

DATED THIS 8TH DAY OF MARCH 2024

BETWEEN

RICH RETURN DEVELOPMENT SDN. BHD.
(Company No.: 201801036116 [1298145-W])

AND

SECURIDON SDN. BHD.
(Company No.: 201001010620 [895280-M])

AND

TEMOKIN DEVELOPMENT SDN. BHD.
(Company No.: 201101001850 [929987-D])

AND

TORUS DEVELOPMENT SDN. BHD.
(Company No.: 201501025035 [1150364-T])

**SHARE SUBSCRIPTION, SHARE SALE AND
SHAREHOLDERS' AGREEMENT**

(between the Shareholders of Torus Development Sdn. Bhd.)

THIS AGREEMENT is made the 8th day of March 2024 ("this Agreement").

BETWEEN

- (1) **RICH RETURN DEVELOPMENT SDN. BHD. (Registration No.: 201801036116 [1298145-W])**, a company incorporated under the Companies Act 2016 and having its registered address at Unit 1001, Block A, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor and business address at Unit No. 2, Level 43, Naza Tower, No. 10, Persiaran KLCC, 50088 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur ("**the First Party**");

AND

- (2) **SECURIDON SDN. BHD. (Registration No.: 201001010620 [895280-M])**, a company incorporated under the Companies Act 2016 and having its registered address at No. 16-1 (First Floor), Jalan Remia 4/KS 6, Bandar Botanik, 41200 Klang, Selangor and business address at No. 2, Jalan 15/48A, Sentulraya Boulevard, 51100 Kuala Lumpur ("**the Second Party**");

AND

- (3) **TEMOKIN DEVELOPMENT SDN. BHD. (Registration No.: 201101001850 [929987-D])**, a company incorporated under the Companies Act 2016 and having its registered address at No. 16-1 (First Floor), Jalan Remia 4/KS 6, Bandar Botanik, 41200 Klang, Selangor and business address at No. 2, Jalan 15/48A, Sentulraya Boulevard, 51100 Kuala Lumpur ("**the Third Party**");

AND

- (4) **TORUS DEVELOPMENT SDN. BHD. (Registration No.: 201501025035 [1150364-T])**, a company incorporated under Malaysian Companies Act 2016 and having its registered address at No. 14, Jalan Remia 4/KS 6, Bandar Botanik, 41200 Klang, Selangor and business address at No. 2, Jalan 15/48A, Sentulraya Boulevard, 51100 Kuala Lumpur ("**the Company**").

WHEREAS:

- A. The Company currently has an issued and paid-up share capital of **Ringgit Malaysia One Hundred Thousand (RM100,000.00) only** divided into **Ringgit Malaysia One (RM1.00) only** each representing 100% of the Issued Shares.
- B. On or after the date of this Agreement, the Company will enter into a Sale and Purchase Agreement ("**SPA**") whereby the Company will agree to purchase a parcel of leasehold land measuring approximately 5.26 acres and held under H.S. (D) 133085, PT 12412, Bandar Ampang, Daerah Hulu Langat, Negeri Selangor ("**the Land**") from Naza Properties Sdn. Bhd. upon the terms and conditions contained therein.
- C. As at the date hereof, the Second Party is the registered shareholder of thirty thousand (30,000) ordinary shares representing thirty percent (30%) of the total shareholding of the Company and the Third Party is the registered shareholder of seventy thousand (70,000) ordinary shares representing seventy percent (70%) of the total shareholding of the Company.

- D. Pursuant to this Agreement and subject to the terms and conditions stated herein, the Company will issue and allot one hundred and fifty thousand (150,000) new shares in order to increase the paid-up capital of the Company to two hundred and fifty thousand (250,000) shares wherein the First Party will be subscribing by cash one hundred and twenty two thousand five hundred (122,500) ordinary shares (comprising in aggregate forty nine percent (49%) of the total shareholding in the Company) and the Second Party will be subscribing by cash twenty seven thousand five hundred (27,500) ordinary shares and acquiring seventeen thousand five hundred (17,500) ordinary shares from the Third Party and will hold, upon subscription and purchase thereof, in aggregate, seventy five thousand (75,000) ordinary shares comprising thirty percent (30%) of the total shareholding in the Company within seven (7) days from the date of this Agreement.
- E. Parties are desirous of entering into a shareholders agreement with the Company for the purpose of jointly acquiring and developing the Land and pursuant thereto, Parties have agreed to utilise the Company as a vehicle for, amongst other things, to acquire and carry out and complete the Development (as defined hereinafter) on the Land and to carry out the business of the Company set out in Clause 5.
- F. In pursuance of the foregoing, the Parties hereby enter into this Agreement to set out the basis upon which the Parties will subscribe for shares in the Company and to regulate their respective rights and obligations as shareholders of the Company, and to set out the terms and conditions for the management and control of the Company and its Business (as defined below).

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, except where specifically defined in this Agreement or the context or subject matter otherwise requires, all terms and expressions as defined in this Agreement, when used or referred to in this Agreement shall bear the respective meanings ascribed to them respectively and the following terms, expressions and symbols shall have the following meanings respectively ascribed to them:

“Act”	means the Companies Act 2016 as amended from time to time;
“Affiliates”	means, in relation to any person, any corporation, company, partnership, joint venture or other entity which is directly or indirectly controlled by that person and “Affiliate” refers to any one (1) of them;
“Agreed Proportion”	shall have the meaning as defined in Clause 3.2 or following any changes in the shareholdings of the Shareholders in accordance with the provisions of this Agreement, their respective shareholdings in the capital of the Company expressed as a percentage of

		the total issued and paid-up share capital of the Company;
"Agreement"		means this written agreement and all the attachments, annexure and schedules hereto;
"Annual Budget and/or Annual Business Plan"		means the annual budget and/or annual business plan as adopted by the Company for a financial year of the Company;
"Auditors"		means the chartered accountants or certified public accountants registered with the relevant authorities from either Deloitte, Ernst & Young, PricewaterhouseCoopers or KPMG as shall be appointed by the Parties as auditors of the Company;
"Board"	or	means the Board of Directors of the Company appointed from time to time in accordance with the provisions of this Agreement;
"Board of Directors"	of	
"Board Meeting"		means a duly constituted meeting of the Board;
"Board Reserved Matters"		means the matters set out in Schedule 3;
"Business"		shall have the meaning as defined in Clause 5;
"Business Day"		means any day on which commercial banks are open for business and excludes Saturday, Sunday and a gazetted public holiday in Wilayah Persekutuan, Kuala Lumpur;
"Business Plan"		means the business plan of the Company;
"Chairman"		means the Chairman of the Board appointed pursuant to Clause 7.10 hereof;
"Company"		means Torus Development Sdn. Bhd. (Registration No.: 201501025035 [1150364-T]);
"Condition Precedent"		means the condition precedent as set out in Clause 2A.1;
"Construction Cost"		means the costs incurred or to be incurred under contracts (including but without limitation to the main contractors, nominated or direct sub-contracts and supplier of materials) entered into by the Company for demolition works, hoarding, external access roads widening, piling / foundation, excavation works, main building works, infrastructure works, fit-out works for all communal spaces and such other construction works, necessary to achieve completion of the Development;

“Development”	means a development as may be approved by the Board, to be carried out and completed by the Company on the Land;
“Directors”	means the directors appointed to the Board including where applicable any alternate Directors and “Director” refers to any one (1) of the Directors;
“Effective Date”	means the date as defined in Clause 2;
“Fair Value”	means the net asset value of the Company represented by those ordinary shares and/or Securities as may be determined by the Auditors ;
“First Party Total Commitment”	shall have the meaning as defined in Clause 3.9(a);
“Financial Year”	means any accounting reference period of the Company;
“Force Majeure Event”	shall have the meaning as defined in Clause 22A.1;
“Members”	shall have the same meaning as Shareholders;
“Members Meeting”	means a duly constituted meeting of the shareholders of the Company;
“Memorandum and Articles of Association”	means the Memorandum and Articles of Association of the Company as may be amended to reflect the provisions of this Agreement and “Articles of Association” shall mean the Articles of Association of the Company;
“Notice of Nomination”	means the notice form set out in Schedule 1 including its variation thereof;
“Notice of Substitution”	means the form of notice set out in Schedule 2 including its variation thereof;
“Operating Budget”	means an annual operational budget of the Company as approved by the Board prior to the commencement of the relevant financial year, in respect to each financial year and such budget is to be finalised and presented to the Board prior to the commencement of such financial year, save for the first (1 st) Operating Budget, which shall be finalised, presented to and approved by the Board within the period of one (1) month from the Effective Date or such other date as may be mutually agreed by the Parties;

“Parties”	means the First Party, Second Party and Third Party and “Party” refers to either of them, as the context may require;
“Person Connected”	means in relation to a Party, a natural person or body corporate, which includes his /its: <ul style="list-style-type: none"> (a) family members (including a spouse, parent, child (including adopted child and step-child), brother, sister and the spouse of his child, brother or sister); (b) a body corporate which is associated with it/him, whether an Affiliate or Related Body Corporate; (c) a trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which it/he is the sole beneficiary; (d) its/his partner(s) or partner(s) of person(s) connected to it/him; and/or (e) a person or body corporate (or one having directors) accustomed or under an obligation, whether formal or informal to act in accordance with its/his directions, instructions or wishes;
“PMC”	shall have the meaning as defined in Clause 9.1;
“Register of Members”	means the register in which the names, addresses and all other relevant particulars of the shareholders of the Company are recorded and kept by the Company;
“Related Body Corporate”	means a body corporate (i) in which a Party has an interest, whether directly or indirectly, in its shares or its capital; or (ii) which has an interest, whether directly or indirectly, in the shares or capital of that Party; or (iii) is deemed to be related to a Party within the meaning of the Relevant Act and the term “Related Bodies Corporate” shall be construed accordingly;
“RINGGIT MALAYSIA”, “RM”	means the lawful currency of Malaysia;
“Second Party Total Commitment”	shall have the meaning as defined in Clause 3.9(b);
“Secretary”	means the company secretary of the Company;
“Securities”	shall have the same meaning as defined in the Capital Market and Services Act 2007;
“Shareholders”	means the Parties and shall include all registered holders of shares of the Company;
“Shareholders’ Reserved Matters”	means the matters set out in Schedule 4;

“Subsidiary”	means a subsidiary as defined in the Act and “Subsidiaries” shall be construed accordingly;
“Tax”	means all forms of corporation tax, real property gain tax, sales tax, withholding tax, stamp duties, customs or other import duties and all statutory, governmental, state, provincial, local government or municipal impositions, duties, rates, levies and penalties, charges, costs and interests relating thereto;
“Third Party Total Commitment”	shall have the meaning as defined in Clause 3.9(c);
“Total Commitment”	shall have the meaning as defined in Clause 3.9;
“Unconditional Date”	means the unconditional date as defined in Clause 2A.2.

