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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.

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TITIJAYA LAND BERHAD

(Company No. 1009114-M)

(Incorporated in Malaysia under the Companies Act 2016)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- (I) PROPOSED ISSUANCE OF 79,732,622 NEW ORDINARY SHARES IN TITIJAYA LAND BERHAD (“TLB” OR THE “COMPANY”) (“TLB SHARES”) AT AN ISSUE PRICE OF RM1.45 PER TLB SHARE TO ACQUIRE THE ENTIRE EQUITY INTEREST IN NPO BUILDERS SDN BHD AND FULL SETTLEMENT OF ADVANCES FROM TITI KAYA SDN BHD, LEE ENG WAH AND LIM WEN YEH, BEING THE VENDORS OF NPO BUILDERS SDN BHD, FOR A TOTAL PURCHASE CONSIDERATION OF RM115,612,302 (“PROPOSED ISSUANCE OF CONSIDERATION SHARES”);**
- (II) PROPOSED SUBDIVISION OF EVERY 1 TLB SHARE INTO 2 ORDINARY SHARES IN TLB HELD AFTER THE PROPOSED ISSUANCE OF CONSIDERATION SHARES, AT AN ENTITLEMENT DATE TO BE DETERMINED LATER (“PROPOSED SUBDIVISION”); AND**
- (III) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY TO FACILITATE THE PROPOSED SUBDIVISION (“PROPOSED AMENDMENTS”)**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser for (I) and (II)



TA SECURITIES HOLDINGS BERHAD (14948-M)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting (“**EGM**”) of TLB to be held at Ivory 12, Level 4, Holiday Villa Hotel & Conference Centre Subang, 9, Jalan SS 12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 12 September 2017 at 10.30 a.m. or at any adjournment thereof, together with the Form of Proxy are enclosed in this Circular.

As a shareholder, you are entitled to attend and vote at the EGM. You may also appoint a proxy or proxies to attend and vote on your behalf. You must complete and deposit the Form of Proxy at the office of the Registrar of the Company at Symphony Share Registrars Sdn. Bhd. at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not later than 48 hours before the time set for the EGM as indicated below or at any adjournment thereof. You are not precluded from attending and voting in person at the EGM should you wish to do so subsequent to the lodging of the Form of Proxy.

Last date and time for lodging the Form of Proxy : Sunday, 10 September 2017 at 10.30 a.m.
Date and time of the EGM : Tuesday, 12 September 2017 at 10.30 a.m. or at any adjournment thereof

This Circular is dated 17 August 2017

DEFINITIONS

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

“5D-VWAP”	:	5-day volume weighted average market price
“AADSB”	:	Ampang Avenue Development Sdn Bhd
“Acquisition of Land”	:	Acquisition of the Land from TGSB for a cash consideration of RM126,000,000 by CMD
“Act”	:	Companies Act 2016 as amended, modified or re-enacted from time to time
“Additional ICPS”	:	Up to 614,999,899 additional ICPS to be issued pursuant to the Adjustments as a result of the Proposed Subdivision
“Adjustments”	:	Adjustments to be made to the following: <ul style="list-style-type: none">(i) the number of ICPS to be issued from up to 614,999,899 to up to 1,229,999,798 following the issuance of up to 614,999,899 Additional ICPS; and(ii) the indicative conversion price from:<ul style="list-style-type: none">(a) the conversion ratio and indicative conversion price at either 10 ICPS to be converted into 1 new TLB Share or a combination of 1 ICPS and indicative cash payment of RM1.4850 for 1 new TLB Share; to(b) the conversion ratio and indicative conversion price at either 10 ICPS to be converted into 1 new Subdivided Share or a combination of 1 ICPS and indicative cash payment of RM0.7425 for 1 new Subdivided Share
“BHB”	:	Brem Holding Berhad
“Board”	:	Board of Directors of TLB
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“CDS”	:	Central Depository System
“Circular”	:	This circular to the shareholders of TLB dated 17 August 2017
“CMD”	:	City Meridian Development Sdn Bhd, a wholly-owned subsidiary of TLB
“Consideration Shares”	:	79,732,622 new TLB Shares to be issued to the Vendors at an issue price of RM1.45 per TLB Share
“CRECD”	:	CREC Development (M) Sdn Bhd, a wholly-owned subsidiary of China Railway Engineering Corporation (M) Sdn Bhd, which is a wholly-owned subsidiary of China Railway Group Limited
“Cut-Off Date”	:	30 June 2016, being the agreed cut-off date by the Vendors for the Proposed Acquisition
“Director”	:	A natural person who holds a directorship in TLB, whether in an executive or non-executive capacity, and shall have the meaning given in Section 2 of the Act and Section 2(1) of the Capital Markets and Services Act 2007
“EGM”	:	Extraordinary general meeting

DEFINITIONS (CONT'D)

“Entitled Shareholders”	: The shareholders of TLB whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date
“Entitlement Date”	: The date (to be determined by the Board and announced later by the Company after the completion of the Proposed Issuance of Consideration Shares) as at the close of business on which the names of the shareholders of TLB must appear in the Record of Depositors of the Company in order to be entitled for the Proposed Subdivision
“EPS”	: Earnings per TLB Share
“FYE”	: Financial year ended/ending, as the case may be
“ICPS”	: Up to 614,999,899 new irredeemable convertible preference shares in TLB to be issued pursuant to the Proposed Rights Issue of ICPS and any Additional ICPS
“KL”	: Kuala Lumpur
“Land”	: A parcel of leasehold land held under PN4022, Lot No. 12174, Mukim 12, Daerah Barat Daya, Pulau Pinang
“Land 1”	: A parcel of residential land held under Title No. Geran 314518, Lot 85722, Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan
“Land 2”	: A parcel of commercial land held under Title No. Geran 314519, Lot 85723, Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan
“Lands”	: Land 1 and Land 2, collectively
“LEW”	: Lee Eng Wah
“Listing Requirements”	: Main Market Listing Requirements of Bursa Securities, including any amendments, modifications and additions thereto
“LPD”	: 24 July 2017, being the latest practicable date prior to the printing of this Circular
“LWY”	: Lim Wen Yeh
“M&A”	: TLB’s existing Memorandum and Articles of Association, which is the constitution of the Company
“Maximum Scenario”	: Assuming all the entitled shareholders for the Proposed Rights Issue of ICPS fully subscribe for their ICPS entitlements and full conversion of the ICPS at the conversion ratio of a combination of 1 ICPS and indicative cash payment of RM1.4850 for 1 new TLB Share prior to the Entitlement Date
“Minimum Scenario”	: Assuming only TGSB, the undertaking shareholder for the Proposed Rights Issue of ICPS, subscribes for its ICPS entitlement based on its Undertaking and none of the ICPS is converted into new TLB Shares prior to the Entitlement Date
“NA”	: Net assets attributable to ordinary equity holders of TLB
“NBV”	: Net book value
“NPOB”	: NPO Builders Sdn Bhd
“NPOB Shares”	: Ordinary shares in NPOB
“Private Placement”	: The issuance of 36,666,600 new TLB Shares at an issue price of RM1.35 each pursuant to the private placement which was completed on 23 September 2016

DEFINITIONS (CONT'D)

“Proposals”	: Proposed Issuance of Consideration Shares, Proposed Subdivision and Proposed Amendments, collectively
“Proposed Acquisition”	: Proposed acquisition of the entire equity interest in NPOB and full settlement of advances from the Vendors for the Purchase Consideration to be satisfied via the Proposed Issuance of Consideration Shares, which was announced by the Company on 30 September 2016
“Proposed Amendments”	: Proposed amendments to the Articles of Association of the Company to facilitate the Proposed Subdivision
“Proposed Development”	: Proposed development of the Lands, which will comprise commercial shops, serviced apartments and affordable homes
“Proposed Issuance of Consideration Shares”	: Proposed issuance of 79,732,622 Consideration Shares to the Vendors for the Proposed Acquisition
“Proposed Rights Issue of ICPS”	: Proposed renounceable rights issue of up to 614,999,899 ICPS, which was announced by the Company on 26 August 2016. Shareholders’ approval for the said proposal was obtained at the EGM held on 7 July 2017
“Proposed Subdivision”	: Proposed subdivision of every 1 TLB Share into 2 Subdivided Shares held on the Entitlement Date
“Purchase Consideration”	: RM115,612,302, being the total purchase consideration of the Proposed Acquisition
“RCPS”	: Redeemable convertible preference shares in TLB, as constituted by the M&A
“Record of Depositors”	: A record of securities holders provided by Bursa Depository under the rules of Bursa Depository
“RM” and “sen”	: Ringgit Malaysia and sen, respectively
“Sale Shares”	: 2,040,816 NPOB Shares, representing the entire number of issued shares of NPOB
“SPA”	: Conditional sale and purchase agreement dated 21 May 2014 entered into between CMD and TGSB for the Acquisition of Land
“SSAs”	: 3 separate conditional share sale agreements dated 30 September 2016 entered into between TLB and the respective Vendors pursuant to the Proposed Acquisition
“Subdivided Shares”	: Ordinary shares in TLB after the Proposed Subdivision
“Supplemental Agreement”	: Supplemental agreement to the SPA dated 19 January 2015 entered into between CMD and TGSB
“TA Securities” or “Adviser”	: TA Securities Holdings Berhad
“TGSB”	: Titijaya Group Sdn Bhd, the controlling shareholder of TLB
“TKSB”	: Titi Kaya Sdn Bhd
“TKSB Shares”	: Ordinary shares in TKS B
“TLB” or “Company”	: Titijaya Land Berhad
“TLB Group” or “Group”	: TLB and its subsidiaries, collectively
“TLB Shares” or “Shares”	: Ordinary shares in TLB
“TRSB”	: Titijaya Resources Sdn Bhd, a wholly-owned subsidiary of TLB

DEFINITIONS (CONT'D)

- “Undertaking” : Written unconditional and irrevocable undertaking dated 26 August 2016 from TGSB that it will not dispose of any of its TLB Shares following the date of the announcement for the Proposed Rights Issue of ICPS (i.e., 26 August 2016) up to the entitlement date of the Proposed Rights Issue of ICPS, and also that it will subscribe for its entitlement of 353,192,500 ICPS to be issued pursuant to the Proposed Rights Issue of ICPS
- “Valuation Report” : Valuation report dated 30 September 2016
- “Valuer” : Cheston International (KL) Sdn Bhd
- “Vendors” : TKS, LEW and LWY, collectively

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

Any reference to persons shall include a corporation, unless otherwise specified. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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TITIJAYA LAND BERHAD
(Company No. 1009114-M)
(Incorporated in Malaysia under the Companies Act 2016)

Registered Office:

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan

17 August 2017

Board of Directors

Y.B. Senator Admiral Tan Sri Dato' Setia Mohd Anwar bin Hj Mohd Nor (*Retired*)
(*Chairman, Independent Non-Executive Director*)
Y. Bhg. Tan Sri Dato' Lim Soon Peng (*Group Managing Director*)
Lim Poh Yit (*Deputy Group Managing Director*)
Lim Puay Fung (*Executive Director*)
Chin Kim Chung (*Independent Non-Executive Director*)
Y. Bhg. Dato' Ch'ng Toh Eng (*Independent Non-Executive Director*)
Y.A.D. Tan Sri Syed Mohd Yusof bin Tun Syed Nasir (*Non-Independent Non-Executive Director*)
Adrian Cheok Eu Gene (*Alternate Director to Y.A.D. Tan Sri Syed Mohd Yusof bin Tun Syed Nasir*)

To: The shareholders of TLB

Dear Sir/Madam,

- (I) PROPOSED ISSUANCE OF CONSIDERATION SHARES;**
- (II) PROPOSED SUBDIVISION; AND**
- (III) PROPOSED AMENDMENTS**

1. INTRODUCTION

On 30 September 2016, TA Securities announced on behalf of the Board that the Company proposes to undertake the Proposed Acquisition and Proposed Issuance of Consideration Shares. Subsequently, TA Securities had on 11 November 2016 and 23 December 2016 announced on behalf of the Board that the Company proposes to undertake the Proposed Subdivision and Proposed Amendments.

On 12 January 2017, TA Securities had on behalf of the Board submitted the application for the Proposed Subdivision as well as the additional listing application for the Proposed Issuance of Consideration Shares to Bursa Securities for approval. Subsequently, the Board had on 24 February 2017 decided to withdraw the said applications to update the relevant information in light of the Act, which came into effect on 31 January 2017.

TLB had then on 19 June 2017 entered into 3 separate letters with the respective Vendors to further extend the Extended Completion Date (as defined in Section 2.6.4.(a)) up to 25 September 2017 and had on 9 August 2017 entered into a supplemental share sale agreement with TKS B to vary the late payment interest, as consideration to extend the Extended Completion Date (as defined in Section 2.6.4.(a)) up to 25 September 2017.

Bursa Securities had, vide its letter dated 28 July 2017, approved the following:

- (i) listing of and quotation for the Consideration Shares on the Main Market of Bursa Securities;
- (ii) the Proposed Subdivision;
- (iii) listing of and quotation for the Additional ICPS to be issued in consequence of the Adjustments arising from the Proposed Subdivision on the Main Market of Bursa Securities; and
- (iv) listing of and quotation for the new TLB Shares to be issued pursuant to the conversion of the Additional ICPS on the Main Market of Bursa Securities,

subject to the conditions as set out in Section 8 of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS, TO SET OUT THE BOARD'S RECOMMENDATION ON THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

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

2. DETAILS OF THE PROPOSED ISSUANCE OF CONSIDERATION SHARES

On 30 September 2016, TA Securities, on behalf of the Board, announced that TLB had on the same date entered into the SSAs with the Vendors to acquire the Sale Shares and full settlement of advances from the Vendors for the Purchase Consideration to be satisfied via the Proposed Issuance of Consideration Shares, subject to the terms and conditions as stipulated in the SSAs.

