

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, valuation certificate and valuation report, makes no representation as to their accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



Malayan United Industries Berhad

Registration No: 196001000140 (3809-W)

Incorporated in Malaysia

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

PROPOSED DISPOSAL OF A LOT OF FREEHOLD LAND IN WINDERMERE, CUMBRIA, ENGLAND, THE UNITED KINGDOM TOGETHER WITH A HOTEL ERECTED THEREON, BY BELSFIELD LLP, A 61.11%-OWNED LIMITED LIABILITY PARTNERSHIP OF MALAYAN UNITED INDUSTRIES BERHAD (“MUI”) HELD VIA ITS SUBSIDIARIES TO BELSFIELD PROPCO LIMITED AND BELSFIELD OPCO LIMITED, FOR A DISPOSAL CONSIDERATION OF UP TO GBP15,100,000 (EQUIVALENT TO RM82,503,380) TO BE SATISFIED ENTIRELY IN CASH

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser



AN UNWAVERING COMMITMENT

TA SECURITIES HOLDINGS BERHAD

(Registration No.: 197301001467 (14948-M))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The extraordinary general meeting of MUI (“EGM”) will be held virtually through live streaming from the Broadcast Venue at Ballroom 2, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur. The Notice of EGM together with the Form of Proxy, Administrative Guide and this Circular can be downloaded from our Company’s website at <https://www.muiglobal.com/bursa/annual-report/>. The EGM will be held as follows:

Online Meeting Platform of the EGM	: TIIH Online website at https://tiih.online (Domain registration number with MYNIC: D1A282781) provided by Tricor Investor & Issuing House Services Sdn Bhd
Broadcast Venue	: Ballroom 2, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur
Last date and time for lodging the Form of Proxy	: Saturday, 26 November 2022 at 3.00 p.m.
Date and time of the EGM	: Monday, 28 November 2022 at 3.00 p.m. or at any adjournment thereof

You are entitled to participate and vote remotely at the EGM or to appoint a proxy or proxies (where applicable) to participate and vote on your behalf. In such event, the completed Form of Proxy must be lodged at our share registrar’s office at Unit 32-01, Level 32 Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or submitted electronically via TIIH Online at <https://tiih.online>, not less than 48 hours before the time set for holding the EGM or at any adjournment thereof. The Form of Proxy once deposited will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so. Please follow the procedures provided in the Administrative Guide in order to register, participate and vote remotely.

This Circular is dated 11 November 2022

DEFINITIONS

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

“9M2022”	:	9-month period ended 30 September 2022
“Act”	:	Companies Act 2016
“A&W”	:	A & W (Malaysia) Sdn Bhd
“A&W Acquisition”	:	Acquisition of 51% equity interest in A&W which was completed on 9 March 2022
“ADR”	:	Average daily rate
“Announcement”	:	The announcement of the Proposed Disposal dated 22 August 2022
“Announcement LPD”	:	10 August 2022, being the latest practicable date prior to the Announcement
“Assets”	:	Assets listed in Section 1.1 of Appendix I of this Circular
“Belsfield” or “Vendor”	:	Belsfield LLP
“Board”	:	Board of Directors of our Company
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“Business”	:	Business of operating the trade of the Hotel erected on the Property carried on by the Vendor
“Capital Reduction”	:	Reduction of our issued share capital of RM3,070,000,000 pursuant to Section 117 of the Act which was completed on 21 June 2022
“Circular”	:	This circular to shareholders dated 11 November 2022 in relation to the Proposed Disposal
“Completion”	:	Completion of the sale and purchase of the Business and Assets in accordance with the terms and conditions of the SPA
“Completion Date”	:	Date of which the Proposed Disposal is completed pursuant to the SPA (further details are set out in Section 7.1 of Appendix I of this Circular)
“Completion Payment”	:	The sum of GBP15,000,000 less the Deposit
“Corus”	:	Corus Hotels Limited, our wholly-owned indirect subsidiary
“COVID-19”	:	Coronavirus disease 2019
“Deferred Consideration”	:	The balance sum of GBP100,000 of the Disposal Consideration
“Delaquest”	:	Delaquest Limited, our wholly-owned indirect subsidiary
“Deposit”	:	The sum of GBP750,000 being the deposit for the Disposal Consideration

DEFINITIONS (*CONT'D*)

“Director”	:	Has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and in relation to the Proposed Disposal shall include any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon: (a) a director of our Company, or subsidiary or holding company; and (b) a chief executive of our Company, our subsidiary or holding company
“Disposal Consideration”	:	Cash consideration of GBP15,100,000 for the Proposed Disposal
“Disposal of PMC Shares”	:	Disposal by Oriental Omega Sdn Bhd, our wholly-owned subsidiary, of 43,000,000 ordinary shares representing 5.57% of the total issued share capital of Pan Malaysia Corporation Berhad for a total cash consideration of RM6.45 million which was completed on 7 October 2022
“EBITDA”	:	Earnings before interest, tax, depreciation and amortisation
“EGM”	:	Extraordinary general meeting of our Company
“FYE”	:	Financial year ended/ending 30 June
“GBP”	:	Pound sterling
“Hotel”	:	62-room hotel
“Jonadith”	:	Jonadith UK Limited, a 38.89% partner of Belsfield
“LAT”	:	Loss after tax attributable to the owners of our Company
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities
“LLP”	:	Limited liability partnership
“LPD”	:	31 October 2022, being the latest practicable date prior to the printing of this Circular
“LPS”	:	Loss per Share attributable to owners of our Company
“LVH”	:	London Vista Hotel Limited, our wholly-owned indirect subsidiary which is the holding company of LVH Hospitality
“LVH Hospitality”	:	LVH Hospitality Management Limited, our wholly-owned indirect subsidiary which is a 61.11% partner of Belsfield
“Major Shareholder”	:	Means a person who has an interest or interests in one or more voting shares in our Company and the number or aggregate number of those shares, is – (a) 10% or more of the total number of voting shares in our Company; or (b) 5% or more of the total number of voting shares in our Company where such person is the largest shareholder of our Company, and in relation to the Proposed Disposal shall include any person who is or was, within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of our Company as defined above or any other corporation which is our subsidiary or holding company

