NLSB's failure to pay Balance Payment on or before the expiry of the Extended Balance Payment Due Date, NLSB shall, at its own cost and expense (including stamp duty and RPGT), within seven (7) business days from the date of termination, commence the necessary actions to effect the transfer and re-registration of the Bayview Hotel Langkawi back to the BSDSB, free from encumbrances.</p> <p>(f) Upon termination of the SPA 2, the SPA 2 shall be null and void and of no further effect and the parties shall have no further claims of whatsoever nature against each other in respect of anything arising from or in connection with SPA 2 (save and except for any antecedent breaches) and BSDSB shall be entitled to deal with Bayview Hotel Langkawi in any manner as BSDSB shall deem fit in its absolute discretion including to sell Bayview Hotel Langkawi to any third party(ies) whosever without any further reference whatsoever to NLSB.</p>	<p>This is a standard survival clause and serves to protect the interests of both parties upon termination of the SPA 2, by setting out that all rights and obligations of the parties shall cease to have effect save for the clauses which are expressed to survive its termination or expiry.</p>
9.	<p>VACANT POSSESSION AND PASSING OF INTERESTS</p> <p>(a) Vacant possession of Bayview Hotel Langkawi, subject to Bayview Hotel Langkawi's guest occupancy, shall be delivered to NLSB on Completion Date, failing which BSDSB shall pay to NLSB interest at the rate of eight percent (8%) per annum to be calculated on a daily basis on the Purchase Consideration 3 from the expiry of the said three (3) business days from the Completion Date until the delivery date of vacant possession of Bayview Hotel Langkawi, subject to Bayview Hotel Langkawi's guest occupancy, to NLSB.</p> <p>(b) BSDSB hereby expressly agrees and confirms that as from the Completion Date, BSDSB shall have no rights, title, interests or any claims whatsoever in and to the Bayview Hotel Langkawi or any part thereof and BSDSB hereby expressly further acknowledges that as from the date thereof NLSB shall be entitled to the legal and beneficial title and interests in and to Bayview Hotel Langkawi.</p>	<p>Reasonable</p> <p>We noted that this term stipulates that Bayview Hotel Langkawi shall be delivered to NLSB on a vacant possession basis on Completion Date, failing which BSDSB shall pay to NLSB interest at 8% per annum. This term is not detrimental as it ensures the delivery of vacant possession of Bayview Hotel Langkawi on a timely basis. This term also clearly sets out the passing of the legal and beneficial title and interests in and to Bayview Hotel Langkawi from BSDSB to NLSB.</p>

Based on our review of SPA 2 for the Proposals in its entirety, particularly the salient terms as set out above, we are of the view that the overall terms of SPA 2 are **reasonable** and **not detrimental** to the non-interested Stockholders of OHB.

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6.4 Effects of the Proposals

We take cognisance of the effects of the Proposals in **Part A, Section 6 of the Circular**. Our commentaries on the effects are summarised as follows:

Effects	Kenanga IB's comments												
Share capital and substantial stockholders' stockholdings	The Proposals will not have any effect on the share capital and substantial stockholders' stockholdings in OHB as the Proposals do not involve any issuance of new ordinary stock in OHB.												
Earnings and Earnings per stock ("EPS")	<p>Based on the audited consolidated financial statements of OHB Group for the FYE 31 December 2024 and assuming that the Proposals had been effected on 1 January 2024, being the beginning of the FYE 31 December 2024, the illustrative pro forma effects of the Proposals show the following:</p> <ul style="list-style-type: none"> (a) a net decrease in pro forma PAT attributable to Stockholders of OHB by RM10.23 million derived from: <ul style="list-style-type: none"> (i) the decrease in pro forma PAT by RM20.00 million due to deduction of the estimated expenses relating to the Proposals; and (ii) the increase in pro forma PAT by RM9.77 million due to addition of capitalisable stamp duties in relation to the Share Subscription Agreement, SSA, SPA 1 and SPA 2, and (b) a minimal dilution in EPS of RM0.01 from RM0.96 to RM0.95. <p>Notwithstanding the above, we note that the EPS is expected to increase moving forward as the Proposals are expected to contribute positively to OHB Group's future earnings and EPS in the long term.</p>												
NA per Stock and gearing	<p>Pursuant to the completion of the Proposals, based on the latest audited financial statements for the FYE 31 December 2024, the illustrative pro forma effects of the Proposals show the following:</p> <ul style="list-style-type: none"> (a) a decrease in NA by RM10.23 million due to a portion of the estimated expenses relating to the Proposals that do not meet the criteria of expenditure capitalisable under MFRS 116 being expensed off in the reserves; (b) a minimal decrease in NA per Stock of RM0.01 from RM12.11 to RM12.10; and (c) an increase in the gearing ratio of the Group from 0.36 times to 0.42 times arising from the indicative additional bank borrowings of RM396.36 million to partially fund the Total Purchase Consideration. <p>Notwithstanding the above, we note that the NA per Stock is expected to increase moving forward as the Group enjoys the potential benefits and synergies arising from the Proposals.</p> <p>The following table is a summary of the gearing level of OHB's comparables in the hospitality industry, extracted from their respective Annual Reports:</p> <table border="1"> <thead> <tr> <th>Hospitality Industry Comparables ⁽¹⁾</th> <th>Gearing ratio (times)</th> </tr> </thead> <tbody> <tr> <td>Berjaya Land Berhad (2025 Annual Report)</td> <td>0.84</td> </tr> <tr> <td>ECM Libra Group Berhad (2024 Annual Report)</td> <td>0.25</td> </tr> <tr> <td>Exsim Hospitality Berhad (2025 Annual Report)</td> <td>2.01</td> </tr> <tr> <td>Sunway REIT (2024 Annual Report)</td> <td>0.41</td> </tr> <tr> <td>YTL Hospitality REIT (2025 Annual Report)</td> <td>0.43</td> </tr> </tbody> </table>	Hospitality Industry Comparables ⁽¹⁾	Gearing ratio (times)	Berjaya Land Berhad (2025 Annual Report)	0.84	ECM Libra Group Berhad (2024 Annual Report)	0.25	Exsim Hospitality Berhad (2025 Annual Report)	2.01	Sunway REIT (2024 Annual Report)	0.41	YTL Hospitality REIT (2025 Annual Report)	0.43
Hospitality Industry Comparables ⁽¹⁾	Gearing ratio (times)												
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Exsim Hospitality Berhad (2025 Annual Report)	2.01												
Sunway REIT (2024 Annual Report)	0.41												
YTL Hospitality REIT (2025 Annual Report)	0.43												

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	<p>Note: (1) <i>The abovementioned Hospitality Industry Comparables were selected due to their substantial hospitality asset exposure in Malaysia.</i></p> <p>Based on the above, compared to industry comparables, OHB's gearing level of 0.42 times after the Proposals is within the industry range of 0.25 to 2.01 times. Nevertheless, the actual increase in the gearing level will depend on the actual quantum of bank borrowings obtained by OHB to finance the Proposals.</p>
Convertible securities	As at the LPD, OHB does not have any convertible securities in issue.

Premised on the above, we are of the opinion that the pro forma effects of the Proposals are **reasonable** and are **not detrimental** to the interests of the non-interested Stockholders of OHB.

6.5 Industry overview, outlook and prospects

We take cognisance of the industry overview and outlook as well as the prospects of the Hotels and Wisma Boon Siew as set out in **Part A, Section 4 of the Circular**. Our commentaries are as set out below:

6.5.1 Overview and outlook of the tourism industry in Malaysia

We noted the overview and outlook of the tourism industry in Malaysia as detailed in **Part A, Section 4.2 of the Circular**.

Despite the tourism industry being among the sectors most adversely impacted by the COVID-19 pandemic in 2020 and 2021, alongside the aviation and hospitality industries due to implementation of strict movement control measures within and out of the country, the industry has demonstrated a strong rebound following the resumption of economic activities in Malaysia in 2022 and reopening of international borders. In the first eight months of 2025, Malaysia recorded 28.2 million international tourist arrivals, representing a 14.5% year-on-year increase compared to 24.7 million in the same period of the previous year. Singapore accounted for approximately half of these arrivals with 14 million visitors (up 18.1% from the previous year), followed by China with 3.3 million visitors (up 27.5% from 2024), Indonesia with 2.9 million (up 6.8% from 2024), Thailand with 1.6 million (up 5.8% from 2024) and India with 1.1 million (up 22.5% from 2024). To further strengthen tourism growth, Malaysia has intensified global promotional efforts to boost its tourism industry, which is the third-largest contributor to the nation's gross domestic product. The government targets 31 million international tourist arrivals and RM125.5 billion in tourism receipts for 2025, with a higher goal of 47 million visitors in 2026 under the Visit Malaysia 2026 (VM 2026) campaign.

(Source: International tourist arrivals up 14.5% in January to August – minister, The Edge Malaysia)

Further, the food & beverages and accommodation subsector grew by 5.6% in the first half of 2024 supported by high hotel occupancy rates and patronage at eateries, in tandem with the increase in tourist arrivals to 14.1 million. The subsector is expected to expand by 5.9% in the second half of the year on the back of higher tourist arrivals and vibrant tourism-related activities. This is also supported by vigorous promotion efforts targeting niche segments, particularly business and leisure, gastronomy and Muslim-friendly tourism.

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The food & beverages and accommodation subsector is poised to grow by 6.2%, in anticipation of higher tourist arrivals for business and leisure as well as meetings, incentives, conferences and exhibitions (MICE) activities. The tourism industry will benefit from Malaysia's 2025 ASEAN Chairmanship, as well as nationwide hosting of numerous MICE events at international and regional scales. In addition, the visit state campaign by Kedah, Perlis and Selangor as well as intensive promotion for the Visit Malaysia 2026 (VM 2026) are expected to contribute to the growth of the subsector.

(Source: Economic Outlook 2025, Ministry of Finance Malaysia)

Based on the above, the food & beverages and accommodation subsector, which includes the hotels and resorts industry, is projected to continue its steady growth trajectory into 2025 in tandem with the increase in tourist arrivals and is set to benefit from heightened visibility and demand throughout the year from various government-supported efforts to further boost tourism across Malaysia.

6.5.2 Overview and outlook of the hotel market in Pulau Pinang

We noted the overview and outlook of the hotel market in Pulau Pinang as detailed in **Part A, Section 4.3 of the Circular**.

Pulau Pinang's hotel market has seen a significant uptick in recent years, driven by strong tourism recovery and growth post-COVID 19 and strategic investments from global hospitality brands. From August 2023 to April 2025, a total of 13 new hotels has commenced operations in Pulau Pinang, contributing an additional 2,311 rooms to the market. This increase in capacity, which may initially spark concerns about potential oversupply of hotel rooms in Pulau Pinang, is supported by the steady increase in tourist arrivals, from 7.27 million in 2023 to 8.24 million in 2024, representing a significant 13.3% year-on-year increase.

Further, the enhancement to Pulau Pinang's hospitality infrastructure and landscape, including the expansion of Penang International Airport, increased air connectivity and the opening of the Penang Waterfront Convention Centre is expected to further strengthen the state's position as a leading MICE destination in Northern Malaysia. The state successfully hosted 2,059 business events, representing a substantial 240.9% increase compared to 2023, attracting 305,259 delegates, marking an 87.3% rise, while the total room nights generated reached 558,543, reflecting a steady 3.6% increase. This led to the Estimated Economic Impact (EEI) soaring to RM1.29 billion, marking a 24.8% increase from 2023.

(Source: Wong: Penang's tourism growth is strategic, sustainable and strong, Buletin Mutiara; Business Events Penang 2024 Annual Review: RM1.29 billion Boost to State's Economy, Penang Convention & Exhibition Bureau)

Overall, the outlook for Pulau Pinang is expected to remain stable in 2025, supported by, among others, the upgrading of the Penang International Airport to address long-term capacity constraints to accommodate the expected influx of international and domestic visitors as well as the growth of Penang International Airport's international flight network with direct connections to 20 global cities through 35 routes. Direct flight frequencies from China surged 259%, from 17 weekly flights in November 2023 to 61 in the same period this year. This infrastructure upgrade is a positive signal to the Pulau Pinang's long-term commitment to tourism growth. Penang's cruise tourism also recorded 573,178 international passengers in 2023 compared to 439,012 in 2022, boasting a 30% increase.

(Source: Malaysia Property Outlook 2025, Henry Butcher Malaysia)

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6.5.3 Overview and outlook of the office market in Pulau Pinang

We noted the overview and outlook of the office market in Pulau Pinang as detailed in **Part A, Section 4.4 of the Circular**.

The supply of purpose-built offices space in Pulau Pinang amounted to approximately 811,060 square metres as at Q3 2024 with an occupancy rate of 77.8%, which was higher than the national average. Close to 71% of the available space was supplied by buildings located in Georgetown which recorded an occupancy rate of 81.4%, higher than that of the state. Further, the rental index of purpose-built offices in Georgetown showed a mild recovery in Q2 2024, after being stagnant for two quarters, in line with the strong occupancy rate of 85%. A steady demand, aided by the absence of new supply following slow growth in the island's office market, helped to maintain occupancy rates as well as rentals.

Overall, the demand for office space remained selective, focusing on modern, well-equipped office spaces in strategic areas. Federal government infrastructure projects, such as the upcoming Mutiara LRT, are expected to improve accessibility across the state, further enhancing the attractiveness of office spaces in the area.

(Source: Malaysia Property Outlook 2025, Henry Butcher Malaysia)

Additionally, the announcement of a fifth Global Business Services (GBS) building in the pipeline is set to expand Penang's modern hybrid office space to over one million square feet within the Penang IC Design and Digital Park. This move reflects Pulau Pinang's strategic focus on strengthening its services sector, which has superseded the manufacturing sector as the top GDP contributor in the state, contributing 48% of its GDP (followed by the manufacturing sector at 46.5%) and is expected to remain the top contributor with the growth of digital economy. The state is strategically positioned to expand its digital economy and has developed a series of modern hybrid office spaces with more than 500,000 square feet dedicated to GBS investors, including GBS@Mayang, GBS@Mahrsuri, GBS TechSpace and GBS By The Sea.

(Source: Penang pushes services sector with fifth GBS building in pipeline, Malay Mail)

6.5.4 Overview and outlook of the hotel market in Langkawi

We noted the overview and outlook of the hotel market in Langkawi as detailed in **Part A, Section 4.5 of the Circular**.

In addition to Langkawi's steadily increasing growth in tourism, as tourist arrivals increased from 2.81 million in 2023 to 2.9 million in 2024, the Langkawi International Airport recorded 666,241 passenger movements in the first quarter of 2025, marking a nearly 10% increase compared to the 607,306 passengers recorded in the same period the previous year, showing signs of a steady rebound from the effects of the COVID-19 pandemic on both domestic and international tourism. This upward trend indicates a gradual recovery in visitors, which is expected to translate to a positive hotel market outlook to accommodate the increase in visitors, especially as Malaysia continues efforts in promoting Langkawi as a premium leisure and eco-tourism destination.