The Proposed Issuance of Consideration Shares will enable TLB to undertake the acquisition of NPOB, which is principally engaged in property development and is the registered owner of the Lands of which have good development potential and prospect. Hence, upon the completion of the Proposed Issuance of Consideration Shares and fulfilment of the terms and conditions of the SSAs, NPOB will become a wholly-owned subsidiary of TLB.

As stated in the announcement dated 30 September 2016 in relation to the Proposed Acquisition, the highest percentage ratio applicable to the Proposed Acquisition pursuant to Paragraph 10.02(g) of the Listing Requirements is approximately 24.35%, which is computed based on the aggregate value of the consideration given in relation to the Proposed Acquisition, compared with the latest audited consolidated NA of TLB for the FYE 30 June 2015. As such, the Proposed Acquisition was not subject to the approval of the shareholders of TLB. The approval to be sought from the shareholders of TLB is for the Proposed Issuance of Consideration Shares.

The salient terms of the SSAs are set out in Section 2.6 of this Circular.

2.1 Information on NPOB

NPOB is a private limited company incorporated in Malaysia on 18 December 1993 under the Act.

NPOB is principally engaged in property development and is the registered owner of the Lands located at Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan. The details of the Lands are set out in Section 2.5 of this Circular.

As at the LPD, the issued share capital of NPOB is RM2,040,816 comprising 2,040,816 NPOB Shares.

As at the LPD, the directors and shareholders of NPOB and their respective shareholdings in NPOB are as follows:

	Direct shareholdings		Indirect shareholdings	
	No. of NPOB Shares	%	No. of NPOB Shares	%
<u>Directors</u>				
Tan Sri Dato' Khoo Chai Kaa	-	-	1,040,816 ⁽¹⁾	51.00
Lim Kee Leay	-	-	-	-
Low Yew Hwa	-	-	-	-
LEW	500,000	24.50	-	-
<u>Shareholders</u>				
BHB	-	-	1,040,816 ⁽¹⁾	51.00
TKSB	1,040,816	51.00	-	-
LEW	500,000	24.50	-	-
LWY	500,000	24.50	-	-

Note:

(1) Deemed interested pursuant to Section 8(4) of the Act by virtue of NPOB Shares held by TKS B.

As at the LPD, NPOB does not have any subsidiary nor associated companies.

2.1.1 Financial information on NPOB

Based on the latest audited financial statements of NPOB prior to entering into the SSAs i.e., for the FYE 31 March 2016, NPOB recorded a net loss after taxation of RM8,032 and NA of RM1,960,980.

Based on the latest management accounts of NPOB prior to entering into the SSAs i.e., for the 3-month financial period ended 30 June 2016, NPOB recorded a net loss after taxation of RM559 and NA of RM1,960,421. As set out in Section 2.6 – Salient terms of the SSAs, TLB (being the purchaser) and the Vendors have agreed that 30 June 2016 shall be the Cut-Off Date for the Proposed Acquisition.

For information purposes only, NPOB recorded a net loss after taxation of RM13,211.90 and NA of RM1,947,768.35 based on its latest management accounts for the 12-month financial period ended 31 March 2017.

2.2 Information on TKS B

TKSB is a private limited company incorporated in Malaysia on 22 November 1986 under the Act.

TKSB is principally engaged in property development and investment holding.

As at the LPD, the issued share capital of TKS B is RM5,145,000 comprising 5,145,000 TKS B Shares.

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As at the LPD, the directors and shareholders of TKSB and their respective shareholdings in TKSB are as follows:

	Direct shareholdings		Indirect shareholdings	
	No. of TKSB Shares	%	No. of TKSB Shares	%
<u>Directors</u>				
Teh Kim Teck	-	-	-	-
Teng Mee Yoong	-	-	-	-
Tan Sri Dato' Khoo Chai Kaa	-	-	2,486,000 ⁽¹⁾	48.32
Low Yew Hwa	-	-	-	-
<u>Shareholders</u>				
BHB	2,486,000	48.32	-	-
Arena Semasa Sdn Bhd	603,750	11.73	-	-
Kepong Haemodialysis Centre Sdn Bhd	1,830,000	35.57	-	-
Miwa Sdn Bhd	225,250	4.38	-	-

Note:

(1) Deemed interested pursuant to Section 8(4) of the Act by virtue of TKSB Shares held by BHB.

2.3 Information on LEW

LEW, 50 years old, is a director and shareholder of NPOB who currently owns 24.50% equity interest in NPOB.

2.4 Information on LWY

LWY, 49 years old, is a shareholder of NPOB who currently owns 24.50% equity interest in NPOB.

2.5 Details of the Lands

2.5.1 Details of Land 1

Title description	:	Geran 314518, Lot 85722, Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan
Title land area	:	Measuring approximately 13.44 hectares
Land tenure	:	Interest in perpetuity / Freehold
Audited NBV as at 31 March 2016	:	RM23,491,276 ⁽¹⁾
Category of land use	:	Building
Express condition	:	Residential
Restriction in interests	:	Nil
Encumbrance / Charge	:	Nil
Existing use	:	The Valuer noted as at the date of inspection on 23 September 2016, parts of Lot 85722 and most of Lot 85723 were occupied with several semi-permanent and permanent buildings. In addition, there are less than 50 occupiers on the site. ⁽²⁾
		Nevertheless, the above will be cleared before the commencement of the Proposed Development.
Proposed use	:	Residential / Mixed development

Please refer to Section 2.5.4 of this Circular for further details.

2.5.2 Details of Land 2

Title description	:	Geran 314519, Lot 85723, Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan
Title land area	:	Measuring approximately 5.257 hectares
Land tenure	:	Interest in perpetuity / Freehold
Audited NBV as at 31 March 2016	:	RM9,188,515 ⁽¹⁾
Category of land use	:	Building
Express condition	:	Commercial
Restriction in interests	:	Nil
Encumbrance / Charge	:	Nil
Existing use	:	The Valuer noted as at the date of inspection on 23 September 2016, parts of Lot 85722 and most of Lot 85723 were occupied with several semi-permanent and permanent buildings. In addition, there are less than 50 occupiers on the site. ⁽²⁾
		Nevertheless, the above will be cleared before the commencement of the Proposed Development.
Proposed use	:	Commercial development
		Please refer to Section 2.5.4 of this Circular for further details.

Notes:

- (1) *The NBV of the respective land is derived from the aggregate NBV of the Lands based on the respective land size provided by the management of TLB.*
- (2) *Based on the Valuation Report.*

2.5.3 Independent valuation on the Lands

The Valuer has been appointed to conduct an independent valuation on the Lands for internal management purposes. Based on the Valuation Report, taking into consideration the type and nature of the subject properties (i.e., the Lands), the valuation methodologies adopted were the Comparison Method and the Residual Method.

Under the Comparison Method, an estimate of the market value is derived by comparing the property under valuation with other properties of similar size, quality and location that have been sold in the recent past. In determination of value by this method, a survey was made of property sales that have occurred in this or similar areas within the recent past. These comparable sale prices are then adjusted for comparability to reflect differences in time, location, size and shape, and other material factors to render the sold properties as similar as possible with the Lands.

The Residual Method which is based on the premise that the price which a purchaser can pay for a property is the surplus after he has met out of the proceeds from the sales of the finished development his full cost of development and profit.

In respect of the Lands, the Valuer noted as at the date of inspection on 23 September 2016, parts of Lot 85722 and most of Lot 85723 were occupied with several semi-permanent and permanent buildings. Based on the survey plan provided to the Valuer, there are less than 50 occupiers on the site. The Valuer also noted from a sale and purchase agreement dated 27 December 2004 made between the previous vendor and the existing land owner (i.e., NPOB being the purchaser then) on the obligation by the purchaser to get vacant possession of both lots.

Premised on the above, the market value* of the Lands is RM142,000,000 after having taken into consideration the above and the fair compensation payable to get vacant possession for the Lands.

No allowances are made in the valuation for any expenses of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. The Lands are considered as free and clear of all charges, liens, caveats and all other encumbrances which may be secured thereon. Based on the Valuation Report, the market value of the Lands was derived at RM142,000,000 after taking into consideration that the Lands were assumed to be free of statutory notices and outgoings.

Note:

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

2.5.4 Proposed development of the Lands

The proposed development of the Lands will comprise of commercial shops, serviced apartments and affordable homes, whereby the number of units for the building categories will be finalised in due course.

The details on the Proposed Development are as follows:

Total estimated gross development value : RM2.4 billion

Total estimated gross development cost : RM1.8 billion

Total estimated gross development profit : RM0.6 billion

Expected commencement date of the Proposed Development : 2nd half of 2017

Expected completion date of the Proposed Development : 2nd half of 2027

Stage of the Proposed Development : **Land 1:**
As at the LPD, NPOB intends to submit a proposal for a development order in relation to the Proposed Development involving Land 1.

Land 2:
A development order dated 18 May 2016 was obtained for Land 2. As at the LPD, the said development order has lapsed and NPOB has resubmitted a revised development order.

The Proposed Development is expected to be funded through a combination of internally generated funds of TLB Group, fund raising exercises and/or bank borrowings. The exact mix of the sources of funding for the Proposed Development has not been finalised at this juncture.

2.6 Salient terms of the SSAs

The salient terms of the SSAs are as follows:

2.6.1 The Purchase Consideration

2.6.1.1 TKSB

- (a) The purchase consideration for TKSB's 51.00% equity interest in NPOB comprising 1,040,816 Sale Shares is RM45,181,874 only.
- (b) Manner of payment of purchase consideration is in the form of the issued and paid-up ordinary shares of TLB that is to be credited into the CDS account of TKSB or its nominee(s) ("**Payment Shares 1**").
- (c) Valuation of the Payment Shares 1 is agreed at RM1.45 only per Consideration Share.
- (d) The number of the Payment Shares 1 to be paid as the purchase consideration is agreed as 31,159,913 Consideration Shares.
- (e) The payment terms: On the Completion Date (as defined in Section 2.6.4(a)), Extended Completion Date (as defined in Section 2.6.4(a)) or any extension thereof as may be agreed between the parties hereto.
- (f) In the event that TLB is unable to secure the necessary approvals to issue the Payment Shares 1, TLB shall have the option to settle the purchase consideration in the form of cash.

2.6.1.2 LEW

- (a) The purchase consideration for LEW's 24.50% equity interest in NPOB comprising 500,000 Sale Shares is RM19,930,953 only.
- (b) Manner of payment of purchase consideration is in the form of the issued and paid-up ordinary shares of TLB that is to be credited into the CDS account of LEW or his nominee(s) ("**Payment Shares 2**").
- (c) Valuation of the Payment Shares 2 is agreed at RM1.45 only per Consideration Share.
- (d) The number of the Payment Shares 2 to be paid as the purchase consideration is agreed as 13,745,485 Consideration Shares.
- (e) The payment terms: On the Completion Date (as defined in Section 2.6.4(a)), Extended Completion Date (as defined in Section 2.6.4(a)) or any extension thereof as may be agreed between the parties hereto.
- (f) In the event that TLB is unable to secure the necessary approvals to issue the Payment Shares 2, TLB shall have the option to settle the purchase consideration in the form of cash.

2.6.1.3 LWY

- (a) The Purchase Consideration for LWY's 24.50% equity interest in NPOB comprising 500,000 Sale Shares is RM19,930,953 only.
- (b) Manner of payment of purchase consideration is in the form of the issued and paid shares of TLB that is to be credited into the CDS account of LWY or his nominee(s) ("**Payment Shares 3**").

- (c) Valuation of the Payment Shares 3 is agreed at RM1.45 only per Consideration Share.
- (d) The number of the Payment Shares 3 to be paid as the purchase consideration is agreed as 13,745,485 Consideration Shares.
- (e) The payment terms: On the Completion Date (as defined in Section 2.6.4(a)), Extended Completion Date (as defined in Section 2.6.4(a)) or any extension thereof as may be agreed between the parties hereto.
- (f) In the event that TLB is unable to secure the necessary approvals to issue the Payment Shares 3, TLB shall have the option to settle the purchase consideration in the form of cash.

2.6.2 Security Deposit

- (a) As security for payment of the Purchase Consideration as provided in the above, TLB shall pay to the Vendors the following:
 - (i) A cash payment equivalent to 5% of the Purchase Consideration upon execution of the SSAs; and
 - (ii) A second cash payment equivalent to 5% of the Purchase Consideration within 30 days from the date of the SSAs
 (collectively referred to as “**Security Deposit**”).
- (b) Provided always that TLB having paid the Purchase Consideration to the Vendors as provided in the above wherein the Consideration Shares have been duly credited in the Vendors’ CDS account, the Vendors shall refund the Security Deposit, free from any interest, within 3 working days of the complete payment of the Purchase Consideration or any date as may be agreed between the parties.

2.6.3 Payment to the creditors

Creditors	Amount owing by NPOB⁽¹⁾ (RM)	No. of Consideration Shares to be issued as settlement
TKSB	24,948,054	17,205,554
LEW	2,340,743	1,614,306
LWY	3,279,725	2,261,879

Note:

- (1) *The amount owing by NPOB amounting to RM30,568,522 are the Advances (as defined in Section 2.7 of this Circular).*

2.6.4 Completion of agreement

- (a) The sale and purchase herein shall be completed pursuant to the completion date of the SSAs, being 180 days from the date of the SSAs with an automatic extension of another 90 days or any extension of time as may be mutually agreed between the parties hereto (“**Extended Completion Date**”)⁽¹⁾. The Extended Completion Date will be subjected to a late payment interest of 6%⁽²⁾ per annum tabulated on daily basis (“**Completion Date**”).