DEFINITIONS (*CONT'D*)

“Millemont”	:	Millemont Holdings Limited
“Mr. Bennett”	:	Mr. John Emmanuel Bennett
“Mr. Kovacs”	:	Mr. Demeter Peter Kovacs
“Mr. Shaw”	:	Mr. Ashley Edward Shaw
“MUI” or “Company”	:	Malayan United Industries Berhad
“MUI Group” or “Group”	:	Our Company and our subsidiaries, collectively
“MUI Group’s Portion of Expenses”	:	Our Group’s portion of estimated expenses for the Proposed Disposal of approximately RM1.87 million
“MUI Shares” or “Shares”	:	Ordinary shares in our Company
“NA”	:	Net assets attributable to the owners of our Company
“NBV”	:	Net book value
“Opco”	:	Belsfield Opco Limited
“Placement Shares”	:	293,256,000 new MUI Shares issued pursuant to the Private Placement
“Private Placement”	:	Private Placement of 293,256,000 new MUI Shares, representing not more than 10% of the total number of issued MUI Shares, via the general mandate pursuant to Sections 75 and 76 of the Act which was completed on 9 September 2022
“Propco”	:	Belsfield Propco Limited
“Property”	:	1 lot of freehold land together with the Hotel
“Proposed Disposal”	:	Proposed disposal of the Business in Windermere, Cumbria, England, the UK by the Vendor to the Purchasers for the Disposal Consideration to be satisfied entirely in cash pursuant to the terms and conditions of the SPA
“Purchasers”	:	Propco and Opco, collectively
“Regency Disposal”	:	Disposal of the Regency Hotel for a disposal consideration of GBP6.5 million which was completed on 11 May 2022
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“SPA”	:	Conditional sale and purchase agreement dated 19 August 2022 entered into between the Vendor and the Purchasers for the Proposed Disposal
“sqft”	:	Square feet
“sqm”	:	Square metre(s)
“TA Securities”	:	TA Securities Holdings Berhad
“UK”	:	United Kingdom

DEFINITIONS (CONT'D)

“Valuation Report”	:	Valuation report dated 5 September 2022 issued by the Valuer entitled “Report and Valuation – The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria, LA23 3EL, United Kingdom”
“Valuer”	:	Savills Advisory Services Limited
“VAT”	:	Value added tax

All references to “we”, “us”, “our” and “ourselves” are to our Company, or where the context requires, are to our Group. All references to “you” in this Circular are references to the shareholders of our Company.

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

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

Unless otherwise stated, the exchange rate of GBP1.00: RM5.4638 being the Bank of England’s daily rate on the Announcement LPD is used throughout this Circular.

Any exchange rate translations in this Circular are provided solely for convenience of readers and should not be constituted as representative that the translated amounts stated in this Circular could have been or would have been converted into such other amounts or vice versa.

Certain amounts and percentage figures included herein have been subject to rounding adjustments. Any discrepancy between the figures shown herein and figures published by our Company, such as in the quarterly results or annual reports of our Company (as the case may be), is due to rounding.

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TABLE OF CONTENTS

PAGE**EXECUTIVE SUMMARY****LETTER TO OUR SHAREHOLDERS CONTAINING:**

1.	INTRODUCTION	1
2.	DETAILS OF THE PROPOSED DISPOSAL	2
3.	BASIS OF AND JUSTIFICATION FOR THE DISPOSAL CONSIDERATION.....	8
4.	RATIONALE AND BENEFITS OF THE PROPOSED DISPOSAL	9
5.	UTILISATION OF PROCEEDS	10
6.	RISKS OF THE PROPOSED DISPOSAL	12
7.	EFFECTS OF THE PROPOSED DISPOSAL.....	13
8.	APPROVAL/ CONSENT REQUIRED	15
9.	CONDITIONALITY OF THE PROPOSED DISPOSAL	15
10.	INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED	15
11.	DIRECTORS' STATEMENT AND RECOMMENDATION	15
12.	TENTATIVE TIMETABLE FOR IMPLEMENTATION	15
13.	EGM	16
14.	FURTHER INFORMATION.....	16

APPENDICES

I	SALIENT TERMS OF THE SPA	17
II	VALUATION CERTIFICATE	25
III	FURTHER INFORMATION	39

NOTICE OF EGM **ENCLOSED**

ADMINISTRATIVE GUIDE **ENCLOSED**

FORM OF PROXY **ENCLOSED**

EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY SETS OUT SALIENT INFORMATION ON THE PROPOSED DISPOSAL. PLEASE READ THE ENTIRE CIRCULAR AND ITS APPENDICES CAREFULLY FOR FURTHER DETAILS ON THE PROPOSED DISPOSAL BEFORE VOTING.

Our Board recommends that you vote **in favour** of the resolution in relation to the Proposed Disposal to be tabled at the forthcoming EGM.

Transaction details : Belsfield had on 19 August 2022 entered into the SPA with the Purchasers for the disposal of the Business for a cash consideration of GBP15,100,000.