1.2 Interpretation

Save to the extent that the context or the express provisions of this Agreement otherwise require:

- (a) words of any gender include the other and the neuter gender;
- (b) words importing the singular include the plural and vice versa;
- (c) the terms “hereof”, “herein”, “hereby”, “hereto”, “hereinafter” and similar words refer to the entire of this Agreement and not any particular Clause, Schedule or Appendix or any other subdivision of this Agreement;
- (d) a reference to a “Clause”, “Schedule” or “Appendix” is to a Clause, Schedule or Appendix to this Agreement;
- (e) the word “include” or “including” shall be deemed to be followed with “without limitation” or “but not limited to” whether or not they are followed by such phrases or words of like import;
- (f) references to “Malaysia” includes the whole of Malaysia;
- (g) references to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted;
- (h) references to “this Agreement” or any other agreement or document shall be construed as a reference to such agreement or document as amended, modified or supplemented and in effect from time to time and shall include a reference to any document which amends, modifies or supplements it, or is entered into, made or given pursuant to or in accordance with its terms;

- (i) the headings are for convenience only and do not affect the interpretation of this Agreement;
- (j) references to documents or other instruments include all amendments and replacements thereof and supplements thereto;
- (k) references to a person include a natural person and includes any corporation or other body corporate, partnership, association, two (2) or more persons having a joint or common interest, or any other legal or commercial entity or undertaking;
- (l) references to time of day are to time;
- (m) whenever this Agreement refers to a number of days, such reference shall be to calendar days unless Business Days are specified;
- (n) all accounting terms used in this Agreement and not expressly defined shall have the meanings given to them under generally accepted accounting principles of Malaysia applied on a consistent basis;
- (o) a warranty, representation, undertaking, indemnity, covenant or agreement on the part of two or more persons binds them jointly and severally;
- (p) each of the Recitals, Schedules and Appendices shall form an integral part of this Agreement;
- (q) a "month" is a reference to a period starting on one (1) day in a calendar month and ending on the numerically corresponding day in the next calendar month (and references to "months" shall be construed accordingly) save that, where any such period would otherwise end on a day which is not a Business Day, it shall end on the next Business Day. If any such period starts on the last Business Day in a calendar month or if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that later month save as aforesaid;
- (r) All references to the "Company" in the main body of this Agreement shall, unless specified otherwise, be deemed to be a reference to the restructured Company; and
- (s) This Agreement has been reviewed by the Parties and their respective counsel. Accordingly, this Agreement shall be deemed to be the final agreement between the Parties, and there shall be no presumption that an ambiguity should be construed in favour of or against a Party, solely as a result of such Party's actual or alleged role in the drafting of this Agreement.

2. EFFECTIVE DATE

The Parties hereby mutually agree that this Agreement shall take effect upon the execution hereof ("**Effective Date**") and all provisions in this Agreement, which

relate to regulating the relationship between the Parties as shareholders of the Company shall become effective immediately.

2A. CONDITION PRECEDENT

2A.1 The Parties agree that this Agreement shall be conditional upon the following condition precedent to be fulfilled within six (6) months from the date of this Agreement, or such further extended period as mutually agreed between the Parties ("**Condition Precedent Period**"):-

(i) First Party's Shareholders' Approval: The First Party's parent company, Oriental Explorer Holdings Limited ("**First Party's Parent Company**") having obtained the approval from its shareholders for the transactions contemplated under this Agreement ("**Shareholders' Approval**") pursuant to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange ("**HK Listing Rules**") ("**Condition Precedent**").

2A.2 The date the Condition Precedent is fulfilled is the unconditional date of this Agreement ("**Unconditional Date**").

3. THE COMPANY

3.1 The Company

The Company is a private company limited by shares, incorporated under the Companies Act 2016 and having an issued and paid-up capital of **RM100,000.00** divided into **100,000** ordinary shares of **RM1.00** each.

Shareholding Structure

3.2 Save and except as otherwise agreed between the Shareholders or where any change in the shareholding ration is permitted under this Agreement, the Shareholders' respective shareholdings in the Company shall at all times during the duration of this Agreement be in the following proportions:

Shareholder	Number Of Ordinary Shares Held	Percentage Of Shareholding
First Party	122,500	49%
Second Party	75,000	30%
Third Party	52,500	21%
Total:	250,000	100%

("Agreed Proportion")

3.3 The Parties agree and covenant with each other that within fourteen (14) days from the date of this Agreement, and provided that Third Party shall procure that the Company shall have cash in bank of One Hundred Thousand

(RM100,000.00) and all debts or monies owing to any creditors of the Company are full paid and any advances that Third Party made to the Company to achieve the aforesaid shall be written off by the Third Party, the Company shall issue and allot one hundred and fifty thousand (150,000) Shares ("**Subscription Shares**") at the aggregate share subscription price of **Ringgit Malaysia One Hundred and Fifty Thousand (RM150,000.00)** only ("**Share Subscription Price**") and all such Shares shall be subscribed by the First Party and the Second Party and the Second Party shall purchase from the Third Party Seventeen thousand and five hundred (17,500) Shares ("**Sale Shares**") at the aggregate share sale price of **Ringgit Malaysia Seventeen Thousand Five Hundred (RM17,500.00)** ("**Share Sale Price**") subject to and relying on the representation and warranties of the Company and the Third Party in Schedule 6, in the following manner and upon the terms herein:-

- (a) One hundred and twenty-two thousand five hundred (122,500) of the Subscription Shares shall be subscribed by the First Party at the aggregate share sale price of **Ringgit Malaysia One Hundred and Twenty-Two Thousand Five Hundred (RM122,500.00)** only;
 - (b) Twenty-seven thousand five hundred (27,500) of the Subscription Shares shall be subscribed by the Second Party at the aggregate share sale price of **Ringgit Malaysia Twenty-Seven Thousand Five Hundred (RM27,500.00)** only; and
 - (c) Seventeen thousand five hundred (17,500) of the Sale Shares shall be purchased by the Second Party from the Third Party at the Share Sale Price.
- 3.4 The Share Subscription Price and the Share Sale Price shall be satisfied by the First Party and the Second Party by way of cash payment to the Company and the Third Party respectively.
- 3.5 The Second Party and Third Party shall execute the share transfer forms and hand the original share certificates for the Sale Shares to the Company for cancellation upon receipt of full payment of the Share Sale Price in accordance with **Clause 3.3** and the Company shall, on adjudication and stamping of the share transfer forms for the Sale Shares, transfer the Sale Shares from the Third Party to the Second Party and issue the share certificates accordingly and on receipt of the Share Subscription Price, issue the share certificates to the First Party and the Second Party respectively which reflects the respective portion of the Subscription Shares as subscribed by them.
- 3.6 The Parties respectively agree, covenant and undertake with each other that subject to the mutual agreement of the Parties, the issued and paid up share capital of the Company and/or the amount of the Securities (as the case maybe), may be increased from time to time, and in the event of any increase in the issued and paid up share capital of the Company and/or the amount of the Securities (as the case may be), the Parties shall subscribe for such additional ordinary shares and/or Securities (as the case maybe), in the Agreed Proportion, or in the proportion as may be mutually agreed by the Parties.
- 3.7 It is hereby agreed that as at the date the Sale Shares are transferred to the Second Party and the Subscription Shares are subscribed by the First Party and the Second Party, the Parties shall exercise their voting rights in the Company to ensure that no un-issued ordinary shares and/or Security (as the case may

be) shall be allotted to either Party except with the prior written consent of the other Party. In the event of any ordinary share and/or Security (as the case may be), being allotted, the Parties shall respectively have the pre-emptive right to subscribe for such allotment in the Agreed Proportion.

- 3.8 All ordinary shares and/or Securities (as the case may be) fully paid up or credited as fully paid up and issued from time to time by the Company shall, unless otherwise mutually agreed by the Parties, rank *pari passu* with the then existing issued and fully paid up or credited as fully paid-up ordinary shares and/or Securities (as the case may be).
- 3.9 Notwithstanding any provision under this Agreement, the Parties respectively agree and acknowledge that the total maximum commitment by the respective Party to the Company including Shareholders' advances, guarantees for third-party loans, additional ordinary shares and/or Securities, in accordance with the Agreed Proportion, are as follows:
- (a) **Ringgit Malaysia Sixty-Five Million (RM65,000,000.00)** for the First Party; ("**First Party Total Commitment**")
 - (b) **Ringgit Malaysia Thirty-Nine Million Seven Hundred Ninety-Five Thousand Nine Hundred and Eighteen (RM39,795,918.00)** for the Second Party ("**Second Party Total Commitment**"); and
 - (c) **Ringgit Malaysia Twenty-Seven Million Eight Hundred Fifty-Seven Thousand One Hundred and Forty-Three (RM27,857,143.00)** for the Third Party ("**Third Party Total Commitment**").

(collectively "**Total Commitment**")

4. CONSTITUTION OF THE COMPANY

4.1 Agreement Paramount to the Constitution

- 4.1.1 The Parties and the Company shall as soon as practicable, and in any event no later than fourteen (14) Business Days from the Effective Date, take all such steps as may be necessary to procure the amendment of the Constitution to ensure the consistent with the terms and conditions of this Agreement and in the form to be mutually agreed by the Parties.
- 4.1.2 In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the Constitution of the Company, the provisions of this Agreement shall prevail as between the Parties *inter se*. The Parties and the Company agree in such event to take such appropriate steps and actions to procure the amendment of the Constitution to waive, suspend or remove such conflict or inconsistency.

5. BUSINESS OF THE COMPANY

The Parties agree that the Business of the Company shall be **buying, selling, renting and operating of self-owned or leased real estate – land** as well as other ancillary business and such other businesses as may from time to time be approved by the Board.

6. MANAGEMENT OF THE COMPANY

6.1 The Board shall ensure that:

- (a) the Company performs and complies with this Agreement and complies with the restrictions imposed upon the Company under the Constitution of the Company, the Act, By-Laws and any related regulations; and
- (b) the Business of the Company is conducted in accordance with sound and prudent business practice and prudent corporate governance.

6.2 The day-to-day operation of the Company may be run by the Chief Executive Officer (“CEO”) appointed unanimously by the Board of Directors. The Board of Directors shall confer upon the CEO the powers or authorities as may be exercisable by them to conduct the day-to-day operations of the Company as set forth in Discretionary Authority Limits or any other policy approved by the Board from time to time for the management of the Company.

7. BOARD OF DIRECTORS

7.1 Number of Directors

7.1.1 Unless altered by a resolution of the Parties pursuant to this Agreement, the Company shall initially have a number of **Five (5)** Directors appointed to the Board at any one time, of whom **Two (2)** shall be nominated by the First Party, **One (1)** shall be nominated by the Second Party, and **Two (2)** shall be nominated by the Third Party.

7.1.2 In the event of any change in the proportionate holding of ordinary shares of the Parties for the time being in the Company, then the number of Directors that each Party is entitled to nominate to be appointed on the Board shall be adjusted to reflect as closely as possible the proportionate holding of ordinary shares of the Parties at the material time.

7.2 Powers of the Board

The Board of Directors shall be responsible for the formulation of its policies and strategies but the day-to-day administration, management and operation of the Company and the Business, the due implementation and execution of these policies and strategies, shall be vested in the management team of the Company, led by the CEO, who shall report to the Board accordingly.

7.3 Notice of Nomination

Each Party which exercises its right to nominate a Director shall give a Notice of Nomination to the Company and the other Party.

7.4 Appointment Effective

Subject to satisfaction of the requirements of the relevant Act, in relation to the consent and eligibility of directors, a person named in a Notice of Nomination given under Clause 7.3 becomes a Director on receipt by the Company of the Notice of Nomination and is not subject to retirement by rotation. A Director so

appointed shall not be removed from the Board or replaced unless by or at the instance of the Party which nominated him (by the giving of written notice therefor). The Party removing or replacing a Director shall bear the costs of such removal, replacement and/or appointment, if any, and shall indemnify the Company against any loss or damage or claim arising out of such removal or replacement.

7.5 Right to Substitute

Each Party has the sole right to substitute a Director appointed by it.

7.6 Notice of Substitution

7.6.1 A Director appointed to the Board may only be removed or substituted at the instance of the Party who nominated such Director, except where the other Party considers that the continuing directorship of such Director on the Board would be detrimental to the Company; in which case, the other Party may by notice in writing request the Party who appointed such Director, substitute such Director and such Director shall accordingly be substituted, if the Party who appointed such Director so concurs.

7.6.2 Each Party which exercises its right to substitute a director with another, shall give a Notice of Substitution to the Company and the other Party.

7.6.3 Notice of any appointment, removal or substitution of a Director shall be given to the Company and within fourteen (14) Business Days thereafter the Parties shall jointly procure that such action is taken as is necessary under applicable law and, if any, the Constitution of the Company to affect the appointment, removal or substitution of a Director as the case may be.

7.7 Substitution Effective

A Director named in a Notice of Substitution given under Clause 7.6 shall cease to be a Director, on receipt by the Company of a letter of resignation from such Director.