(Source: Langkawi airport sees 10pct passenger growth in first quarter, New Straits Times)

Further, Tourism Malaysia's efforts in promoting cross-border regional tourism of Langkawi with neighbouring Thailand through the launch of a 'self-drive' initiative aimed at raising awareness of tourism routes and activities in both countries, is expected to support the upcoming Visit Malaysia 2026 campaign, which seeks to attract 35.6 million tourist arrivals. As of August 2024, Malaysia had received 1.1 million tourists from Thailand, an increase of 19.7% compared to the same period last year.

(Source: Malaysia and Thailand join forces to promote cross-border travel through self-drive routes, Tourism Malaysia)

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6.5.5 Prospects of the Hotels and Wisma Boon Siew

We noted the prospects of the Hotels and Wisma Boon Siew as detailed in **Part A, Section 4.6 of the Circular**.

We note that the Hotels are located in prime locations across the northern region of Malaysia, with Bayview Beach Resort Penang located in Batu Ferringi, Pulau Pinang, Bayview Hotel Georgetown located in Georgetown, Pulau Pinang and Bayview Hotel Langkawi located in Langkawi, Kedah, whereas Wisma Boon Siew is an adjoining building to Bayview Hotel Georgetown. These locations are strategic tourism and business hubs, offering exceptional connectivity as the properties are accessible via major roads in their respective states and benefit from proximity to the Penang International Airport and Langkawi International Airport, allowing greater access to tourist arrivals, both international and domestic.

Batu Ferringi is Pulau Pinang's premier beachfront destination, attracting leisure travelers seeking resort-style experiences, while Georgetown is a UNESCO World Heritage Site and is well-connected to key amenities and services, making the location ideal for capturing both corporate and cultural tourism demand. On the other hand, Langkawi draws both international and domestic visitors for its unique natural attractions. The inclusion of Wisma Boon Siew, adjoining Bayview Hotel Georgetown, further enhances operational flexibility and creates opportunities for integrated hospitality and mixed-use concepts. Collectively, these locations position the portfolio to benefit from sustained tourism growth and the expansion of business and tourism activities in Pulau Pinang and Langkawi. Moreover, the diverse offerings of the Hotels enable the portfolio to cater to a wide range of travelers – from leisure travelers and families on vacation to business executives and MICE participants – maximising occupancy potential and broadening the Group's revenue streams.

We note that as the properties are relatively older and dated, ranging from approximately 26 to 39 years old with aging infrastructure, and likely face intense competition due to the growing supply of hotels in their respective markets and the highly competitive nature of the hospitality industry, the planned renovation and refurbishment works – following the novation of the Ascott Agreements to OHB, FPSB and NLSB (as the case may be) – represent a critical value-enhancement strategy. These upgrades are expected to modernise the facilities, elevate overall guest experience and align the offerings with current hospitality trends and Ascott's international standards. By leveraging Ascott's global brand standards and operational expertise, the revitalised properties will not only strengthen their competitive positioning but will also potentially attract a more diverse customer base, including corporate travelers in addition to leisure guests. This proactive approach and future plan for the Hotels and Wisma Boon Siew is expected to help mitigate the risk of obsolescence and positions the Hotels to capture demand growth as the tourism industry continues its rebound and regional travel initiatives gain traction.

In view of the above, we are of the opinion that moving forward, barring any unforeseen circumstances, the long-term prospects of the tourism industry as well as the Hotels and Wisma Boon Siew are **positive** as the location of the properties in strategic destinations will provide OHB geographical diversification, which will reduce concentration risks and broaden the Group's recurring income base.

Nonetheless, we wish to highlight that the Proposals are subject to risks and uncertainties which are not within OHB's control such as, but not limited to, adverse changes in economic conditions, details of which are set out in Part A, Section 6 of the Circular. The occurrence of any of such events may impact OHB's revenue and earnings to be derived from the Proposals. There shall also be no guarantee that the anticipated benefits from the Proposals will be realised by OHB in the foreseeable future.

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6.6 Risk factors in relation to the Proposals

In considering the Proposals, the non-interested Stockholders of OHB are advised to give careful consideration to the risk factors as set out in **Part A, Section 5 of the Circular** and are summarised as follows:

(i) Risk of delay or non-completion of the Proposals

We noted that the completion of the Proposals is conditional upon the fulfilment of the conditions precedent under the Share Subscription Agreement, SSA, SPA 1 and SPA 2 as set out in **Appendix II of the Circular**. We are of the view that the non-completion risk is a common aspect of similar acquisition proposals or arrangements.

We noted that OHB, FPSB and / or NLSB (as the case may be) will take the necessary steps to facilitate the fulfilment of the conditions precedent which are within their control within the timeframe stipulated in the Share Subscription Agreement, SPA 1 and SPA 2.

(ii) Risk of non-registration of the transfer of title in respect of Bayview Hotel Georgetown and Wisma Boon Siew as well as Bayview Hotel Langkawi and non-registration of the transfer of the NGSB Sale Shares

We noted that prior to the execution of SPA 1 and SPA 2, FPSB and NLSB have respectively taken all necessary action to ensure the instruments of transfer are in a registrable form.

Further, SPA 1 and SPA 2 allow FPSB and / or NLSB (as the case may be) to issue a notice in writing to terminate the SPA 1 or SPA 2 if the matter giving rise to the non-registration cannot be rectified.

Similarly, under the SSA, in the event the NGSB Sale Shares are not able to be registered under the name of OHB, OHB may, by notice in writing to the Vendor, terminate the SSA.

We noted that notwithstanding the above, pursuant to the SSA, SPA 1 and SPA 2, the Parties have agreed that OHB, FPSB and NLSB (as the case may be) shall only be obliged to make the balance payment in respect of the NGSB Sale Shares Consideration, Purchase Consideration 2 and Purchase Consideration 3 within 14 business days from the date the NGSB Sale Shares are duly registered in the name of OHB and within 14 business days from the date Bayview Hotel Georgetown and Wisma Boon Siew as well as Bayview Hotel Langkawi are duly registered in the respective name of FPSB and NLSB.

(iii) Refurbishment and renovation risks following the completion of the Proposals

We noted that the capital expenditure to be incurred by OHB for the refurbishment and renovation works after the completion of the Proposals are estimates at this juncture and may be subject to revision after further engagement with Ascott, the relevant contractors and architects.

We also noted that the estimated completion timeline for the refurbishment and renovation may also vary depending on the nature and scope of the works, and could be delayed by external factors beyond OHB's control.

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Nevertheless, we take note that the refurbishment and renovation risks are reasonably expected to be mitigated by OHB working closely with Ascott, which has extensive experience in hotel rebranding and refurbishment, as well as the appointment of contractors and architects with a proven track record to ensure the refurbishment and renovation works meet the required standards of the respective “Ascott” brands and timeline. We also noted that Ascott’s fee structure is dependent on the operating income of the Hotels, which aligns both OHB’s and Ascott’s interest to ensure the refurbishment and renovation works are completed in a timely manner.

(iv) Financing risk

We noted that the Group intends to secure bank borrowings to partially fund the Proposals and to wholly fund the capital expenditure to be incurred for the refurbishment and renovation works of the Hotels and Wisma Boon Siew. As such, the Group’s borrowings and gearing level will increase, and the Group will be exposed to financing risk, which include, amongst others, increased cost of financing and adverse interest rate fluctuations.

Nevertheless, we noted that the Group is expected to remain in a net cash position after taking into consideration the borrowings for the Proposals and may source from its internal generated cash to fund the capital expenditure relating to the refurbishment and renovation works of the Hotels and Wisma Boon Siew, depending on the cost of borrowings. Further, we noted that the Group will continuously review its debt portfolio, which takes into consideration the Group’s financing level, interest costs as well as cash flows to ensure an optimal level of capital structure.

(v) Risks relating to the hospitality industry

We noted that the hospitality industry is subject to a wide range of risks which include, among others, economic cycles and market volatility, heavy dependency on tourism, geopolitical instability and global crises such as pandemics, seasonal variations in demand and highly competitive environment.

As at the LPD, OHB Group has 7 operating hospitality units, which include 1 hotel in Malaysia, namely Bayview Hotel Malacca, as part of its portfolio. In view of this, the addition of Bayview Beach Resort Penang, Bayview Hotel Georgetown and Bayview Hotel Langkawi upon completion of the Proposals are not expected to significantly change the business risk profile of OHB Group or expose OHB Group to any significant new risk that is not within its current hospitality portfolio.

Notwithstanding the above, we noted that following the completion of the Proposals and as a result of the novation of the Ascott Agreements from BHSB to OHB Group, OHB Group will be the owner of the Hotels with Ascott continuing as the operator and manager of the Hotels. Prior to the rebranding under Ascott’s portfolio of international brands, the Hotels will undergo refurbishment and renovation works in compliance with Ascott brand and standards. The rebranding of the Hotels under the Ascott brand is expected to strengthen their market appeal, improve the overall guest experience and reposition the resorts competitively for long-term growth. Further, the Hotels stand to benefit from Ascott’s professional operational expertise and global distribution network by enhancing operational efficiencies.

However, to remain competitive, the Hotels require periodic capital expenditures, refurbishments, renovations and upgrades which may involve significant investment, the timing and scale of which may vary. While these upgrades can allow the Group to charge higher room rates, the extent to which room rates may be revised is influenced by prevailing market conditions and other factors. There is no assurance that the Group will be able to raise room rates sufficiently to fully offset the refurbishment and renovation costs, especially during periods of economic slowdown.

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(vi) Risks relating to the office rental market

We noted that the office rental market in Pulau Pinang is subject to competitive pressures and that further increases in the supply of office spaces within the vicinity of the George Town area may impact the occupancy and rental rates of Wisma Boon Siew.

Nevertheless, we noted that Wisma Boon Siew is expected to undergo proposed refurbishment which may mitigate these risks by positioning Wisma Boon Siew more competitively against the supply of office spaces in the George Town area. Occupancy risk is expected to be further mitigated by the intended occupation of certain floors by the Group in addition to the Group's ability to leverage existing tenant relationships to support the take-up of the remaining space.

Further, we also noted that Wisma Boon Siew will be the first commercial property for OHB Group in Pulau Pinang. As at the LPD, OHB Group has 1 commercial property in Malaysia, which is Wisma Kah Motor, located in Kuala Lumpur. In view of this, the acquisition of Wisma Boon Siew upon completion of the Proposals is not expected to significantly change the business risk profile of OHB Group or expose OHB Group to any significant new risk that is not within its current commercial property portfolio.

(vii) Political, economic and regulatory risks

We noted that any changes in the political, economic and regulatory conditions in Malaysia where the properties are located could adversely affect the financial performance or prospects of the properties, which in turn will adversely affect the financial performance of OHB Group by means of an impairment on the investment in the properties.

While we noted that in order to mitigate such risk, OHB Group will continuously monitor the changing environment so as to respond and adapt to any change in the political, economic and regulatory conditions accordingly, as and when they arise in the future, we wish to highlight that there shall be no assurance that such measures to be introduced by OHB Group will be sufficient to mitigate and eliminate such risks.

(viii) Risk of compulsory acquisition by the Government

We noted that the Government of Malaysia has the power to compulsorily acquire any land in Malaysia pursuant to the provisions of the applicable legislation including the Land Acquisition Act 1960. In the event of any compulsory acquisition, the amount of compensation to be awarded is based on the fair market value of a property assessed on the basis prescribed in the Land Acquisition Act 1960 and other relevant laws.

If all or any portion of the property is compulsorily acquired by the Government at a point in time when the market value of the property has decreased, the level of compensation paid to FPSB or NLSB (as the case may be) may be less than the Purchase Consideration 2 and Purchase Consideration 3, which may have an adverse effect on OHB Group's business, financial condition, results of operations and prospects.

We also noted that in the event of any compulsory acquisition by the Government, FPSB or NLSB (as the case may be) will seek to minimise any potential losses from such transaction, including invoking the relevant provisions of the Land Acquisition 1960 in relation to its rights to submit an objection in respect of the compensation, where necessary. However, we wish to highlight that there shall be no assurance that such measures will be sufficient to mitigate such risks.

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In view that OHB Group has existing hospitality and commercial property portfolios in Malaysia, the proposed acquisition of the Hotels and Wisma Boon Siew upon completion of the Proposals is **not expected to significantly change the business risk profile of OHB Group or expose OHB Group to any significant new risk that is not within its current hospitality and commercial property portfolio.**

Nonetheless, we wish to highlight that although measures will be taken by OHB Group, to the extent possible, to mitigate such risks associated with the Proposals, no assurance can be given that one or a combination of the risk factors will not occur and give rise to material adverse impact on the business and operation of OHB Group, its financial performance or prospects thereon.

In evaluating the Proposals, the non-interested Stockholders of OHB should carefully consider the said risk factors and their respective mitigating factors prior to voting on the resolution pertaining to the Proposals at the forthcoming EGM. The non-interested Stockholders of OHB should also note that the risk factors mentioned in the Circular and this IAL are not meant to be exhaustive.

7. CONCLUSION AND RECOMMENDATION

The non-interested Stockholders of OHB should carefully consider the justifications for the Proposals based on all relevant and pertinent factors including those set out in this IAL as well as those set out in **Part A of the Circular** together with the accompanying appendices before voting on the resolutions pertaining to the Proposals at the forthcoming EGM.

Premised on our evaluation of the Proposals in **Section 6 of this IAL**, we are of the opinion that the Proposals are **fair and reasonable** and **not detrimental** to the interests of non-interested Stockholders of OHB.

Accordingly, we recommend that the non-interested Stockholders of OHB vote **in favour** of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

Yours faithfully,
For and on behalf of
KENANGA INVESTMENT BANK BERHAD

DATUK ROSLAN HJ TIK
Executive Director, Head
Group Investment Banking & Islamic Banking

ALVIN OOI YET MING
Head,
Corporate Finance

INFORMATION ON THE VENDORS IN RELATION TO THE PROPOSALS

A. INFORMATION OF BSSB

The information of BSSB are as follows:

1. BACKGROUND INFORMATION ON BSSB

BSSB was incorporated as a private limited company in Malaysia under the Companies Ordinances 1940-1946 on 10 December 1957 and having its registered address at Suite I, 2nd Floor, Wisma Lister Garden, 123 Jalan Macalister, 10400 George Town, Pulau Pinang. BSSB is principally involved in investment holding and renting of premises, acting as an insurance agent, money lending service and cultivation of rubber.

As at the LPD, BSSB has an issued share capital of RM60,000,000 comprising 60,000,000 ordinary shares in BSSB.

