

SUNSURIA BERHAD (“Sunsuria” or “Company”)

- **REVOCAION OF JOINT DEVELOPMENT AGREEMENT DATED 9 MAY 2016 MADE BETWEEN SUNSURIA CITY SDN. BHD. (“SCSB”), SUNSURIA GATEWAY SDN. BHD. (“SGSB”) AND WELCOME GLOBAL CO. LTD. (“WELCOME GLOBAL”) VIA SUNSURIA EVERRICH SDN. BHD. (“SESB”) FOR THE PROPOSED DEVELOPMENT OF A PIECE OF LAND MEASURING APPROXIMATELY 8.48 ACRES LOCATED AT SALAK TINGGI, PUTRAJAYA SOUTH OWNED BY SCSB (“LAND”)**
- **PROPOSED ACQUISITION OF THE LAND BY SESB FROM SCSB (“PROPOSED ACQUISITION”)**

(Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as those given to them in the announcements made on 9 May 2016 and 27 November 2019.)

Reference is made to the announcement of the same subject matter made by the Company on 27 November 2019 (reference no.: GA1-27112019-00021), the Board wishes to furnish the following additional information in relation to the Proposed Acquisition:

5. SALIENT TERMS OF THE SPA

5.4 Payment of Purchase Price

The Purchase Price shall be paid in the following manners:

- a) Upon the execution of the SPA, SESB shall pay to SCSB, a sum of RM3,693,888.00 equivalent to 10% of the Purchase Price being the payment of the deposit (the “Deposit”).
- b) The balance sum of RM33,244,992.00 equivalent to 90% of the Purchase Price shall be paid by SESB to SCSB in the following manner:
 - i) within 12 months from the date of the SPA or upon SCSB and/or SESB obtaining a copy of the Subdivision Approval, whichever is earlier (“Second Payment Period”), a further sum of RM7,387,776.00, equivalent to 20% of the Purchase Price (“Second Payment”); and
 - ii) within 24 months from the date of the SPA or upon SCSB and/or SESB obtaining a copy of the Development Order Approval subject to the conditions imposed thereto by the relevant authorities, whichever is earlier (“Final Payment Period”), the final balance payment of RM25,857,216.00, equivalent to 70% of the Purchaser Price (“Final Payment”).

(The Second Payment Period and Final Payment Period shall collectively referred to as the “Completion Period”)

5.5 Default by SESB

In the event SESB fails, refuses or neglects to pay any part of the Second Payment or Final Payment on or before the expiry of two (2) months from the respective Completion Period (“Extended Completion Period”) (subject to the re-computation of the Completion Period and/or the Extended Completion Period), SCSB shall be entitled to terminate the SPA by a notice in writing and a sum equivalent to 10% of the Purchase Price (“Forfeiture Sum”) paid by SESB shall be forfeited by SCSB absolutely as agreed liquidated damages and whereupon the provisions of clause on termination of the SPA shall apply.

5.6 Default by SCSB

In the event SCSB fails, neglects or refuses to complete the sale and purchase of the Land in accordance with the provisions of the SPA and/or SCSB commits a material breach of the SPA

after SESB has complied with the terms and conditions in the SPA, SESB shall be entitled to as follows:

- a) the remedy of specific performance against SCSB and to all the relief following therefrom; or
- b) to terminate the SPA by a notice in writing and in which event SESB shall be entitled to claim a sum equivalent to the Forfeiture Sum as liquidated damages from SCSB and whereupon the provisions of clause on termination of the SPA shall apply.

5.7 Termination of the SPA

In the event of a termination of the SPA, the following provisions shall apply notwithstanding any provision to the contrary, express or implied:

- a) within 14 days from the date of termination of the SPA, SCSB shall refund or cause to be refunded free of interest all sums paid by SESB towards the account of the Purchase Price pursuant to the provisions of the SPA (save and except for the Forfeiture Sum that shall be forfeited, in the case of the termination of the SPA by SCSB pursuant to Section 5.5 above; and
- b) within 14 days from the date of termination of the SPA, SESB shall:
 - i) redeliver or caused to be redelivered to SCSB the Title Documents and/or all other relevant documents that may have been forwarded by SCSB to SESB or the solicitors prior to the termination of the SPA with SCSB's interest intact;
 - ii) redeliver to SCSB vacant possession of the Land in the same state and condition as the same was delivered (if the same has been delivered to SESB); and
 - iii) withdraw or caused to be withdrawn any private caveat that SESB may have lodged over the Land,

PROVIDED THAT in the event that the stamp duty has been paid on the registration of memorandum of transfer in respect of the subdivided lots of the Land in favour of SESB ("Transfer"), the solicitors shall be entitled to retain the Transfer for or in connection with obtaining a refund of stamp duty as may then have been paid on the transfer and in such event, the said solicitors shall return the Transfer to SCSB after the refund of the stamp duty paid thereon PROVIDED FURTHER THAT in the event that there is any sum to be refunded pursuant to paragraph (a) above by SCSB and/or payment of the damages by SCSB in the case of a termination of the SPA by SESB pursuant to Section 5.6 above then SESB's obligation shall be concurrent with that of SCSB in respect of such refund and/or payment,

and whereupon the SPA shall be treated as null and void and cease to have any further effect and neither parties hereto shall have any further claims against the other save and except as provided in Section 5.8 below.

5.8 Further Obligations Upon Termination

Upon the lawful termination of the SPA, neither party shall have any further obligations under the SPA to the other party other than:

- a) their respective obligations which are to be performed upon the lawful termination of the SPA;
- b) any obligation which is expressed to survive the termination of the SPA; and
- c) any rights or obligations which have accrued to any party in respect of any breach of any of the provisions of the SPA prior to such termination.

6. BASIS AND JUSTIFICATION FOR THE PURCHASE PRICE

SCSB agrees to sell to SESB and SESB agrees to purchase from SCSB the Land on an “as is where is” basis free from all encumbrances whatsoever and with vacant possession based upon the terms and conditions of the SPA.

The Purchase Price was derived on a willing-buyer, willing-seller basis after taking into consideration amongst others the indicative market value of the Land of RM41 million appraised by Savills (Malaysia) Sdn Bhd on 30 September 2019 on “as is where is” basis. The said indicative market value of the Land merely serves as guidance in determining the Purchase Price between the parties. The Purchase Price represents a discount of approximately 10% to the indicative market value of the Land taking into consideration the challenging property market conditions.

This announcement is dated 29 November 2019.