7.8 Alternate Directors

7.8.1 A Director may, with the prior written and continuing consent of the Party which appointed that Director, appoint a person to be an alternate Director in his place during any period which the Director thinks fit. The alternate Director may only act in the absence of the Director appointing him.

7.8.2 Any Director (a "Principal Director") may appoint any person to be his alternate Director during such period as the said Director thinks fit. An alternate Director shall cease to be an alternate to the Principal Director he represents upon:

(a) receipt by the Company of written notification from the Principal Director to that effect;

(b) removal or replacement of his Principal Director by the appointing Party;

- (c) resignation of his Principal Director; or
- (d) vacation of office by his Principal Director in accordance with the Constitution.

7.9 Terms of Appointment

Each of the Parties shall:

- (a) not nominate a Director other than on the basis that such appointment is terminable in accordance with this Agreement;
- (b) not represent to a Director that that Director will be entitled to compensation from the Company on termination of that person's appointment as a Director or otherwise; and
- (c) indemnify the Company in relation to any liability (including all legal costs incurred by the Company on a party and party basis) arising from or in relation to the revocation of the appointment, removal or resignation of a Director nominated by it.

7.10 Chairman of the Board

The Chairman shall be a director nominated by the Third Party.

8. BOARD MEETINGS

8.1 Quorum and Adjournment

- 8.1.1 The quorum for Board Meetings is constituted by the attendance (in person or by alternate) of any Three (3) Directors of which one of the attendees shall be from the First Party and Third Party.
- 8.1.2 In the event the Directors present do not meet the requisite quorum within thirty (30) minutes from the time stated in the notice of meeting, the Board Meeting shall be adjourned for seven (7) Business Days, at the same time and place (the "**adjourned meeting**"). At the adjourned meeting, any Two (2) Directors of which one of the attendees shall be from First Party and Third Party who are present shall constitute a valid quorum and the Board Meeting shall proceed. Save for the specified Board Reserved Matters, any decision made by the Directors present and voting at the adjourned meeting shall be binding on the Company and the Parties notwithstanding that a Party is not represented at the adjourned meeting.

8.2 Board Meetings

- 8.2.1 Board Meetings shall be convened from time to time by the Chairman but at least once every Four (4) months.
- 8.2.2 Any notice convening a Board Meeting must include an agenda and, unless all directors (whether present or not at the meeting) otherwise agree, a Board Meeting may only resolve matters specifically referred to in that agenda, unless a motion giving notice of a resolution which may

be properly moved and is intended to move at that meeting has been served on the Company at least three (3) Business Days prior to the date of the Board Meeting and signed jointly by at least any two (2) directors, of which one shall be a Director from the First Party and another a Director from the Third Party. The Company shall then circulate the proposed resolution to all directors at least one (1) Business Day prior to the date of the Board Meeting.

- 8.2.3 A Director shall be regarded as present for the purposes of a quorum if represented by an alternate Director appointed in accordance with **Clause 7.8**.

8.3 Calling of Meetings

Unless otherwise agreed:

- (a) notice of all Board Meetings is to be communicated to all Directors by the Secretary of the Company:
- (i) in writing by letter or e-mail notification to the designated official e-mail; or
 - (ii) by telephone, if confirmed within three (3) Business Days by letter or e-mail notification to the designated official e-mail;

and given at least **SEVEN (7)** Business Days in respect of any special or unscheduled Board Meeting and at least **TEN (10)** Business Days in respect of any scheduled Board Meeting prior to such meeting save as otherwise resolved by a unanimous resolution of the Directors; and

- (b) any Director may request the Chairman or the Secretary to convene a Board Meeting, and the Chairman shall upon such request convene a Board Meeting.

8.4 Voting

- 8.4.1 Save for Board Reserved Matters, any decision of the Board shall only be carried if it has been passed by a majority of the Directors, provided THAT such majority shall consist of at least one (1) Director from the First Party and one (1) Director from the Third Party, present and voting at the Board Meeting.

- 8.4.2 The Chairman shall not have a casting vote at the Board Meeting.

- 8.4.3 In respect of Board Reserved Matters, any decision of the Board in relation thereto shall only be carried if it has been passed by a majority of the Directors, provided THAT such majority shall consist of at least **ONE (1)** director from each of the Parties present and voting at the Board Meeting, or if it has been passed in accordance with Clause 8.7.1 below.

8.5 Minutes

The Company shall cause minutes of each Board Meeting to be promptly prepared and copies circulated to all the Directors within **TEN (10)** Business Days after such Board Meeting for review and comments. The Company shall

cause minutes of each Board Meeting to be promptly prepared and tabled for approval by the Directors in attendance at that Board Meeting at the next Board Meeting and, if approved, the Chairman is to sign those minutes which then are *prima facie* evidence of the proceedings and decisions of the Board Meeting to which they relate. In the event the minutes of any Board Meeting are not unanimously approved by the directors in attendance at that Board Meeting at the next Board Meeting, the Secretary shall be required to put on record *verbatim*, any or all objections, reservations, versions or qualifications made by any Director (who was in attendance at that Board Meeting) in respect of such minutes, **Provided Always** that it is the express and unqualified intention of the Parties that all resolutions, mandates, approvals or decisions made at that Board Meeting shall not in any event be challenged, disputed or otherwise put in question by any Party, or any director, and the Parties expressly agree and acknowledge that each of the Parties shall procure the compliance of their respective nominees to the Board of such intention. The Company shall cause certified true copies of such signed minutes to be given to all the Directors and the Secretary shall keep the original copy of such signed minutes for the Company.

8.6 Telephone or Live Audio-Visual Meetings

In circumstances of urgency or emergency, any Director may request, and upon such request the Chairman shall convene a Board Meeting by the contemporaneous linking by telephone or live audio-visual transmission (or any similar devices) of a number of Directors not less than a quorum provided that:

(a) Notices

Each Director entitled at the relevant time to receive notice of a Board Meeting receives prior notice that the meeting will be held by telephone or live audio-visual transmission (which notice shall be given by telephone, and confirmed by letter);

(b) Facilities

Each Director entitled to receive notice under Clause 8.6(a) is reasonably able to be linked to the other entitled directors by telephone or live audio-visual transmission (as the case may be) for the purpose of the proposed meeting;

(c) Hearing

Each Director participating in the meeting is able to hear each participating Director at the commencement of and for the duration of the meeting;

(d) Acknowledgement

At the commencement of the meeting each Director acknowledges his or her presence for the purpose of the meeting to all other participating Directors;

(e) Absence

No Director leaves the meeting by disconnecting his or her telephone or audio-visual equipment unless the Chairman of the meeting has previously given express consent and for the purpose of this Agreement a Director is conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting unless the Chairman has previously given express consent to the Director leaving the meeting; and

(f) Minute

A minute of the proceedings of the meeting by telephone or audio-visual transmission is certified to be correct by the Chairman for the purpose of providing sufficient evidence of those proceedings and of the observance of all necessary formalities, provided further that such minute is confirmed and ratified at the next Board Meeting.

8.7 Circular Resolutions

- 8.7.1 Save and except for Board Reserved Matters which will require the signature of a majority of the Directors including one (1) signature from each of the Parties if a majority of the Directors who shall consist of at least one (1) Director from the First Party and one (1) Director from the Third Party, sign a document containing a statement that they are in favour of a resolution in the terms set out in the document, a resolution in those terms is deemed to have been passed at a Board Meeting held at the date and time at which the document was signed by the last Director, unless a Director gives a written notice to the Chairman (no later than four (4) Business Days after his receipt of the circular resolution) stating that he does not approve such matter set out in the said circular resolution and request forthwith for the convening of a special Board Meeting in accordance with the provisions herewith be held within three (3) Business Days to discuss and determine such resolution.
- 8.7.2 For the purpose of Clause 8.7.1, two (2) or more separate documents containing statements in identical terms each of which is signed by one or more Directors, as the case may be, are together deemed to constitute one (1) document containing a statement in those terms signed by those persons at the respective dates and times at which they had signed the separate documents.
- 8.7.3 The Company shall cause certified true copies of the signed circular resolution to be given to all the Directors and the Secretary shall keep the original copy of such signed circular resolution for the Company.

8.8 Execution and Common Seal

- 8.8.1 Any document to be executed by the Company under the Company's seal may only be executed by any two (2) Directors or ALTERNATIVELY by one (1) Director and one (1) Secretary in accordance with a resolution of the Board pursuant to the provisions of this Agreement.
- 8.8.2 It is competent for a Director, with the prior written consent of the Party which appointed it, to nominate a person as its representative for the purpose of executing any documents as alternate to the Director appointed by that Party.

9. PROJECT MANAGEMENT COMMITTEE

9.1 Establishment of the PMC

As soon as practicable after the execution of this Agreement, a joint project management committee ("PMC") shall be established by the Parties to oversee and monitor the execution and completion of the Development which is more specifically set out in **Clause 9.8** below.

9.2 Appointment and Removal of Representative(s)

- (a) Unless altered by a resolution of the Parties pursuant to this Agreement, the PMC shall initially have a number of **Five (5) Representatives** appointed to the Parties at any one time, of which the First Party is entitled to appoint **Two (2) Representatives**, Second Party is entitled to appoint **One (1) Representative** and Third Party is entitled to appoint **Two (2) Representatives**, to the PMC.
- (b) Each Party may remove any Representative appointed by it and appoint another as its replacement. Notice of such appointment and/or removal shall be given to the other Party at least twenty-four (24) hours before the next scheduled PMC's meeting if the appointment is to be effective and the newly appointed Representative is entitled to attend and vote at that meeting.
- (c) Each Representative may nominate an alternate Representative. The alternate Representative shall be entitled to:
 - (i) receive notices of and attend any meetings of the PMC; and
 - (ii) vote in place of the Representative whom he represents in the absence of or inability of the duly appointed Representative to attend any meetings of the PMC.
- (d) An alternate shall be deemed a Representative of the PMC.
- (e) Each Party shall bear the costs and disbursements incurred by its Representative in performing his duty as a Representative of the PMC.

9.3 Quorum and Adjournment

- 9.3.1 The quorum for PMC Meetings is constituted by the attendance (in person or by alternate) of Three (3) Representatives of which one of the attendees shall be from the First Party and the other from the Third Party.
- 9.3.2 In the event the Representatives present do not meet the requisite quorum within thirty (30) minutes from the time stated in the notice of meeting, the PMC Meeting shall be adjourned for seven (7) Business Days, at the same time and place (the "**adjourned PMC meeting**"). At the adjourned PMC meeting, any two (2) Representatives of which one of the attendees shall be from the First Party and Third Party who are present shall constitute a valid quorum and the PMC Meeting shall proceed. Save for the specified Board Reserved Matters, any decision made by the Representatives present and voting at the adjourned PMC

meeting shall be binding on the Company and the Parties notwithstanding that a Party is not represented at the adjourned meeting.

9.4 Callings of Meetings

9.4.1 PMC Meetings shall be convened from time to time by the Chairman but at least once every Four (4) months.

9.4.2 Any notice convening a PMC Meeting must include an agenda and, unless all representatives (whether present or not at the meeting) otherwise agree, a PMC Meeting may only resolve matters specifically referred to in that agenda, unless otherwise mutually agreed by not less than two (2) Representatives with at least one (1) Representative from the First Party and the other from the Third Party.

9.4.3 Unless otherwise agreed, notice of all PMC Meetings is to be communicated to all Representatives by the Chairman of the PMC:

- (i) in writing by letter or e-mail notification to the designated official e-mail; or
- (ii) by telephone, if confirmed within three (3) Business Days by letter or e-mail notification to the designated official e-mail;

and given at least **SEVEN (7)** Business Days in respect of any special or unscheduled PMC Meeting and at least **TEN (10)** Business Days in respect of any scheduled PMC Meeting prior to such meeting; and

9.4.4 any Representative may request the Chairman to convene a PMC Meeting, and the Chairman shall upon such request convene a PMC Meeting.