2. DIRECTORS AND SHAREHOLDERS

The directors of BSSB and their respective shareholdings in BSSB as at the LPD are as follows:

	Nationality	Direct		Indirect	
		No. of shares	%	No. of shares	%
Dato' Seri Lim Su Tong	Malaysian	-	-	-	-
Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK)	Malaysian	-	-	⁽¹⁾ 6,600,000	11.00
Datuk Loh Kian Chong	Malaysian	-	-	⁽²⁾ 46,800,000	78.00
Tan Hui Ming	Malaysian	-	-	-	-
Loh Wei-Lyn	Malaysian	-	-	⁽³⁾ 46,800,000	78.00
Dato' Seri Loh Cheng Yean	Malaysian	-	-	⁽⁴⁾ 6,600,000	11.00
Dato' Lim Kean Seng (Alternate director to Dato' Seri Lim Su Tong)	Malaysian	-	-	-	-
Dato' Sri Datuk Wira Tan Hui Jing (Alternate director to Tan Hui Ming)	Malaysian	-	-	-	-
Tan Kheng Hwee (Alternate director to Dato' Seri Loh Cheng Yean)	Singaporean	-	-	⁽⁴⁾ 6,600,000	11.00
Shirley Kathreyn Yap (Alternate director to Loh Wei-Lyn)	Malaysian	-	-	-	-

INFORMATION ON THE VENDORS IN RELATION TO THE PROPOSALS (Cont'd)
Notes:

- (1) Deemed interested pursuant to Section 8(4) of the Act by virtue of his shareholding held through Loh Ean Holdings Sdn Bhd.
- (2) Deemed interested pursuant to Section 8(4) of the Act by virtue of his shareholding held through Soaring Capital Land Sdn Bhd, BHSB and Boontong Estates Sdn Bhd.
- (3) Deemed interested pursuant to Section 8(4) of the Act by virtue of her shareholding held through Soaring Capital Land Sdn Bhd, BHSB, and Boontong Estates Sdn Bhd.
- (4) Deemed interested pursuant to Section 8(4) of the Act by virtue of her shareholding held through Loh Cheng Yean Holdings Sdn Bhd.

(Source: BSSB)

The shareholders of BSSB and their respective shareholdings in BSSB as at the LPD are as follows:

	Nationality / Place of incorporation	Direct		Indirect	
		No. of shares	%	No. of shares	%
Soaring Capital Land Sdn Bhd	Malaysia	34,800,000	58.00	-	-
Boontong Estates Sdn Bhd	Malaysia	6,000,000	10.00	-	-
BHSB	Malaysia	6,000,000	10.00	⁽¹⁾ 6,000,000	10.00
Loh Kar Bee Holdings Sdn Bhd	Malaysia	-	-	⁽²⁾ 46,800,000	78.00
Loh Wei-Lyn	Malaysian	-	-	⁽³⁾ 46,800,000	78.00
Datuk Loh Kian Chong	Malaysian	-	-	⁽⁴⁾ 46,800,000	78.00
Loh Oon Ling	Malaysian	-	-	⁽³⁾ 46,800,000	78.00
Loh Ean Holdings Sdn Bhd	Malaysia	6,600,000	11.00	-	-
Datin Loh Ean (demised)	Malaysian	-	-	⁽⁵⁾ 6,600,000	11.00
Dato' Robert Wong Lum Kong	Malaysian	-	-	⁽⁵⁾ 6,600,000	11.00
Loh Cheng Yean Holdings Sdn Bhd	Malaysia	6,600,000	11.00	-	-
Dato' Seri Loh Cheng Yean	Malaysian	-	-	⁽⁶⁾ 6,600,000	11.00
Tan Kheng Hwee	Singaporean	-	-	⁽⁶⁾ 6,600,000	11.00
Tan Kheng Ju	Singaporean	-	-	⁽⁶⁾ 6,600,000	11.00
Tan Ju Nguan	Singaporean	-	-	⁽⁶⁾ 6,600,000	11.00
BSDSB*	Malaysia	-	-	⁽⁷⁾ 12,000,000	20.00
BSSB**	Malaysia	-	-	⁽⁷⁾ 12,000,000	20.00
Soaring Empire Sdn Bhd	Malaysia	-	-	⁽⁷⁾ 12,000,000	20.00

INFORMATION ON THE VENDORS IN RELATION TO THE PROPOSALS (Cont'd)
Notes:

- (1) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding held through Boontong Estates Sdn Bhd.
- (2) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding held through Soaring Capital Land Sdn Bhd, BHSB, and Boontong Estates Sdn Bhd.
- (3) Deemed interested pursuant to Section 8(4) of the Act by virtue of her shareholding held through Soaring Capital Land Sdn Bhd, BHSB and Boontong Estates Sdn Bhd.
- (4) Deemed interested pursuant to Section 8(4) of the Act by virtue of his shareholding held through Soaring Capital Land Sdn Bhd, BHSB, and Boontong Estates Sdn Bhd.
- (5) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholding held through Loh Ean Holdings Sdn Bhd.
- (6) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholding held through Loh Cheng Yean Holdings Sdn Bhd.
- (7) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding held through BHSB and Boontong Estates Sdn Bhd.
- * The indirect interest of BSDSB is as stated in **Section B, Paragraph 2 of this Appendix I.**
- ** The indirect interest of BSSB is as stated in **Section B, Paragraph 2 of this Appendix I.**

(Source: BSSB)

B. INFORMATION OF BSDSB

The information of BSDSB are as follows:

1. BACKGROUND INFORMATION ON BSDSB

BSDSB was incorporated as a private limited company in Malaysia under the Companies Act 1965 on 27 September 1975 and having its registered address at Suite I, 2nd Floor, Wisma Lister Garden, 123 Jalan Macalister, 10400 George Town, Pulau Pinang. BSDSB is principally involved in property development, extraction and sale of red earth, sand and granite as well as investment holding.

As at the LPD, BSDSB has an issued share capital of RM30,000,000 comprising 30,000,000 ordinary shares in BSDSB.

2. DIRECTORS AND SHAREHOLDERS

The directors of BSDSB and their respective shareholdings in BSDSB as at the LPD are as follows:

	Nationality	Direct		Indirect	
		No. of shares	%	No. of shares	%
Dato' Syed Mohamad Bin Syed Murtaza	Malaysian	-	-	-	-
Datuk Loh Kian Chong	Malaysian	-	-	⁽¹⁾ 25,082,500	83.61
Tan Hui Ming	Malaysian	-	-	⁽²⁾ 1,067,500	3.56
Tan Kheng Hwee	Singaporean	-	-	⁽³⁾ 700,000	2.33
Dato' Lim Kean Seng	Malaysian	-	-	⁽⁴⁾ 1,067,500	3.56
Loh Wei-Lyn	Malaysian	1,706,250	5.69	⁽⁵⁾ 22,965,000	76.55

INFORMATION ON THE VENDORS IN RELATION TO THE PROPOSALS (Cont'd)

	Nationality	Direct		Indirect	
		No. of shares	%	No. of shares	%
Lim Ee Hean (Alternate to Dato' Lim Kean Seng)	Malaysian	-	-	⁽⁶⁾ 1,067,500	3.56
Dato' Sri Datuk Wira Tan Hui Jing (Alternate to Tan Kheng Hwee)	Malaysian	-	-	⁽²⁾ 1,067,500	3.56
Shirley Kathreyn Yap (Alternate to Loh Wei-Lyn)	Malaysian	43,750	0.15	⁽⁷⁾ 24,671,250	82.24

Notes:

- (1) Deemed interested pursuant to Section 8(4) of the Act by virtue of his shareholdings in Loh Kar Bee Holdings Sdn Bhd, BSSB and Loh Boon Siew Holdings Sdn Bhd.
- (2) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholding in Loh Gim Ean Holdings Sdn Bhd and Loh Boon Siew Holdings Sdn Bhd.
- (3) Deemed interested pursuant to Section 8(4) of the Act by virtue of her shareholding in Loh Cheng Yean Holdings Sdn Bhd.
- (4) Deemed interested pursuant to Section 8(4) of the Act by virtue of his shareholding in Loh Phoy Yen Holdings Sdn Bhd and Loh Boon Siew Holdings Sdn Bhd.
- (5) Deemed interested pursuant to Section 8(4) of the Act by virtue of her shareholding in BSSB.
- (6) Deemed interested pursuant to Section 8(4) of the Act by virtue of her shareholding in Loh Phoy Yen Holdings Sdn Bhd and Loh Boon Siew Holdings Sdn Bhd.
- (7) Deemed interested pursuant to Section 59(11)(c) of the Act via Loh Wei-Lyn.

(Source: BSDSB)

As at the LPD, the shareholders of BSDSB and their respective direct and indirect shareholdings in BSDSB are as follows:

	Nationality/ Place of incorporation	Direct		Indirect	
		No. of shares	%	No. of shares	%
Tan Sri Loh Boon Siew (demised)	Malaysian	367,500	1.23	-	-
BSSB	Malaysia	22,965,000	76.55	-	-
Loh Boon Siew Holdings Sdn Bhd	Malaysia	367,500	1.23	-	-
Vibrant Carnival Sdn Bhd	Malaysia	-	-	⁽¹⁾ 367,500	1.23
Loh Ean Holdings Sdn Bhd	Malaysia	700,000	2.33	-	-
Datin Loh Ean (demised)	Malaysian	-	-	⁽²⁾ 700,000	2.33
Dato' Robert Wong Lum Kong DSSA, JP, CMJA (UK)	Malaysian	-	-	⁽²⁾ 700,000	2.33
Loh Cheng Yean Holdings Sdn Bhd	Malaysia	700,000	2.33	-	-
Dato' Seri Loh Cheng Yean	Malaysian	-	-	⁽³⁾ 700,000	2.33

INFORMATION ON THE VENDORS IN RELATION TO THE PROPOSALS (Cont'd)

	Nationality/ Place of incorporation	Direct		Indirect	
		No. of shares	%	No. of shares	%
Tan Kheng Hwee	Singaporean	-	-	⁽³⁾ 700,000	2.33
Tan Kheng Ju	Singaporean	-	-	⁽³⁾ 700,000	2.33
Tan Ju Nguan	Singaporean	-	-	⁽³⁾ 700,000	2.33
Loh Phoy Yen Holdings Sdn Bhd	Malaysia	700,000	2.33	⁽¹⁾ 367,500	1.23
Dato' Seri Lim Su Tong	Malaysian	-	-	⁽⁴⁾ 1,067,500	3.56
Dato' Lim Kean Seng	Malaysian	-	-	⁽⁴⁾ 1,067,500	3.56
Lim Ee Hean	Malaysian	-	-	⁽⁴⁾ 1,067,500	3.56
Lim Ee Ling	Malaysian	-	-	⁽⁴⁾ 1,067,500	3.56
Loh Gim Ean Holdings Sdn Bhd	Malaysia	700,000	2.33	⁽¹⁾ 367,500	1.23
Dato' Sri Datuk Wira Tan Hui Jing	Malaysian	-	-	⁽⁵⁾ 1,067,500	3.56
Tan Hui Ming	Malaysian	-	-	⁽⁵⁾ 1,067,500	3.56
Loh Kar Bee Holdings Sdn Bhd	Malaysia	1,750,000	5.83	⁽⁶⁾ 23,332,500	77.78
Datuk Loh Kian Chong	Malaysian	-	-	⁽⁷⁾ 25,082,500	83.61
Loh Oon Ling	Malaysian	-	-	⁽⁷⁾ 25,082,500	83.61
Loh Wei-Lyn	Malaysian	1,706,250	5.69	⁽⁸⁾ 22,965,000	76.55
Shirley Katheryn Yap	Malaysian	43,750	0.15	⁽⁹⁾ 24,671,250	82.24
Soaring Capital Land Sdn Bhd	Malaysia	-	-	⁽¹⁰⁾ 22,965,000	76.55

Notes:

- (1) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding held through Loh Boon Siew Holdings Sdn Bhd.
- (2) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholding held through Loh Ean Holdings Sdn Bhd.
- (3) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholding held through Loh Cheng Yean Holdings Sdn Bhd.
- (4) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholding held through Loh Phoy Yen Holdings Sdn Bhd and Loh Boon Siew Holdings Sdn Bhd.
- (5) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholding held through Loh Gim Ean Holdings Sdn Bhd and Loh Boon Siew Holdings Sdn Bhd.
- (6) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding held through BSSB and Loh Boon Siew Holdings Sdn Bhd.
- (7) Deemed interested pursuant to Section 8(4) of the Act by virtue of their shareholdings in Loh Kar Bee Holdings Sdn Bhd, BSSB and Loh Boon Siew Holdings Sdn Bhd.
- (8) Deemed interested pursuant to Section 8(4) of the Act by virtue of her shareholding held through BSSB.
- (9) Deemed interested pursuant to Section 59(11)(c) of the Act via Loh Wei-Lyn.
- (10) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding held through BSSB.

(Source: BSDSB)

SALIENT TERMS OF THE SHARE SUBSCRIPTION AGREEMENT

The salient terms of the Share Subscription Agreement are as follows:

1. SUBSCRIPTION OF SHARES

Subject to the terms and conditions of the Share Subscription Agreement, OHB shall subscribe to and NGSB shall allot and issue the Subscription Shares to OHB (free from encumbrances) in consideration of the full payment of the Subscription Price. BSSB, being the sole shareholder of NGSB, agrees to waive any pre-emptive rights, rights of first refusal, or similar rights it may have, whether under the constitutional documents of NGSB or under applicable law, in connection with the allotment and issuance of the Subscription Shares to OHB.

NGSB is the registered and beneficial owner of Bayview Beach Resort Penang.

2. SUBSCRIPTION PRICE

Subject to the fulfillment of the Conditions Precedent (hereinafter defined) and subject to OHB receiving the Completion Document (hereinafter defined), OHB shall pay the Subscription Price amounting to RM153,100,000.00 in respect of the Subscription Shares to NGSB on a business day falling within fourteen (14) business days from the date all the Conditions Precedent (hereinafter defined) are fulfilled (or waived) (as the case may be) or such other date as OHB, BSSB and NGSB may mutually agree in writing ("**Unconditional Date**").

3. CONDITIONS PRECEDENT

The Share Subscription Agreement is conditional upon the fulfilment of the following conditions precedent within a period of nine (9) months from the date the Share Subscription Agreement is executed, or such longer period as OHB, BSSB and NGSB may mutually agree upon in writing ("**Conditional Period**"):

- (a) approval of the Stockholders at an EGM to be convened for OHB to undertake the Proposals pursuant to the Share Subscription Agreement, SSA, SPA 1 and SPA 2 ("**Stockholders' Approval CP**");
- (b) BSSB shall procure the novation to OHB and/or NGSB (as the case may be) of all rights and obligations of BHSB under the Ascott Agreements with effect from the Completion Date (hereinafter defined), with such novation to be evidenced by duly executed and stamped novation agreement(s) on terms substantially similar to those set out in the existing Ascott Agreement (with such amendments as may be necessary to give effect to the novation);
- (c) BSSB shall procure BHSB to grant an irrevocable right to NGSB without any charges or fees for NGSB to utilise the "Bayview" brand name as well as the relevant licences, certificates and approvals required to operate Bayview Beach Resort Penang, as may be required by OHB, from the Completion Date (hereinafter defined) until such date as may be elected by OHB and notified to BSSB and BHSB; and
- (d) BSSB shall procure the mutual termination of the tenancy agreement dated 14 August 2025 entered into by NGSB and BHSB ("**NGSB Tenancy Agreement**") in respect of Bayview Beach Resort Penang and the services agreement dated 1 January 2019 entered into by Bayview International Sdn Bhd and BHSB with effect from the Completion Date (hereinafter defined), with no recourse on NGSB.