Notes:

- (1) *On 19 June 2017, TLB and the Vendors had via letters mutually agreed to extend the Extended Completion Date to 25 September 2017 for the parties to obtain or fulfil the conditions precedent as stipulated in the SSAs.*

- (2) *On 9 August 2017, TLB and TKSB had entered into a supplemental share sale agreement to vary the late payment interest, as consideration to extend the Extended Completion Date up to 25 September 2017, to 7.35% per annum tabulated on daily basis over the balance purchase price (i.e., after excluding the refundable Security Deposit (of 10%) of the purchase price payable to TKSB) between the expiry of the Extended Completion Date to the date upon which the Company settles the balance purchase price to TKSB.*
- (b) On completion of the SSAs, the parties shall comply with the relevant requirements pertaining to each party as set out in Section 2.6.4(c) to effect the completion of the sale and purchase hereby agreed.
- (c) The Vendors shall:-
- (i) deliver to TLB duly executed transfer forms in favour of TLB (or as it may direct) of the Sale Shares and the original share certificate for such Sale Shares;
 - (ii) deliver to TLB such waivers or consents as TLB may require enabling TLB or its nominee or nominees to be registered as the holders of the Sale Shares;
 - (iii) procure the due registration by NPOB of the transfer of the Sale Shares (subject to the same being duly stamped) and of any duly renounced letters of allotment;
 - (iv) cause to be delivered to TLB, where relevant and is in the possession of the Vendors the following:-
 - the common seal, certificate of incorporation, the Memorandum and Articles of Association, Form 24 and Form 49 of NPOB are true complete and accurate;
 - the statutory books, books of account, cheque books and other financial and legal records and documents of NPOB;
 - the appropriate forms and authorizations to amend the mandates given by NPOB to its respective bankers to reflect the wishes of TLB;
 - all keys for premises, gates, doors, safes, strong boxes, strong rooms, desks and other locked places or items (if any) and all the fixed current assets; and
 - duly executed resignation letters/ form of the current directors that is presently appointed as a director of the Vendors, company secretaries, other paid officials or employees of the Vendors and the removal of the Vendors' directors as cheque signatories for NPOB.
- (d) cause such directors as TLB shall require to resign from their directorship in and all offices of profits under NPOB without any payment and deliver to TLB their written resignations with an acknowledgement signed by each of them that he has no claim against NPOB for compensation for loss of office or otherwise howsoever (except only for any accrued remuneration and expenses remaining to be reimbursed details of which have been supplied to TLB) together also with the written resignations of the secretary of NPOB containing an acknowledgement in the terms aforesaid;

- (e) procure the resignation without compensation of any nature of the auditors of NPOB together with a written statement that there are no circumstances connected with their resignation which they consider should be brought to the notice of the members or creditors of NPOB or any of the subsidiaries;
- (f) surrender any other documentation relating to NPOB to TLB and assist in whatever necessary process(es) to effectively vest control and any other right title interest benefit in TLB as the new owner of NPOB; and
- (g) seek consent from the creditors (both the directors and shareholders, if applicable) to receive the new shares issued by TLB as settlement.

2.6.5 Conditions precedent

- (a) Without limitation to Section 2.6.4(b), all the provisions of the SSAs are **STRICTLY** subjected to and conditional upon:-
 - (i) a certified copy of the Vendors' or NPOB's board resolution and shareholders' resolution passed in accordance with its Articles of Association approving the transfer of the Sale Shares;
 - (ii) the approval of any other relevant authorities (if any);
 - (iii) the approvals of the board of directors and shareholders of TLB (where applicable).

All of which approvals and conditions shall hereinafter be collectively referred to as the "**Approvals**"; and
 - (iv) that the Vendors shall execute the appropriate letter of resignation as director and the appropriate forms to effect to transfer all the shares of NPOB whether in its present name or future to be altered name to TLB.

2.6.6 Covenant to obtain Approvals

- (a) TLB shall:-
 - (i) cause its board of directors and shareholders to pass the resolution to approve the issuance of the Payment Shares 1, Payment Shares 2 and Payment Shares 3 (collectively referred to as "**Payment Shares**") for the purchase of the Sale Shares and the SSAs; and
 - (ii) submit the necessary application to the relevant authorities for approval pursuant to the issuance of the Payment Shares for the purchase of the Sale Shares (if any).
- (b) The Vendors shall:
 - (i) cause the board of directors and shareholders of NPOB to pass the resolution in accordance with its Articles of Association to approve the sale and transfer of the Sale Shares and the SSAs;
- (c) The Vendors shall whenever required by TLB supply and provide all necessary information and particulars regarding NPOB to enable TLB to make the necessary applications under Section 2.6.5(a).
- (d) If the conditions set out in Section 2.6.5(a) shall not have been fulfilled within 30 days from the date of the SSAs or such extended period as may be mutually agreed by the Vendors and TLB, the SSAs shall be deemed to be terminated and the parties hereto shall have no claim whatsoever against the other on any matter arising out of the SSAs.

2.6.7 Warranties and representations

- (a) The Vendors hereby represent to and warrant to TLB that save as otherwise disclosed in writing by the Vendors to TLB:-
- (i) the Vendors have good and impeccable title to the Sale Shares, currently registered in their names as recorded in the NPOB's register and have the legal capacity to execute the transfers thereto to TLB in accordance with the SSAs;
 - (ii) all documents required by the Companies Act, 1965 to be filed with the Registrar of Companies / Companies Commission of Malaysia in respect of NPOB have been duly filed and compliance has been made with all other legal requirements in connection with the formation of NPOB and with all issues and allotments of its shares;
 - (iii) no breach of any of the provisions of the Companies Act, 1965 has been committed by NPOB in relation to NPOB;
 - (iv) no winding-up proceedings under the Companies Act, 1965 is pending against NPOB as at the date hereof. As at the date hereof, the Vendors, to the best of their knowledge, is not aware of any imminent winding-up proceedings against NPOB;
 - (v) all the registers and record of NPOB contain true and accurate records of the matters purporting to be contained therein or dealt with thereby;
 - (vi) the accounts comply with the requirements of the Companies Act, 1965, are true and accurate in all material respects and give a true and fair view of the financial position of NPOB as at 30 June 2016 ("**Last Account Date**") and the accounts have been prepared on a basis consistent with that adopted in previous years and in a form and manner appropriate to the businesses of NPOB;
 - (vii) the financial books and records of NPOB accurately present and reflect in accordance with generally accepted accounting principles and standards of all the transactions entered into by NPOB or to which NPOB has been a party and NPOB will maintain such books and records in manner aforesaid until the Completion Date as the case may be;
 - (viii) save as disclosed in writing, NPOB is not engaged in litigation (civil or criminal) or arbitration or any proceedings or enquires before any governmental municipal or other official commission board tribunal or other administrative judicial or quasi judicial agency and having made all reasonable enquiries the Vendors do not know of any fact which is likely to give rise to the same;
 - (ix) all licenses, contracts, permits and agreements and the like required by NPOB for the purpose of or in connection with owning, using or dealing with its properties or with carrying on its businesses as they are now carried on are in full force and effect and all the terms and conditions of such licenses, permits and agreements and the like have been complied with and no act has been done or suffered to be done or omitted to be done which would entitle any person or authority to cancel, forfeit or modify any such license, permit, agreement or the like which would render it likely that any person or authority would do so;

- (x) NPOB has not done or omitted to do anything whereby any policy or insurance effected by it has or may become void or voidable and NPOB will keep and maintain all adequate insurance cover in respect of all its assets;
- (xi) NPOB is duly qualified as a legal person in all jurisdiction in which its transacts business requiring such qualification and has the right to own property and transact business therein a manner in which the business is conducted and NPOB has conducted its business in accordance with all relevant laws and regulations of all such jurisdictions;
- (xii) all payments by NPOB liable to be made under deduction of tax have been so made and NPOB has accounted to the Inland Revenue Board of Malaysia as required by law in respect of such payments;
- (xiii) NPOB has not since the Last Account Date entered into any abnormal transaction prejudicial to NPOB nor has NPOB in any way departed from the normal course of its day-to-day business whether as regards to the nature, scope or manner of conducting the same;
- (xiv) NPOB is not under any obligation to increase the rates or remuneration or to pay any bonus to any of its directors or employees at any future date whether with or without retrospective effect;
- (xv) no power attorney of whatever nature has been given by NPOB to any person body or corporation; and
- (xvi) there is no agreement, arrangement or share option between the Vendors and other person/persons as regards to the Sale Shares.

PROVIDED ALWAYS that the Vendors shall not be liable for non-disclosure of any fact or information which is not within their knowledge or which could only be obtained from documents or sources, which are not within their control.

- (b) The Vendors hereby warrant to TLB that the warranties and representations hereinbefore set out will be true as if given immediately prior to the Completion Date with reference to the facts then existing as well as at the date hereof.
- (c) In the event that any of the warranties and representations in Section 2.6.7(a) hereof is not accurate or not fulfilled whether wholly or in part, the Vendors shall forthwith upon discovery thereof or upon notification in writing by TLB, as the case may be, take all necessary actions to rectify the same and if necessary, to pay to NPOB the amount by which the net worth and/ or the net profit of NPOB are thereby diminished, failing which TLB shall be entitled to bring legal actions against the Vendors in the name of NPOB and/or TLB for breach of warranties/representations and/ or to recover such amount of diminution in the net worth and/or net profit of NPOB as aforesaid.

2.6.8 Undertakings by the Vendors

- (a) The Vendors hereby undertake with TLB that as from the date hereof and pending completion of the Sale Shares in accordance with Section 2.6.5 hereof, the Vendors shall do all such acts or things or execute all such documents as may be necessary or refrain from doing such acts or things in order that NPOB shall:-
 - (i) continue to conduct its present trade until completion according to its present practice and in usual course of business;
 - (ii) not pass any resolution by NPOB in general meeting to make any alteration to the provisions of NPOB's Memorandum and Articles of Association;

- (iii) not in any way sell or dispose of the assets and undertakings of NPOB;
- (iv) not create or charge or lien over the assets of NPOB;
- (v) not incur any new borrowing or indebtedness;
- (vi) not give indemnities or enter into any guarantee sureties or contracts whatsoever with any person, body or corporation or on behalf of any person, body or corporation save for those effected in the normal course of business of NPOB and duly informed to TLB;
- (vii) not create or issue or agree to create or issue any share or loan capital or give or agree to give any option in respect of any share or loan capital;
- (viii) not pay or agree to pay to any of the directors or officers of NPOB any remuneration or other emoluments or benefits whatsoever other than those which have been disclosed to and agreed by TLB;
- (ix) not knowingly permit any of its normal insurance to lapse or do anything which will make any policy or policies of insurance void or voidable;
- (x) not do or suffer anything to be done whereby NPOB's financial position shall be rendered less favourable than as at the Last Account Date;
- (xi) pay all quit rent, assessments and all other lawful outgoings payable in respect of the assets belonging to NPOB up to the Completion Date; and
- (xii) co-operate on the due diligence to be carried out on NPOB.

2.6.9 Indemnity

The Vendors hereby declare, agree and covenant in favour of TLB that without prejudice to the other remedies and rights of TLB hereunder, the Vendors shall indemnify TLB and keep TLB indemnified against any and all liabilities whatsoever occurring to TLB arising from the breach of any and all liabilities of the company up to the Completion Date whatever the same is pending and/or discovered subsequent to the Completion Date, which is not disclosed by the Vendors to TLB as at the date hereof.

2.6.10 Default by TLB

In the event that TLB shall fail to observe and perform any material term and condition on its part to be observed and performed including its failure to pay any part of the Purchase Consideration, the Vendors shall be entitled to determine the SSAs by written notice and shall be entitled to summarily forfeit the Security Deposit and the SSAs shall become null and void and no further effect and neither party shall have any claim whatsoever against the other under or in respect of the SSAs.

2.6.11 Default by the Vendors

In the event of any breach by the Vendors of any the provisions of the SSAs and/or in the event that the Vendors fail to complete this transaction, TLB shall be entitled to the remedy of specific performance or to determine the SSAs at any time thereafter by giving notice of such termination to the Vendors and upon such termination the Vendors shall refund or cause to be refunded all monies paid by TLB hereunder free from any interest.

2.7 Basis and justification in arriving at the Purchase Consideration

2.7.1 Basis in arriving at the Purchase Consideration

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

	RM
(i) The unaudited NA of NPOB as at the Cut-Off Date (i.e., 30 June 2016)	1,960,421
(ii) Add: Net revaluation surplus ⁽¹⁾	83,083,359
Adjusted unaudited NA of NPOB as at the Cut-Off Date	<u>85,043,780</u>
Agreed purchase price for the Sale Shares	85,043,780
(iii) Add: Advances ⁽²⁾	30,568,522
Total Purchase Consideration	<u>115,612,302</u>

Notes:

(1) The net revaluation surplus was arrived at as follows:

	RM
Market value of the Lands based on the Valuation Report	142,000,000
Less: NBV of the Lands as at the Cut-Off Date	<u>(32,679,791)</u>
Revaluation surplus	109,320,209
Less: Deferred tax liabilities (at 24%)	<u>(26,236,850)</u>
Net revaluation surplus	<u>83,083,359</u>

(2) The advances were from the following parties as the Cut-Off Date:

TKSB	24,948,054
LEW	2,340,743
LWY	3,279,725
	<u>30,568,522</u>

The advances from TKSb, LEW and LWY as set out above are collectively referred to as “Advances”.