Brief details of the Property					
Address	The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL, UK				
Land area	6.84 acres				
Gross floor area	5,402 sqm (58,147 sqft)				
Occupancy rate	Year/ Period	2019	2020	2021	9M2022
	Occupancy rate (%)	65.2	40.6*	52.7*	75.3
Note: * The Property was closed from March 2020 to May 2021 due to the lockdown imposed by the UK government.					
Title	Freehold				
Existing use	Hotel				
Market value	GBP15,000,000 (equivalent to RM81,058,500 per the Valuation Report)				

Refer to **Section 2** of this Circular for further details on the Proposed Disposal.

Utilisation of proceeds : Our Group intends to utilise the Disposal Consideration as follows:

Utilisation purposes	Amount of proceeds (RM'000)	Timeframe for utilisation from the date of completion of the Proposed Disposal
Repayment of bank borrowings and related financing costs	37,774	Within 12 months
Future business expansion	10,928	Within 18 months
Working capital requirements	4,289	Within 12 months
Payment to Jonadith as its entitlement as a partner of Belsfield	26,837	Within 6 months
Estimated expenses in relation to the Proposed Disposal	2,675	Upon completion
Total proceeds	82,503	

Refer to **Section 5** of this Circular for further details on the utilisation of proceeds.

Rationale :

- Our Group anticipates deriving potential finance cost saving as well as able to reduce our gearing level.
- Reduction of indebtedness and repayment obligations of our Group, and thereby improving the liquidity position of our Group.
- Enables our Group to strengthen our cashflow, and at the same time, provide additional funds for working capital.

Refer to **Section 4** of this Circular for further details on the rationale and justifications for the Proposed Disposal.

EXECUTIVE SUMMARY (CONT'D)

Risk factors	: <ul style="list-style-type: none">• Delay or non-completion of the Proposed Disposal due to non-fulfilment of condition precedent as well as the obligations stipulated in the SPA or if there is any material breach of the terms and/or conditions of the SPA.• Legal risks such as maximum aggregate liability in relation to any warranty claim as well as any non-fulfilment of our Group's obligations under the SPA.• The Disposal Consideration may be impacted by adverse fluctuation of GBP against RM when converted into RM. <p>Refer to Section 6 of this Circular for further details on the risk factors of the Proposed Disposal.</p>
Effects	: <p>The Proposed Disposal will:</p> <ul style="list-style-type: none">• not have an effect on the issued share capital and our substantial shareholders' shareholdings as the Proposed Disposal does not involve any issuance of Shares.• increase our Group's NA and earnings due to the expected gain on disposal of the Property to our Group amounting to RM27.32 million upon the completion of the Proposed Disposal.• Reduce the gearing level of our Group as part of the proceeds from the Disposal Consideration will be used for the repayment of bank borrowings. <p>Refer to Section 7 of this Circular for further details on the effects of the Proposed Disposal.</p>

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Malayan United Industries Berhad

Registration No: 196001000140 (3809-W)
Incorporated in Malaysia

Registered Office:

189 Jalan Ampang
50450 Kuala Lumpur
Malaysia

11 November 2022

Board of Directors

Andrew Khoo Boo Yeow (*Chairman and Chief Executive Officer*)
Dato' Dr Tan Kee Kwong (*Independent Non-Executive Director*)
Farizon binti Ibrahim (*Independent Non-Executive Director*)
Dato' Dr Jessie Tang (*Independent Non-Executive Director*)
Datuk Leong Kam Weng (*Independent Non-Executive Director*)
Wong Nyen Faat (*Non-Independent Non-Executive Director*)

To: Our shareholders

Dear Sir / Madam,

PROPOSED DISPOSAL

1. INTRODUCTION

On 22 August 2022, TA Securities had, on behalf of our Board, announced that the Vendor had entered into the SPA with the Purchasers to dispose of the Business including the Property for a cash consideration of up to GBP15,100,000 (equivalent to RM82,503,380).

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

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

2. DETAILS OF THE PROPOSED DISPOSAL

Pursuant to the SPA, Belsfield has agreed to sell the Business and the Property, and the Purchasers have agreed to purchase the Business as a going concern, free from all encumbrances, together with, amongst others, the Property in accordance with the terms and conditions contained in the SPA, for the Disposal Consideration which is to be satisfied by the Purchasers entirely in cash in the following manner:

- (i) the Deposit shall be paid by the Purchasers to the Vendor's solicitors as stakeholder until it is released to the Purchasers in the event of termination or to the Vendor in the event of Completion;
- (ii) on the Completion Date, the Completion Payment; and
- (iii) Propco shall pay (and Opco shall procure the payment of) the Deferred Consideration by way of monthly instalments of GBP3,000 (with the final monthly payment being the sum of GBP1,000). Please refer to **Section 7.3 of Appendix I** of this Circular for further details.

The salient terms of the SPA are set out in **Appendix I** of this Circular.

2.1 Information on the Property

The Property comprises a 4-star, 62-guestroom hotel set within approximately 6.8 acres of gardens. It includes the Belsfield Restaurant, Lounge Bar, The Brasserie, Garden Terrace, Drawing Room, Library, five conference suites, a small gym and onsite car parking for 66 vehicles. In addition, there is a staff block, small vacant house (the Bothy) and redundant swimming pool building. Corus Hotels launched the Laura Ashley hotel brand in 2013 and the Hotel was rebranded following an extensive refurbishment and upgrade in 2014/15. The Hotel has now dropped the Laura Ashley branding and operates as "The Belsfield Hotel".