(hereinafter collectively referred to as "**Conditions Precedent**" and each a "**Condition Precedent**"). Save for the Stockholders' Approval CP, OHB may agree to waive any of the Conditions Precedent at any time.

SALIENT TERMS OF THE SHARE SUBSCRIPTION AGREEMENT (Cont'd)

4. SUBSCRIPTION COMPLETION

Completion of the Share Subscription Agreement shall take place on a business day falling within fourteen (14) business days from the Unconditional Date or such other date as OHB, NGSB and BSSB may agree in writing ("**Completion Date**").

On the Completion Date, NGSB shall (and BSSB shall procure NGSB to) deliver to OHB copies of the resolutions duly certified as true copies by the company secretary, of the board of directors of NGSB ("**Board**") and/or shareholders, under which the Board and/or the shareholders (as the case may be) have approved in relation to the allotment and issuance of the Subscription Shares:

- (a) confirmation that NGSB authorises and facilitates the issuance of the Subscription Shares (if and where necessary) with the terms and rights set out in the Share Subscription Agreement;
- (b) authorising the name of OHB to be entered into the register of members and any other relevant statutory registers of NGSB as the holder of the Subscription Shares so allotted and issued; and
- (c) authorising and directing the sealing of the share certificate(s) in respect of the Subscription Shares,

(hereinafter referred to as "**Completion Document**").

On the Completion Date, in exchange for the Completion Document, OHB shall pay to NGSB the Subscription Price in full to NGSB's nominated account and upon receipt of the full Subscription Price, NGSB shall (and BSSB shall procure the NGSB to) effect the allotment and issuance of the Subscription Shares to OHB in accordance with the terms and conditions of the Share Subscription Agreement ("**Completion**").

5. OBLIGATIONS AFTER COMPLETION

After Completion and subject to NGSB's receipt of the full Subscription Price, NGSB shall (and BSSB shall procure NGSB to) lodge with the Registrar (as defined in the Act) the documents and forms as required under the Act in relation to the allotment and issuance of the Subscription Shares to OHB as soon as reasonably practicable and not later than the prescribed period for lodgement under the Act.

Within ten (10) business days from NGSB's lodgement with the Registrar the documents and forms as required under the Act in relation to the allotment and issuance of the Subscription Shares to OHB, NGSB shall (and BSSB shall procure NGSB to):

- (a) issue a new share certificate to OHB in respect of the Subscription Shares;
- (b) update the register of members of NGSB to record the allotment and issuance of the Subscription Shares and deliver a certified true copy of the updated register of members to OHB; and
- (c) if applicable, lodge the necessary documents and form with the Registrar in relation to OHB's appointment of director's in NGSB.

Following Completion, NGSB hereby agrees (and OHB hereby agrees to procure NGSB) to, as soon as reasonably practicable and in any event no later than thirty (30) business days from the date the Subscription Shares are duly allotted and issued to OHB, utilise the proceeds from the Subscription Price to complete the redemption of the 1,531,000 redeemable preference shares in NGSB held by BSSB (including the payment of RM153,100,000.00 ("**RPS Redemption Price**") to BSSB) in favour of BSSB ("**RPS Redemption**"). The RPS Redemption Price shall be paid by NGSB to BSSB in immediately available funds by telegraphic or electronic transfer to a bank account nominated by BSSB.

SALIENT TERMS OF THE SHARE SUBSCRIPTION AGREEMENT (Cont'd)

Within thirty (30) business days from the completion of the RPS Redemption, or such other date as BSSB and OHB may mutually agree in writing, BSSB and OHB agree to enter into the SSA.

6. POST COMPLETION UNDERTAKING

Following the Completion of the Share Subscription Agreement, OHB hereby undertakes to:

- (a) cause and/or procure NGSB to refund to BHSB the deposit amount amounting to RM180,000.00 (or such lesser amount as a result of any set-off or deduction under the NGSB Tenancy Agreement), which was paid by BHSB to NGSB in accordance with Clause 2(k) of the NGSB Tenancy Agreement, within fourteen (14) days from the Completion Date; and
- (b) pay to BSSB a sum equivalent to the rental amount actually collected by NGSB from BHSB (taking into account any set-off or deductions) pursuant to the NGSB Tenancy Agreement for such period accruing from the date of the Share Subscription Agreement up until the Completion Date less the actual amount of deposit refunded by NGSB pursuant to the NGSB Tenancy Agreement ("**Rental Refund Amount**") provided always that all tax instalment payments, administrative, operational, secretarial, accounting and audit fees, costs and expenses incurred by NGSB from the date of the Share Subscription Agreement until the Completion Date ("**Expenses**") does not exceed RM20,000.00 and that in the event the said Expenses exceed RM20,000.00, any excess Expenses thereof shall be deducted from the Rental Refund Amount, within thirty (30) days from the Completion Date.

7. TAX INDEMNITY

BSSB agrees and undertakes to fully indemnify OHB against any all direct losses, liabilities, cost, charges and expenses made, suffered or incurred by, or otherwise imposed on NGSB after Completion provided always that such losses arise from or in connection with any fact, event, matter or circumstance occurring or existing at any time prior to Completion with respect to or in connection with any additional payment for tax imposed by any tax authority on NGSB for which NGSB failed to pay where:

- (a) such payment for tax was due prior to Completion; or
- (b) such additional tax arises from a revised assessment after Completion from a tax authority, which assessment (pursuant to which such revised assessment was made) was assessed and paid prior to Completion.

If any tax authority undertakes an audit of NGSB or issues any tax assessment notice to NGSB which relates to any pre-Completion Date return:

- (a) OHB must as soon as reasonably practicable give BSSB written notice of the audit or assessment and provide full written details of the audit or assessment;
- (b) BSSB at their own cost and expense shall be involved in all action taken by NGSB in respect of the audit or assessment except to the extent that it relates to a period after the date of Completion; and
- (c) OHB must procure that NGSB furnishes all assistance that BSSB may reasonably require in relation to action taken in respect of the audit or assessment.

SALIENT TERMS OF THE SHARE SUBSCRIPTION AGREEMENT *(Cont'd)*

8. WARRANTIES

Under the Share Subscription Agreement, BSSB and NGSB jointly and severally warrant and represents, among others that:

- (a) BSSB and NGSB are companies duly incorporated and validly existing under the Laws of Malaysia, and have full power and authority to enter into and perform the Share Subscription Agreement. The execution, delivery and performance by BSSB and NGSB of the Share Subscription Agreement and the completion of any transactions contemplated thereunder have been or will be on or prior to the Completion Date duly authorised by all necessary actions and the Share Subscription Agreement will be, when duly executed and delivered, valid and binding obligation of BSSB and NGSB, enforceable in accordance with its terms and such execution and delivery;
- (b) Save as expressly contemplated under the Share Subscription Agreement*, the execution, delivery and performance by BSSB and NGSB of the Share Subscription Agreement does not:
 - (i) conflict with any of, or require the consent of any person under, the terms, conditions or provisions of its constitution; or
 - (ii) violate any applicable law;

Note:

* *For the avoidance of doubt, the Share Subscription Agreement does not expressly contemplate any such matters of conflict, consent and/or violation of laws. As such the qualifier "Save as expressly contemplated under the Share Subscription Agreement" is not applicable to this warranty.*

- (c) No step has been taken in relation to BSSB and/or NGSB nor have legal proceedings have been started or are pending against them for their respective winding-up or for the appointment of a judicial manager, administrator or receiver (including any administrative receiver) or similar officer over any or all of their assets;
- (d) The details of NGSB as stated in Schedule 1 of the Share Subscription Agreement are true and accurate;
- (e) There are no agreements or arrangements in force other than the Share Subscription Agreement, which grant to any person the right to call for the issue, allotment or transfer of any share or loan capital of NGSB and NGSB has not since its date of incorporation given or agreed to give any option in respect of any shares nor issued or agreed to issue or given any option in respect of any debenture or other securities or any right to convert any debt or obligation into shares, whether fully paid or otherwise, of NGSB;
- (f) No order has been made or petition presented or resolution passed for the winding-up or bankruptcy of BSSB or NGSB, nor has any distress, execution or other process been levied against the BSSB or NGSB or action taken to repossess goods in the BSSB's or the NGSB's possession;
- (g) No steps have been taken for the appointment of an administrator or receiver of any part of the BSSB's or NGSB's property;
- (h) No floating charge has been created over any part of the business or assets of NGSB;
- (i) BSSB and NGSB have not made or proposed any arrangement or composition with their creditors or any class of their creditors;
- (j) NGSB is not insolvent or will not be rendered insolvent by consummation of the allotment and issuance of the Subscription Shares;

SALIENT TERMS OF THE SHARE SUBSCRIPTION AGREEMENT *(Cont'd)*

- (k) BSSB has not issued any power of attorney to any person or persons in respect of any issued shares of any class in the capital of NGSB;
- (l) Save and except for Bayview Beach Resort Penang and its fixtures and fittings, NGSB does not own any assets or real property;
- (m) all quit rent, rates and assessments, sewerage services charges and other similar lawful outgoings due to the relevant authorities in respect of the Bayview Beach Resort Penang up to the date of the Share Subscription Agreement have been or will be duly paid by NGSB. NGSB will not at any time after the date of the Share Subscription Agreement do or suffer to be done or omitted any act matter or thing in or in respect of the Bayview Beach Resort Penang which may render Bayview Beach Resort Penang or any part thereof liable to forfeiture or attachment;
- (n) NGSB is the legal and beneficial owner of the Bayview Beach Resort Penang with good title, and free from all encumbrances;
- (o) Bayview Beach Resort Penang fully conform to the particulars and specifications listed in Schedule 2 of the Share Subscription Agreement, with no discrepancies or variations, and all representations regarding size, layout and facilities as listed in the Schedule 2 of the Share Subscription Agreement are true and accurate;
- (p) save as disclosed in the Share Subscription Agreement, NGSB has not entered into any other agreement, contract, transaction, arrangement or understanding for the sale, lease, assignment or other disposition in whole or in part of Bayview Beach Resort Penang;
- (q) BSSB and/or NGSB is not in default under any agreement to which it is a party or by which it may be bound and no litigation, arbitration, administration or winding-up proceedings are presently current or pending or threatened which default, litigation, arbitration or administrative proceedings, as the case may be, might affect the Bayview Beach Resort Penang or the solvency of BSSB and/or NGSB or might impair BSSB's and/or NGSB's ability to perform its obligations under the Share Subscription Agreement;
- (r) NGSB has not issued any power of attorney to any person or persons in respect of the Bayview Beach Resort Penang; and
- (s) Bayview Beach Resort Penang is not subject to any restriction(s)-in-interest.

9. TERMINATION

- (a) In the event any of the Conditions Precedent are not fulfilled or waived in accordance with the Share Subscription Agreement on or before the expiry of the Conditional Period, either BSSB, NGSB or OHB shall be entitled to terminate the Share Subscription Agreement by way of notice of termination and the Share Subscription Agreement shall cease to have any further force or effect, and the parties shall have no further rights or obligations under it except in respect of:
 - (i) any obligation under the Share Subscription Agreement which is expressly stated to survive or apply after termination (including, without limitation, all warranties, representations, undertakings, indemnities, confidentiality obligations, and provisions relating to governing law and dispute resolution); and
 - (ii) any rights, remedies or obligations which have accrued to either party prior to such termination, including, without limitation, any right to claim damages or other relief in respect of any breach of the Share Subscription Agreement occurring before such termination.

SALIENT TERMS OF THE SHARE SUBSCRIPTION AGREEMENT *(Cont'd)*

For the avoidance of doubt, the termination of the Share Subscription Agreement shall not affect any liability of either party for any act, omission, event or circumstance occurring before such termination.

- (b) Without prejudice to the provisions in the Share Subscription Agreement, OHB shall be entitled to issue a notice of termination to BSSB to terminate the Share Subscription Agreement, if, at any time prior to Completion –
- (i) BSSB and/or NGSB commits any breach of a material term and/or any of its obligations under the Share Subscription Agreement which –
 - (1) is incapable of remedy; or
 - (2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;
 - (ii) BSSB and/or NGSB is in breach of any of the fundamental warranties which –
 - (1) is incapable of remedy; or
 - (2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;
 - (iii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of NGSB and/or bankruptcy of BSSB;
 - (iv) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any part of the assets or undertaking of NGSB;
 - (v) NGSB becomes insolvent or is unable to pay its debts or admits in writing its inability to pay its debts as and when they fall due or enter into any composition or arrangement with its creditors or makes a general assignment for the benefit of its creditors; or
 - (vi) NGSB ceases or threatens to cease or carry on the whole or any substantial part of its business (except for the purposes of a bona fide reconstruction or amalgamation which would not result or cause any failure or inability to duly perform or fulfil any obligation under the Share Subscription Agreement).
- (c) Without prejudice to the provisions in the Share Subscription Agreement, BSSB and/or NGSB shall be entitled to issue a notice of termination to OHB and NGSB or BSSB (as applicable) to terminate the Share Subscription Agreement, if:
- (i) OHB fails to pay the Subscription Price on the Completion Date and fails to remedy this within fourteen (14) days of it being notified to do so;
 - (ii) NGSB fails (and OHB fails to procure NGSB) to carry out the RPS Redemption;
 - (iii) at any time prior to Completion, a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of OHB;
 - (iv) at any time prior to Completion, an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any part of the assets or undertaking of OHB;

SALIENT TERMS OF THE SHARE SUBSCRIPTION AGREEMENT (Cont'd)

- (v) at any time prior to Completion, OHB becomes insolvent or is unable to pay its debts or admits in writing its inability to pay its debts as and when they fall due or enter into any composition or arrangement with its creditors or make a general assignment for the benefit of its creditors; or
 - (vi) at any time prior to Completion, OHB ceases or threatens to cease or carry on the whole or any substantial part of its business (except for the purposes of a bona fide reconstruction or amalgamation which would not result or cause any failure or inability to duly perform or fulfil any obligation under the Share Subscription Agreement).
- (d) Following a termination of the Share Subscription Agreement initiated by OHB, the defaulting party, being BSSB or NGSB, as the case may be agrees to:
- (i) pay to OHB a sum of RM7,655,000.00, equivalent to 5% of the Subscription Price, as agreed liquidated damages, within ten (10) business days from the date of termination; provided always that in the event NGSB is the defaulting party and fails to pay the said agreed liquidated damages to OHB within the prescribed ten (10) business days, BSSB hereby undertakes to pay to OHB the said agreed liquidated damages on behalf of NGSB within five (5) business days and
 - (ii) return to OHB all documents, if any, delivered to BSSB and NGSB by or on behalf of OHB.
- (e) In the event the Share Subscription Agreement is terminated by BSSB as a result of NGSB failing to carry out the RPS Redemption ("**Non-Redemption Termination**"), OHB agrees:
- (i) that BSSB and NGSB shall be entitled to terminate and rescind the Share Subscription Agreement, pursuant to which, OHB shall be required to, within sixty (60) business days from the date of termination, procure NGSB to undertake a capital reduction exercise to cancel the Subscription Shares and return the Subscription Price to OHB;
 - (ii) to return the management of NGSB to BSSB;
 - (iii) to pay to BSSB a sum of RM7,655,000.00, equivalent to 5% of the Subscription Price, as agreed liquidated damages, within ten (10) business days from the date of termination; and
 - (iv) to return to BSSB and NGSB all documents, if any, delivered to OHB by or on behalf of BSSB and/or NGSB.
- (f) Following a termination of the Share Subscription Agreement initiated by BSSB (save for a Non-Redemption Termination), OHB agrees:
- (i) to pay to NGSB a sum of RM7,655,000.00, equivalent to 5% of the Subscription Price, as agreed liquidated damages, within ten (10) business days from the date of termination; and
 - (ii) to return to BSSB and NGSB all documents, if any, delivered to OHB by or on behalf of BSSB and/or NGSB.
- (g) For the avoidance of doubt, there shall be no agreed liquidated damages to be paid by OHB, NGSB or BSSB (as the case may be) to the other, in the event the Share Subscription Agreement is terminated as a result of a failure to satisfy and/or fulfill the Conditions Precedent prior to the expiry of the Conditional Period, provided always that such termination did not result from any breach, default, negligence, or wilful act or omission attributable to either party.