9.5 Chairman of the PMC

The office of Chairman of the PMC shall be appointed unanimously by the PMC provided that the Chairman shall not have a casting vote at PMC Meeting.

9.6 Circular Resolution

Any decision on any matter falling within the jurisdiction of the PMC made without a meeting and evidenced in writing signed by at least one (1) Representative nominated by the Third Party, one (1) Representative nominated by the First Party and one (1) Representative nominated by the Second Party, entitled to attend and vote at the PMC shall be valid and binding on the PMC as if the same decision had been passed at a meeting of the PMC duly convened and held, and may consist of several documents in the like form, each signed by one or more Representatives. For the purposes hereof, a resolution duly signed by one (1) Representative nominated by the Third Party, one (1) Representative nominated by the First Party and one (1) Representative nominated by the Second Party and sent by an electronic mail to the designated email address of a designated member of the PMC and followed by delivery of a duly signed copy shall be effective, and "in writing" and "signed" include written approval sent by electronic mail.

9.7 Votes and Decisions of PMC

- (a) A Representative nominated by each Shareholder present at the meeting is entitled to one (1) vote each.
- (b) All decisions of the PMC shall be passed by way of simple majority, provided THAT such majority shall consist of at least one (1) Representative from the First Party and one (1) Representative from the Third Party present at the meeting and entitled to vote save and except for Board Reserved Matters which shall be decided by the Board in accordance with **Clause 8.4.3**. In the event that a decision cannot be reached in accordance with this **Clause 9.7**, that decision shall be deemed to be a matter which requires the approval of the Board in accordance with the terms of this Agreement.

9.8 Power and Jurisdiction of PMC

Save and except for Board Reserved Matters, the Parties agree that the PMC has the authority and responsibility to deal with and decide on: -

- (a) all matters listed in **Schedule 5**; and
- (b) such other matters the Board may decide and delegate from time to time in accordance with the terms of this Agreement.

9.9 Duties and Responsibilities of PMC

PMC shall be responsible for amongst others, the following:-

- (a) to ensure smooth and prompt implementation of the Development based on budget, strategic and marketing plan approved by the Board;
- (b) to supervise and monitor the progress of the Development;
- (c) prior to the end of each month, to prepare and furnish to the Board of Directors, a balance sheet, profit and loss statement and cash flow statement of the Company for the preceding month;
- (d) approval of the master Business Plan and any revised Business Plan thereof before approval by the Board; and
- (e) approval of the authority matrix before approval by the Board.

9.10 Conduct of the Representatives

- (a) Each Party shall ensure that its nominated Representative to the PMC shall not act or purport to act on behalf of the PMC unless such act has been duly authorised by the PMC in accordance with the provisions of this Agreement.
- (b) In considering all decisions to be made by the PMC, each Party shall ensure that its Representatives shall act always in a professional manner and in good faith, taking into account the best interests of the Company as a whole in respect of the Development, and with due regards to the accepted best practices and standards of the property development industry.

- (c) Each Party shall ensure its Representatives consult the other with regards to any issues arising from the Development and will use their best endeavours to resolve the same amicably.

10. SHAREHOLDERS' MEETINGS

- 10.1 Subject to the Act, the Members Meetings of the Company shall be held at such times and at such places as the Board shall determine. The Chairman of the Board shall be the chairman of the Members Meeting. If the Chairman of the Board is not present, a nominee Director as appointed unanimously by the Members shall be the chairman of the Members Meeting, provided that the Chairman shall not have a casting vote at the Members' Meetings.
- 10.2 The Parties agree that any shareholders' decision on the Shareholders' Reserved Matters must only be made and passed unanimously with affirmative votes from representatives of the shareholders of the First Party and the Third Party, present at any Members Meeting.
- 10.3 Save for Shareholders' Reserved Matters, any decision of the Members shall only be carried if it has been passed by a majority of the Members, provided THAT such majority shall consist of at least one (1) Member from the First Party and one (1) Member from the Third Party, present and voting at the Members Meeting.
- 10.4 The quorum for any Members Meeting shall be **Three (3)**, with one (1) Member shall be from the First Party and another one (1) Member from the Third Party and if such quorum is not achieved within thirty (30) minutes after the appointed time, the Members Meeting will be adjourned to the same day, time and place in the following week.

11. DEADLOCK RESOLUTION

- 11.1 A "Deadlock" shall be deemed to have occurred if:
 - (a) the required affirmative votes stipulated in Clause 8.4.3 have not been obtained in respect of a resolution on a Board Reserved Matters; or
 - (b) the relevant Board Meeting or Members Meeting, as the case may be, shall be adjourned to the same day, time and place in the following week. At such adjourned Board Meeting or Members Meeting, the same resolution shall be tabled for voting. If the required affirmative votes are still not obtained at such adjourned Board Meeting or Members Meeting, a deadlock shall be deemed to have occurred ("**Deadlock**").
- 11.2 Where a Deadlock has occurred in respect of a resolution on a Board Reserved Matter, the Parties irrevocably and unconditionally agree that the Deadlock shall, subject to be resolved by the Parties in a Members Meeting in accordance with Clause 10.2 as if such Board Reserved Matter were a Shareholders' Reserved Matter.
- 11.3 Where a Deadlock has occurred in respect of a resolution for Shareholders' Reserved Matter, either Party shall be entitled to issue, within a period of seven

(7) days from the occurrence of the Deadlock, a Dispute Notice (as defined in Clause 16) to declare that a deadlock has arisen and upon service of the Dispute Notice, the Parties shall negotiate in good faith to resolve the deadlock.

11.4 In the event that the Parties are unable to resolve the deadlock within four (4) weeks of the Dispute Notice ("**Negotiation Period**"), at any time during the four (4) week period after the expiry of the Negotiation Period ("**Post Negotiation Period**"), either of the Parties ("**Server**") shall be entitled to serve a written offer ("**Deadlock Offer**") on the other Parties ("**Recipients**"), to offer to buy from the Recipients all the shares held by the Recipients on such other terms and conditions set out therein. It is agreed that the price in the Deadlock Offer shall not exceed the Fair Value (as hereinafter defined). At any time within two (2) months of the receipt of the Deadlock Offer ("**Deadlock Offer Period**") the Recipients shall have the option in writing either:

11.4.1 to accept the Deadlock Offer, in which case, Server and/or any third party or parties nominated by the Server shall then purchase all the shares held by the Recipients ; or

11.4.2 to require the Server to sell to the Recipients and/or any third party or parties nominated by the Recipients all the shares held by the Server at the same price per Share stated in the Deadlock Offer and on other terms and conditions equivalent to those set out in the Deadlock Offer.

If the Recipients refuse, decline or fail to exercise either of the Options set out in Clauses 11.4.1 and 11.4.2, then the matter shall be determined in accordance with the provisions of Clause 16.

11.5 If neither of the Parties serves a Deadlock Offer during the Post Negotiation Period the matter shall be determined in accordance with the provisions of Clause 16.

11.6 Each Shareholder agrees as follows:-

11.6.1 they shall use their best efforts to promptly resolve the Deadlock and shall follow and comply with the steps and procedures set out in this Clause 11;

11.6.2 they shall ensure that the position of the Company immediately before the occurrence of the Deadlock and the status quo of the Company is maintained and preserved;

11.6.3 if a Deadlock matter is not resolved in accordance with this Clause 11 but such matter does not prevent or hinder the Company's business or the Development in any material respect, then such Deadlock matter shall not be proceeded with; and

11.6.4 they shall not create an artificial Deadlock.

11.7 Notwithstanding that any Deadlock remains unresolved, this Agreement shall continue to apply in full force and each Shareholder shall continue to act in good faith in the interest of the Company.

- 11.8 Each Shareholder agrees not to take or omit to take any action where such action or omission will or is likely to result in a Deadlock, or the deadlock provisions hereunder being invoked, other than in good faith and:
- 11.8.1 in relation to a bona fide and material disagreement with the other Shareholder in relation to the affairs of the Company; or
 - 11.8.2 where the other Shareholder is in breach of these Clause 11.8 and Clause 11.9.
- 11.9 Without prejudice to the generality of the foregoing, where a Shareholder intentionally (by itself or through its nominated Director):
- 11.9.1 refuses to withdraw or approve a resolution on three (3) consecutive occasions; or
 - 11.9.2 fails to attend any reconvened Members' meeting adjourned pursuant to Clause 10.4 above, on two (2) successive occasions,
- and where such act or omission is manifestly unreasonable and is prima facie undertaken with a view of creating an artificial deadlock between the Shareholders, then such Shareholder shall be deemed to have acted in bad faith for the purposes of this Clause 11.9.
- 11.10 In such instance, this shall constitute an Event of Default on the part of that Shareholder for the purposes of Clause 22.1, whereby the Shareholder shall be deemed to be the defaulting Party and the provisions of Clause 22.2 and Clause 22.3 shall apply mutatis mutandis.

12. DIVIDEND POLICY & STRUCTURE AND MANAGEMENT OF THE COMPANY

12.1 Dividend Policy

- (a) The Parties agree that provided that such distribution will not contravene any provisions of applicable Act, they shall, after taking into consideration of the financial position of the Company, procure that profits available for distribution as dividends be distributed by the Company in respect of each financial year according to the Parties' shareholdings in the Company.
- (b) The Company's cash will be applied in the following order:
 - (i) payment of tax
 - (ii) payment of interest on debt;
 - (iii) allocation of capital for maintenance and operation of business;
 - (iv) repayment of principal on debt in accordance with required payments (which shall include any Shareholder's advances);
 - (v) payment of dividends on equity or other distributions of profits to the Parties.

12.2 Structure and Management of the Company

12.2.1 Accounting and other records

- (a) Each financial year of the Company shall end on 30th June of every calendar year.
- (b) The Company shall make and keep proper accounts, accounting records and books, in accordance with international accounting practices and principles and in compliance with the laws of Malaysia, records for day-to-day operations, construction, sales, documents, agreements, minutes of meetings, secretarial records, drawings, plans, approvals by authorities, appointment letters, human resources records, tax and other statutory payment records (collectively "**Records**").
- (c) Such Records shall be open to inspection and copies of such Records shall be provided on request, on a confidential basis by the Parties' authorized representatives during normal working hours, following at least five (5) Business Days advance notification to the Company in writing of the intention by that Party to do so. The Company shall not unreasonably withhold authorisation for such request to inspect or take copies of the Records.

12.2.2 Staff and Manpower

Each of the Parties may make available their respective executive personnel who have related expertise and technical knowledge relevant to the Business upon such terms and conditions as the Board shall determine.

12.2.3 Audit

- (a) An audit shall be conducted of the records, the books and affairs of the Company in each financial year of the Company.
- (b) The audit at the end of each financial year of the Company shall be carried out by the Auditor.

12.2.4 Financial Administration

- (a) All detailed procedures in connection with the financial administration and operation of the Company shall be based on the following principles:-
 - (i) the invoicing in respect of any matters in connection with the Business of the Company shall be in the Company's name;
 - (ii) bank accounts shall be opened in the Company's name for the purpose of receiving and making payments in connection with the Business of the Company;
 - (iii) the signing authority in respect of bank accounts aforesaid shall be as follows:-
 - (1) for a transaction involving an amount NOT EXCEEDING Ringgit Malaysia Two Hundred and Fifty Thousand (RM250,000.00) shall require at least two (2) signatories of which one signatory shall be appointed the Third Party;

- (2) for a transaction involving an amount EXCEEDING Ringgit Malaysia Two Hundred and Fifty Thousand (RM250,000.00) shall require at least two (2) signatories of which one signatory shall be appointed by the First Party and another signatory shall be appointed by the Third Party;

provided always that such transactions are within the approved Annual Budget. Any transaction outside of the approved Annual Budget cannot be made unless in an emergency and would require a signatory from the First Party and another from the Third Party regardless of quantum.