2.7.2 Justification in arriving at the Purchase Consideration

The Board is of the view that the Purchase Consideration is justifiable as it is based on the adjusted unaudited NA of NPOB as at the Cut-Off Date (i.e., 30 June 2016) and includes the repayment of Advances. The said adjusted NA comprises:

- (i) the unaudited NA of NPOB of RM1,960,421 as at the Cut-Off Date; and
- (ii) the net revaluation surplus for the Lands amounting to approximately RM83,083,359 (based on the market value of the Lands of RM142,000,000 assessed by the Valuer, the NBV of the Lands of RM32,679,791 as at the Cut-Off Date and the deferred tax liabilities arising from the revaluation surplus for the Lands amounting to approximately RM26,236,850).

The Advances of approximately RM30.57 million* mainly comprised of part payment made by the parties (as set out above) for the cost of acquisition of the Lands and development cost incurred in relation to the Lands.

Note:

* Save for the salient terms as disclosed in Section 2.6 of this Circular, there are no any other salient terms attached to the Advances.

2.8 Basis and justification for the issue price of the Consideration Shares

The issue price of RM1.45 per Consideration Share, representing a discount of RM0.0135 or 0.92% to the 5D-VWAP of TLB Shares up to 29 September 2016 (being the latest practicable date of the announcement dated 30 September 2016 and of the SSAs in relation to the Proposed Acquisition) of RM1.4635 was derived after taking into consideration that the Proposed Acquisition shall be satisfied via the issuance of the Consideration Shares, thus enabling the TLB Group to conserve its cash resources.

If the satisfaction of the Proposed Acquisition is via cash, the Group may be required to undertake borrowings to finance the Proposed Acquisition and there would be interest costs to be incurred. Alternatively, if TLB were to raise funds via an issuance new TLB Shares by way of a private placement of new shares to partly finance the Proposed Acquisition, the said TLB Shares may be priced at a discount of not more than 10% to the 5D-VWAP immediately before the price fixing.

Premised on the above, the Board is of the view that the issue price and discount as set out above are justifiable.

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2.9 Mode of satisfaction of the Purchase Consideration

The satisfaction of the Purchase Consideration among the Vendors via the issuance of Consideration Shares is as follows:

	TKSB	LEW	LWY	Total
Equity interest in NPOB to be acquired from the Vendors	51.00%	24.50%	24.50%	100.00%
Adjusted unaudited NA of NPOB as at the Cut-Off Date based on the Vendors' respective equity interest	43,372,328	20,835,726	20,835,726	85,043,780
Add / (Less): Adjustment made in accordance with the internal arrangement between the Vendors	1,809,546	(904,773)	(904,773)	-
Agreed purchase price for the Sale Shares	45,181,874	19,930,953	19,930,953	85,043,780
Add: Full settlement of the Advances	24,948,054	2,340,743	3,279,725	30,568,522
Total Purchase Consideration	70,129,928	22,271,696	23,210,678	115,612,302
Number of Consideration Shares to be issued	48,365,467	15,359,791	16,007,364	79,732,622

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2.10 Ranking of the Consideration Shares

The Consideration Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing TLB Shares, save and except that the Consideration Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment and issuance of the Consideration Shares.

2.11 Liabilities to be assumed

There are no other liabilities, contingent liabilities or guarantees to be assumed by TLB arising from the Proposed Acquisition.

2.12 Additional financial commitment required

Save for the future development costs to be incurred for the Proposed Development (as set out in Section 2.5.4 of this Circular) which would be in the ordinary course of business of NPOB, there is no other additional financial commitment required by TLB arising from the Proposed Acquisition.

2.13 Source of funding

The Purchase Consideration of RM115,612,302 will be fully satisfied via the issuance of the Consideration Shares.

However, as set out in Sections 2.6.1.1(f), 2.6.1.2(f) and 2.6.1.3(f) of this Circular, in the event that TLB is unable to secure the necessary approvals for the issuance of the Consideration Shares, the total Purchase Consideration is expected to be satisfied via cash which is expected to be generated from internally-generated funds of TLB Group, fund raising exercise and/or bank borrowings.

3. DETAILS OF THE PROPOSED SUBDIVISION

3.1 Subdivision of Shares

The Proposed Subdivision entails a subdivision of every 1 TLB Share held by the Entitled Shareholders into 2 Subdivided Shares.

The Company will have an enlarged share capital of up to RM1,482,469,023.75 comprising up to 1,104,732,454 TLB Shares after taking into consideration the following:

- (i) the existing share capital of TLB as at the LPD of RM353,096,888.50 comprising 409,999,933 TLB Shares;
- (ii) assuming full conversion of up to 614,999,899 ICPS to be issued pursuant to the Proposed Rights Issue of ICPS at the conversion ratio of a combination of 1 ICPS and indicative cash payment of RM1.4850 for 1 new TLB Share; and
- (iii) issuance of 79,732,622 Consideration Shares pursuant to the Proposed Issuance of Consideration Shares.

For the avoidance of doubt, please note that the Proposed Subdivision will be implemented after the Proposed Rights Issue of ICPS and Proposed Issuance of Consideration Shares.

Hence, upon the completion of the Proposed Subdivision, the enlarged share capital of TLB will be up to RM1,482,249,023.75 comprising up to 2,209,464,908 Subdivided Shares.

No suspension will be imposed on the trading of TLB Shares on Bursa Securities for the purpose of implementing the Proposed Subdivision.

The Proposed Subdivision will result in an adjustment to the market price of TLB Shares listed and quoted on the Main Market of Bursa Securities. For illustration purposes, the theoretical adjusted market price of TLB Shares upon completion of the Proposed Subdivision is as follows:

	Assumed number of TLB Shares held	Market price per TLB Share (RM)	Total market value of TLB Shares (RM)
As at the LPD	1	1.5900	1.5900
After the Proposed Rights Issue of ICPS	1	1.5900*	1.5900*
After the Proposed Subdivision	2	0.7950	1.5900

Note:

* Based on the theoretical ex-rights price of TLB Share after the Proposed Rights Issue of ICPS at the conversion ratio of 10 ICPS to be converted into 1 TLB Share.

Based on the above illustration, the Proposed Subdivision will result in an adjustment to the market price of each TLB Share but it will not have any impact on the total market value of the TLB Shares held by the shareholders of TLB.

3.2 Ranking of the Subdivided Shares

The Subdivided Shares shall, upon allotment and issuance, rank *pari passu* in all respects with one another, save and except that the Subdivided Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid, the entitlement date of which is prior to the date of allotment and issuance of the Subdivided Shares.

The Additional ICPS shall rank in priority to the TLB Shares in the capital of the Company and shall rank *pari passu* amongst the ICPS to be issued, save and except that the Additional ICPS shall not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid, the entitlement date of which is prior to the date of allotment and issuance of the Additional ICPS.

The new Shares to be issued pursuant to the conversion of the Additional ICPS shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing Shares, save and except that such Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment and issuance of the Shares arising from the conversion of the Additional ICPS.

4. DETAILS OF THE PROPOSED AMENDMENTS

In order to facilitate and to reflect the Proposed Subdivision, the existing Article 4A of the Articles of Association of TLB shall be altered by deleting its Existing Term in relation to the “Conversion Ratio and Conversion Price” in its entirety and be substituted with the following Proposed Term:

Existing Term	Proposed Term
<p>Conversion Ratio and Conversion Price: The Conversion Ratio and Conversion Price have been fixed at either 10 ICPS to be converted into 1 new TLB Share or a combination of 1 ICPS and cash payment of RM1.4850* for 1 new TLB Share.</p> <p><i>* The final Conversion Price of the ICPS shall be determined by the Board at a later date after the receipt of all relevant approvals and after taking into consideration inter alia the 5D-VWAP of TLB Shares immediately preceding the price fixing date. Any discount or premium to the 5D-VWAP of TLB Shares will be determined in due course.</i></p>	<p>Conversion Ratio and Conversion Price: The Conversion Ratio and Conversion Price have been fixed at either 10 ICPS to be converted into 1 new TLB Share or a combination of 1 ICPS and cash payment of RM0.7425* for 1 new TLB Share.</p> <p><i>* The final Conversion Price of the ICPS shall be determined by the Board at a later date after the receipt of all relevant approvals and after taking into consideration inter alia the 5D-VWAP of TLB Shares immediately preceding the price fixing date. Any discount or premium to the 5D-VWAP of TLB Shares will be determined in due course.</i></p>

5. RATIONALE FOR THE PROPOSALS

5.1 Proposed Acquisition and Proposed Issuance of Consideration Shares

In line with the nature of its business, TLB Group will continue to identify suitable land banks for development and conduct internal assessments on the viability on potential land banks, with a focus on those that are located within the Klang Valley.

The Lands are located in a strategic area with significant infrastructural improvements undertaken over the past years which have provided spill over effects to the Sungai Buloh localities and significantly boosted developments. The surrounding areas of the Lands have been developed with self-contained large townships comprising Bukit Jelutong, Sunway Kayangan, Kayangan Heights, Denai Alam, Subang Bestari, Cahaya SPK, Sunway Alam Suria, Bandar Nusa Rhu, Alam Budiman, Bandar Setia Alam, Puncak Perdana, Kota Damansara and Saujana Utama, which can be accessible easily from different directions through many major highways like Guthrie Corridor Expressway and KL-Kuala Selangor Expressway.

The Proposed Acquisition will enable TLB to acquire the Lands and to undertake and implement the Proposed Development which is expected to have good saleability considering the Lands are located in a strategic area with significant infrastructure improvements undertaken over the past years as mentioned above.

In addition, the Board is of the view that the Lands have good development potential and prospects and the Proposed Acquisition is in line with TLB Group's strategic growth and future expansion plans to strengthen its position and market presence in property development in Klang Valley as well as to ensure earnings sustainability for the Group moving forward.

Furthermore, the issuance of the Consideration Shares as settlement for the Proposed Acquisition will enable TLB to conserve its cash resources for the enlarged Group's operations whilst minimising the potential impact on its gearing.

Premised on the above and taking into consideration the strategic location of the Lands as well as the development prospects for residential and commercial purposes, the Proposed Acquisition is expected to enhance the future revenue stream of the TLB Group and contribute positively to the Group's financial performance in the future when the benefits are realised.

5.2 Proposed Subdivision

The Proposed Subdivision is expected to improve the trading liquidity of TLB Shares on the Main Market of Bursa Securities as a result of the increase in the number of TLB Shares in issue. In addition, the Proposed Subdivision will result in a downward adjustment to the market price of TLB Shares to a more affordable entry price which is expected to appeal to a wider group of shareholders and/or investors to participate in the growth of the Group. The Proposed Subdivision will also enable the existing shareholders of the Company to have a larger number of TLB Shares while maintaining their percentage of equity interest.

5.3 Proposed Amendments

The Proposed Amendments are to facilitate and to reflect the consequences of the Proposed Subdivision.

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6. EFFECTS OF THE PROPOSALS

The Proposed Amendments will not have any effect on the share capital and number of issued shares, NA, gearing, earnings, EPS and substantial shareholders' shareholdings of TLB Group.

For illustration purposes, the pro-forma effects of the Proposed Issuance of Consideration Shares and Proposed Subdivision on the share capital and number of issued shares, NA, gearing, earnings, EPS and substantial shareholders' shareholdings of TLB Group are set out below.