SALIENT TERMS OF THE SHARE SUBSCRIPTION AGREEMENT *(Cont'd)*

- (h) Upon termination of the Share Subscription Agreement, all rights and obligations of the parties shall cease to have effect save that clauses which are expressed to survive its termination or expiry, or which from their nature or context it is contemplated that they are to survive termination shall continue in force following termination of the Share Subscription Agreement (for whatever reason). The parties may exercise the right of to terminate the Share Subscription Agreement without prejudice to any of their respective rights and remedies as may be available to the parties at law or in equity or as specified in the Share Subscription Agreement.

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SALIENT TERMS OF THE SSA

The salient terms of the SSA are as follows:

1. SALE AND PURCHASE

Subject to the terms and conditions of the SSA, BSSB agrees to sell as the sole legal and beneficial owner of the NGSB Sale Shares and OHB agrees to purchase all the NGSB Sale Shares free from encumbrances and together with all rights including all dividends and distributions declared, made or paid on or after the date OHB pays the full NGSB Sale Shares Consideration to BSSB ("**Completion Date**"). OHB shall not be obliged to complete the purchase of the NGSB Sale Shares unless the purchase of all the NGSB Sale Shares is completed simultaneously.

NGSB is the registered and beneficial owner of Bayview Beach Resort Penang.

2. PURCHASE CONSIDERATION AND PAYMENT TERMS

The NGSB Sale Shares Consideration amounting to RM13,900,000.00 in respect of the NGSB Sale Shares shall be payable by OHB to BSSB in the following manner:

- (a) a fixed sum of RM417,000.00 in cash, equivalent to 3% of the NGSB Sale Shares Consideration, to be paid to BSSB upon execution of the SSA ("**Deposit**"); and
- (b) a fixed sum of RM13,483,000.00 in cash, to be paid by OHB to BSSB on or before the last business day of the fourteen (14) business day period from the date the NGSB Sale Shares are duly registered in the name of OHB and the same is recorded accordingly in the register of members of NGSB ("**Balance Payment Due Date**") ("**Balance Payment**").

In the event the Balance Payment is not paid in full by OHB to BSSB on or before the Balance Payment Due Date, BSSB agrees to grant OHB a further one (1) month commencing from the day following the expiry of the Balance Payment Due Date or such other extended period that may be mutually agreed between the Parties ("**Extended Balance Payment Due Date**") for OHB to pay the Balance Payment, provided that OHB shall pay late payment interest at a rate of 8% per annum ("**Late Payment Interest**") to BSSB calculated on a day to day basis on the amount of the outstanding Balance Payment commencing from the first day of the Extended Balance Payment Due Date until but excluding the date the Balance Payment is paid by OHB to BSSB (which in any event shall be on or before the Extended Balance Payment Due Date).

3. EVENTS TO OCCUR LEADING UP TO COMPLETION DATE

Within seven (7) business days from the date of execution of the SSA, BSSB shall do or deliver to OHB (or cause to be done or delivered to OHB):

- (a) A certified true copy of the resolution of the board of directors of BSSB authorising the execution by BSSB of the SSA and any documents to be entered into pursuant to or in connection with the SSA and approving the transactions contemplated hereunder, including the sale of the NGSB Sale Shares by BSSB to OHB;
- (b) the duly executed form of transfer of securities as prescribed under Section 105 of the Act relating to all of the NGSB Sale Shares in favour of OHB together with the existing original share certificate in respect of the NGSB Sale Shares issued in the name of BSSB;

SALIENT TERMS OF THE SSA (Cont'd)

- (c) a certified true copy of the resolution of the board of directors of NGSB, subject only to the stamping of the form of transfer of securities referred to in paragraph 4(b) above, approving the:
 - (i) transfer of the NGSB Sale Shares from BSSB to OHB; and
 - (ii) cancellation of the existing share certificates in respect of the NGSB Sale Shares and issuance of new share certificates in favour of OHB and registration of OHB as a member of NGSB into the register of members of NGSB.

(hereinafter collectively referred to as "**Vendor Completion Documents**").

Within seven (7) business days from the date of execution of the SSA, OHB shall in exchange for BSSB providing all the Vendor Completion Documents, deliver or make available to BSSB a certified true copy or extract of the resolution of the Board and Stockholders authorising the execution by OHB of the SSA and any documents to be entered into pursuant to or in connection with the SSA and approving the transactions contemplated hereunder, including the purchase of the NGSB Sale Shares from BSSB by OHB.

OHB shall within thirty (30) business days from the date of receipt of the Vendor Completion Documents, or such later date as may be mutually agreed between the parties, procure for the NGSB Sale Shares to be duly registered in the name of OHB and for the same to be recorded in the register of members of NGSB.

4. COMPLETION

Completion shall take place on the date OHB pays the Balance Payment and Late Payment Interest (if applicable) to BSSB, provided always that OHB shall not be obliged to complete the purchase of any of the NGSB Sale Shares unless the purchase of all the NGSB Sale Shares is completed simultaneously ("**Completion Date**") ("**Completion**").

The parties agree that:

- (a) except to the extent already performed, all the provisions of the SSA will, so far as they are capable of being performed or observed, continue in full force and effect notwithstanding Completion; and
- (b) upon Completion, the beneficial ownership and title to the NGSB Sale Shares shall pass to OHB together with all rights and interests attaching thereto as at the Completion Date.

5. TAX INDEMNITY

BSSB agrees and undertakes to fully indemnify OHB against any all direct losses, liabilities, cost, charges and expenses made, suffered or incurred by, or otherwise imposed on NGSB after Completion provided always that such losses arise from or in connection with any fact, event, matter or circumstance occurring or existing at any time prior to Completion with respect to or in connection with any additional payment for tax imposed by any tax authority on NGSB for which NGSB failed to pay where:

- (a) such payment for tax was due prior to the completion date of the Share Subscription Agreement; or
- (b) such additional tax arises from a revised assessment after Completion from a tax authority, which assessment (pursuant to which such revised assessment was made) was assessed and paid prior to the completion date of the Share Subscription Agreement.

SALIENT TERMS OF THE SSA (Cont'd)

If any tax authority undertakes an audit of NGSB or issues any tax assessment notice to NGSB which relates to any Share Subscription Agreement's pre-completion date return:

- (a) OHB must as soon as reasonably practicable give BSSB written notice of the audit or assessment and provide full written details of the audit or assessment;
- (b) BSSB at their own cost and expense shall be involved in all action taken by NGSB in respect of the audit or assessment except to the extent that it relates to a period after the completion date of the Share Subscription Agreement; and
- (c) OHB must procure that NGSB furnishes all assistance that BSSB may reasonably require in relation to action taken in respect of the audit or assessment.

6. WARRANTIES

Under the SSA, BSSB warrants and represents, among others that:

- (a) BSSB is a company duly incorporated and validly existing under the Laws of Malaysia, and has full power and authority to enter into and perform the SSA. The execution, delivery and performance by BSSB of the SSA and the completion of any transactions contemplated thereunder have been or will be on or prior to the Completion Date duly authorised by all necessary actions and the SSA will be, when duly executed and delivered, valid and binding obligation of BSSB, enforceable in accordance with its terms and such execution and delivery;
- (b) Save as expressly contemplated under the SSA*, the execution, delivery and performance by BSSB of the SSA does not:
 - (i) conflict with any of, or require the consent of any person under, the terms, conditions or provisions of its constitution; or
 - (ii) violate any applicable law,

which would be adverse to BSSB's title to the NGSB Sale Shares;

Note:

* *For the avoidance of doubt, the SSA does not expressly contemplate any such matters of conflict, consent and/or violation of laws. As such the qualifier "Save as expressly contemplated under the SSA" is not applicable this warranty.*

- (c) No step has been taken in relation to BSSB or legal proceedings have been started or are pending against it for its winding-up or for the appointment of a judicial manager, administrator or receiver (including any administrative receiver) or similar officer over any or all of its assets;
- (d) The details of NGSB as stated in Schedule 1 of the SSA are true and accurate. The NGSB Sale Shares collectively represent 3.16% of the total shares issued by NGSB, and are validly allotted and issued and are fully paid;
- (e) On delivery of the NGSB Sale Shares and the duly executed relevant share transfer forms by BSSB, OHB shall be able to register the NGSB Sale Shares in the name of OHB subject only to the payment of the relevant stamp duty;

SALIENT TERMS OF THE SSA (Cont'd)

- (f) There are no agreements or arrangements in force other than the SSA, which grant to any person the right to call for the issue, allotment or transfer of any share or loan capital of NGSB and NGSB has not since its date of incorporation given or agreed to give any option in respect of any shares nor issued or agreed to issue or given any option in respect of any debenture or other securities or any right to convert any debt or obligation into shares, whether fully paid or otherwise, of NGSB;
- (g) No order has been made or petition presented or resolution passed for the winding-up or bankruptcy of BSSB or NGSB, nor has any distress, execution or other process been levied against the BSSB or NGSB or action taken to repossess goods in the BSSB's or the NGSB's possession;
- (h) No steps have been taken for the appointment of an administrator or receiver of any part of the BSSB's or NGSB's property;
- (i) No floating charge has been created over any part of the business or assets of NGSB;
- (j) BSSB and NGSB have not made or proposed any arrangement or composition with their creditors or any class of their creditors;
- (k) NGSB is not insolvent or will not be rendered insolvent by consummation of the sale and purchase of the NGSB Sale Shares;
- (l) BSSB has not issued any power of attorney to any person or persons in respect of the NGSB Sale Shares;
- (m) Save and except for Bayview Beach Resort Penang and its fixtures and fittings, NGSB does not own any assets or real property;
- (n) all quit rent, rates and assessments, sewerage services charges and other similar lawful outgoings due to the relevant authorities in respect of the Bayview Beach Resort Penang up to the date of the SSA have been or will be duly paid by NGSB. NGSB will not at any time after the date of the SSA do or suffer to be done or omitted any act matter or thing in or in respect of the Bayview Beach Resort Penang which may render Bayview Beach Resort Penang or any part thereof liable to forfeiture or attachment;
- (o) NGSB is the legal and beneficial owner of the Bayview Beach Resort Penang with good title, and free from all encumbrances;
- (p) Bayview Beach Resort Penang fully conform to the particulars and specifications listed in Schedule 2 of the SSA, with no discrepancies or variations, and all representations regarding size, layout and facilities as listed in the Schedule 2 of the SSA are true and accurate;
- (q) save as disclosed in the SSA, NGSB has not entered into any other agreement, contract, transaction, arrangement or understanding for the sale, lease, assignment or other disposition in whole or in part of Bayview Beach Resort Penang;
- (r) BSSB and/or NGSB is not in default under any agreement to which it is a party or by which it may be bound and no litigation, arbitration, administration or winding-up proceedings are presently current or pending or threatened which default, litigation, arbitration or administrative proceedings, as the case may be, might affect the Bayview Beach Resort Penang or the solvency of NGSB or might impair the BSSB's ability to perform its obligations under the SSA;
- (s) NGSB has not issued any power of attorney to any person or persons in respect of the Bayview Beach Resort Penang; and
- (t) Bayview Beach Resort Penang is not subject to any restriction(s)-in-interest.