The Hotel is located in the lakeside town of Bowness-on-Windermere within the Lake District National Park. The Lake District is a mountainous region in the North West of England, located entirely within the county of Cumbria. In July 2017 the Lake District National Park received UNESCO recognition as a World Heritage Site.

The Hotel is situated off Kendal Road A5074, to the southern end of Bowness, on the eastern side of Lake Windermere. The Property benefits from proximity to the Lake District's principal routes. In addition, the Property is situated near the B5284, which provides access to Kendal to the east and on to the M6 at Junction 37, the principal west coast route between the Midlands and Scotland. Windermere benefits from a rail terminus which provides Northern rail services direct to Manchester, and to Lancaster and Oxenholme from which the West Coast mainline services operate. From Oxenholme, services to London Euston and Glasgow Central operate frequently.

The site of the Property is approximately oval in shape and is bounded by Kendal Road and Belsfield Back Road to the east, residential properties to the south and north and the Promenade to the west. Vehicular access is from Kendal Road and a secondary pedestrian access is available from the Promenade. The location map of the Property is illustrated as follows:



The Property currently trades as a full-service hotel with 62 bedrooms, food and beverage facilities, conference suites and other facilities. The operational and financial performance of the Property for the past 3 calendar years are summarised as follows:

Year / Period	2019	2020	2021	9M2022
Occupancy rate (%)	65.2	40.6*	52.7*	75.3
ADR (GBP)	154.44	185.40	227.47	178.61
Total revenue (GBP'000)	4,216	2,733	4,534	4,122
EBITDA (GBP'000)	1,156	508	1,829	1,262
EBITDA margin (%)	27.4	18.6	40.3	30.6
Net profit (GBP'000)	701	210	1,501	1,029

Note:

* *The Property was closed from March 2020 to May 2021 due to the lockdown imposed by the UK government.*

In March 2020, the Hotel was forced to close, as part of the UK government response to the COVID-19 outbreak. Subsequent lockdowns followed in November / December 2020 and January to May 2021. The Hotel reopened for trade when restrictions were lifted and experienced strong demand during the summers of 2020 and 2021.

Year 2019 being the last full uninterrupted year of trading before the COVID-19 pandemic recorded occupancy rate of 65.2% (2018: 65.7%) with total revenue of GBP4.22 million (2018: GBP4.14 million). Total revenue generated for year 2020 was GBP2.73 million (reflecting 3 months of operation from January to March 2020) while total revenue generated for year 2021 was GBP4.53 million (reflecting 7 months of operation from June to December 2021 and as a direct result of staycation business during these months). Total revenue for the 9M2022 was GBP4.12 million (reflecting 9 months of operation from January to September 2022). The ADR increased year-on-year from year 2018 to 2021 (2018: GBP148.05) and dropped to GBP178.61 in 9M2022 as it is seen to be gradually returning to pre-COVID-19 levels. ADRs increased significantly for years 2020 and 2021, reflecting low season closures and strong summer demand.

The EBITDA margin was 27.4% in 2019 (2018: 25.2%) and decreased in year 2020 as the pandemic forced the Hotel to close, but increased to 40.3% in year 2021, aided by very strong ADR performance, VAT relief in the hospitality sector and business rates relief in the UK as well as the UK government's furlough scheme. The EBITDA margin decreased to 30.6% in 9M2022.

The Hotel recorded a net profit of GBP0.70 million for year 2019 followed by a sharp drop in year 2020 to GBP0.21 million as a result of the business restrictions pursuant to the COVID-19 pandemic. The Hotel recorded a net profit of GBP1.50 million in year 2021 resulting from the higher ADR as well as higher occupancy rate during the year and GBP1.03 million during the 9M2022.

Further details of the Property are summarised in the table below:

Title no.	CU119742
Land area	6.84 acres
Address	The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL, the UK
Existing use	Hotel