6.1 Share capital and number of issued shares

The pro-forma effects of the Proposed Issuance of Consideration Shares and Proposed Subdivision on the share capital and number of issued shares of TLB are as follows:

	← Minimum Scenario →		← No. of TLB Shares* →		← Maximum Scenario →	
	No. of TLB Shares*	RM	No. of ICPS*	RM	No. of ICPS*	RM
Existing share capital and number of issued shares as at the LPD	409,999,933	353,096,888 ⁽¹⁾	-	-	409,999,933	353,096,888 ⁽¹⁾
To be issued pursuant to the Proposed Rights Issue of ICPS	-	(650,000) ⁽²⁾	353,192,500	58,276,763	-	(650,000) ⁽²⁾
Assuming full conversion of ICPS to be issued pursuant to the Proposed Rights Issue of ICPS	409,999,933	352,446,888	353,192,500	58,276,763	409,999,933	352,446,888
To be issued pursuant to the Proposed Issuance of Consideration Shares	409,999,933	352,446,888	353,192,500	58,276,763	1,024,999,832	1,367,196,721
Estimated expenses for the Proposed Issuance of Consideration Shares	-	(340,000) ⁽⁴⁾	-	-	-	(340,000) ⁽⁴⁾
To be issued pursuant to the Proposed Subdivision	489,732,555	467,719,190	353,192,500	58,276,763	1,104,732,454	1,482,469,023
Enlarged share capital and number of issued shares	979,465,110	467,499,190	706,385,000	58,276,763	2,209,464,908	1,482,249,023

Notes:

- * Pursuant to Section 74 of the Act, all shares issued before or upon the commencement of this Act shall have no par or nominal value.
- (1) Comprising the share capital of RM213,570,810.50 and share premium of RM139,526,078.
Pursuant to Section 618(2) of the Act, upon the commencement of Section 74 of the Act, any amount standing to the credit of a company's share premium account and capital redemption reserve shall become part of the company's share capital. A company may within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account for certain purposes as prescribed in the Act.
 - (2) After deducting the estimated expenses of RM650,000 for the corporate proposals announced on 26 August 2016 from share premium. Pursuant to Section 618(3)(b)(ii) of the Act, a company may, within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account, to write off expenses incurred, or commissions or brokerages paid or discounts allowed, before or upon the commencement of Section 74, for any duty, fee or tax payable on or in connection with any issue of shares of the company.
 - (3) Assuming the conversion ratio of a combination of 1 ICPS and indicative cash payment of RM1.4850 for 1 new TLB Share.
 - (4) After deducting the estimated expenses of RM340,000 for the Proposed Issuance of Consideration Shares from share premium. Pursuant to Section 618(3)(b)(ii) of the Act, a company may, within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account, to write off expenses incurred, or commissions or brokerages paid or discounts allowed, before or upon the commencement of Section 74, for any duty, fee or tax payable on or in connection with any issue of shares of the company.
 - (5) After deducting the estimated expenses of RM220,000 for the Proposed Subdivision and Proposed Amendments from share premium. Pursuant to Section 618(3)(b)(ii) of the Act, a company may, within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account, to write off expenses incurred, or commissions or brokerages paid or discounts allowed, before or upon the commencement of Section 74, for any duty, fee or tax payable on or in connection with any issue of shares of the company.
 - (6) Based on the Minimum Scenario, the number of Additional ICPS to be issued pursuant to the Proposed Subdivision would be 353,192,500. Additional ICPS computed as follows:

$$\begin{aligned}
 \text{Adjusted number of ICPS} &= \frac{\text{Revised number of issued shares}}{\text{Original number of issued shares}} \times \text{Proposed Rights Issue of ICPS based on the minimum subscription level of 353,192,500 ICPS pursuant to the Undertaking} \\
 &= \frac{979,465,110}{489,732,555} \times 353,192,500 \\
 &= \mathbf{706,385,000}
 \end{aligned}$$

As disclosed in Section 2.13 of this Circular, in the event that TLB is unable to secure the necessary approvals for the Proposed Issuance of Consideration Shares, the total Purchase Consideration is expected to be satisfied via cash. In this regard, the Group intends to fund the Proposed Acquisition through internally generated funds, fund raising exercise and/or bank borrowings in which the exact mix has not been finalised. Hence, the effect of the Proposed Acquisition via cash on the share capital and number of issued shares of TLB cannot be ascertained at this juncture.

6.2 NA and gearing

Based on the audited consolidated financial statements of TLB as at 30 June 2016, the pro-forma effects of the Proposed Issuance of Consideration Shares and Proposed Subdivision on the NA and gearing of TLB Group are as follows:

Minimum Scenario

	(Audited) As at 30 June 2016 (RM)	(I) After subsequent events up to the LPD ⁽¹⁾ (RM)	(II) After (I) and the Proposed Rights Issue of ICPS (RM)	(III) After (II) and the Proposed Issuance of Consideration Shares (RM)	(IV) After (III) and the Proposed Subdivision (RM)
Share capital/ Contributed share capital*	180,000,000	353,096,888*	352,446,888 ⁽²⁾	467,719,190 ^(4/5)	467,499,190 ⁽⁶⁾
Share premium*	100,451,394	-	-	-	-
Treasury shares	(4,742,235)	-	-	-	-
Reserve arising from reverse acquisition	(47,425,855)	(47,425,855)	(47,425,855)	(47,425,855)	(47,425,855)
Equity component of RCPS	4,979,851	-	-	-	-
Equity component of ICPS	-	-	58,276,763 ⁽³⁾	58,276,763	58,276,763
Retained earnings	297,516,546	296,805,340	296,805,340	296,805,340	296,805,340
Shareholders' funds / NA	530,779,701	602,476,373	660,103,136	775,375,438	775,155,438
No. of TLB Shares in issue**	356,851,200***	409,999,933	409,999,933	489,732,555	979,465,110
NA per TLB Share (RM)	1.49	1.47	1.61	1.58	0.79
Total borrowings (RM)	205,849,670	205,849,670	205,849,670	205,849,670	205,849,670
Gearing (times)	0.39	0.34	0.31	0.27	0.27

Notes:

* Comprising the share capital of RM213,570,810.50 and share premium of RM139,526,078.

Pursuant to Section 618(2) of the Act, upon the commencement of Section 74 of the Act, any amount standing to the credit of a company's share premium account and capital redemption reserve shall become part of the company's share capital. A company may within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account for certain purposes as prescribed in the Act.

** Pursuant to Section 74 of the Act, all shares issued before or upon the commencement of this Act shall have no par or nominal value.

*** Excluding 3,148,800 treasury shares as at 30 June 2016.

(1) Taking into consideration of the following:

(a) the conversion of 20,000,000 RCPS on 1 August 2016;

(b) disposal of 450,000 treasury shares, 1,500,000 treasury shares and 1,198,800 treasury shares at RM1.56, RM1.55 and RM1.56, respectively, in the open market after deducting the expenses of RM16,157 for the disposal of treasury shares;

(c) arising from the issuance of 36,666,600 new TLB Shares at an issue price of RM1.35 each pursuant to the Private Placement and after deducting the expenses of RM260,000 for the Private Placement; and

(d) the conversion of 20,000,000 RCPS on 13 June 2017.

(2) After deducting the estimated expenses of RM650,000 for the corporate proposals announced on 26 August 2016 from share premium. Pursuant to Section 618(3)(b)(ii) of the Act, a company may, within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account, to write off expenses incurred, or commissions or brokerages paid or discounts allowed, before or upon the commencement of Section 74, for any duty, fee or tax payable on or in connection with any issue of shares of the company.

(3) Arising from the issuance of 353,192,500 ICPS at the indicative issue price of RM0.165 each pursuant to the Proposed Rights Issue of ICPS.

(4) Arising from the issuance of 79,732,622 new TLB Shares at an issue price of RM1.45 each.

(5) After deducting the estimated expenses of RM340,000 for the Proposed Issuance of Consideration Shares from share premium. Pursuant to Section 618(3)(b)(ii) of the Act, a company may, within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account, to write off expenses incurred, or commissions or brokerages paid or discounts allowed, before or upon the commencement of Section 74, for any duty, fee or tax payable on or in connection with any issue of shares of the company.

(6) After deducting the estimated expenses of RM220,000 for the Proposed Subdivision and Proposed Amendments from share premium. Pursuant to Section 618(3)(b)(ii) of the Act, a company may, within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account, to write off expenses incurred, or commissions or brokerages paid or discounts allowed, before or upon the commencement of Section 74, for any duty, fee or tax payable on or in connection with any issue of shares of the company.

Maximum Scenario

	(Audited) As at 30 June 2016 (RM)	(I) After subsequent events up to the LPD ⁽¹⁾ (RM)	(II) After (I) and the Proposed Rights Issue of ICPS (RM)	(III) After (II) and assuming full conversion of ICPS (RM)	(IV) After (III) and the Proposed Consideration Shares (RM)	(V) After (IV) and the Proposed Subdivision (RM)
Share capital/ Contributed share capital*	180,000,000	353,096,888*	352,446,888 ⁽²⁾	1,367,196,721 ⁽⁴⁾	1,482,469,023 ⁽⁵⁾⁽⁶⁾	1,482,249,023 ⁽⁷⁾
Share premium*	100,451,394	-	-	-	-	-
Treasury shares	(4,742,235)	-	-	-	-	-
Reserve arising from reverse acquisition	(47,425,855)	(47,425,855)	(47,425,855)	(47,425,855)	(47,425,855)	(47,425,855)
Equity component of RCPS	4,979,851	-	-	-	-	-
Equity component of ICPS	-	-	101,474,983 ⁽³⁾	-	-	-
Retained earnings	297,516,546	296,805,340	296,805,340	296,805,340	296,805,340	296,805,340
Shareholders' funds / NA	530,779,701	602,476,373	703,301,356	1,616,576,206	1,731,848,508	1,731,628,508
No. of TLB Shares in issue**	356,851,200***	409,999,933	409,999,933	1,024,999,832	1,104,732,454	2,209,464,908
NA per TLB Share (RM)	1.49	1.47	1.72	1.58	1.57	0.78
Total borrowings (RM)	205,849,670	205,849,670	175,849,670	175,849,670	175,849,670	175,849,670
Gearing (times)	0.39	0.34	0.25	0.11	0.10	0.10

Notes:

* Comprising the share capital of RM213,570,810.50 and share premium of RM139,526,078.

Pursuant to Section 618(2) of the Act, upon the commencement of Section 74 of the Act, any amount standing to the credit of a company's share premium account and capital redemption reserve shall become part of the company's share capital. A company may within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account for certain purposes as prescribed in the Act.

** Pursuant to Section 74 of the Act, all shares issued before or upon the commencement of this Act shall have no par or nominal value.

*** Excluding 3,148,800 treasury shares as at 30 June 2016.

(1) Taking into consideration of the following:

(a) the conversion of 20,000,000 RCPS on 1 August 2016;

- (b) disposal of 450,000 treasury shares, 1,500,000 treasury shares and 1,198,800 treasury shares at RM1.56, RM1.55 and RM1.56, respectively, in the open market after deducting the expenses of RM16,157 for the disposal of treasury shares;
 - (c) arising from the issuance of 36,666,600 new TLB Shares at an issue price of RM1.35 each pursuant to the Private Placement and after deducting the expenses of RM260,000 for the Private Placement; and
 - (d) the conversion of 20,000,000 RCPS on 13 June 2017.
- (2) After deducting the estimated expenses of RM650,000 for the corporate proposals announced on 26 August 2016 from share premium. Pursuant to Section 618(3)(b)(ii) of the Act, a company may, within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account, to write off expenses incurred, or commissions or brokerages paid or discounts allowed, before or upon the commencement of Section 74, for any duty, fee or tax payable on or in connection with any issue of shares of the company.
 - (3) Arising from the issuance of 614,999,899 ICPS at the indicative issue price of RM0.1650 each pursuant to the Proposed Rights Issue of ICPS.
 - (4) Arising from the conversion of the 614,999,899 ICPS at the conversion ratio of a combination of 1 ICPS and indicative cash payment of RM1.4850 for 1 new TLB Share.
 - (5) Arising from the issuance of 79,732,622 new TLB Shares at an issue price of RM1.45 each.
 - (6) After deducting the estimated expenses of RM340,000 for the Proposed Issuance of Consideration Shares from share premium. Pursuant to Section 618(3)(b)(ii) of the Act, a company may, within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account, to write off expenses incurred, or commissions or brokerages paid or discounts allowed, before or upon the commencement of Section 74, for any duty, fee or tax payable on or in connection with any issue of shares of the company.
 - (7) After deducting the estimated expenses of RM220,000 for the Proposed Subdivision and Proposed Amendments from share premium. Pursuant to Section 618(3)(b)(ii) of the Act, a company may, within 24 months upon commencement of Section 74 of the Act, use the amount standing to the credit of its share premium account, to write off expenses incurred, or commissions or brokerages paid or discounts allowed, before or upon the commencement of Section 74, for any duty, fee or tax payable on or in connection with any issue of shares of the company.

As disclosed in Section 2.13 of this Circular, in the event that TLB is unable to secure the necessary approvals for the Proposed Issuance of Consideration Shares, the total Purchase Consideration is expected to be satisfied via cash. In this regard, the Group intends to fund the Proposed Acquisition through internally generated funds, fund raising exercise and/or bank borrowings in which the exact mix has not been finalised. Hence, the effect of the Proposed Acquisition via cash on the NA and gearing of the Group cannot be ascertained at this juncture.

6.3 Earnings and EPS

The Proposed Issuance of Consideration Shares and Proposed Subdivision are not expected to have any material effect on the consolidated earnings of TLB for the FYE 30 June 2017. However, there will be a corresponding dilution in TLB's consolidated EPS as a result of the increase in the number of TLB Shares arising from the Proposed Issuance of Consideration Shares and Proposed Subdivision.

The Proposed Acquisition is expected to contribute positively to TLB Group's future earnings in the ensuing financial years when the benefits are realised from undertaking the Proposed Development. However, it should be noted that the actual impact on the Group's earnings and EPS in the future will depend on the actual gross development profit arising from the Proposed Development in accordance with the percentage of completion thereof.

For illustrative purposes only, based on the audited consolidated financial statements of TLB for the FYE 30 June 2016, the pro-forma effects of the Proposed Issuance of Consideration Shares and Proposed Subdivision on the consolidated EPS of TLB are as follows:

Minimum Scenario

	(Audited) As at 30 June 2016	(I) After subsequent events up to the LPD	(II) After (I) and the Proposed Rights Issue of ICPS	(III) After (II) and the Proposed Issuance of Consideration Shares	(IV) After (III) and the Proposed Subdivision
Number of TLB Shares in issue	(A) 356,851,200 ⁽¹⁾	409,999,933	409,999,933	489,732,555	979,465,110
Number of TLB Shares in issue arising from the conversion of ICPS	(B) 370,184,533 ^{(1)/(2)}	409,999,933	445,319,183	525,051,805	1,050,103,610
Profit attributable to the owners of the Company (RM)	(C) 68,351,715	68,351,715	68,351,715	68,351,715	68,351,715
Basic EPS (sen)	(C) / (A) 19.13 ⁽³⁾	16.67	16.67	13.96	6.98
Diluted EPS (sen)	(C) / (B) 18.44 ⁽³⁾	-	15.35 ⁽⁴⁾	13.02 ⁽⁴⁾	6.51 ⁽⁴⁾

Notes:

(1) Excluding 3,148,800 treasury shares as at 30 June 2016.

(2) After taking into consideration the conversion of 13,333,333 RCPS.