SALIENT TERMS OF THE SSA *(Cont'd)*

7. TERMINATION

- (a) Without prejudice to the provisions in the SSA, OHB shall be entitled to issue a notice of termination to BSSB to terminate the SSA, if, at any time prior to Completion –
- (i) BSSB commits any breach of a material term and/or any of its obligations under the SSA which –
 - (1) is incapable of remedy; or
 - (2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;
 - (ii) BSSB is in breach of any of the fundamental warranties which –
 - (1) is incapable of remedy; or
 - (2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;
 - (iii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of NGSB and/or bankruptcy of BSSB;
 - (iv) an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any part of the assets or undertaking of NGSB;
 - (v) NGSB becomes insolvent or is unable to pay its debts or admits in writing its inability to pay its debts as and when they fall due or enter into any composition or arrangement with its creditors or makes a general assignment for the benefit of its creditors; or
 - (vi) NGSB ceases or threatens to cease or carry on the whole or any substantial part of its business (except for the purposes of a bona fide reconstruction or amalgamation which would not result or cause any failure or inability to duly perform or fulfil any obligation under the SSA).
- (b) Without prejudice to the provisions in the SSA, BSSB shall be entitled to issue a notice of termination to OHB to terminate the SSA, if: –
- (i) OHB fails to pay the Balance Payment on or before the expiry of the Extended Balance Payment Due Date and fails to remedy this within fourteen (14) days of it being notified to do so;
 - (ii) at any time prior to Completion, a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of OHB;
 - (iii) at any time prior to Completion, an administrator or receiver or receiver and manager is appointed over, or distress, attachment or execution is levied or enforced upon, any part of the assets or undertaking of OHB;
 - (iv) at any time prior to Completion, OHB becomes insolvent or is unable to pay its debts or admits in writing its inability to pay its debts as and when they fall due or enter into any composition or arrangement with its creditors or make a general assignment for the benefit of its creditors; or

SALIENT TERMS OF THE SSA (Cont'd)

- (v) at any time prior to Completion, OHB ceases or threatens to cease or carry on the whole or any substantial part of its business (except for the purposes of a bona fide reconstruction or amalgamation which would not result or cause any failure or inability to duly perform or fulfil any obligation under the SSA).
- (c) Following a termination of the SSA initiated by OHB, BSSB agrees to:
 - (i) refund the Deposit to OHB within three (3) business days together with interest accrued thereon at a rate of 4% per annum, calculated on a day to day basis on the Deposit amount commencing from the date of the SSA until the date of the said Deposit is refunded to OHB;
 - (ii) pay to OHB a sum of RM695,000.00, equivalent to 5% of the NGSB Sale Shares Consideration, as agreed liquidated damages, within ten (10) business days from the date of termination;
 - (iii) return to OHB all documents, if any, delivered to BSSB by or on behalf of OHB; and
 - (iv) procure NGSB to return to OHB all such documents, if any.
- (d) In the event the SSA is terminated by BSSB as a result of OHB failing to pay the Balance Payment on or before the expiry of the Extended Balance Payment Due Date and fails to remedy this within fourteen (14) days of it being notified to do so ("**Non-Payment Termination**"), OHB agrees:
 - (i) to within seven (7) business days from the date of termination, commence the necessary actions to transfer the NGSB Sale Shares back to BSSB (if applicable) and bear all costs and expenses (including stamp duty and capital gains tax) in respect of such transfer;
 - (ii) that the Deposit paid to BSSB shall be forfeited absolutely to BSSB;
 - (iii) to pay to BSSB an additional sum of RM278,000.00, equivalent to 2% of the NGSB Sale Shares Consideration (this additional sum together with the forfeited Deposit to be treated collectively as agreed liquidated damages), within ten (10) business days from the date of termination; and
 - (iv) to return to BSSB all documents, if any, delivered to OHB by or on behalf of BSSB.
- (e) Following a termination of the SSA initiated by BSSB (save for a Non-Payment Termination), OHB agrees:
 - (i) that the Deposit paid to BSSB shall be forfeited absolutely to BSSB;
 - (ii) to pay to BSSB an additional sum of RM278,000.00 equivalent to 2% of the NGSB Sale Shares Consideration (this additional sum together with the forfeited Deposit to be treated collectively as agreed liquidated damages), within ten (10) business days from the date of termination; and
 - (iii) to return to BSSB all documents, if any, delivered to OHB by or on behalf of BSSB.
- (f) Upon termination of the SSA, all rights and obligations of the parties shall cease to have effect save that clauses which are expressed to survive its termination or expiry, or which from their nature or context it is contemplated that they are to survive termination shall continue in force following termination of the SSA (for whatever reason). The parties may exercise the right of to terminate the SSA without prejudice to any of their respective rights and remedies as may be available to the parties at law or in equity or as specified in the SSA.

SALIENT TERMS OF THE SPA 1

The salient terms of the SPA 1 are as follows:

1. SALE AND PURCHASE

Subject to the terms and conditions of the SPA 1, BSSB agrees to sell and FPSB agrees to purchase Bayview Hotel Georgetown and Wisma Boon Siew, (collectively referred to as "**Property**") free from encumbrances but subject to the conditions of title at the full Purchase Consideration 2.

2. PURCHASE CONSIDERATION AND PAYMENT TERMS

Purchase Consideration 2 amounting to RM153,000,000.00 in respect of the Proposed Georgetown Acquisition shall be payable by FPSB to BSSB in the following manner:

- (a) a sum of RM4,590,000 equivalent to three percent (3%) of the Purchase Consideration 2, to be paid to BSSB upon execution of the SPA 1 ("**Earnest Deposit**");
- (b) a further sum of RM4,590,000 equivalent to three percent (3%) of the Purchase Consideration 2, to be retained by FPSB as stakeholder for the payment of Real Property Gains Tax ("**RPGT Retention Sum**"). For the avoidance of doubt, the Earnest Deposit and RPGT Retention Sum amounts to 6% of the Purchase Consideration 2 and shall collectively be referred to as the "**Deposit**"; and
- (c) a sum of RM143,820,000 equivalent to ninety-four percent (94%) of the Purchase Consideration 2, to be paid by FPSB to BSSB on or before the last business day of the fourteen (14) business day period from the date of successful presentation and registration of the Title Deeds (hereinafter defined) to the Property in the name of FPSB ("**Balance Payment Due Date**") ("**Balance Payment**").

In the event the Balance Payment is not paid in full by FPSB to BSSB on or before the Balance Payment Due Date, BSSB agrees to grant FPSB a further one (1) month commencing from the day following the expiry of the Balance Payment Due Date or such other extended period that may be mutually agreed between the Parties ("**Extended Balance Payment Due Date**") for FPSB to pay the Balance Payment, provided that FPSB shall pay late payment interest at a rate of eight percent (8%) per annum ("**Late Payment Interest**") to BSSB calculated on a day to day basis on the amount of the outstanding Balance Payment commencing from the first day of the Extended Balance Payment Due Date until but excluding the date the Balance Payment is paid by FPSB to BSSB (which in any event shall be on or before the Extended Balance Payment Due Date).

3. CONDITIONS PRECEDENT

The SPA 1 is conditional upon the fulfilment of the following conditions precedent within a period of nine (9) months from the date the SPA 1 is executed, or such longer period as FPSB and BSSB may mutually agree upon in writing ("**Conditional Period**"):

- (a) approval of the Stockholders at an EGM to be convened for OHB to undertake the Proposals pursuant to the Share Subscription Agreement, SSA, SPA 1 and SPA 2 ("**Stockholders' Approval CP**");
- (b) BSSB shall procure the novation to FPSB of all rights and obligations of BHSB under the Ascott Agreements with effect from the Completion Date (hereinafter defined) (save for the Framework Agreement, which shall be novated to OHB with effect from the completion date of the Share Subscription Agreement), with such novation to be evidenced by duly executed and stamped novation agreement(s) on terms substantially similar to those set out in the existing Ascott Agreement (with such amendments as may be necessary to give effect to the novation);

SALIENT TERMS OF THE SPA 1 (Cont'd)

- (c) BSSB shall procure BHSB to grant an irrevocable right to FPSB without any charges or fees for FPSB to utilise the "Bayview" brand name as well as the relevant licences, certificates and approvals required to operate Bayview Hotel Georgetown, as may be required by FPSB, from the Completion Date (hereinafter defined) until such date as may be elected by FPSB and notified to BSSB and BHSB; and
- (d) BSSB shall procure the mutual termination of the tenancy agreements entered into by BSSB with various third parties including the tenancy between BSSB and BHSB in respect of Bayview Hotel Georgetown and the services agreement dated 1 January 2019 entered into by Bayview International Sdn Bhd and BHSB with effect from the Completion Date (hereinafter defined), with no recourse on FPSB.

(hereinafter collectively referred to as "**Conditions Precedent**" and each a "**Condition Precedent**"). Save for the Stockholders' Approval CP, FPSB may agree to waive any of the Conditions Precedent imposed on BSSB at any time.

4. COMPLETION

Completion shall take place on the date FPSB pays the Balance Payment and Late Payment Interest (if applicable) to BSSB, provided always that FPSB shall only pay the Balance Payment to BSSB upon the successful presentation and registration of the Title Deeds in the name of FPSB ("**Completion Date**") ("**Completion**").

5. TRANSFER OF TITLE DEEDS

Within ten (10) business days from the date the last of the Conditions Precedent have been fulfilled or waived (as the case may be), BSSB shall cause its solicitor to deposit the original titles to the Property ("**Title Deeds**") with FPSB's solicitor who shall present the valid and registrable Form 14A ("**Transfer**") of the Property for registration at the land office within fourteen (14) days from its receipt of the Title Deeds or within fourteen (14) days from the date the Transfer has been duly adjudicated and stamped, whichever is later.

6. NON-REGISTRATION OF TRANSFER

In the event the Transfer in respect of the Property shall, for reasons not attributable to any fault or omission of the parties, be rejected for registration by the land office resulting in the Property not being able to be registered in the name of FPSB, the parties shall use its best endeavours to rectify the situation within fourteen (14) business days or such longer period as the parties may mutually agree on, failing which either party may upon notice in writing to the other party, elect to terminate SPA 1.

7. WARRANTIES

Under the SPA 1, BSSB warrants and represents, among others that:

- (a) BSSB is a company duly incorporated and existing under the laws of Malaysia;
- (b) BSSB is the legal and beneficial owner of the Property, free from all encumbrances;
- (c) BSSB has full power and authority to execute, deliver and perform the terms of SPA 1 and has taken and will before the Completion Date, take all necessary corporate and other actions to authorise the sale of the Property and the execution delivery and performance of the terms of SPA 1;

SALIENT TERMS OF THE SPA 1 (Cont'd)

- (d) the sale and transfer of the Property are not subject to any further consent, approval, or clearance from any public authorities;
- (e) all quit rent, rates and assessments, sewerage services charges and other similar lawful outgoings imposed by and due to the public authorities in respect of the Property up to the date of SPA 1 have been or will be duly paid by BSSB. BSSB will not at any time after the date of SPA 1 do or suffer to be done or omitted any act matter or thing in or in respect of the Property which may render the Property or any part thereof liable to forfeiture or attachment;
- (f) save as disclosed herein, BSSB has not entered into any other agreement, contract, transaction, arrangement or understanding for the sale, lease, assignment or other disposition in whole or in part of the Property;
- (g) BSSB is not in default under any agreement to which it is a party or by which it may be bound and no litigation, arbitration, administration or winding-up proceedings are presently current or pending or threatened which default, litigation, arbitration or administrative proceedings, as the case may be, might affect the Property or the solvency of BSSB or might impair BSSB's ability to perform its obligations under SPA 1; and
- (h) save as disclosed*, BSSB did not issue any power of attorney to any person or persons in respect of the Property.

Note:

* *For the avoidance of doubt, no such power of attorney was disclosed to FPSB by BSSB. As such the qualifier "save as disclosed" is not applicable to this warranty.*

8. TERMINATION

- (a) In the event any of the Conditions Precedent are not fulfilled or waived in accordance with the SPA 1 on or before the expiry of the Conditional Period, then either BSSB or FPSB shall be entitled to terminate SPA 1 by prior written notice to the other party and upon giving of such termination notice, SPA 1 shall be rescinded.
- (b) Without prejudice to the provisions in SPA 1, FPSB shall be entitled to issue a notice of termination to BSSB to terminate the SPA 1, if at any time prior to Completion Date –
 - (i) BSSB commits any breach of a material term and/or any of its obligations under the SPA 1 which –
 - (1) is incapable of remedy; or
 - (2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;
 - (ii) BSSB is in breach of any of the fundamental warranties which –
 - (1) is incapable of remedy; or
 - (2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;
 - (iii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) Business Days of the petition being served) or an order is made or a resolution is passed for the winding up of BSSB;

SALIENT TERMS OF THE SPA 1 (Cont'd)

- (iv) BSSB enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;
 - (v) a receiver, receiver and manager, liquidator, special administrator, trustee or similar official is appointed over any of the assets or undertaking of BSSB;
 - (vi) BSSB commits any act or omits to do any act which results in the breach or non-fulfilment of any term or condition of any banking, finance or credit facility which has the effect of causing the events specified in clauses b(iii), (iv) or (v) to occur; or
 - (vii) FPSB is unable to register the Transfer at the relevant land office due to the BSSB's breach of any terms and conditions of SPA 1 which is not rectifiable.
- (c) Without prejudice to the provisions in the SPA 1, BSSB shall be entitled to issue a notice of termination to FPSB to terminate the SPA 1, if at any time prior to Completion Date –
- (i) FPSB fails to pay the Balance Payment on or before the expiry of the Extended Balance Payment Due Date and fails to remedy this within fourteen (14) days of it being notified to do so;
 - (ii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) Business Days of the petition being served) or an order is made or a resolution is passed for the winding up of FPSB;
 - (iii) FPSB enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;
 - (iv) a receiver, receiver and manager, liquidator, special administrator, trustee or similar official is appointed over any of the assets or undertaking of FPSB; or
 - (v) FPSB commits any act or omits to do any act which results in the breach or non-fulfilment of any term or condition of any banking, finance or credit facility which has the effect of causing the events specified in clauses (c)(ii), (iii) or (iv) to occur.
- (d) Following a termination of the SPA 1 initiated by FPSB:
- (i) BSSB shall refund the Earnest Deposit to FPSB within three (3) business days together with interest accrued thereon at a rate of four percent (4%) per annum, calculated on a day to day basis on the Earnest Deposit amount commencing from the date of the SPA 1 until the date of the said Earnest Deposit is refunded to FPSB;
 - (ii) BSSB shall pursue the refund of RPGT Retention Sum paid by FPSB on behalf of BSSB and refund the same to FPSB within five (5) business days upon receiving the said refund from Director General of Inland Revenue;
 - (iii) BSSB shall pay to FPSB a sum of RM7,650,000, equivalent to five percent (5%) of the Purchase Consideration 2, as agreed liquidated damages, within ten (10) business days from the date of termination; and
 - (iv) FPSB shall:
 - (1) return to BSSB all its presentation documents with BSSB's interest in the Property remaining intact and free from encumbrances;
 - (2) deliver to BSSB the documentary proof of the withdrawal of the private caveat and all other encumbrances lodged by FPSB or any person claiming through it;

SALIENT TERMS OF THE SPA 1 (Cont'd)

- (3) redeliver the vacant possession of the Property to BSSB in the same state and condition as delivered to FPSB; and
 - (4) deliver to BSSB such mutually agreed document to give effect to the rescission or termination of the novation of Ascott Agreements.
- (e) Following a termination of the SPA 1 initiated by BSSB:
- (i) FPSB agrees that the Earnest Deposit paid to BSSB shall be forfeited absolutely to BSSB;
 - (ii) BSSB shall pursue the refund of RPGT Retention Sum paid by FPSB on behalf of BSSB and refund the same to FPSB within five (5) business days upon receiving the said refund from Director General of Inland Revenue;
 - (iii) FPSB to pay to BSSB an additional sum of RM3,060,000, equivalent to two percent (2%) of the Purchase Consideration 2 (this additional sum together with the forfeited Earnest Deposit to be treated collectively as agreed liquidated damages), within ten (10) business days from the date of termination; and
 - (iv) FPSB shall:
 - (1) return to BSSB all its presentation documents with BSSB's interest in the Property remaining intact and free from encumbrances;
 - (2) deliver to BSSB the documentary proof of the withdrawal of the private caveat and all other encumbrances lodged by FPSB or any person claiming through it;
 - (3) redeliver the vacant possession of the Property to BSSB in the same state and condition as delivered to FPSB;
 - (4) deliver to BSSB such mutually agreed document to give effect to the rescission or termination of the novation of Ascott Agreements; and
 - (5) if the termination is due to the reason of FPSB's failure to pay Balance Payment on or before the expiry of the Extended Balance Payment Due Date, FPSB shall, at its own cost and expense (including stamp duty and RPGT), within seven (7) business days from the date of termination, commence the necessary actions to effect the transfer and re-registration of the Property back to the BSSB, free from all encumbrances.
- (f) Upon termination of the SPA 1, the SPA 1 shall be null and void and of no further effect and the parties shall have no further claims of whatsoever nature against each other in respect of anything arising from or in connection with SPA 1 (save and except for any antecedent breaches) and BSSB shall be entitled to deal with the Property in any manner as BSSB shall deem fit in its absolute discretion including to sell the Property to any third party(ies) whosoever without any further reference whatsoever to FPSB.