12.2.5 Financing

- (a) The Shareholders shall procure the Company to obtain the financing of the Business or such other business as the Board may from time to time decide from the following sources in the following priority:-
 - (i) firstly, by way of third-party loans from banks and/or financial institutions;
 - (ii) secondly, by way of Shareholders' advance and/or advances from the Related Body Corporate or Affiliate of the Shareholder in accordance with the Agreed Proportions, and any Shareholders' advance shall be subject to any approvals that may have to be obtained from the relevant authorities in Malaysia.

In the event that the advance and/or advances could not be procured from the Related Body Corporate or Affiliate of the Shareholder, the said Shareholder shall inform the other Shareholders of the reasons for such delay and take remedial measure not later than fifteen (15) days after the due date for procuring the advance and/or advances. If no remedial measure is taken by the said Shareholder after the aforesaid fifteen (15) days has lapsed, this shall be considered as a breach by the said Shareholder and the provisions of the Events of Default under Clause 22 shall apply.

- (b) For purposes of obtaining the financing of the Business or other business of the Company referred to in paragraph (a)(i) of Clause 12.2.5, the Shareholders acknowledge that the Company may be required to furnish a charge over all the assets and undertakings of the Company to the financiers as security for the repayment of any loan granted to the Company.
- (c) The Shareholders covenant that upon the Company being requested to furnish the charge referred in paragraph (b) of Clause 12.2.5, they shall procure the Company to execute all documents and do all acts to furnish the same and wherever required on their respective parts, to execute all documents and do all acts to furnish such charge.
- (d) The Shareholders shall use their best endeavours to obtain the third-party loans on behalf of the Company on the basis that there shall be no recourse to the Shareholders. However, if the third party shall require

guarantees to be furnished by the Shareholders for such third party loans, then in such event, the Shareholder shall procure that the guarantees furnished by them shall be several to the extent stated in paragraph (a)(ii) of Clause 12.2.5 above, and, subject to any approvals that may have to be obtained from the relevant authorities in Malaysia, or the Agreed Proportions PROVIDED ALWAYS that if any one Shareholder shall be required to furnish the guarantee only then the other Shareholders shall issue a back to back guarantee guaranteeing and indemnifying such Shareholder up to its respective proportion of shareholding in the Company.

12.2.6 Annual Budget and Annual Business Plan

- (a) The Company shall prepare the Annual Budget and Annual Business Plan for review by the PMC;
- (b) The PMC shall review half-yearly before it furnishes to the Board for its approval at least sixty (60) days prior to the end of each of the financial year of the Company, a draft of the Annual Budget and Annual Business Plan;
- (c) The Board shall consider the Annual Budget and Annual Business Plan and approve it or revise it before approving it in accordance with Clause 8.4.

13. OBLIGATIONS OF THE PARTIES

- 13.1 The First Party and Third Party shall be responsible to utilize their expertise in property development to conduct the Business of the Company in good faith and good governance.
- 13.2 The Second Party shall be responsible to provide support and assistance to the business of the Company.
- 13.3 The Parties agree and covenant with each other that they shall:
 - (a) in good faith co-operate and use their best endeavours to jointly promote and develop the Business in the best interests of the Company, taking into account its business and investments;
 - (b) at all times respectively endeavour to the best of their ability to operate and manage the Company as an efficient business and profit oriented enterprise, with a fair representation in decision making with a view to achieving the desired objectives evidenced here in this Agreement;
 - (c) not unreasonably delay any action, approval, direction, determination or decision which is required of them; and
 - (d) be just and faithful in their activities and dealings with the Company, in respect of the Company and its Business, and with each other.
- 13.4 Each of the Parties hereto shall exercise all voting rights and other powers of control available to them in relation to the Company so as to procure (so far as each is respectively able by the exercise of such rights and powers) that at all

times during the term of this Agreement the provisions concerning the structure and organisation of the Company or the regulation of its affairs set out in this Agreement and the investments of the Company and the manner in which the business of the Company is to be undertaken, are duly observed and given full force and effect and all actions required of the Parties hereunder are carried out in a timely manner. Without prejudice to the generality of the foregoing each Party hereto shall procure that (subject to their fiduciary duties) each of the Directors appointed or deemed to be appointed by it under or pursuant to Clause 7.1.1 hereof shall execute and do all such acts and things and give and confer all such powers and authorities as they would have been required to execute, do give and/or confer had they been a Party hereto and had covenanted in the same terms as the Party which appointed them.

- 13.5 The Parties hereto however agree and confirm that nothing in this Agreement shall be deemed to constitute a partnership between them nor constitute any Party the agent of the other Party or otherwise entitle any Party to have authority to bind the other Party for any purposes.

14. TRANSFER OF SHARES (PRE-EMPTION RIGHTS)

14.1 Rights of First Refusal

14.1.1 Save and except as provided in Clause 14A, the Parties hereby mutually agree any sale, transfer or disposal of ordinary shares held by each Party shall include the sale, transfer or disposal of Securities held by such Party and, any sale, transfer or disposal of Securities held by each Party shall include the sale, transfer or disposal of ordinary shares held by such Party, on a proportionate basis and any sale, transfer or disposal of ordinary shares and/or Securities held by each Party shall be made in accordance with the following provisions of this Clause 14.1:

- (a) if a Party ("**Offeror**") proposes to sell, transfer or dispose of all or part of its ordinary shares and/or its Securities (collectively, "**Sale Instruments**"), it shall serve to the other Parties ("**Offeree**") with a notice in writing of such proposal ("**Offer Notice**"). The Offer Notice shall, specify the number of Sale Instruments, the price at which the Offeror proposes to sell, transfer or dispose of the Sale Instruments in accordance with the respective Offeree's Agreed Proportion ("**Specified Price**") and the terms and conditions for the sale, transfer or disposal of the Sale Instruments and, stipulate that the Offeree may, within **FOURTEEN (14)** Business Days from the date of the receipt of the Offer Notice ("**Offer Period**");
- (i) by notice in writing to the Offeror, accept the Offer Notice to purchase and accept the transfer or disposal of the Sale Instruments at the Specified Price and upon the terms and conditions set out in the Offer Notice ("**Acceptance Notice**"); or
- (ii) by notice in writing to the Offeror, decline the Offer Notice to purchase and accept the transfer or disposal of the Sale Instruments at the Specified Price ("**Decline Notice**");

- (b) Upon the Offeror's receipt of the Acceptance Notice as specified in Clause 14.1(a)(i) or upon operation of Clause 22.2, as the case may be, the Offeror shall be bound to sell, transfer or dispose of the Sale Instruments to the Offeree, and the Offeree shall be bound to purchase and accept the transfer or disposal of the Sale Instruments from the Offeror, at the Specified Price or at Fair Value and upon the terms and conditions set out in the Offer Notice and such other terms and conditions as may be mutually agreed between the Offeror and Offeree (if any); and
- (c) if the Offeree declines to purchase and accept the transfer or disposal of the Sale Instruments in accordance with Clause 14.1(a)(ii) above, or if upon expiry of the Offer Period, the Offeror has not received any Acceptance Notice or Decline Notice, then the Offer Notice shall be deemed to be automatically revoked, and thereafter the Offeror may, within a period of **SIX (6) MONTHS** from the date of the Decline Notice or expiry of the Offer Period (if no Acceptance Notice or Decline Notice is received), sell, transfer or dispose of the Sale Instruments to any other person at the Specified Price and upon the terms and conditions set out in the Offer Notice provided always that such person shall have executed appropriate documentation (in form and substance acceptable to the Parties and the Company) agreeing to be bound by all the terms of this Agreement.

14.1.2 Notwithstanding the foregoing provisions hereinabove contained, the Offeror shall not be entitled to sell, transfer or dispose of the Sale Instruments to any other person other than pursuant to a bona fide arm's length sale at the price being not less than the Specified Price and on terms not more favourable to the purchaser than the price and terms offered to the Offeree as specified on the Offer Notice, without first offering such price and/or terms to the other Parties in accordance with the respective Agreed Proportion, whereupon the provisions of Clause 14.1 shall be deemed to apply.

14.1.3 Subject to Clause 14.1(c) above, any Offer Notice issued pursuant to and under Clause 14.1 or Clause 22.2 shall be deemed to constitute the appointment of the Company as the agent of the Offeror, to effect the sale, transfer or disposal of the Sale Instruments in accordance with Clause 14.1(b), if the Offeror, after having become bound to sell, transfer or dispose of the Sale Instruments pursuant to and in accordance with Clause 14.1(b) hereof makes any default in effecting the sale, transfer or disposal of the Sale Instruments; thereupon the Company, as the agent of the Offeror pursuant to and under the Offer Notice, shall be deemed to have been duly authorised by the Offeror, upon the Company's receipt of the payment of the Specified Price or Fair Value (as the case may be), in full and upon the due payment by the Offeree of the requisite stamp duty on the relevant transfer deeds, to direct the Secretary of the Company to cause and effect the sale, transfer or disposal of the Sale Instruments in favour of the Offeree and to register the Offeree as the holder of the Sale Instruments in the Register of Members. The receipt by the Company of the Specified Price or Fair Value (as the case may be), in full shall be a good discharge of the Offeree's obligation to pay the fair price for the Sale Instruments, and upon the Offeree's name having been entered and registered in the Register of Members as the holder of the Sale

Instruments, the sale, transfer or disposal of the Sale Instruments in accordance with this Clause 14.3 shall be valid, binding on and enforceable against the Offeror, Offeree and the Company and shall not be questioned by the Offeror, Offeree and the Company nor any persons whomsoever;

14.1.4 The Directors shall promptly approve and authorise the registration of any sale, transfer or disposal of Sale Instruments which is made in accordance with this Clause 14.

14.2 Drag-along Rights

14.2.1 Notwithstanding anything to the contrary herein, if the First Party having complied with the provisions of **Clause 14.1**, becomes entitled to and intends to accept an offer from a Third Party Buyer for all or part of its Shares (or any interest therein):-

- (a) which is a bona fide offer in writing;
- (b) the consideration payable for the Shares shall not be lower than the Fair Value; and
- (c) which contains all material terms and conditions of the offer ("**Drag-along Offer**"), including without limitation the consideration payable for the Shares,

it may give written notice ("**Drag-along Notice**") to the Second Party and Third Party notifying them of such offer (and the terms and conditions thereof the consideration payable, the obligations on the other Second Party and Third Party (if any), and the identity of the offeror and any conditions precedent to such transfer) and requiring the Second Party and Third Party to sell on the same terms and conditions, such number of Shares held by the Second Party and Third Party in the Company as of the date of the Drag-along Notice ("**Drag-along Shares**").

14.2.2 The Drag-along Notice must state the date on which the transfer of the Shares held by the Second Party and Third Party is required to be completed. This date must be at least thirty (30) days from the date of the Drag-along Notice or such other extended period which the First Party and the Third Party Buyer may mutually agree to ("**Drag-along Date**").

14.2.3 On the Drag-along Date, the Second Party and the Third Party shall be required to sell all the Drag-along Shares to the Third Party Buyer making the Drag-along Offer subject to the terms thereof provided that the sale of the Second Party and Third Party's Shares shall be upon the same terms and conditions of the sale of the First Party's Shares and shall be transferred at the same time.

14.2.4 The Second Party and Third Party irrevocably appoints and authorises the company secretary of the Company holding office at such time to be its attorney to execute and perfect on its behalf as transferor any transfer form and resolutions required to effect the transfer of the Drag-along Shares pursuant to this **Clause 14.2** provided that the Company shall not be authorised to effect the transfer of the Drag-along Shares pursuant to this **Clause 14.2.4** unless it has received the purchase price for the Drag-along Shares from the Third Party Buyer. The Second Party and Third Party agree to relinquish any rights that they may have at law or equity to contest the transfer of the Drag-along Shares in accordance with this **Clause 14.2**.

14.2.5 Unless otherwise agreed between the Parties, any Share for the time being unissued and any new Shares from time to time created shall, before they are issued, be offered to the Parties in the ratio that is reflective of their respective proportions of the issued capital of the Company held by them at the material time.