Description of buildings	<p>The Hotel is arranged over lower ground, ground, first and second floors, with an additional cellar and a tower room at third floor level at the north western apex of the house. The Property is approximately 200 years old and was originally built as a private house in the early 1800s. The house became a hotel in 1892 and in 1910 to 1911 an extra storey and wing were added. A bedroom wing was added to the northern side of the Hotel in 1971. The Property is of an Italianate style and has rendered facades and pitched slate roofs. There is a mixture of white UPVC and wooden sash windows.</p> <table border="1" data-bbox="644 461 1386 1971"> <tr> <td data-bbox="644 461 810 658">Guestrooms</td><td data-bbox="810 461 1386 658"> <ul style="list-style-type: none"> The Property provides 62 guestrooms arranged over lower ground, ground and three upper floors. 50 guest bedrooms are located in the main building while the remaining 12 are located in the north bedroom block with a garden view. </td></tr> <tr> <td data-bbox="644 658 810 1205">Food and beverage facilities</td><td data-bbox="810 658 1386 1205"> <ul style="list-style-type: none"> The Belsfield Restaurant is a grand room which benefits from the views of Lake Windemere and accommodates breakfast and fine dining in the evening with 76 covers. The Brasserie provide a less formal setting lunch and dinner with 34 covers. The Terrace is an outdoor space accessible from The Brasserie and overlooks Lake Windemere. The Library and Drawing Room are interconnecting lounge areas for guest use and afternoon tea and are accessible from the Lounge Bar. Lounge Bar is the main bar which has approximately 20 covers. </td></tr> <tr> <td data-bbox="644 1205 810 1518">Conference suites</td><td data-bbox="810 1205 1386 1518"> <p>The Hotel is predominantly leisure focused, but uses its conference and meeting facilities for a range of events and weddings.</p> <ul style="list-style-type: none"> 4 meeting rooms located on the first floor. The largest, Esperance, can accommodate up to 50 delegates. The remaining meeting rooms can accommodate 10 delegates each. Windemere Suite which is located on the ground floor has a capacity of 120 pax. </td></tr> <tr> <td data-bbox="644 1518 810 1626">Car park</td><td data-bbox="810 1518 1386 1626"> <p>On-site car park with 66 spaces plus a staff accommodation car park with approximately 12 spaces.</p> </td></tr> <tr> <td data-bbox="644 1626 810 1971">Other facilities</td><td data-bbox="810 1626 1386 1971"> <ul style="list-style-type: none"> The Hotel's small gym is located on the lower ground floor with few pieces of equipment and is rarely used. The redundant swimming pool located adjacent to the main house is drained and remains unused. The Bothy and garages are derelict. The grounds contain a vacant pavilion, situated halfway down the sloping lawn from the Hotel. </td></tr> </table>	Guestrooms	<ul style="list-style-type: none"> The Property provides 62 guestrooms arranged over lower ground, ground and three upper floors. 50 guest bedrooms are located in the main building while the remaining 12 are located in the north bedroom block with a garden view. 	Food and beverage facilities	<ul style="list-style-type: none"> The Belsfield Restaurant is a grand room which benefits from the views of Lake Windemere and accommodates breakfast and fine dining in the evening with 76 covers. The Brasserie provide a less formal setting lunch and dinner with 34 covers. The Terrace is an outdoor space accessible from The Brasserie and overlooks Lake Windemere. The Library and Drawing Room are interconnecting lounge areas for guest use and afternoon tea and are accessible from the Lounge Bar. Lounge Bar is the main bar which has approximately 20 covers. 	Conference suites	<p>The Hotel is predominantly leisure focused, but uses its conference and meeting facilities for a range of events and weddings.</p> <ul style="list-style-type: none"> 4 meeting rooms located on the first floor. The largest, Esperance, can accommodate up to 50 delegates. The remaining meeting rooms can accommodate 10 delegates each. Windemere Suite which is located on the ground floor has a capacity of 120 pax. 	Car park	<p>On-site car park with 66 spaces plus a staff accommodation car park with approximately 12 spaces.</p>	Other facilities	<ul style="list-style-type: none"> The Hotel's small gym is located on the lower ground floor with few pieces of equipment and is rarely used. The redundant swimming pool located adjacent to the main house is drained and remains unused. The Bothy and garages are derelict. The grounds contain a vacant pavilion, situated halfway down the sloping lawn from the Hotel.
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Gross floor area	5,402 sqm (58,147 sqft)
Tenure	Freehold
Registered owner	Belsfield
Encumbrances	Charged to the Bank of Scotland and will be released and discharged in conjunction with the Completion. Please refer to Section 7 of Appendix I of this Circular for further details.
Audited NBV of the Property	GBP8.90 million, as disclosed in Belsfield's audited financial statements for FYE 2022. RM34.03 million (after adjusting for unrealised gain on transfer of the Property from Delaquest to Belsfield amounting to GBP2.54 million in year 2013 and based on the exchange rate of GBP1.00:RM5.3526 as at 30 June 2022) as disclosed in our audited consolidated financial statements for FYE 2022.
Other information	There is planning consent in place for a number of value-add opportunities, including the redevelopment of the garages into a spa, 14 additional bedrooms, a further 5 guest apartments in the staff block, redevelopment of the swimming pool to a function venue and conversion of the Bothy into two guest apartments. The permission stipulates that development works must be commenced within 3 years of the consent received in 2021. As at the LPD, no works have commenced on the Property.
Market value	GBP15,000,000 (equivalent to RM81,058,500 per Valuation Report)
Material date of valuation	9 August 2022

(Sources: The management of our Group and Valuation Report)

2.2 Original cost and date of investment in the Property

On 1 November 2001, our Group had completed the acquisition of LVH for a cash consideration of GBP288,000 (equivalent to RM1.59 million based on the exchange rate of GBP1.00:RM5.510 as at 31 December 2001). The NBV of the Property as at 30 December 2001 was GBP4.52 million (equivalent to RM24.89 million based on the exchange rate of GBP1.00:RM5.510 as at 31 December 2021).

In year 2013, Delaquest, a wholly-owned subsidiary of LVH which was the registered owner of the Property at the time, had transferred its ownership of the Property to Belsfield of which our Group has 61.11% member's interest in Belsfield while Jonadith owns the remaining 38.89% member's interest.

During the year 2020, the Directors of LVH carried out an internal restructuring of LVH and its subsidiaries resulting in LVH Hospitality replacing Delaquest as the partner in Belsfield on 17 December 2020.

The original cost of investment of the Property recorded in the audited financial statements of Belsfield for FYE 2022 is as follows:

Details of the Property	Cost of investment (GBP)
Cost or valuation as at 1 July 2021	10,206,994
Net additional fixtures and fittings	71,249
Total	10,278,243

The difference between the total cost of investment on the Property of approximately GBP10.28 million and the audited NBV of the Property of approximately GBP8.90 million as at 30 June 2022 was due to the accumulated depreciation of the Property amounting to GBP1.38 million.

2.3 Information on the Purchasers

2.3.1 Information on Propco

Propco was incorporated and registered in England and Wales as a private limited company on 25 May 2022 under the Companies Act 2006 of the UK. Propco is principally involved in the operation of hotels and similar accommodation.

As at the LPD, Propco has a total issued share capital of GBP1.00 comprising 1 ordinary share.