SALIENT TERMS OF THE SPA 1 (Cont'd)

9. VACANT POSSESSION AND PASSING OF INTERESTS

- (a) Vacant possession of the Property, subject to Bayview Hotel Georgetown's guest occupancy, shall be delivered to FPSB on Completion Date, failing which BSSB shall pay to FPSB interest at the rate of eight percent (8%) per annum to be calculated on a daily basis on the Purchase Consideration 2 from the expiry of the said three (3) business days from the Completion Date until the delivery date of vacant possession of the Property, subject to Bayview Hotel Georgetown's guest occupancy, to FPSB.
- (b) BSSB hereby expressly agrees and confirms that as from the Completion Date, BSSB shall have no rights, title, interests or any claims whatsoever in and to the Property or any part thereof and BSSB hereby expressly further acknowledges that as from the date thereof FPSB shall be entitled to the legal and beneficial title and interests in and to the Property.

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SALIENT TERMS OF THE SPA 2

The salient terms of the SPA 2 are as follows:

1. SALE AND PURCHASE

Subject to the terms and conditions of the SPA 2, BSDSB agrees to sell Bayview Hotel Langkawi and NLSB agrees to purchase Bayview Hotel Langkawi together with other supporting amenities and facilities attached thereto free from encumbrances but subject to the conditions of title at the full Purchase Consideration 3.

2. PURCHASE CONSIDERATION AND PAYMENT TERMS

Purchase Consideration 3 amounting to RM91,000,000.00 in respect of the Proposed Langkawi Hotel Acquisition shall be payable by NLSB to BSDSB in the following manner:

- (a) a sum of RM2,730,000, equivalent to three percent (3%) of the Purchase Consideration 3, to be paid to BSDSB upon execution of the SPA 2 ("**Earnest Deposit**");
- (b) a further sum of RM2,730,000, equivalent to three percent (3%) of the Purchase Consideration 3, to be retained by NLSB as stakeholder for the payment of Real Property Gains Tax ("**RPGT Retention Sum**") For the avoidance of doubt, the Earnest Deposit and RPGT Retention Sum amounts to 6% of the Purchase Consideration 3 and shall collectively be referred to as the "**Deposit**"; and
- (c) a sum of RM85,540,000, equivalent to ninety-four percent (94%) of the Purchase Consideration 3, to be paid by NLSB to BSDSB on or before the last business day of the fourteen (14) business day period from the date of the registration of the Title Deed (hereinafter defined) to Bayview Hotel Langkawi are duly registered in the name of NLSB ("**Balance Payment Due Date**") ("**Balance Payment**").

In the event the Balance Payment is not paid in full by NLSB to BSDSB on or before the Balance Payment Due Date, BSDSB agrees to grant NLSB a further one (1) month commencing from the day following the expiry of the Balance Payment Due Date or such other extended period that may be mutually agreed between the Parties ("**Extended Balance Payment Due Date**") for NLSB to pay the Balance Payment, provided that NLSB shall pay late payment interest at a rate of eight percent (8%) per annum ("**Late Payment Interest**") to BSDSB calculated on a day to day basis on the amount of the outstanding Balance Payment commencing from the first day of the Extended Balance Payment Due Date until but excluding the date the Balance Payment is paid by NLSB to BSDSB (which in any event shall be on or before the Extended Balance Payment Due Date).

3. CONDITIONS PRECEDENT

The SPA 2 is conditional upon the fulfilment of the following conditions precedent within a period of nine (9) months from the date the SPA 2 is executed, or such longer period as NLSB and BSDSB may mutually agree upon in writing ("**Conditional Period**");

- (a) approval of the Stockholders at an EGM to be convened for OHB to undertake the Proposals pursuant to the Share Subscription Agreement, SSA, SPA 1 and SPA 2 ("**Stockholders' Approval CP**");
- (b) BSDSB shall procure the novation to NLSB of all rights and obligations of BHSB under the Ascott Agreements with effect from the Completion Date (hereinafter defined) (save for the Framework Agreement, which shall be novated to OHB with effect from the completion date of the Share Subscription Agreement), with such novation to be evidenced by duly executed and stamped novation agreement(s) on terms substantially similar to those set out in the existing Ascott Agreement (with such amendments as may be necessary to give effect to the novation);

SALIENT TERMS OF THE SPA 2 (Cont'd)

- (c) BSDSB shall procure BHSB to grant an irrevocable right to NLSB without any charges or fees for NLSB to utilise the “Bayview” brand name as well as the relevant licences, certificates and approvals required to operate Bayview Hotel Langkawi, as may be required by NLSB, from the Completion Date (hereinafter defined) until such date as may be elected by NLSB and notified to BSDSB and BHSB; and
- (d) BSDSB shall procure the mutual termination of the tenancy agreement dated 11 August 2025 entered into by BSDSB and BHSB in respect of Bayview Hotel Langkawi and the services agreement dated 1 January 2019 entered into by Bayview International Sdn Bhd and BHSB with effect from the Completion Date, with no recourse on NLSB.

(hereinafter collectively referred to as “**Conditions Precedent**” and each a “**Condition Precedent**”). Save for the Stockholders’ Approval CP, NLSB may agree to waive any of the Conditions Precedent imposed on BSDSB at any time.

4. COMPLETION

Completion shall take place on the date NLSB pays the Balance Payment and Late Payment Interest (if applicable) to BSDSB, provided always that NLSB shall only pay the Balance Payment to BSDSB upon the successful presentation and registration of the Title Deeds in the name of NLSB (“**Completion Date**”) (“**Completion**”).

5. TRANSFER OF TITLE DEEDS

Within ten (10) business days from the date the last of the Conditions Precedent have been fulfilled or waived (as the case may be), BSDSB shall cause its’ solicitor to deposit the original title to Bayview Hotel Langkawi (“**Title Deed**”) with NLSB’s solicitor who shall present the valid and registrable Form 14A (“**Transfer**”) of Bayview Hotel Langkawi for registration at the land office within fourteen (14) days from its receipt of the Title Deeds or within fourteen (14) days from the date the Transfer has been duly adjudicated and stamped, whichever is later.

6. NON-REGISTRATION OF TRANSFER

In the event the Transfer in respect of Bayview Hotel Langkawi shall, for reasons not attributable to any fault or omission of the parties, be rejected for registration by the land office resulting in Bayview Hotel Langkawi not being able to be registered in the name of NLSB, the parties shall use its best endeavours to rectify the situation within fourteen (14) business days or such longer period as the parties may mutually agree on, failing which either party may upon notice in writing to the other party, elect to terminate SPA 2.

7. WARRANTIES

Under the SPA 2, BSDSB warrants and represents, among others that:

- (a) BSDSB is a company duly incorporated and existing under the laws of Malaysia;
- (b) BSDSB is the legal and beneficial owner of Bayview Hotel Langkawi, free from all encumbrances;
- (c) BSDSB has full power and authority to execute, deliver and perform the terms of SPA 2 and has taken and will before the Completion Date, take all necessary corporate and other actions to authorise the sale of Bayview Hotel Langkawi and the execution delivery and performance of the terms of SPA 2;

SALIENT TERMS OF THE SPA 2 (Cont'd)

- (d) all obligations and conditions arising from restriction-in-interest as stated in the SPA 2 have been duly complied with. Accordingly, the sale and transfer of the Bayview Hotel Langkawi are not subject to any further consent, approval, or clearance from any public authorities;
- (e) all quit rent, rates and assessments, sewerage services charges and other similar lawful outgoings imposed by and due to the public authorities in respect of Bayview Hotel Langkawi up to the date of SPA 2 have been or will be duly paid by BSDSB. BSDSB will not at any time after the date of SPA 2 do or suffer to be done or omitted any act matter or thing in or in respect of Bayview Hotel Langkawi which may render Bayview Hotel Langkawi or any part thereof liable to forfeiture or attachment;
- (f) save as disclosed herein, BSDSB has not entered into any other agreement, contract, transaction, arrangement or understanding for the sale, lease, assignment or other disposition in whole or in part of Bayview Hotel Langkawi;
- (g) BSDSB is not in default under any agreement to which it is a party or by which it may be bound and no litigation, arbitration, administration or winding-up proceedings are presently current or pending or threatened which default, litigation, arbitration or administrative proceedings, as the case may be, might affect Bayview Hotel Langkawi or the solvency of BSDSB or might impair BSDSB's ability to perform its obligations under SPA 2;
- (h) save as disclosed*, BSDSB did not issue any power of attorney to any person or persons in respect of Bayview Hotel Langkawi.

Note:

* For the avoidance of doubt, no such power of attorney was disclosed to NLSB by BSDSB. As such the qualifier "save as disclosed" is not applicable to this warranty.

8. TERMINATION

- (a) In the event any of the Conditions Precedent are not fulfilled or waived in accordance with the SPA 2 on or before the expiry of the Conditional Period, then either BSDSB or NLSB shall be entitled to terminate SPA 2 by prior written notice to the other party and upon giving of such termination notice, SPA 2 shall be rescinded.
- (b) Without prejudice to the provisions in SPA 2, NLSB shall be entitled to issue a notice of termination to BSDSB to terminate the SPA 2, if at any time prior to Completion Date –
 - (i) BSDSB commits any breach of a material term and/or any of its obligations under the SPA 2 which –
 - (1) is incapable of remedy; or
 - (2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;
 - (ii) BSDSB is in breach of any of the fundamental warranties which –
 - (1) is incapable of remedy; or
 - (2) if capable of remedy, is not remedied within fourteen (14) days of it being notified to do so;
 - (iii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of BSDSB;
 - (iv) BSDSB enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;

SALIENT TERMS OF THE SPA 2 (Cont'd)

- (v) a receiver, receiver and manager, liquidator, special administrator, trustee or similar official is appointed over any of the assets or undertaking of BSDSB;
 - (vi) BSDSB commits any act or omits to do any act which results in the breach or non-fulfilment of any term or condition of any banking, finance or credit facility which has the effect of causing the events specified in clauses b(iii), (iv) or (v) to occur; or
 - (vii) NLSB is unable to register the Transfer at the relevant land office due to the BSDSB's breach of any terms and conditions of SPA 2 which is not rectifiable.
- (c) Without prejudice to the provisions in the SPA 2, BSDSB shall be entitled to issue a notice of termination to NLSB to terminate the SPA 2, if at any time prior to Completion Date –
- (i) NLSB fails to pay the Balance Payment on or before the expiry of the Extended Balance Payment Due Date and fails to remedy this within fourteen (14) days of it being notified to do so;
 - (ii) a petition is presented (and such petition is not stayed or struck-out within thirty (30) business days of the petition being served) or an order is made or a resolution is passed for the winding up of NLSB;
 - (iii) NLSB enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;
 - (iv) a receiver, receiver and manager, liquidator, special administrator, trustee or similar official is appointed over any of the assets or undertaking of NLSB; or
 - (v) NLSB commits any act or omits to do any act which results in the breach or non-fulfilment of any term or condition of any banking, finance or credit facility which has the effect of causing the events specified in clauses (c)(ii), (iii) or (iv) to occur.
- (d) Following a termination of the SPA 2 initiated by NLSB:
- (i) BSDSB shall refund the Earnest Deposit to NLSB together with interest accrued thereon at a rate of four percent (4%) per annum, calculated on a day to day basis on the Earnest Deposit amount commencing from the date of the SPA 2 until the date of the said Earnest Deposit is refunded to NLSB;
 - (ii) BSDSB shall pursue the refund of RPGT Retention Sum paid by NLSB on behalf of BSDSB and refund the same to NLSB within five (5) business days upon receiving the said refund from Director General of Inland Revenue;
 - (iii) BSDSB shall pay to NLSB a sum of RM4,550,000, equivalent to five percent (5%) of the Purchase Consideration 3, as agreed liquidated damages, within ten (10) business days from the date of termination; and
 - (iv) NLSB shall:
 - (1) return to BSDSB all its presentation documents with BSDSB's interest in Bayview Hotel Langkawi remaining intact and free from encumbrances;
 - (2) deliver to BSDSB the documentary proof of the withdrawal of the private caveat and all other encumbrances lodged by NLSB or any person claiming through it;
 - (3) redeliver the vacant possession of Bayview Hotel Langkawi to BSDSB in the same state and condition as delivered to NLSB; and
 - (4) deliver to BSDSB such mutually agreed document to give effect to the rescission or termination of the novation of Ascott Agreements.

SALIENT TERMS OF THE SPA 2 (Cont'd)

- (e) Following a termination of the SPA 2 initiated by BSDSB:
- (i) NLSB agrees that the Earnest Deposit paid to BSDSB shall be forfeited absolutely to BSDSB;
 - (ii) BSDSB shall pursue the refund of RPGT Retention Sum paid by NLSB on behalf of BSDSB and refund the same to NLSB within five (5) business days upon receiving the said refund from Director General of Inland Revenue;
 - (iii) NLSB to pay to BSDSB an additional sum of RM1,820,000, equivalent to two percent (2%) of the Purchase Consideration 3 (this additional sum together with the forfeited Earnest Deposit to be treated collectively as agreed liquidated damages), within ten (10) business days from the date of termination; and
 - (iv) NLSB shall:
 - (1) return to BSDSB all its presentation documents with BSDSB's interest in Bayview Hotel Langkawi remaining intact and free from encumbrances;
 - (2) deliver to BSDSB the documentary proof of the withdrawal of the private caveat and all other encumbrances lodged by NLSB or any person claiming through it;
 - (3) redeliver the vacant possession of Bayview Hotel Langkawi to BSDSB in the same state and condition as delivered to NLSB;
 - (4) deliver to BSDSB such mutually agreed document to give effect to the rescission or termination of the novation of Ascott Agreements; and
 - (5) if the termination is due to the reason of NLSB's failure to pay Balance Payment on or before the expiry of the Extended Balance Payment Due Date, NLSB shall, at its own cost and expense (including stamp duty and RPGT), within seven (7) business days from the date of termination, commence the necessary actions to effect the transfer and re-registration of the Bayview Hotel Langkawi back to the BSDSB, free from encumbrances.
- (f) Upon termination of the SPA 2, the SPA 2 shall be null and void and of no further effect and the parties shall have no further claims of whatsoever nature against each other in respect of anything arising from or in connection with SPA 2 (save and except for any antecedent breaches) and BSDSB shall be entitled to deal with Bayview Hotel Langkawi in any manner as BSDSB shall deem fit in its absolute discretion including to sell Bayview Hotel Langkawi to any third party(ies) whatsoever without any further reference whatsoever to NLSB.