14.3 Tag-along Rights

14.3.1 If the First Party or Third Party ("**Selling Party**") wishes to sell or transfer all or any of its Shares to any third party buyer ("**Third Party Buyer**") pursuant to a bona fide arm's length transaction which shall not be lower than the Fair Value, the Second Party and Third Party or First Party (as the case may be) (collectively "**Tag Along Parties**") shall have the right to require the sale or transfer of all or any of its Shares then held by it to the said Third Party Buyer under the same terms and conditions offered to the Selling Party ("**Tag Along Rights**").

14.3.2 The Selling Party shall give not less than fourteen (14) days written notice to the Tag Along Parties specifying its intention to sell or transfer its Shares to the said Third Party Buyer ("**Tag Along Notice**") before the transfer by the Selling Party of its Shares to the said Third Party Buyer can be affected. The Selling Party shall invite the Tag Along Parties to sell, on the same terms and conditions as the offer from the Third Party Buyer all of the Tag Along Parties' Shares. The Tag-along Notice shall specify all the material terms and conditions of the offer including but not limited to the identity of the Third Party Buyer, any conditions precedent to such transfer and the price at which the Shares are to be transferred (being the same price per share offered to the Selling Party, which shall not be lower than the Fair Value) and the date of transfer. The terms on which the Tag Along Parties may be required to transfer its shares under this **Clause 14** shall be no less favourable than the terms offered to the Selling Party.

14.3.3 A Tag Along Notice is irrevocable but the Tag Along Notice and all obligations thereunder will lapse if the transfer of the Shares by all Parties to the said Third Party Buyer is not completed within sixty (60) days after the date of the Tag Along Notice or such other period which the Tag Along Parties may mutually agree to.

- 14.3.4 Notwithstanding the foregoing, in the event the Tag Along Parties fail to receive the Tag Along Notice from the Selling Party, the Board shall not effectuate any sale and transfer by the Selling Party to any Third Party Buyer in contravention of this **Clause 14**.
- 14.3.5 The Tag Along Rights provided under this **Clause 14** may or may not be exercised at the option of any of the Tag Along Parties.
- 14.3.6 Any of the Tag Along Parties (if it so desires) shall be entitled to elect to tag-along and sell its Shares to the Third Party Buyer on the same terms and consideration as set out in the offer by the Third Party Buyer, by giving a notice in writing ("**Tag Along Acceptance Notice**") to the Selling Party within thirty (30) days from the date of the relevant Tag Along Parties' receipt of the Tag-along Notice ("**Tag Along Offer Period**").
- 14.3.7 In the event any of the Tag Along Parties exercises its Tag Along Rights in accordance with this **Clause 14**, the Selling Party may not sell any of its Shares unless the Third Party Buyer purchases the Shares from the Tag Along Parties' at the same time, on the same terms and conditions as the offer from the Third Party Buyer.
- 14.3.8 If the Selling Party does not receive the Tag Along Acceptance Notice from the Tag Along Parties within the Tag Along Offer Period, the Tag Along Parties shall be deemed to have waived its right to tag-along and sell its Shares under this **Clause 14** to the Third Party Buyer and the Selling Party shall be entitled to proceed to sell its Shares to the Third Party Buyer.

14A. OPTION OF THE THIRD PARTY TO PURCHASE SHARES FROM THE SECOND PARTY

- 14A.1 Notwithstanding the provisions of Clause 14, the Third Party shall have the right to purchase from the Second Party, all the shares of the Second Party in the Company at a price equal to RM 1.00 per share and the Second Party shall upon such sale and purchase of all of its shares of the Company, cease to be a Shareholder of the Company and the Director nominated by the Second Party shall resign as a Director of the Company.
- 14A.2 Upon completion of the sale of the shares of the Second Party, the Agreed Proportion shall be adjusted accordingly and any reference to the Second Party in this Agreement, shall, where the context so permit, shall refer to the Third Party.

15. TRANSFEREE OR NEW SHAREHOLDER TO BE BOUND

The Company shall procure that before any person (other than a person who is already a shareholder) is registered as a holder of any share in the Company, such person shall enter into a deed of adherence, covenanting with the continuing Party hereto, to observe, perform and be bound by all the terms of this Agreement. The Company shall not register any such person as the holder of any share until such a deed has been executed. The Company shall not register any transfer made in breach of this sub-clause and the shares comprised

in any transfer so made shall carry no right whatsoever unless and until the breach is so rectified.

16. DISPUTE RESOLUTION

- 16.1 If a controversy, dispute, difference or claim of any kind ("**Dispute**") arises out of or in connection with this Agreement (including any dispute as to its validity for any reason whatsoever, or for breach or termination of the contract or as to any claim in tort, in equity or pursuant to any statute), the Party claiming that a Dispute has arisen under or in connection with this Agreement must give written notice to the other Party specifying the nature of the Dispute ("**Dispute Notice**"). For the avoidance of doubt, the existence of the Dispute in this Clause 16 shall not relieve either Party from complying with its obligations under this Agreement.
- 16.2 Within **FIVE (5)** Business Days of receipt of the Dispute Notice, the Parties shall each designate in writing a person with a standing of at least director of the Parties to resolve the Dispute. The Parties agree to attempt to resolve all Disputes arising hereunder promptly and in the best interests of the Company.
- 16.3 If any decision on the Dispute is mutually agreed by the persons with a standing of at least director of the Parties such decision shall be final, binding and conclusive as to such Dispute.
- 16.4 If any Dispute cannot be resolved between the Parties pursuant to Clause 16.3 above within **THREE (3) MONTHS** (or such further period as the Parties may agree) after it arises or, if either Party fails to designate a person with a standing of at least director of the Parties or to participate in any attempt to resolve any Dispute pursuant to this Clause 16, the Dispute shall be heard in the courts of Malaysia.

17. CONSTRUCTION WORKS AND PROVISION OF PROJECT MANAGEMENT RELATING TO THE DEVELOPMENT

17.1 Appointment of Contractor

17.1.1 The Company shall conduct an open tender exercise to select a suitable contractor to carry out and complete construction works for the Development based on the most competitive terms including price. Notwithstanding the aforesaid, the Company shall grant the Third Party or its Affiliates or Related Body Corporate the right of first refusal to undertake constructions works for the Development provided that the contract price offered by the Third Party shall not be higher than the lowest tender price obtained by the Company pursuant to the aforesaid open tender exercise and in such event, the Company shall award the construction work for the Development to the Third Party at the said contract price and upon such terms as may be approved by the Board.

17.1.2 In respect of the selection of suppliers of the Company, if any, the Company shall also conduct an open tender exercise and to select based on the most competitive terms, including price.

17.2 Provision of Project Management Services

17.2.1 The Company shall engage and appoint the Third Party and/or such companies or entities nominated by the Third Party to provide the following project management services in connection with the Development at the following fees:-

- (a) in respect of the provision of the project management services, a project management fee which is equivalent to one point one five per cent (1.15%) of the sum of the Construction Cost for the Development ("**Project Management Fee**"), excluding service tax, goods and services tax, value added tax or a similar tax and/or all other taxes at whatever rate imposed by the authority which shall be separately payable by the Company. In this respect, the project management services from development, construction to post development (up to expiry of the defect liability period or formation of the Joint Management Body, whichever is the later) to be rendered are as follows:
 - (i) costs review, pre-tender review, tender and award of contract, documentation of construction contract;
 - (ii) monitoring construction works, including the progress according to timeline and quality;
 - (iii) project supplier management, attending to project non-conformance report, variation order review;
 - (iv) attending to construction and consultant progress claims and verification, and to architect's certificate for progress billing;
 - (v) attending to pre-delivery inspection, pre-quality assessment;
 - (vi) preparation of delivery of vacant possession and joint inspection with end-purchaser for handing over of vacant possession;
 - (vii) handing of defect during the defect liability period;
 - (viii) support on project planning, scheduling, monitoring, controlling and reporting in order to provide value added services to the Development;
 - (ix) assist in authority liaison and coordination to expedite relevant approvals, licences and permits for the Development, including without limitation and where applicable, for the planning approval, building plans and amended building plans, certificate for share unit formula and certificate of completion and compliance;
 - (x) provide recommendations on engagement of consultants and contractors; and
 - (xi) advise and co-coordinate with the land surveyor engaged by the Company in procuring the issuance of separate

documents of title in the form of a qualified titles to the units constructed for the Development.

(collectively "**Project Management Services**")

17.2.2 For the avoidance of doubt, the Project Management Fee for the engagement and appointment of the Third Party and/or such companies or entities nominated by the Third Party to provide the Project Management Services shall be inclusive of all expenses and disbursements incurred in respect of the provision of the Project Management Services.

18. PUBLICITY AND CONFIDENTIALITY

18.1 Announcements

18.1.1 Except as required by law (if applicable):

- (a) the terms of this Agreement are to be kept confidential and shall not be released to persons who are not party to this Agreement (other than the professional advisers to the Parties) unless with the mutual written consent of the Parties; and
- (b) no Party shall make any press release in relation to this Agreement without the Board's prior approval.

18.1.2 Notwithstanding the aforesaid, if disclosure is required by the authorities parties shall, prior to making any disclosures, agree on the acceptable contents and format of disclosure.

18.2 Publicity

No public announcement or communication in any form whatsoever relating to the negotiations of the Parties or the subject matter or terms of this Agreement is to be made or authorised by or on behalf of any Party without the prior written approval of the other Party.

18.3 Confidentiality

Each Party severally agrees with the other Party that all information in relation to the Company, the Business, and/or the other Party's business including, without limitation, any trade secrets, operations know-how, or any information concerning the organisation, management and finance of the other Party or in relation to the Company or the Business which is exchanged between them under this Agreement or acquired during discussions and negotiations prior to the date of this Agreement is confidential and shall not be disclosed, divulged or otherwise placed at the disposal of any person or entity not being a Party to this Agreement or a Related Body Corporate except:

- (a) to employees, legal advisers, auditors and other consultants (who shall be bound by a similar obligation of confidentiality) of the recipient or its Related Body Corporate requiring the information for the purposes of this Agreement; or

- (b) with the written consent of the Party who had supplied the information; or
- (c) if the information is lawfully acquired by the recipient of the information from persons other than the Party who supplied the information prior to or after disclosure without assuming any obligation of confidentiality; or
- (d) if required by law or a stock exchange; or
- (e) if strictly and necessarily required in connection with legal proceedings relating to this Agreement; or
- (f) if the information is or becomes generally and publicly available other than through the default of a Party.

18.4 Time

The provisions of this Clause 18 shall continue to remain in full force and effect notwithstanding the termination of this Agreement.

19. MUTUAL COVENANTS

- 19.1 In entering into this Agreement, the Parties recognise that it is impracticable to make provision for every contingency that may arise in the course of performance hereof and accordingly the Parties hereby declare it to be their intention that this Agreement shall operate between them with a view to achieving the desired objectives evidenced herein.
- 19.2 If in the course of performance of this Agreement unfairness to either Party is disclosed or anticipated, then in the event one of the Parties requests for any amendment, the Parties agree that they shall mutually discuss such amendment. The Parties shall at all times be required to act reasonably in respect of such discussions and any determination by the Parties shall be by mutual agreement.

20. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 20.1 Each Party severally represents, warrants and undertakes to each other that:
- (a) It is a company duly registered and validly existing under the laws of its place of incorporation and with the full power and authority to own its assets and to carry on its business;
 - (b) It is not barred to enter into this agreement by reason of winding up proceedings commenced against it, or any injunction obtained against it or any judgement, court order or any other restriction of like nature;
 - (c) each party has full capacity, power and authority to enter into and bind itself by this Agreement and to exercise its rights and perform its obligations hereunder and that all appropriate and necessary action has been or will be taken to authorise the execution and delivery of this Agreement and the exercise by it of its rights and the performance of its obligations hereunder and the execution and delivery of this Agreement does not exceed the capacity, power and authority of the persons so authorised;

- (d) there is no order made or resolution passed for the winding-up, dissolution or liquidation of a Party (otherwise than in the course of reconstruction or amalgamation) nor has any administrator, trustee, liquidator or provisional liquidator been appointed for all or any substantial part of the assets or undertakings of that Party;
- (e) the provisions of this Agreement constitute legal, valid and binding obligations of that party, enforceable in accordance with its terms ;
- (f) each party shall exercise its voting rights in the Company (including indirect voting rights) to procure and ensure that the actions and activities of the Company in all respects are consistent with the terms and conditions of this Agreement;
- (g) each party shall execute or procure to be executed all such documents and do or procure to be done all such acts and things as may be necessary to give full effect to all the provisions of this Agreement;
- (h) to the best of the party's knowledge neither the execution and delivery of this Agreement nor the performance of any of the transactions contemplated herein shall contravene or constitute a default under any provisions contained in any agreement with any third parties, instrument, law, judgement, order, license, permits or consent by which it is bound or affected;
- (i) there is currently no litigation or arbitration or administrative proceedings or claim which might by itself or together with any other such proceedings or claims have a material adverse effect on either the Company, its Affiliates, or its business or its ability to observe or perform its obligations hereunder; and
- (j) no litigation or arbitration or administrative proceedings or claim is threatened against it or any of its assets, properties and business, or that of its Affiliates, which might by itself or together with any other such proceedings or claims have a material adverse effect on either its business or its ability to observe or perform its obligations hereunder.

20.2 Each Party further undertakes that it will at all times:

- (a) use all means reasonably available to it so as to ensure that any Director nominated by it would implement the provisions of this Agreement relating to the Company;
- (b) co-operate in good faith and take all such actions as may be reasonably required to give full effect to all of the provisions and intent of this Agreement;
- (c) to exercise its voting rights in the Company and to take such other steps as shall be within its power to give effect to all the terms and conditions of this Agreement, including, where appropriate, the carrying into effect of such terms and conditions as though these were contained in the Memorandum and Articles of Association of the Company; and

- (d) use its best endeavors to develop the Business, operations and capability of the Company.
- 20.3 No information which either Party has knowledge (actual or constructive) of or has come to either of their attention in the course of negotiations or dealings to finalise this Agreement shall prejudice or affect any claim or action brought by a Party to enforce the above representations, warranties and undertakings.

21. ENTIRE AGREEMENT

This Agreement (and any other documents, letters or instruments which may be executed in pursuance hereof) embodies all the terms and conditions agreed upon between the Parties and the Company as to the subject matters of this Agreement and supersedes and cancels in all respects all previous representations, warranties, agreements and undertakings, if any, made between the Parties and the Company with respect to the subject matter herein.

22. EVENTS OF DEFAULT/TERMINATION

- 22.1 The occurrence of any of the following events shall be an event of default ("**Event of Default**"):
- (a) if a Party shall have committed or permitted any breach of any of the obligations herein contained and on its part to be performed or observed and shall not have remedied such breach (if capable of remedy) within thirty (30) Business Days after written notice shall have been given to such Party by the other Party requiring such remedy; or
 - (b) if an order shall be made or an effective resolution passed for the winding-up or a bankruptcy of a Party (as the case may be) otherwise than in the course of reconstruction or amalgamation; or
 - (c) an administrator, trustee, liquidator or provisional liquidator has been appointed for all or any substantial part of the assets or undertakings of that Party which may in the reasonable determination of the non-defaulting Party adversely affect or impact the Company or the Business;
 - (d) a Party becomes insolvent or bankrupt (as the case may be) or is presumed by the court to be insolvent or bankrupt (as the case may be) or any winding up proceedings is filed or commenced against a Party;
 - (f) if a Party shall sell, transfer or otherwise dispose of its beneficial interest in any of its ordinary shares and/or Securities (as the case may be) of the Company to any person otherwise than in accordance with the provisions of Clause 14.1 hereof;
 - (g) in the event of a breach whatsoever and howsoever of any of the representations, warranties and undertakings provided by any party under this Agreement and shall not have remedied such breach (if capable of remedy) within thirty (30) Business Days after written notice shall have been given to such Party by the other Party requiring such remedy;

- (h) in the event of any breach occasioned by any event resulting from any change in government or governmental policy, or any imposition of governmental orders, sanctions or embargo, but not including any adverse economic conditions or general financial or operational constraints or any Force Majeure Event.

22.2 On the occurrence of an Event of Default: -

22.2.1 if the defaulting Party is the First Party, the Third Party, as the non-defaulting Party, shall be deemed to have offered to buy from the First Party, its entire ordinary shares and Securities in the Company, and the First Party shall have the right (but shall not be obligated) to accept or refuse the deemed offer of the Third Party to buy the First Party's entire ordinary shares and Securities in the Company at such price which reflects the relevant percentage of the net asset value of the Company represented by those ordinary shares and/or Securities as may be determined by the Auditors ("**Fair Value**") less ten percent (10%).

22.2.2 if the defaulting Party is the Second Party and/or the Third Party, the Second Party and the Third Party shall be deemed to have offered to sell, transfer or dispose of its entire ordinary shares and Securities in the Company to the First Party, as the non-defaulting Party, and the First Party shall have the right (but shall not be obligated) to accept or refuse the deemed offer of the Second Party and the Third Party to sell, transfer or dispose of the Second Party and the Third Party's entire ordinary shares and Securities in the Company at the Fair Value less ten percent (10%).

22.3 On the occurrence of an Event of Default, the non-defaulting Party and the First Party shall be entitled to the following:

- (a) the First Party, as the defaulting Party to exercise its rights under Clause 22.2.1 to accept or reject the deemed offer of the Third Party to buy from the First Party its entire ordinary shares and Securities in the Company; or
- (b) the First Party, as the non-defaulting Party, exercises its rights under Clause 22.2.2 to accept or refuse the deemed offer of the Second Party and the Third Party, to sell and transfer the Second Party and the Third Party's entire ordinary shares and Securities in the Company
- (c) the non-Defaulting Party claim from the defaulting Party all damages, costs, expenses, liabilities claims and proceedings which the non-defaulting Party may incur, sustain or suffer in relation to and / or arising from the occurrence of the Event of Default.

The Parties expressly agree and acknowledge in good faith that in no event would the Parties be entitled to exercise more than one (1) of the options as set out in (a) or (c), or (b) or (c) (as the case may be). The Parties further agree in good faith that neither Party shall seek to challenge or dispute in any way the validity enforceability or efficacy of this Clause and any claims or demands brought by either Party in respect of the occurrence of an Event of Default shall be expressly subject to the provisions of this Clause 22.3.

22.4 Notwithstanding any provision here in this Agreement to the contrary, this Agreement shall remain in full force and effect for so long as shall be necessary to fulfil and give effect to the arrangements and undertakings herein contained.

22A. FORCE MAJEURE

22A.1 If any Party is prevented from performing its obligations under this Agreement by reason of any supervening events beyond its reasonable control (including but not limited to war, national emergency, fire, flood, earthquake, accident, riot, strike, lock-out, break-down of facilities, any epidemic or pandemic, act of God or act of Government Authority) ("**Force Majeure Event**") the Party affected by the Force Majeure Event shall immediately give written notice of this to the other Party.

22A.2 The Party who is prevented by a Force Majeure Event from performing its obligations shall not be deemed to be in breach of its obligations under this Agreement but shall do everything within its power to resume full performance with all reasonable despatch. If one or more Force Majeure Events prevents a Party from performing its obligations herein for a period which exceeds four (4) consecutive months, the Parties shall consult together as to the best means of overcoming the effect of such event or events.

23. NOTICES

23.1 Notices

A notice, demand, certification, process or other communication relating to this Agreement is to be written in English.

23.2 Method of Service

In addition to any lawful means, a communication may be given by:

- (a) being personally served on a Party;
- (b) being left at the Party's current address for service; or
- (c) being sent to the Party's current address for service by pre-paid registered mail or, if the address is outside Malaysia, by pre-paid registered air mail.

23.3 Particulars for Service

- (a) The particulars for service of each Party are:

THE FIRST PARTY

Address:

Unit No. 2, Level 43, Naza Tower,
No. 10, Persiaran KLCC,
50088 Kuala Lumpur,
Wilayah Persekutuan Kuala Lumpur

THE SECOND PARTY

Address:

No. 2, Jalan 15/48A,
Sentulraya Boulevard,
51100 Kuala Lumpur,
WP Kuala Lumpur

THE THIRD PARTY

Address:

No. 2, Jalan 15/48A,
Sentulraya Boulevard,
51100 Kuala Lumpur,
WP Kuala Lumpur

- (b) Each Party may change from time to time its particulars for service by written notice to the other Parties.

23.4 Service

If a communication is given by post it is taken as received if posted within Malaysia to a Malaysian address three (3) Business Days (in the place of receipt) after posting and in any other case seven (7) Business Days (in the place of receipt) after posting.

24. ASSIGNMENT, SUCCESSOR, ETC.

- 24.1 No Party shall assign or attempt or permit to assign any of its rights and obligations under this Agreement or the benefit of this Agreement without the prior written consent of the other Party.
- 24.2 This Agreement shall enure to the benefit of and be binding on the Parties and their respective successors, permitted transferees and permitted assigns.

25. MISCELLANEOUS

25.1 Stamp Duty

The Parties shall bear any stamp duty on this Agreement in proportion to their shareholding.

25.2 Costs and Expense

Each Party shall bear its own legal and other costs and expenses relating directly or indirectly to the preparation of, and performance of its obligations under this Agreement.

25.3 Amendment

Any amendments to this Agreement shall be made in writing and signed by an authorised officer of each of the Parties. The terms of this Agreement shall not

be deemed or construed to be modified, amended, rescinded or cancelled in whole or in part, except by such written agreement of the Parties.

25.4 Waiver and Exercise of Rights

A delay in, single or partial exercise or waiver of a right relating to this Agreement will not prevent any other exercise of that right or the exercise of any other right.

25.5 Rights Cumulative

Subject to any express provision in this Agreement to the contrary, the rights of a Party under this Agreement are cumulative and are in addition to any other rights of that Party.

25.6 Approvals and Consent

Subject to any express provision in this Agreement to the contrary, a Party may conditionally or unconditionally give or withhold any consent to be given under this Agreement and is not obliged to give its reasons for doing so.

25.7 Further Assurance

Each Party shall promptly execute all documents and do all things that the other Party(ies) from time to time reasonably requires of it to effect, perfect or complete the provisions of this Agreement and any transaction contemplated by it.

25.8 Severance

Each provision of this Agreement is severable from the others and no severance of a provision (or part thereof) affects any other provision or its remainder.

25.9 Governing Law

This agreement shall be governed by the Laws of Malaysia.

25.10 Jurisdiction

Subject to Clause 16, each Party hereby submits to the non-exclusive jurisdiction of the courts of Malaysia with respect to any judicial proceedings arising out of this agreement.

25.11 Time

Any time, date or period mentioned in any provision of this Agreement may be extended by mutual agreement in writing between the Parties concerned but as regards any time, date or period originally fixed and not extended or any time, or date or period so extended aforesaid, time shall be of the essence.

25.12 Entire Agreement

This Agreement (together with any document referred to herein) constitutes the whole agreement between the Parties hereto and supersedes all other agreements, arrangements and letters prior to the date hereof.

25.13 Successors Bound

No Party shall assign or attempt or permit to assign any of its rights and obligations under this Agreement or the benefit of this Agreement without the prior written consent of the other Party. This Agreement shall enure to the benefit of and be binding on the Parties and their respective successors, permitted transferees and permitted assigns.

25.14 Counterparts

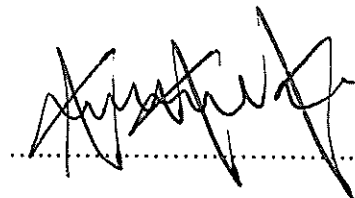
This Agreement may be executed in any number of counterparts (and on various dates), which together shall constitute one (1) agreement.