As at the LPD, the directors of Propco are Mr. Bennett, Mr. Kovacs and Mr. Shaw.

2.3.2 Information on Opco

Opco was incorporated and registered in England and Wales as a private limited company on 25 May 2022 under the Companies Act 2006 of the UK. Opco is principally involved in the operation of hotels and similar accommodation.

As at the LPD, Opco has a total issued share capital of GBP1.00 comprising 1 ordinary share.

As at the LPD, the directors of Opco are Mr. Kovacs and Mr. Shaw.

As at the LPD, Belsfield Holdco Limited is the sole shareholder of both Propco and Opco, and the ultimate owner is Mr. Shaw via his 100% equity interest in Millemont. Save for Mr. Shaw's deemed interest in Propco and Opco via his interest in Millemont, none of the directors of Propco and Opco have direct shareholdings in the respective companies.

Millemont was incorporated and registered in England and Wales as a private limited company on 22 January 2021 under the Companies Act 2006 of the UK and is principally a holding company.

As at the LPD, Millemont has a total issued share capital of GBP10,000 comprising 10,000 ordinary shares. As at the LPD, the directors of Millemont are Mr. Shaw, Mr. Bennett and Mr. Kovacs.

The directors and shareholders of Propco, Opco, Belsfield Holdco Limited and Millemont are not related to any of the Directors of the Company and do not have any shareholdings in MUI as at the LPD.

2.4 Information on the Vendor

Belsfield was incorporated and registered in England and Wales as an LLP on 14 March 2012 under the Limited Liability Partnership Act 2000 of the UK. Belsfield is principally involved in the operation of a hotel and the provision of restaurant, conference and related leisure facilities.

As at the LPD, the members of Belsfield and their respective interests in the LLP are as follows:

Name	Members' interest (%)
LVH Hospitality	61.11
Jonadith	38.89

2.5 Liabilities remaining with our Group

Save for the aggregate maximum liability of the Vendor for all and any claims by the Purchasers under the SPA which shall not exceed the Disposal Consideration (including interest and costs) (further details in **Appendix I** of this Circular), there are no liabilities (including contingent liabilities) in relation to the Property which will remain with or to be assumed by our Group after the completion of the Proposed Disposal.

2.6 Guarantees given by our Group

There are no guarantees given by our Group to the Purchasers pursuant to the Proposed Disposal, save for our Group's obligations pursuant to the SPA as set out in **Section 12 of Appendix I** of this Circular.

2.7 Cash company or Practice Note 17 ("PN17") company

The Proposed Disposal is not expected to result in our Company becoming a cash company or PN17 company as defined under the Listing Requirements.

2.8 Valuation of the Property

The basis of valuation adopted is the 'Market Value' which is defined by the Royal Institution of Chartered Surveyors (RICS) Valuation – Global Standards to be "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

The valuation of the Property by the Valuer includes the Business which normally changes hands in the open market as a fully equipped operational business unit and is therefore valued including the following:

- (i) all plant, equipment, furniture, furnishings, fixtures and fittings on the assumption that these are free from lien and encumbrance;
- (ii) the market's perception of the trading potential excluding any personal goodwill;
- (iii) all licences, consents, certificates and permits necessary to allow the Property to properly trade on the assumption that these will be received as required; and
- (iv) all existing staff, membership and bookings but excluding stock in trade, consumables and any additional value attributable to works of art, historic artefacts and the like.

The Valuer was appointed by our Company to conduct an independent valuation on the Property to facilitate the Proposed Disposal. In arriving at the market value of the Property, the Valuer had adopted the discounted cashflow approach (income approach) as the primary method and the comparables approach as a countercheck:

- (a) **The discounted cashflow approach of valuation** entails discounting each year's projected EBITDA at an appropriate discount rate and capitalising the Year 10 (assumed exit) EBITDA into perpetuity at an appropriate capitalisation rate and discounting to present day values. This is the normal methodology for the valuation of hotels. The valuation is based on a hypothetical reasonably efficient operator's likely trading performance at the Property. The Valuer has assumed an owner operator scenario, although there is also potential to install third party operators, with or without a brand solution.

- (b) **The comparables approach of valuation** entails research and investigations into recent comparable transactions of hotels with a similar market positioning to that of the Hotel. The hotel market, unlike other commercial property sectors, is more secretive about providing detailed information on transactions, as analysis is required of trading information, which is extremely sensitive between operators. For the purpose of the valuation, the Valuer has had regard to other hotels that they have valued or sold and analysed turnover, net operating profit (before tax and interest) and achieved prices, albeit on a confidential basis.

Based on the deliberations of both methods, the Valuer arrived at the following market values for the Property:

Method of valuation	Market value
Discounted cashflow approach (income approach)	GBP15,000,000
Comparables approach	GBP15,500,000

As the Property is an income generating asset, the Valuer has adopted the income approach as the most suitable methodology for this present exercise. This method is subsequently counter-checked by the comparables approach to determine the reasonableness of the results and values generated. Accordingly, the adopted market value of the Property is GBP15,000,000 (equivalent to RM81,058,500 per the Valuation Report) unencumbered by lease or management agreement and assuming a fully equipped operational trading entity in its current condition with all fixtures and fittings available.

(Source: Valuation Report)

3. BASIS OF AND JUSTIFICATION FOR THE DISPOSAL CONSIDERATION

The Disposal Consideration was arrived at on a willing-buyer willing-seller basis, after taking into consideration the market value of the Property of GBP15 million (equivalent to RM81.06 million based on the Valuation Report) as appraised by the Valuer and the audited NBV of the Property of RM37.42 million based on our Company's audited consolidated financial statements for FYE 2021.