9. VACANT POSSESSION AND PASSING OF INTERESTS

- (a) Vacant possession of Bayview Hotel Langkawi, subject to Bayview Hotel Langkawi's guest occupancy, shall be delivered to NLSB on Completion Date, failing which BSDSB shall pay to NLSB interest at the rate of eight percent (8%) per annum to be calculated on a daily basis on the Purchase Consideration 3 from the expiry of the said three (3) business days from the Completion Date until the delivery date of vacant possession of Bayview Hotel Langkawi, subject to Bayview Hotel Langkawi's guest occupancy, to NLSB.
- (b) BSDSB hereby expressly agrees and confirms that as from the Completion Date, BSDSB shall have no rights, title, interests or any claims whatsoever in and to the Bayview Hotel Langkawi or any part thereof and BSDSB hereby expressly further acknowledges that as from the date thereof NLSB shall be entitled to the legal and beneficial title and interests in and to Bayview Hotel Langkawi.

**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024**

1. HISTORY AND BUSINESS

NGSB was incorporated as a private limited company in Malaysia under the Companies Act 1965 on 17 January 2012 and have its registered address at Suite I, 2nd Floor, Wisma Lister Garden, 123 Jalan Macalister, 10400 George Town, Pulau Pinang.

As at the LPD, the principal activity of NGSB is property investment activities. NGSB commenced its business after it acquired Bayview Beach Resort Penang in end-2013 and has since been deriving revenue from rental income from the hotel. NGSB currently owns the Bayview Beach Resort Penang as its sole major asset.

2. SHARE CAPITAL

As at the LPD, NGSB has an issued share capital of RM158,100,002 comprising 5,000,002 ordinary shares and 1,531,000 redeemable preference shares. Pursuant to the constitution of NGSB, the holders of the redeemable preference shares shall have the same right as the holders of the ordinary shares as regards to receiving of notice, reports and audited accounts of NGSB as well as speaking at and attending the general meetings of NGSB, but shall only have the right to vote, in person or by proxy, at any meeting convened or by way of written resolution on resolutions pertaining to the winding up of NGSB, abrogating or varying or otherwise directly affecting the special rights and privileges to the redeemable preference shares, or in the event that, at the date of the notice convening the meeting, any dividend on the preference shares is in arrears for more than six (6) months.

Further, NGSB shall not, unless with the consent of the existing preference share holders at a class meeting, issue further preference capital ranking in priority above preference shares already in issue but may issue further preference shares ranking equally therewith. Each redeemable preference share shall confer on the holder thereof the right on winding-up or other return of capital to receive, in priority to any payment to the holders of ordinary shares of NGSB, repayment in full of the capital paid up or credited as paid up thereon.

A redeemable preference share may only be transferred in accordance with the provisions of NGSB's constitution and shall rank *pari passu* among themselves and in priority to the ordinary shares of NGSB but after all secured and unsecured obligations of NGSB.

Each redeemable preference share shall confer on the holder thereof the rights to receive, in priority to any payment to the holders of any other class of shares in the capital of NGSB, out of the profits of NGSB each year available for dividend and resolved to be distributed in respect of any period for which NGSB's financial statements are made up, a non-cumulative preferential dividend at a rate to be determined by NGSB on the capital paid up or credited as paid up thereon.

Where the holders of the redeemable preference share(s) are entitled to vote at any general meeting of NGSB, every redeemable preference share shall on a poll, carry one (1) vote for every one (1) such share issued and paid-up and every ordinary share shall, notwithstanding any other provision in the constitution of NGSB, carry one (1) vote for every one such share issued and paid up.

**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024**

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not NGSB is being wound up, be varied with the consent in writing of the holders of three-fourths (3/4) of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. For every such separate general meeting, the provision of the constitution of NGSB shall mutatis mutandis apply, except that the necessary quorum shall be two (2) persons holding or representing by proxy at least one-third (1/3) of the nominal amount of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. For every such special resolution, section 292 of the Act shall, with such adaptations as are necessary, apply.

Pursuant to the constitution of NGSB, the redeemable preference shares shall be redeemable in such manner, value and date to be determined by NGSB, and in accordance with the following provisions:

- (a) NGSB may at any time redeem all or any of the redeemable preference shares which are fully paid by giving not less than one (1) month's prior written notice ("**Redemption Notice**") to the holders of the redeemable preference shares of its intention to do so on the date specified in the Redemption Notice;
- (b) On the redemption date, NGSB shall redeem the redeemable preference shares specified in the Redemption Notice at its par value of RM1 per share* (and pay the dividend which has accrued on them, if any (whether declared or earned or not)) up to the redemption date against delivery to NGSB of the certificates for the said redeemable preference shares to be redeemed and shall issue fresh certificates for unredeemed preference shares;
- (c) The redeemable preference shares to be redeemed shall cease to rank for dividend on the redemption date unless on the certificates for the redeemable preference shares being tendered, NGSB fails to effect such redemption;
- (d) No redeemable preference shares shall be redeemed otherwise than out of distributable profits or the proceeds of a fresh issue of shares made for the purposes of the redemption by the premium payable on the redemption shall be paid either out of distributable profits or, to the extent permitted by law, out of the share premium account of NGSB; and
- (e) NGSB shall comply with all the provisions of the Act relating to the redemption of the redeemable preference shares and the creation or increase of a capital redemption reserve.

Note:

- * *The concept of par value is no longer applicable under the Act.*

**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024 (Cont'd)**

For the avoidance of doubt, as part of the Proposed NGSB Share Acquisition, following the completion of the Share Subscription Agreement and prior to the execution of the SSA, the 1,531,000 redeemable preference shares in NGSB shall be redeemed by NGSB in favour of BSSB, in accordance with the RPS Redemption.

Following the RPS Redemption, all redeemable preference shares in NGSB would have been fully redeemed, resulting in the issued share capital of NGSB comprising solely ordinary shares.

3. DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The directors of NGSB and their respective shareholdings in NGSB as at the LPD are as follows:

	Nationality	Designation	Direct		Indirect	
			No. of shares	%	No. of shares*	%
Datuk Loh Kian Chong	Malaysian	Director	-	-	(1)6,531,002	100.00
Dato' Sri Datuk Wira Tan Hui Jing	Malaysian	Director	-	-	-	-

Note:

* Comprising ordinary shares and redeemable preference shares.

(1) Deemed interested by virtue of his shareholding in BSSB pursuant to subsection 8(4) of the Act.

The shareholders of NGSB and their respective shareholdings in NGSB as at the LPD are as follows:

	Place of incorporation	Direct		Indirect	
		No. of shares*	%	No. of shares*	%
BSSB**	Malaysia	6,531,002	100.00	-	-

Notes:

* Comprising ordinary shares and redeemable preference shares.

** The direct and indirect substantial shareholders of BSSB are as listed in **Section A, Paragraph 2 of Appendix I**.

4. SUBSIDIARIES AND ASSOCIATE COMPANIES

As at the LPD, NGSB does not have any subsidiaries and/or associate companies.

5. MATERIAL COMMITMENTS

As at the LPD, save for the obligation to undertake the RPS Redemption pursuant to the Share Subscription Agreement, there are no material commitments incurred or known to be incurred by NGSB which, upon becoming enforceable, may have a material impact on the financial results or position of NGSB.

**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024 (Cont'd)**
6. MATERIAL CONTRACTS

As at the LPD, save for the Share Subscription Agreement pertaining to the Proposed NGSB Share Acquisition (which form part of the subject matter of this Circular), NGSB has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within 2 years preceding the LPD.

7. CONTINGENT LIABILITIES

As at the LPD, save for the obligations and liabilities of NGSB in its ordinary course of business and the obligation to carry out the RPS Redemption in connection with the NGSB Share Acquisition, there are no contingent liabilities incurred or known to be incurred by NGSB which, upon becoming enforceable, may have a material impact on the financial results or position of NGSB.

8. FINANCIAL INFORMATION ON NGSB

The summary of the audited financial information of NGSB based on the audited financial statements of NGSB for the past 3 financial years up to the FYE 31 December 2024 and the latest unaudited financial statements for the 10-month financial period ended ("FPE") 31 October 2025 are as follows:

RM 000 (unless stated otherwise)	Audited FYE 31 December			Unaudited 10-month FPE 31 October
	2022	2023	2024	2025
Revenue	720	720	720	600
(Loss before tax) / Profit before tax	(1,349)	(1,267)	(1,262)	(1)707
(Loss after tax) ("LAT") / Profit after tax	(1,373)	(1,301)	(1,301)	(1)707
Share capital	166,000	166,000	166,000	(2)158,100
Shareholders' funds / NA	152,031	150,730	149,429	142,236
Total borrowings	-	-	-	-
No. of shares ⁽³⁾ (000)	6,610	6,610	6,610	6,531
No. of ordinary shares (000)	5,000	5,000	5,000	5,000
Earnings per ordinary share / (Loss per ordinary share) (RM)	(0.27)	(0.26)	(0.26)	0.14
NA per share ⁽⁴⁾ (RM)	23.00	22.80	22.61	21.78
Current ratio (times)	32.16	35.17	40.24	2.06
Gearing ratio (times)	-	-	-	-

Notes:

- (1) The unaudited 10-month FPE 31 October 2025 financials have not recognised depreciation on investment properties amounting to RM2.12 million, which will be accounted for at year-end.
- (2) On 7 October 2025, BSSB redeemed 79,000 redeemable preference shares at RM7,900,000.
- (3) Comprising ordinary shares and redeemable preference shares.
- (4) NA per share is calculated based on the total number of issued shares, comprising ordinary shares and redeemable preference shares.

**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024 (Cont'd)**

The above financial statements of NGSB have been prepared in accordance with Malaysian Private Entities Reporting Standard (MPERS). Upon completion of the Proposed NGSB Share Acquisition, the financial statements of NGSB will be transitioned to MFRS before its financial results are fully consolidated into our Group

During the financial years under review:

- (i) there were no exceptional and/or extraordinary items;
- (ii) there have been no accounting policies adopted by NGSB which are peculiar to NGSB because of the nature of its business or the industry in which it is involved in; and
- (iii) there have been no audit qualifications to the financial statements of NGSB.

Commentaries on financial performance**FYE 31 December 2022**

NGSB recorded revenue of RM0.72 million in the FYE 31 December 2022, consistent with the revenue recorded in the preceding financial year (FYE 31 December 2021: RM0.72 million).

NGSB incurred a higher LAT of approximately RM1.37 million for the FYE 31 December 2022 as compared to a LAT of approximately RM1.35 million in the previous financial year. The higher LAT year-on-year was mainly attributable to higher administrative expenses.

FYE 31 December 2023

NGSB recorded revenue of RM0.72 million for the FYE 31 December 2023, consistent with the revenue recorded for the FYE 31 December 2022.

NGSB incurred a lower LAT of approximately RM1.30 million for the FYE 31 December 2023, compared to a LAT of approximately RM1.37 million for the FYE 31 December 2022. The lower LAT year-on-year was mainly attributable to lower administrative expenses and higher interest income.

FYE 31 December 2024

NGSB recorded revenue of RM0.72 million for the FYE 31 December 2024, consistent with the revenue recorded for the FYE 31 December 2023.

NGSB incurred a LAT of approximately RM1.30 million for the FYE 31 December 2024, which was consistent with the LAT of approximately RM1.30 million recorded for the FYE 31 December 2023.

10-month FPE 31 October 2025

NGSB recorded a revenue of RM0.60 million for the 10-month FPE 31 October 2025, consistent with the revenue recorded for the corresponding financial period.

NGSB recorded a PAT of approximately RM0.71 million for the 10-month FPE 31 October 2025, consistent with the PAT recorded for the corresponding financial period.

**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024** *(Cont'd)*

Summary of financial performance

NGSB owns the property and rents it to BHSB for the hotel business. Accordingly, NGSB's revenue is derived from rental income amounting to RM720,000 per annum.

The LAT recorded by NGSB over the past 3 financial years up to the FYE 31 December 2024 were mainly attributable to depreciation of the hotel building, amounting to approximately RM2.12 million per annum. Accordingly, NGSB is expected to record a LAT of approximately RM1.30 million for the FYE 31 December 2025.

(Source: NGSB)

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**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024 (Cont'd)**

Northam Georgetown Sdn. Bhd.
(Registration No. 201201001960 (975485 - H))
(Incorporated in Malaysia)

**Financial statements for the year
ended 31 December 2024**

**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024 (Cont'd)**

Northam Georgetown Sdn. Bhd.

(Registration No. 201201001960 (975485 - H))

(Incorporated in Malaysia)

Directors' report for the year ended 31 December 2024

The Directors hereby submit their report and the audited financial statements of the Company for the year ended 31 December 2024.

Principal activity

The Company is principally engaged in property investment activities. There has been no significant change in the nature of this activity during the financial year.

Ultimate holding company

The Company is an indirect subsidiary of Soaring Capital Land Sdn. Bhd., of which is incorporated in Malaysia and regarded by the Directors as the Company's ultimate holding company, during the financial year and until the date of this report.

Results

	RM
Loss for the year	<u>1,300,965</u>

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

Dividend

No dividend was paid since the end of the previous financial year and the Directors do not recommend any dividend to be paid for the financial year under review.

**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024 (Cont'd)**

Registration No. 201201001960 (975485 - H)

Directors of the Company

Directors who served during the financial year until the date of this report are :

Datuk Loh Kian Chong, DMSM
Dato' Sri Datuk Wira Tan Hui Jing,
SSAP, DCSM, PKT, PJK

Directors' interests in shares

The Company is a wholly-owned subsidiary of Boon Siew Sdn. Berhad ("BSSB"), in which all the Directors are also Directors of BSSB. Their interests in the shares of the Company and of its related companies are shown in the Directors' report of BSSB.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements of the related companies) by reason of a contract made by the Company or a related company with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company and no debentures were issued during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance cost

There was no indemnity given to or insurance effected for Directors, officers or auditors of the Company during the financial year.

**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024 (Cont'd)**

Registration No. 201201001960 (975485 - H)

Other statutory information

Before the financial statements of the Company were made out, the Directors took reasonable steps to ascertain that any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances :

- i) that would render the value attributed to the current assets in the financial statements of the Company misleading, or
- ii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or
- iii) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Company misleading.

At the date of this report, there does not exist :

- i) any charge on the assets of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Company for the financial year ended 31 December 2024 has not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

**INFORMATION ON NGSB AND NGSB'S LATEST AUDITED FINANCIAL STATEMENTS FOR THE
FYE 31 DECEMBER 2024 (Cont'd)**

Registration No. 201201001960 (975485 - H)

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Company during the year is RM2,640.

Signed in accordance with a resolution of the Directors :



.....
Dato' Sri Datuk Wira Tan Hui Jing
SSAP, DCSM, PKT, PJK
Director



.....
Datuk Loh Kian Chong, DMSM
Director

Penang,

Date : 13 June 2025