(3) Based on the audited financial statements of TLB Group for the FYE 30 June 2016.

(4) After taking into consideration the effect of dilution arising from the conversion of ICPS to be issued pursuant to the Proposed Rights Issue of ICPS based on the minimum subscription level of 353,192,500 ICPS and including the 353,192,500 Additional ICPS.

Maximum Scenario

	(Audited)	(I)	(II)	(III)	(IV)	(V)
	As at 30 June 2016	After subsequent events up to the LPD	After (I) and the Proposed Rights Issue of ICPS	After (II) and assuming full conversion of ICPS	After (III) and the Proposed Issuance of Consideration Shares	After (IV) and the Proposed Subdivision
Number of TLB Shares in issue	356,851,200 ⁽¹⁾	409,999,933	409,999,933	1,024,999,832	1,104,732,454	2,209,464,908
Number of TLB Shares in issue arising from the conversion of ICPS	370,184,533 ^{(1)/(2)}	409,999,933	1,024,999,832	1,024,999,832	1,104,732,454	2,209,464,908
Profit attributable to the owners of the Company (RM)	68,351,715	68,351,715	68,351,715	68,351,715	68,351,715	68,351,715
Basic EPS (sen)	19.13 ⁽³⁾	16.67	16.67	6.67	6.19	3.09
Diluted EPS (sen)	18.44 ⁽³⁾	-	6.67 ⁽⁴⁾	-	-	-

Notes:

- (1) Excluding 3,148,800 treasury shares as at 30 June 2016.
- (2) After taking into consideration the conversion of 13,333,333 RCPS.
- (3) Based on the audited financial statements of TLB Group for the FYE 30 June 2016.
- (4) After taking into consideration the effect of dilution arising from the conversion of 614,999,899 ICPS to be issued based on the Maximum Scenario pursuant to the Proposed Rights Issue of ICPS.

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6.4 Substantial shareholders' shareholdings

For the avoidance of doubt, the Proposed Rights Issue of ICPS will not have any effect on the shareholdings of the Company until the ICPS are converted into TLB Shares based on the conversion ratios.

The pro-forma effects of the Proposed Issuance of Consideration Shares and Proposed Subdivision on the direct and indirect shareholdings of the substantial shareholders of TLB as at the LPD are as follows:

Minimum Scenario

Name	As at the LPD			(I) After the Proposed Issuance of Consideration Shares			
	Direct		Indirect	Direct		Indirect	
	No. of TLB Shares	%	No. of TLB Shares	%	No. of TLB Shares	%	
Tan Sri Dato' Lim Soon Peng	300,000	0.07	242,128,333 ⁽¹⁾	59.06	300,000	242,128,333 ⁽¹⁾	49.44
Lim Poh Yit	780,800	0.19	242,128,333 ⁽¹⁾	59.06	780,800	242,128,333 ⁽¹⁾	49.44
Lim Puay Fung	245,000	0.06	242,128,333 ⁽¹⁾	59.06	245,000	242,128,333 ⁽¹⁾	49.44
TGSB	242,128,333	59.06	-	-	242,128,333	-	-
AIA Bhd	32,050,800	7.82	1,255,200 ⁽²⁾	0.31	32,050,800	1,255,200 ⁽²⁾	0.26
AIA Company Limited	-	-	33,306,000 ⁽³⁾	8.12	-	33,306,000 ⁽³⁾	6.80
AIA Group Limited	-	-	33,306,000 ⁽³⁾	8.12	-	33,306,000 ⁽³⁾	6.80
Premium Policy Berhad (In Members' Voluntary Liquidation)	-	-	33,306,000 ⁽³⁾	8.12	-	33,306,000 ⁽³⁾	6.80
Orange Policy Sdn Bhd	-	-	33,306,000 ⁽³⁾	8.12	-	33,306,000 ⁽³⁾	6.80
TKSB	-	-	-	-	48,365,467	-	-
BHB	-	-	-	-	-	48,365,467 ⁽⁴⁾	9.88
LEW	-	-	-	-	15,359,791 ⁽⁵⁾	-	-
LWY	-	-	-	-	16,007,364 ⁽⁵⁾	-	-
							3.27
							3.14
							9.88
							-
							-
							-

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Name	(II) After (I) and the Proposed Subdivision					
	Direct			Indirect		
	No. of TLB Shares	%	No. of TLB Shares	%	No. of TLB Shares	%
Tan Sri Dato' Lim Soon Peng	600,000	0.06	484,256,666 ⁽¹⁾	49.44	484,256,666 ⁽¹⁾	49.44
Lim Poh Yit	1,561,600	0.16	484,256,666 ⁽¹⁾	49.44	484,256,666 ⁽¹⁾	49.44
Lim Puay Fung	490,000	0.05	484,256,666 ⁽¹⁾	49.44	484,256,666 ⁽¹⁾	49.44
TGSB	484,256,666	49.44	-	-	-	-
AIA Bhd	64,101,600	6.54	2,510,400 ⁽²⁾	0.26	2,510,400 ⁽²⁾	0.26
AIA Company Limited	-	-	66,612,000 ⁽³⁾	6.80	66,612,000 ⁽³⁾	6.80
AIA Group Limited	-	-	66,612,000 ⁽³⁾	6.80	66,612,000 ⁽³⁾	6.80
Premium Policy Berhad (In Members' Voluntary Liquidation)	-	-	66,612,000 ⁽³⁾	6.80	66,612,000 ⁽³⁾	6.80
Orange Policy Sdn Bhd	-	-	66,612,000 ⁽³⁾	6.80	66,612,000 ⁽³⁾	6.80
TKSB	96,730,934	9.88	-	-	-	-
BHB	-	-	96,730,934 ⁽⁴⁾	9.88	96,730,934 ⁽⁴⁾	9.88
LEW	30,719,582 ⁽⁵⁾	3.14	-	-	-	-
LWY	32,014,728 ⁽⁵⁾	3.27	-	-	-	-

Notes:

- (1) Deemed interested pursuant to Section 8(4) of the Act by virtue of his/her substantial shareholdings in TGSB.
- (2) Deemed interested pursuant to Section 8(4) of the Act by virtue of TLB Shares held by AIA PUBLIC Takaful Bhd and AIA Pension and Asset Management Sdn Bhd.
- (3) Deemed interested pursuant to Section 8(4) of the Act by virtue of TLB Shares held by AIA Bhd, AIA PUBLIC Takaful Bhd and AIA Pension and Asset Management Sdn Bhd.
- (4) Deemed interested pursuant to Section 8(4) of the Act by virtue of the shares held by TKSBB.
- (5) For disclosure purposes only as they will not be substantial shareholders of TLB.

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Maximum Scenario

Name	As at the LPD			(1) Assuming full conversion of ICPS to be issued pursuant to the Proposed Rights Issue of ICPS		
	Direct		Direct	Direct		Direct
	No. of TLB Shares	%	No. of TLB Shares	No. of TLB Shares	%	%
Tan Sri Dato' Lim Soon Peng	300,000	0.07	242,128,333 ⁽¹⁾	750,000	0.07	605,320,832 ⁽¹⁾
Lim Poh Yit	780,800	0.19	242,128,333 ⁽¹⁾	1,952,000	0.19	605,320,832 ⁽¹⁾
Lim Puay Fung	245,000	0.06	242,128,333 ⁽¹⁾	612,500	0.06	605,320,832 ⁽¹⁾
TGSB	242,128,333	59.06	-	605,320,832	59.06	-
AIA Bhd	32,050,800	7.82	1,255,200 ⁽²⁾	80,127,000	7.82	3,138,000 ⁽²⁾
AIA Company Limited	-	-	33,306,000 ⁽³⁾	-	-	83,265,000 ⁽³⁾
AIA Group Limited	-	-	33,306,000 ⁽³⁾	-	-	83,265,000 ⁽³⁾
Premium Policy Berhad (In Members' Voluntary Liquidation)	-	-	33,306,000 ⁽³⁾	-	-	83,265,000 ⁽³⁾
Orange Policy Sdn Bhd	-	-	33,306,000 ⁽³⁾	-	-	83,265,000 ⁽³⁾
TKSB	-	-	-	-	-	-
BHB	-	-	-	-	-	-
LEW	-	-	-	-	-	-
LWY	-	-	-	-	-	-

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Name	(II) After (I) and the Proposed Issuance of Consideration Shares			(III) After (II) and the Proposed Subdivision		
	Direct		Indirect	Direct		Indirect
	No. of TLB Shares	%	No. of TLB Shares	%	No. of TLB Shares	%
Tan Sri Dato' Lim Soon Peng	750,000	0.07	605,320,832 ⁽¹⁾	54.79	1,500,000	0.07
Lim Poh Yit	1,952,000	0.18	605,320,832 ⁽¹⁾	54.79	3,904,000	0.18
Lim Puay Fung	612,500	0.06	605,320,832 ⁽¹⁾	54.79	1,225,000	0.06
TGSB	605,320,832	54.79	-	-	1,210,641,664	54.79
AIA Bhd	80,127,000	7.25	3,138,000 ⁽²⁾	0.28	160,254,000	7.25
AIA Company Limited	-	-	83,265,000 ⁽³⁾	7.54	-	-
AIA Group Limited	-	-	83,265,000 ⁽³⁾	7.54	-	-
Premium Policy Berhad (In Members' Voluntary Liquidation)	-	-	83,265,000 ⁽³⁾	7.54	-	-
Orange Policy Sdn Bhd	-	-	83,265,000 ⁽³⁾	7.54	-	-
TKSB	48,365,467 ⁽⁵⁾	4.38	-	-	96,730,934 ⁽⁵⁾	4.38
BHB	-	-	48,365,467 ⁽⁴⁾⁽⁵⁾	4.38	-	-
LEW	15,359,791 ⁽⁵⁾	1.39	-	-	30,719,582 ⁽⁵⁾	1.39
LWY	16,007,364 ⁽⁵⁾	1.45	-	-	32,014,728 ⁽⁵⁾	1.45

Notes:

- (1) Deemed interested pursuant to Section 8(4) of the Act by virtue of his/her substantial shareholdings in TGSB.
- (2) Deemed interested pursuant to Section 8(4) of the Act by virtue of TLB Shares held by AIA PUBLIC Takaful Bhd and AIA Pension and Asset Management Sdn Bhd.
- (3) Deemed interested pursuant to Section 8(4) of the Act by virtue of TLB Shares held by AIA Bhd, AIA PUBLIC Takaful Bhd and AIA Pension and Asset Management Sdn Bhd.
- (4) Deemed interested pursuant to Section 8(4) of the Act by virtue of the shares held by TKSBB.
- (5) For disclosure purposes only as they will not be substantial shareholders of TLB.

As disclosed in Section 2.13 of this Circular, in the event that TLB is unable to secure the necessary approvals for the Proposed Issuance of Consideration Shares, the total Purchase Consideration is expected to be satisfied via cash. In this regard, the Group intends to fund the Proposed Acquisition through internally generated funds, fund raising exercise and/or bank borrowings in which the exact mix has not been finalised. Hence, the effect of the Proposed Acquisition via cash on the substantial shareholders' shareholdings cannot be ascertained at this juncture.

6.5 Convertible securities

As at the LPD, save for up to 614,999,899 ICPS to be issued pursuant to the Proposed Rights Issue of ICPS which are convertible into TLB Shares, TLB does not have any other existing convertible securities.

The Proposed Issuance of Consideration Shares will not give rise to any adjustment to the conversion price and/or number of ICPS to be issued pursuant to the Proposed Rights Issue of ICPS.

Consequent to the Proposed Subdivision, the number of ICPS in issue (which have not been converted into TLB Shares prior to the effective date of the Proposed Subdivision) and indicative conversion price will be adjusted. The notice will be issued to the holders of the ICPS to inform them of such adjustments at a later date.

For illustration purposes, the adjustments to the ICPS to be issued pursuant to the Proposed Rights Issue of ICPS arising from the Proposed Subdivision are as follows:

(a) Adjustment to the conversion price of the ICPS

$$\begin{aligned} \text{(i) New conversion price after the Proposed Subdivision} &= \frac{\text{Original number of issued shares}}{\text{Revised number of issued shares}} \times \text{Indicative conversion price of the ICPS to be issued} \\ &= \frac{489,732,555}{979,465,110} \times \text{RM1.6500} \\ &= \mathbf{RM0.8250} \end{aligned}$$

$$\begin{aligned} \text{(ii) New cash payment after the Proposed Subdivision} &= \frac{\text{Original number of issued shares}}{\text{Revised number of issued shares}} \times \text{Indicative cash payment for the conversion of the ICPS to be issued} \\ &= \frac{489,732,555}{979,465,110} \times \text{RM1.4850} \\ &= \mathbf{RM0.7425} \end{aligned}$$

(b) Adjustment to the number of ICPS

$$\begin{aligned} \text{Adjusted number of ICPS} &= \frac{\text{Revised number of issued shares}}{\text{Original number of issued shares}} \times \text{Maximum number of ICPS to be issued pursuant to the Proposed Rights Issue of ICPS} \\ &= \frac{979,465,110}{489,732,555} \times 614,999,899 \\ &= \mathbf{1,229,999,798} \end{aligned}$$

For the avoidance of doubt, no adjustment will be made to the conversion ratio of the ICPS to be issued pursuant to the Proposed Rights Issue of ICPS. For illustrative purposes only, the details of the ICPS to be issued pursuant to the Proposed Rights Issue of ICPS are as follows:

ICPS to be issued pursuant to the Proposed Rights Issue of ICPS

	Before the Proposed Subdivision	After the Proposed Subdivision
Number of ICPS to be issued pursuant to the Proposed Rights Issue of ICPS	614,999,899*	1,229,999,798*
Conversion ratio	(i) 10 ICPS for 1 TLB Share; and (ii) A combination of 1 ICPS and indicative cash payment of RM1.4850 for 1 TLB Share.	(i) 10 ICPS for 1 Subdivided Share; and (ii) A combination of 1 ICPS and indicative cash payment of RM0.7425 for 1 Subdivided Share.
Indicative conversion price	RM1.6500	RM0.8250

Note:

* Assuming issuance of 614,999,899 ICPS pursuant to the Proposed Rights Issue of ICPS.