The Disposal Consideration is at a premium of GBP0.1 million* or 0.67% to the market value of the Property which is justifiable after taking into consideration, amongst others, the following:

- (i) the rationale for the Proposed Disposal, further details are as set out in **Section 4** of this Circular;
- (ii) the Proposed Disposal is transacted at a slight premium* to the market value provided by the Valuer; and
- (iii) the intended utilisation of the proceeds of up to RM82.50 million arising from the Proposed Disposal, which have been earmarked mainly for loan repayment, interest payment, future business expansion as well as working capital of our Group, as set out in **Section 5** of this Circular.

Note:

* The market value prepared by the Valuer did not take into consideration the Deferred Consideration which is subject to the Vendor's obligation to extinguish all payment obligations as set out in **Section 7.3 of Appendix I** of this Circular.

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4. RATIONALE AND BENEFITS OF THE PROPOSED DISPOSAL

Our Group is principally involved in 4 core business activities, namely retailing, hotel, property and food. Our Group has discontinued recognising results for the financial services segment as its share of losses arising from the financial services segment has exceeded our Group's interest in the associate company that operates the said segment. A summary of our Group's audited financial results for the FYEs 2019 to 2022 is as follows:

	(Audited)			
	FYE 2019 (RM'000)	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)
Business segments:				
Retailing	84,290	45,640	22,515	24,982
Hotel	179,404	120,243	46,924	120,487
Food	71,733	55,271	34,770	51,398
Fast food chain	-	-	-	54,835
Property	57,473	76,646	76,500	87,577
Revenue	392,900	297,800	180,709	339,279
LAT	(102,611)	(198,714)	(98,670)	(45,926)

Based on the financial information set out above, our Group's revenue, save for the property segment, had declined significantly from FYE 2019 to FYE 2021 mainly due to the disruption in operations pursuant to the business and travel restrictions imposed by the governments of the UK and Malaysia respectively to curb the spread of COVID-19. Our Group's revenue improved during FYE 2022 due to improvement across all business segments in our Group and the A&W Acquisition. Currently, our Group operates 5 hotels in England (including the Hotel) and 2 hotels in Malaysia.

The UK hotel operations were disrupted with lockdowns announced in March 2020 continuing into year 2021 pursuant to the COVID-19 pandemic. Our Group's geographical revenue breakdown of the hotel segment is set out in the table below:

Hotel segment	(Audited)							
	FYE 2019		FYE 2020		FYE 2021		FYE 2022	
	(RM'000)	%	(RM'000)	%	(RM'000)	%	(RM'000)	%
UK	145,574	81	96,135	80	38,545	82	106,896	89
Malaysia	33,830	19	24,108	20	8,379	18	13,591	11
Total revenue	179,404	100	120,243	100	46,924	100	120,487	100

As most of the proceeds are earmarked for the repayment of bank borrowings and related finance costs, our Group anticipates deriving potential finance cost saving from the Proposed Disposal as well as reduction of its gearing level as illustrated in **Section 7.2** of this Circular. This in turn will reduce the indebtedness and repayment obligation of our Group, and thereby improving the liquidity position of our Group moving forward. In addition, the proceeds from the Proposed Disposal will enable our Group to strengthen its cashflow and at the same time, provide additional funds for working capital.

Considering the current economic sentiment and the impact of the COVID-19 pandemic on our Group's businesses, our Group has undertaken and is undertaking various measures to improve our financial performance and strengthen our financial position amid the challenging environments faced by the hospitality and tourism industry as well as the retails industry in particular. These include, amongst others, the following:

- (i) the Private Placement of 293,256,000 Placement Shares which was completed on 9 September 2022 and approximately RM15.22 million was raised;
- (ii) the Regency Disposal which was completed on 11 May 2022;
- (iii) the A&W Acquisition which was completed on 9 March 2022 to diversify the revenue stream of our Group;

- (iv) the opening of a new experiential retail store by Metrojaya at LaLaport Bukit Bintang City Centre, Kuala Lumpur on 21 September 2022; and
- (v) the Disposal of PMC Shares which was completed on 7 October 2022.

Notwithstanding the Proposed Disposal, our Group remains committed to our hotel business in the UK and is in the midst of revamping our hospitality business model so as to remain sustainable to the changes in the global hospitality industry. Much like other industries that were affected by the COVID-19 pandemic, there is significant change in consumer behaviour, requirements for hotel accommodations and booking trends. The popularity of staycations, hygiene protocols and contactless technologies which have risen sharply amid the pandemic are all now ingrained in the daily activities of hospitality businesses. In addition, consumers' increased awareness on environmental sustainability and their own health and well-being have set new benchmarks for the hospitality industry.

Hence, our Group will exercise extra vigilance in implementing any new business strategies for our UK hospitality segment taking into consideration the potential financial impact on the sustainability of our Group's operations in the midst of the recovering global economy.