.....
[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF the Parties have hereunto caused this Agreement to be executed the day and year first above written through their duly authorised representatives.

Signed by: **NG KOK KHIN**
811003-10-5449

RICH RETURN DEVELOPMENT SDN. BHD.
(Registration No.: 201801036116 [1298145-W]))



In the presence of:

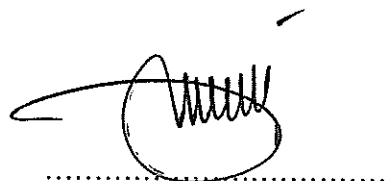


CHONG KOK CHOY (BC/C/532)
Advocate and Solicitor
Petaling Jaya

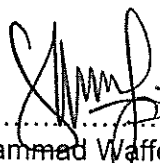


Signed by:

Raja Nor Azmin binti Raja Sulong Hizahar
Director
SECURIDON SDN. BHD.
(Registration No.: 201001010620
[895280-M]))



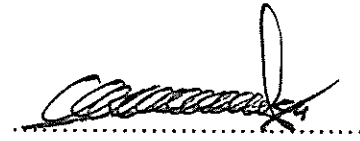
In the presence of:


Mohammad Waffee bin Mohd Shukori
NRIC No: 890904-02-5153

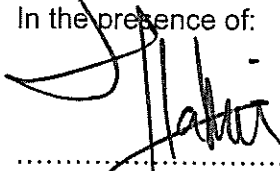
SECURIDON SDN. BHD. (895280-M)
No. 2, Jalan 15/48A
Sentul Raya Boulevard
51000 KUALA LUMPUR
Tel : 03-40441111 / Fax : 03-40435220

Signed by:

Tan Chien Chyi
Director
TEMOKIN DEVELOPMENT SDN. BHD.
(Registration No.: 201101001850
[929987-D])



In the presence of:



~~Tan Chien Yit~~
~~NRIC No: 880620-56-5853~~

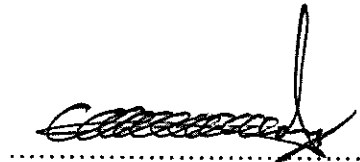
Ishraf Hakim bin Mohd Nadzi
NRIC No. 920936-01-9039



TEMOKIN DEVELOPMENT SDN BHD
(929987-D)
NO. 2 JALAN 15/48A,
SENTUL RAYA BOULEVARD,
51000 KUALA LUMPUR.
TEL: 603-4044 1111 FAX: 603-4043 6900

Signed by:

Director
TORUS DEVELOPMENT SDN. BHD.
(Registration No.: 201501025035
[1150364-T])



In the presence of:



Ishraf Hakim bin Mohd Nadzi
NRIC No. 920936-01-9039.

TORUS DEVELOPMENT SDN. BHD. (1150364 T)
No. 2, Jalan 15/48 A
Sentulraya Boulevard
51000 Kuala Lumpur
Tel : 03-4044 1111 / Fax : 03-4043 5220

SCHEDULE 1

NOTICE OF NOMINATION

By this notice, THE FIRST PARTY/THE SECOND PARTY/THE THIRD PARTY* nominates [Name and NRIC/Passport No. of nominee director of [insert address] as a Director to the Board of Directors of TORUS DEVELOPMENT SDN. BHD.

DATED

SIGNED by (*an authorised officer))
of *THE FIRST PARTY)
/THE SECOND PARTY/THE)
THIRD PARTY)
in the presence of)

* to delete whichever not applicable

SCHEDULE 2

NOTICE OF SUBSTITUTION

By this notice, THE FIRST PARTY/THE SECOND PARTY/THE THIRD PARTY* notifies its intention to substitute [insert name and NRIC/Passport No. of nominee director] of [insert address] as a Director of the Board of Directors of TORUS DEVELOPMENT SDN. BHD. with [insert name and NRIC/Passport No. of nominee director] of [insert address].

DATED

SIGNED by (*an authorised officer))
of **THE FIRST PARTY*)
/THE SECOND PARTY/THE THIRD PARTY)
in the presence of)

* to delete whichever not applicable

SCHEDULE 3

BOARD RESERVED MATTERS

1. A material acquisition, lease, transfer, disposition, sale, mortgage, charge, issue, licence, exchange, or acts of any other description of, over, or howsoever concerning the undertakings, property or assets of the Company which are not in the ordinary course of business of the Company.
2. The granting of any power of attorney on behalf of the Company.
3. The settlement or compromise of any claims from or against any third parties exceeding **Ringgit Malaysia Five Hundred Thousand (RM500,000.00)** only.
4. A material investment in shares/stocks of companies and/or sale, transfer, assignment or disposal of, or creation of, any pledge, charge, mortgage or any encumbrance over all or a substantial portion of the business or assets of the Company, otherwise than in the ordinary course of the Business of the Company.
5. The award of or entry into any material contract by the Company in excess of **Ringgit Malaysia Five Hundred Thousand (RM500,000.00)** only.
6. The creation of any fixed or floating charge, lien (other than a lien by operation of law) or other encumbrances over the whole or a substantial part of the undertaking, property or assets of the Company, except for the purposes of securing the indebtedness of the Company and/or its Affiliates to its bankers for sums borrowed in the ordinary course of the business of the Company and/or its Affiliates (if applicable).
7. The entry by the Company into any partnership, joint venture or other profit-sharing understanding or agreement or arrangement with a third Party that is not in the ordinary course of its business.
8. The incurrence of huge capital expense not in the ordinary course of business.
9. The borrowing of in excess of **Ringgit Malaysia One Million (RM1,000,000.00)** and above.
10. Any legal action taken by third party against the Company or the Business of the Company including but not limited to liquidated ascertained damages claims.

SCHEDULE 4

SHAREHOLDERS' RESERVED MATTERS

1. Any alteration of, or amendment to, the Memorandum and Articles of Association/Constitution as where applicable.
2. Any change to the name of the Company.
3. Save as specifically provided in this Agreement (including without limitation, Clause 22.2), any change to the capital structure of the Company.
4. Any adoption of any annual audited accounts of the Company.
5. Appointment of an additional director and all subsequent directors.
5. Any charge, pledging, selling, transferring or otherwise disposing of any substantial portion of the undertaking, property and/or assets of the Company, except in accordance with the Act.
6. Any change, creation or cessation of the Business, and any business of the Company.
7. Any dissolution or winding-up of the Company or the appointment of receivers and/or managers over the assets of the Company.
8. The borrowing of **Ringgit Malaysia One Million (RM1,000,000.00)** and above.
9. Any investment for the expansion of the Company or its subsidiaries and/or any creation of new businesses.
10. Any legal action taken by third party against the Company or the Business of the Company including but not limited to liquidated ascertained damages claims.

SCHEDULE 5

MATTERS WITHIN JURISDICTION OF THE PMC

Subject to such directions or authorisation limits as may be given by the Board from time to time, the duties and powers of PMC shall include:

1. approving all designs relation to the Development and any design changes for the purpose of procuring the necessary approval(s) for all planning, building and statutory/ regulatory permits for the Development;
2. approving all material alteration to the terms of the contracts or any termination and/or suspension of the contracts. For the purpose of this schedule, "Contracts" means any contract entered into or to be entered into by the Company with any contractor, consultant, suppliers and specialists for the purpose of the proposed Development;
3. approving the competitive selection process and appointment (including the tender documents and contract documents used in relation thereto) of the architect, main contractor, surveyor, other external consultants, and all subcontractors, suppliers and direct contractors;
4. approving the planning submissions and building plans in relation to the Development and any amendment in relation thereto;
5. approving the design and drawings, plans and specifications;
6. approving all building specifications and finishes, fixtures and fitting of the Development;
7. approving all material construction plant and equipment list and on basic conditions of purchase or hire of major plant, equipment and special materials required;
8. selecting and approving all insurances for the Development including (if any) company insurance for professional indemnity;
9. approving all project payment to consultants and payment certificates to the contractors provided always that any withdrawal of the monies from the Housing Development Account in respect of the Development shall be made in compliance with the Housing Developers (Housing Development Account) Regulations, 1991;
10. preparing monthly and/or other reports as required by the Board from time to time;
11. deciding on construction activities (including the work progress schedule, methods and application of resources), phasing requirements and the completion date for the Development;
12. preparing and finalising all project related final accounts;
13. acting as the Board's representative in relation to the Contracts and in that capacity, performing such of the functions of the Board under the Contracts as the Board may delegate to the PMC in writing and performing all other services,

whether incidental to the foregoing or not, as may be reasonably required in connection with the Development;

14. approving sales and marketing activities for the sale of the parcels pursuant to the Development, including promotion packages, and determining the selling price of the respective parcels; and
15. such other duties and powers as may from time to time be duly delegated or conferred by the Board.

SCHEDULE 6

REPRESENTATION AND WARRANTIES OF THE THIRD PARTY AND THE COMPANY ON THE SALE SHARES AND SUBSCRIPTION SHARES

The Third Party and the Company respectively represents, warrants and undertakes to the First Party and the Second Party with regards the Sale Shares and the Subscription Shares: -

1. the Subscription Shares constitute sixty per centum (60%) of the total issued and allotted share capital of the Company;
2. there is no option, right to acquire, mortgage, charge, pledge, lien or other form of security or other encumbrance or equity on, over or affecting the Sale Shares and there is and at the date of transfer of the Sale Share, no agreement or arrangement to give or create any such encumbrance and no claim has been or will be made by any person to be entitled to any of the foregoing;
3. the Sale Shares are free from all encumbrances and from all other rights exercisable by or claims by third parties including, without limitation to the generality of the foregoing, any liens, pledges, charges and rights of pre-emption or otherwise which may be asserted by any third party. There is no encumbrance on, over or affecting the issued or unissued share capital of the Company and there is no agreement or commitment to give or create any such encumbrance and no claim has been made by any person to be entitled to any such encumbrance;
4. the Third Party shall be entitled to transfer the full legal and beneficial ownership of the Sale Shares to the Second Party on the terms of this Agreement without the consent of any third party;
5. no winding up, or litigation proceedings has been filed against the Third Party and the Company and no demand has been made against the Third Party and the Company;
6. the Company have no tax liabilities or any other legal liabilities or business prior to entering into this Agreement;
7. the Company has not employed any staff and has not entered into any agreement with any party for any substantial obligations prior to this Agreement.
8. the Third Party has conducted the business of the Company in all material respects in accordance with all applicable laws and there is no violation of, or default with respect to any laws or judgement of any court or governmental or statutory or administrative authority in Malaysia which would have an adverse effect upon the assets or business of the Company and the Company has not:
 - (i) committed any breach of any laws binding upon it or of any provisions of its constituent documents or of any agreement or license to which it is a party or of any covenant given by it;
 - (ii) entered into any transaction which is executory and which is or may be unenforceable by reason of the transaction being voidable at the instance of any other party or ultra vires, void or illegal; or

- (iii) omitted to do anything required by law to be done by it necessary for the protection of its title to or for the enforcement or the preservation of any order or priority of any properties or rights owned by it.
- 9. All information in writing which has been given by any directors, company secretary, authorised representatives or professional advisers of the Third Party or the Company to any directors or authorised representatives or professional advisers of the First Party and the Second Party, in the course of the negotiations leading to this Agreement was when given and is at the date of this Agreement, true, complete and accurate in all material respects and the Third Party is not aware of any material and adverse fact or matter not disclosed in writing to the First Party and the Second Party which renders any such information untrue, inaccurate or misleading or the disclosure of which might reasonably affect the willingness or judgement of the First Party and the Second Party to subscribe for shares in the Company.
- 10. Third Party represents and warrants that prior to subscription of the Subscription Shares by the First Party and Second Party, it will procure that the Company shall have cash in bank of One Hundred Thousand (RM100,000.00), all debts or monies owing to any creditors of the Company are full paid and any advances made by Third Party to the Company up to the date of subscription of the Subscription Shares shall be written-off.