7. HISTORICAL SHARE PRICES

The monthly highest and lowest transacted prices of TLB Shares for the past 12 months are as follows:

	Highest (RM)	Lowest (RM)
2016		
August	1.62	1.45
September	1.62	1.45
October	1.93	1.61
November	1.90	1.64
December	1.75	1.65
2017		
January	1.74	1.66
February	1.75	1.64
March	1.82	1.67
April	1.80	1.68
May	1.74	1.58
June	1.68	1.57
July	1.66	1.56

The last transacted market price of TLB Shares on 29 September 2016 (being the last trading date prior to the announcement dated 30 September 2016 in relation to the Proposed Acquisition) was RM1.55.

The last transacted market price of TLB Shares on 10 November 2016 (being the last trading date prior to the announcement dated 11 November 2016 in relation to, among others, the Proposed Subdivision and Proposed Amendments) was RM1.79.

The last transacted market price of TLB Shares on 24 July 2017 (being the LPD) was RM1.59.

(Source: Bloomberg Finance L.P.)

8. APPROVALS REQUIRED

The Proposed Acquisition is not subject to the approval of the shareholders of TLB and/or approval from any other regulatory authority.

Notwithstanding the above, the Proposals are subject to and conditional upon the following approvals being obtained from:

- (i) Bursa Securities for the following:
 - (a) listing of and quotation for the Consideration Shares on the Main Market of Bursa Securities;
 - (b) the Proposed Subdivision;
 - (c) listing of and quotation for the Additional ICPS to be issued in consequence of the Adjustments arising from the Proposed Subdivision on the Main Market of Bursa Securities; and
 - (d) listing of and quotation for the new TLB Shares to be issued pursuant to the conversion of the Additional ICPS on the Main Market of Bursa Securities.

The approval of Bursa Securities, which was obtained vide its letter dated 28 July 2017, is subject to the following conditions:

	Conditions imposed	Status of compliance
(a)	TLB and TA Securities, being the Adviser, must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposals;	To be complied
(b)	TLB and TA Securities to inform Bursa Securities upon the completion of the Proposals;	To be complied
(c)	To incorporate the comments from Bursa Securities in the Circular;	Complied
(d)	TLB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals are completed;	To be complied
(e)	TLB to furnish Bursa Securities with a certified true copy of the resolutions passed by the shareholders at the EGM approving the Proposals; and	To be complied
(f)	TLB is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the conversion of the Additional ICPS as at the end of each quarter together with a detailed computation of the listing fees payable.	To be complied

- (ii) the shareholders of TLB for the Proposals at the forthcoming EGM to be convened; and
- (iii) any other relevant authorities or persons, if required.

In the event that the above relevant approvals for the Proposed Issuance of Consideration Shares are not obtained, the Purchase Consideration is expected to be satisfied via cash from the Group's internally generated funds, fund raising exercise and/or bank borrowings, the breakdown of which cannot be determined at this junction.

9. INTER-CONDITIONALITY OF THE PROPOSALS

The Proposed Issuance of Consideration Shares is conditional upon the Proposed Acquisition but not vice versa.

The Proposed Issuance of Consideration Shares is not conditional upon the Proposed Rights Issue of ICPS, Proposed Subdivision and Proposed Amendments and vice versa.

The Proposed Subdivision is inter-conditional with the Proposed Amendments.

The Proposed Subdivision and Proposed Amendments are conditional upon the Proposed Rights Issue of ICPS but not vice versa.

The Proposals (save for the Proposed Issuance of Consideration Shares which is conditional upon the Proposed Acquisition) are not conditional upon the Proposed Acquisition and/or any other corporate proposal undertaken or to be undertaken by the Company.

10. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save as disclosed below and the Proposals, the Board is not aware of any other outstanding corporate proposal which has been announced by the Company but is pending implementation and completion prior to the printing of this Circular:

- (i) CMD had on 21 May 2014 entered into the SPA with TGSB for the Acquisition of Land.

On 19 January 2015, CMD had entered into the Supplemental Agreement (SPA and Supplemental Agreement are collectively referred to as the “SPAs”) with TGSB to vary, amend, modify or alter certain provisions, terms and conditions of the SPA and to extend the period for the fulfilment of the conditions precedent for 1 year from 21 September 2014 or any other period as mutually agreed between the parties.

The Company had on 27 May 2015 obtained the approval from its shareholders in relation to the Acquisition of Land.

Subsequently, pursuant to the letters between CMD and TGSB dated 21 September 2015, 10 November 2015, 15 February 2016 and 26 May 2016, the parties had mutually agreed to further extend the date for fulfilment of the conditions precedent of the SPAs to 31 December 2015, 10 February 2016, 10 May 2016 and 10 December 2016, respectively. On 22 September 2016, the conditions precedent had been fulfilled by the respective parties.

As at the LPD, TGSB, on behalf of CMD as stipulated in the SPAs, is in the midst of preparing its submission application to the Town and Country Planning Department of Penang and State Planning Committee of Penang for approval in varying the zoning of the land use to mixed development and approval in undertaking the development of the Land with plot ratio of 1:4.

- (ii) The Company had on 26 August 2016 announced to undertake, among others, the following proposals:
- (a) the Proposed Rights Issue of ICPS; and
 - (b) proposed amendments to the Articles of Association of TLB to facilitate the Proposed Rights Issue of ICPS.

The circular to shareholders for the said proposals (which are inter-conditional) was issued on 6 June 2017. Subsequently, the said proposals were approved by the shareholders of TLB at an EGM held on 7 July 2017. As at the LPD, the Company is in the midst of preparing the abridged prospectus to be submitted to Securities Commission Malaysia for approval.

- (iii) The Company had on 30 September 2016 entered into the SSAs with the Vendors to acquire the Sale Shares, representing the entire equity interest in NPOB and full settlement of Advances for the Purchase Consideration to be satisfied via the Proposed Issuance of Consideration Shares, where the Consideration Shares to be issued and allotted to the Vendors in the proportion of their shareholdings, upon the terms and conditions as stipulated in the SSAs.

Subsequently, pursuant to the letters dated 19 June 2017 between the Company and the Vendors, the said parties had mutually agreed to extend the Extended Completion Date of the SSAs for 90 days to 25 September 2017 for the parties to obtain or fulfil the conditions precedent as stipulated in the SSAs. On 9 August 2017, TLB and TKSB had entered into a supplemental share sale agreement to vary the late payment interest, as consideration to extend the Extended Completion Date up to 25 September 2017.

As at the LPD, the Proposed Acquisition is pending the fulfilment of the conditions precedent under the SSAs. The Proposed Acquisition is expected to be completed upon the completion of the Proposed Issuance of Consideration Shares.

Bursa Securities had vide its letter dated 28 July 2017 approved, amongst others, the listing of and quotation for the 79,732,622 Consideration Shares to be issued pursuant to the Proposed Issuance of Consideration Shares on the Main Market of Bursa Securities.

- (iv) The Company had on 8 November 2016 announced that TRSB has entered into the following agreements:
- (a) a conditional share sale agreement between TRSB, CRECD (TRSB and CRECD are collectively referred to as the “**Purchasers**”), Chan Peng Koooh and Rafidah binti Menan (Chan Peng Koooh and Rafidah binti Menan are collectively referred to as the “**Vendors of AADSB**”) (“**Share Sale Agreement**”) to acquire 10,440,000 ordinary shares in AADSB, for a cash consideration of RM80,000,000 upon the terms and conditions as stipulated in the Share Sale Agreement (“**Acquisition of AADSB**”); and
 - (b) a shareholders’ agreement between the Purchasers to regulate, among others, the parties’ relationships as shareholders of AADSB. Pursuant to the shareholders’ agreement, the percentage of shareholding shall be 70:30 (TRSB:CRECD).

Subsequently, pursuant to the letters dated 26 April 2017 and 8 August 2017 between the Purchasers and Vendors of AADSB, the said parties had mutually agreed to extend the date for fulfilment of all terms and conditions stipulated in the Share Sale Agreement for another 6 months to 7 November 2017.

As at the LPD, the Acquisition of AADSB is pending completion. The Acquisition of AADSB is expected to be completed by the 4th quarter of 2017.

- (v) The Company had on 27 February 2017 entered into a share sale agreement with Tan Chuan Cheong and Tee Tiong Lee for the proposed acquisition of 3,000,000 ordinary shares equivalent to RM3,000,000, representing the entire number of issued shares of Sri Komakmur Development Sdn Bhd, for a purchase consideration of RM70,919,000 upon the terms and conditions as stipulated therein (“**Proposed Acquisition of SKDSB**”).

As at the LPD, the Proposed Acquisition of SKDSB is pending completion. The Proposed Acquisition of SKDSB is expected to be completed by the 4th quarter of 2017.

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

None of the Directors and/or major shareholders of TLB and/or persons connected with them (as defined in the Listing Requirements) has any interest, either direct or indirect, in the Proposals, save for their respective entitlements as shareholders of TLB under the Proposed Subdivision, the rights of which are also available to all other existing shareholders of the Company on the Entitlement Date.

12. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, after having considered all aspects of the Proposals including but not limited to the rationale and effects of the Proposals, is of the opinion that the Proposals are in the best interests of the Company and accordingly recommends you to vote **IN FAVOUR** of the resolutions in respect of the Proposals to be tabled at the forthcoming EGM.

13. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to the approvals of the relevant authorities being obtained, the Board expects the Proposals to be completed by the 4th quarter of 2017.

The indicative timetable of events in relation to the implementation of the Proposals is set out below:

Tentative date	Events
12 September 2017	EGM to obtain shareholders' approval for the Proposals
End September 2017	Listing of and quotation for the Consideration Shares to be issued pursuant to the Proposed Issuance of Consideration Shares on the Main Market of Bursa Securities
Mid December 2017	Announcement of the Entitlement Date for the Proposed Subdivision
End December 2017	Listing of and quotation for the Subdivided Shares and Additional ICPS on the Main Market of Bursa Securities

For the avoidance of doubt, the Proposals (save for the Proposed Issuance of Consideration Shares) will only be implemented after the completion of the Proposed Rights Issue of ICPS.

14. EGM

The EGM, the notice of which is enclosed in this Circular, will be held at Ivory 12, Level 4, Holiday Villa Hotel & Conference Centre Subang, 9, Jalan SS 12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 12 September 2017 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the resolutions to give effect to the Proposals.

If you are unable to attend and vote in person at the EGM, you may complete and return the enclosed Form of Proxy in accordance with the instructions provided thereon so as to arrive at the office of the Registrar of the Company at Symphony Share Registrars Sdn. Bhd. at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not later than 48 hours before the time set for convening the EGM or at any adjournment thereof.

The lodging of the Form of Proxy will not, however, preclude you from attending the EGM and voting in person should you subsequently wish to do so.

15. FURTHER INFORMATION

You are advised to refer to the Appendix set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board
TITIJAYA LAND BERHAD

Y. Bhg. Tan Sri Dato' Lim Soon Peng
Group Managing Director

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. CONSENT

TA Securities, as the Adviser for the Proposed Issuance of Consideration Shares and Proposed Subdivision, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. CONFLICT OF INTERESTS

TA Securities has confirmed that it is not aware of any conflict of interests which exists or is likely to exist in its role as the Adviser for the Proposed Issuance of Consideration Shares and Proposed Subdivision.

4. MATERIAL CONTRACTS

Save as disclosed below, as at the LPD, the Group has not entered into any contracts which are or may be material (not being contracts entered into in the ordinary course of business of the Group) during the 2 years immediately preceding the date of this Circular:

- (i) CMD had on 21 May 2014 entered into the SPA with TGSB for the Acquisition of Land.

On 19 January 2015, CMD had entered into the Supplemental Agreement with TGSB to vary, amend, modify or alter certain provisions, terms and conditions of the SPA and to extend the period for the fulfilment of the conditions precedent for 1 year from 21 September 2014 or any other period as mutually agreed between the parties.

The Company had on 27 May 2015 obtained the approval from its shareholders in relation to the Acquisition of Land.

Subsequently, pursuant to the letters between CMD and TGSB dated 21 September 2015, 10 November 2015, 15 February 2016 and 26 May 2016, the parties had mutually agreed to further extend the date for fulfilment of the conditions precedent of the SPAs to 31 December 2015, 10 February 2016, 10 May 2016 and 10 December 2016, respectively. On 22 September 2016, the conditions precedent had been fulfilled by the respective parties.

As at the LPD, TGSB, on behalf of CMD as stipulated in the SPAs, is in the midst of preparing its submission application to the Town and Country Planning Department of Penang and State Planning Committee of Penang for approval in varying the zoning of the land use to mixed development and approval in undertaking the development ratio of the Land with plot ratio of 1:4.

- (ii) Terbit Kelana Development Sdn Bhd, a wholly-owned subsidiary of TLB, had on 28 August 2015 entered into a sale and purchase agreement with Malaysian Engineering & Oilfield Services Sdn Bhd to purchase all that properties distinguished as Parcel No. S-16-01 within Storey No. 16th Floor in a commercial building development known as FIRST SUBANG measuring approximately 13,330 square feet in area erected thereon a freehold land which is held under Master Title HS(D) 9014, PT No. 3652 in the Mukim of Damansara, District of Petaling, State of Selangor Darul Ehsan and bearing postal address of S-16-01, Penthouse, 16th Floor, First Subang, Jalan SS15/4G, 47500 Subang Jaya, Selangor Darul Ehsan for a cash consideration of RM7,000,000.

The said acquisition was completed on 25 July 2016.

FURTHER INFORMATION (CONT'D)

- (iii) TRSB had on 30 October 2015 entered into a shareholders' agreement with Amona Development Sdn Bhd ("ADSB") and Amona Titijaya Sdn Bhd ("JV Company") to form a strategic collaboration and to govern the material aspects of the joint venture, the conduct of the business and the management of the JV Company. ADSB had made a proposal to the Government of Malaysia ("Government") to construct school facilities in exchange for a Government's land situated at Bukit Bintang, KL measuring approximately 2.7 acres. The Government has in principle agreed to accept the proposal for the JV Company to build 6 schools in KL. The details of the proposal are still subject to the execution of a privatization agreement. Pursuant to the joint venture, the percentage of shareholding shall be 60:40 (ADSB:TRSB).

As at the LPD, the parties have yet to enter into any privatization agreement.

- (iv) The Company had on 30 September 2016 entered into the SSAs with the Vendors to acquire the Sale Shares, representing the entire equity interest in NPOB and full settlement of Advances for the Purchase Consideration to be satisfied via the Proposed Issuance of Consideration Shares, upon the terms and conditions as stipulated in the SSAs.

Subsequently, pursuant to the letters dated 19 June 2017 between the Company and the Vendors, the said parties had mutually agreed to extend the Extended Completion Date of the SSAs for 90 days to 25 September 2017 for the parties to obtain or fulfil the conditions precedent as stipulated in the SSAs. On 9 August 2017, TLB and TKSB had entered into a supplemental share sale agreement to vary the late payment interest, as consideration to extend the Extended Completion Date up to 25 September 2017.

As at the LPD, the Proposed Acquisition is pending the fulfilment of the conditions precedent under the SSAs. The Proposed Acquisition is expected to be completed upon the completion of the Proposed Issuance of Consideration Shares.

Bursa Securities had vide its letter dated 28 July 2017 approved, amongst others, the listing of and quotation for the 79,732,622 Consideration Shares to be issued pursuant to the Proposed Issuance of Consideration Shares on the Main Market of Bursa Securities.

- (v) TRSB had on 8 November 2016 entered into the following agreements:
- (a) the Share Sale Agreement in relation to the Acquisition of AADSB; and
 - (b) a shareholders' agreement between the Purchasers to regulate, among others, the parties' relationships as shareholders of AADSB. Pursuant to the shareholders' agreement, the percentage of shareholding shall be 70:30 (TRSB:CRECD).

Subsequently, pursuant to the letters dated 26 April 2017 and 8 August 2017 between the Purchasers and Vendors of AADSB, the said parties had mutually agreed to extend the date for fulfilment of all terms and conditions stipulated in the Share Sale Agreement for another 6 months to 7 November 2017.

As at the LPD, the Acquisition of AADSB is pending completion. The Acquisition of AADSB is expected to be completed by the 4th quarter of 2017.

- (vi) The Company had on 27 February 2017 entered into a share sale agreement with Tan Chuan Cheong and Tee Tiong Lee in relation to the Proposed Acquisition of SKDSB.

As at the LPD, the Proposed Acquisition of SKDSB is pending completion. The Proposed Acquisition of SKDSB is expected to be completed by the 4th quarter of 2017.

FURTHER INFORMATION (CONT'D)

5. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

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

6. MATERIAL COMMITMENT

Save as disclosed below, as at the LPD, the Board is not aware of any other material commitment incurred or known to be incurred by the Company and/or the Group, which upon being enforced, may have a material impact on the financial position of the Company and/or the Group:

	(RM'000)
Approved and contracted but not provided for:	
- Land held for property development	
Purchase consideration	5,570
Less: deposits paid	(1,031)
	4,539
Proposed Acquisition pursuant to the execution of the SSAs:	
- The Lands held for the Proposed Development	
Purchase consideration	115,612
Less: Security Deposit paid	(4,518)
	111,094
Proposed Acquisition of SKDSB pursuant to the execution of the share sale agreement:	
- Lands held for property development	
Purchase consideration	70,919
Less: security deposit paid	(7,092)
	63,827
Capital commitments	179,460

7. CONTINGENT LIABILITIES

Save as disclosed below, as at the LPD, the Board is not aware of any other contingent liability incurred or known to be incurred by the Company and/or the Group, which upon becoming enforceable, may have a material impact on the financial position of the Company and/or the Group:

	(RM'000)
Corporate guarantees for credit facilities granted to subsidiary companies	237,730
Bank guarantees	8,732

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FURTHER INFORMATION (CONT'D)

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan during normal business hours from 8.30 a.m. to 5.30 p.m. from Mondays to Fridays (excluding public holidays) for the period commencing from the date of this Circular up to and including the date of the forthcoming EGM:

- (i) the M&A;
- (ii) the audited financial statements of the Group for the past 2 FYEs 30 June 2015 and 30 June 2016 as well as the latest unaudited quarterly results for the 9-month period ended 31 March 2017;
- (iii) the letter of consent and declaration of conflict of interests referred to in Sections 2 and 3 of Appendix I; and
- (iv) the material contracts referred to in Section 4 of Appendix I.

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TITIJAYA LAND BERHAD

(Company No. 1009114-M)

(Incorporated in Malaysia under the Companies Act 2016)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“EGM”) of Titijaya Land Berhad (“TLB” or the “Company”) will be held at Ivory 12, Level 4, Holiday Villa Hotel & Conference Centre Subang, 9, Jalan SS 12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 12 September 2017 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolutions with or without modifications:

ORDINARY RESOLUTION 1

PROPOSED ISSUANCE OF 79,732,622 NEW ORDINARY SHARES IN TLB (“TLB SHARES”) AT AN ISSUE PRICE OF RM1.45 PER TLB SHARE (“CONSIDERATION SHARES”) TO ACQUIRE THE ENTIRE EQUITY INTEREST IN NPO BUILDERS SDN BHD AND FULL SETTLEMENT OF ADVANCES FROM TITI KAYA SDN BHD, LEE ENG WAH AND LIM WEN YEH, BEING THE VENDORS OF NPO BUILDERS SDN BHD, FOR A TOTAL PURCHASE CONSIDERATION OF RM115,612,302 (“PROPOSED ISSUANCE OF CONSIDERATION SHARES”)

“**THAT** approval be and is hereby given to the Company for the issuance of 79,732,622 Consideration Shares to Titi Kaya Sdn Bhd, Lee Eng Wah and Lim Wen Yeh and/or their nominee(s).

THAT approval be and is hereby given to the Company for the issuance of Consideration Shares, and that all Consideration Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing TLB Shares, save and except that the Consideration Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment and issuance of the Consideration Shares.

AND THAT the Directors of the Company (“**Board**”) be and are hereby authorised to sign, execute and deliver on behalf of the Company all necessary documents and to do all acts and things as may be required for or in connection with and to give full effect to and complete the Proposed Issuance of Consideration Shares, with full and discretionary power to assent to or make any modifications, variations and/or amendments in any manner as may be imposed, required or permitted or necessary by the relevant authorities, and to take all steps and actions as they may deem necessary or expedient in the best interests of the Company to finalise, implement and give full effect to the Proposed Issuance of Consideration Shares.”

ORDINARY RESOLUTION 2

PROPOSED SUBDIVISION INVOLVING SUBDIVISION OF EVERY 1 TLB SHARE HELD INTO 2 ORDINARY SHARES IN TLB (“SUBDIVIDED SHARES”) HELD AFTER THE PROPOSED ISSUANCE OF CONSIDERATION SHARES, AT AN ENTITLEMENT DATE TO BE DETERMINED LATER (“PROPOSED SUBDIVISION”)

“**THAT** subject to the passing of Special Resolution and the approval from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the Proposed Subdivision, the listing of and quotation for the Subdivided Shares and additional irredeemable convertible preference shares in TLB (“**ICPS**”) (“**Additional ICPS**”) to be issued in consequence of the adjustments arising from the Proposed Subdivision as well as the listing of and quotation for the new TLB Shares to be issued pursuant to the conversion of the Additional ICPS on the Main Market of Bursa Securities, approval be and is hereby given to the Board to subdivide each of the TLB Shares held by the entitled shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on a date and time to be determined by the Board and announced later.

THAT approval be and is hereby given to the Board to create and issue the Additional ICPS pursuant to the adjustments as a result of the Proposed Subdivision.

THAT approval be and is hereby given to the Board to allot and issue such appropriate number of new TLB Shares arising from the conversion by the holders of the Additional ICPS.

THAT the Subdivided Shares shall, upon allotment and issuance, rank *pari passu* in all respects with one another, save and except that the Subdivided Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid, the entitlement date of which is prior to the date of allotment and issuance of the Subdivided Shares.

THAT the Additional ICPS shall rank in priority to the TLB Shares in the capital of the Company and shall rank *pari passu* amongst the ICPS to be issued, save and except that the Additional ICPS shall not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid, the entitlement date of which is prior to the date of allotment and issuance of the Additional ICPS.

THAT the new TLB Shares to be issued pursuant to the conversion of the Additional ICPS shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing TLB Shares, save and except that such TLB Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment and issuance of TLB Shares arising from the conversion of the Additional ICPS.

THAT fractional entitlement arising from the Proposed Subdivision, if any, shall be dealt with by the Board in such manner at its absolute discretion as it may deem fit and/or expedient in the best interests of the Company.

AND THAT the Board be and is hereby authorised to do all acts and things as they may consider necessary or expedient in the best interests of the Company with full powers to assent to any condition, modification, variation and/or amendments as may be required, or imposed by the relevant authorities, and to take all steps and to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or persons and to carry out any other matters as may be required to implement, finalise and give full effect to the Proposed Subdivision.”

SPECIAL RESOLUTION

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY TO FACILITATE THE PROPOSED SUBDIVISION (“PROPOSED AMENDMENTS”)

“**THAT** subject to the passing of the Ordinary Resolution 2, the Proposed Amendments as set out in Section 4 of the circular to shareholders dated 17 August 2017 be and are hereby approved.

AND THAT the Board be and is hereby authorised to do all acts, deeds and things and execute all necessary documents with full power to make any modifications, variations and/or amendments in any manner as may be in the best interests of the Company or as may be required by the relevant authorities and to take all steps as they may deem necessary and expedient in order to implement, finalise and give full effect to the Proposed Amendments.”

BY ORDER OF THE BOARD

CHUA SIEW CHUAN (MAICSA 0777689)

TAN LEY THENG (MAICSA 7030358)

Company Secretaries

Kuala Lumpur
17 August 2017

Notes:

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors as at 6 September 2017 shall be eligible to attend the EGM or appoint proxies to attend and/or vote in his/her stead.*
2. *A member entitled to attend and vote at the EGM is entitled to appoint a maximum of 2 proxies to attend and vote in his stead. A proxy need not be a member of the Company. Notwithstanding this, a member entitled to attend and vote at the EGM is entitled to appoint any person as his proxy to attend and vote instead of the member at the EGM. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the EGM of the Company shall have the same rights as the member to speak at the EGM.*

3. *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint up to 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
4. *Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.*
6. *Where a member appoints more than 1 proxy (not more than 2 proxies), the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
7. *The instrument appointing a proxy must be deposited at the office of the Registrar of the Company at Symphony Share Registrars Sdn. Bhd. at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the EGM or at any adjournment thereof.*



TITIJAYA LAND BERHAD
(Company No. 1009114-M)

FORM OF PROXY

NO. OF SHARES HELD
CDS ACCOUNT NO.

I/We _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

being a member of **TITIJAYA LAND BERHAD**, hereby appoint _____

(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

or failing him/her _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

or failing him/her, the CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting (“EGM”) of the Company to be held at Ivory 12, Level 4, Holiday Villa Hotel & Conference Centre Subang, 9, Jalan SS 12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 12 September 2017 at 10.30 a.m. or at any adjournment thereof.

My/Our proxy(ies) is/are to vote as indicated below:-

RESOLUTIONS	FOR	AGAINST
Ordinary Resolution 1: Proposed Issuance of Consideration Shares		
Ordinary Resolution 2: Proposed Subdivision		
Special Resolution: Proposed Amendments		

Please indicate with a “X” in the space provided on how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.

Dated this _____ day of _____ 2017.

Signature of Member/Common Seal

Notes:-

- In respect of deposited securities, only members whose names appear in the Record of Depositors as at 6 September 2017 shall be eligible to attend the EGM or appoint proxies to attend and/or vote in his/her stead.*
- A member entitled to attend and vote at the EGM is entitled to appoint a maximum of 2 proxies to attend and vote in his stead. A proxy need not be a member of the Company. Notwithstanding this, a member entitled to attend and vote at the EGM is entitled to appoint any person as his proxy to attend and vote instead of the member at the EGM. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the EGM of the Company shall have the same rights as the member to speak at the EGM.*
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint up to 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
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Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Registrar
TITIJAYA LAND BERHAD
(Company No. 1009114-M)

Symphony Share Registrars Sdn. Bhd.
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46, 47301 Petaling Jaya
Selangor Darul Ehsan

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