5. UTILISATION OF PROCEEDS

The Disposal Consideration will be fully satisfied by the Purchaser in cash, which our Group intends to use as follows:

Utilisation purposes	Notes	Amount of proceeds (RM'000)	Timeframe for utilisation from the date of completion of the Proposed Disposal
Repayment of bank borrowings and related financing costs	(1)	37,774	Within 12 months
Future business expansion	(2)	10,928	Within 18 months
Working capital requirements	(3)	4,289	Within 12 months
Payment to Jonadith as its entitlements as a partner of Belsfield	(4)	26,837	Within 6 months
Estimated expenses in relation to the Proposed Disposal	(5)	2,675	Upon completion
Total proceeds		82,503	

Notes:

- (1) The Property is currently charged to the Bank of Scotland. Our Group has obtained approval from various banks to defer and/or reschedule principal repayments for certain bank borrowings for a period up to 12 months as our Group's businesses were disrupted by the COVID-19 pandemic. As at 30 June 2022, our Group has total bank borrowings of approximately RM796.46 million and comprising mainly term loan, revolving credit and overdraft facilities. Therefore, our Group intends to use up to approximately RM25.77 million proceeds from the Disposal Consideration to partially repay our existing term loan, revolving credit and overdraft facilities in Malaysia as well as the Bank of Scotland's term loan for the discharge of the Property. Further, up to RM12 million of the proceeds from the Disposal Consideration has been earmarked for the payment of interests to be incurred for our outstanding bank borrowings in Malaysia. Any proceeds unutilised for the payment of interests will be allocated for our Group's repayment of bank borrowings and working capital requirements.

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The estimated finance cost savings to be accrued to our Group arising from the repayment is set out as follows:

<i>Type of banking facility</i>	<i>Amount outstanding as at 30 June 2022 (RM'000)</i>	<i>Proposed amount to be used (RM'000)</i>	<i>Range of effective annual interest rates (%)</i>	<i>Estimated interest cost savings per annum (RM'000)</i>
<i>Malaysian bank borrowings - for, amongst others, our Group's working capital, acquisition of subsidiary company, refinancing of our Group's borrowings, etc.</i>	334,137 ^(a)	14,355	4.46% to 9.75%	1,070
<i>UK bank borrowings - for, amongst others, our Group's working capital, refurbishment of our Group's UK hotels, refinancing of our Group's borrowings, etc.</i>	462,320 ^(a)	11,419 ^(b)	2.87% to 3.83%	341
Total	796,457	25,774		1,411

Notes:

- (a) Not accounting for our Group's actual repayment of bank borrowings and interests of approximately RM4.19 million from the proceeds of the Private Placement and GBP0.03 million (equivalent to approximately RM0.16 million) as at the LPD.
- (b) To be used for the repayment of the Bank of Scotland's term loan for the discharge of the Property of up to GBP2.09 million (equivalent to approximately RM11.42 million) as at the LPD.
- (2) Our Group intends to utilise up to RM10.93 million of the proceeds for future business expansion opportunities which may include the acquisition of hospitality-related company, business and/or properties which complement our Group's business strategy as mentioned in **Section 4** of this Circular. The future business expansion of our Group is dependent on the timing of any opportunity that arises which is in line with the new business strategy to be adopted by our Group and these initiatives are currently still at a preliminary conceptualization stage. Any proceeds unutilised for the future business expansion will be allocated for our Group's repayment of bank borrowings and related financing costs as well as our Group's working capital requirements.
- (3) Up to RM4.29 million of the proceeds have been allocated for our Group's general working capital requirements including administrative and overhead expenses such as salaries and statutory contributions, travelling expenses, utilities, staff training and staff welfare. The breakdown of such proceeds cannot be determined at this juncture as it will be dependent on the operating and funding requirements of our Group at the time of utilisation.
- (4) 38.89% of the net proceeds (i.e. Disposal Consideration less the repayment of the Bank of Scotland's term loan to discharge the Property and Jonadith's portion of expenses incurred in the UK for the Proposed Disposal as set out in **Section 7.4** of this Circular) will be paid to Jonadith which holds 38.89% member's interest in Belsfield as stated in **Section 2.4** of this Circular.
- (5) Comprising professional fees (including principal adviser, solicitors, Valuer and real estate agent), fees payable to authorities and other ancillary expenses and costs to hold an EGM, service tax and out-of-pocket expenses. Any variation to the actual amount of expenses for the Proposed Disposal will be adjusted accordingly to/from the proceeds allocated for our Group's repayment of bank borrowings and related financing costs.

The actual proceeds from the Proposed Disposal are dependent on the adjustments to the Disposal Consideration pursuant to the Apportionments Adjustment Amount defined in **Section 8.1 of Appendix I** of this Circular which include the proportion of the expenditure, outgoings, prepayments and receivables to be borne by, or as the case may be to be paid to, the Vendor or the Purchasers in accordance with the provisions of **Section 8.3 of Appendix I** of this Circular and cannot be determined at this juncture as these adjustments can only be made after Completion and in any event no later than 3 weeks from the Completion Date. Any variation in the actual proceeds will be adjusted against the proceeds allocated for our Group's repayment of bank borrowings and related financing costs.

Pending the utilisation of proceeds arising from the Proposed Disposal for the above purposes, the proceeds will be placed in deposits with financial institution(s) or short-term money market instrument(s), as our Board may deem fit. Any interest income derived from the deposits with financial institution(s) or any gains arising from the short-term money market instrument(s) will be used for our Group's repayment of bank borrowings and related financing costs of our Group.

6. RISKS OF THE PROPOSED DISPOSAL

(i) Delay or non-completion of the Proposed Disposal

The completion of the Proposed Disposal is conditional upon the fulfilment of the condition precedent as well as the obligations stipulated in the SPA by the Vendor and the Purchasers. In the event any of the condition precedent and/or terms are not fulfilled within the stipulated time as set out in the SPA, or if there is any material breach of the terms and/or conditions of the SPA by the Vendor and/or the Purchasers, the Proposed Disposal may be delayed or terminated.

Whilst our Group's management will take reasonable steps to monitor the progress of the Proposed Disposal and seek to limit such risk to ensure that the condition precedent and/or obligations set out in the SPA are fulfilled in a timely manner to facilitate the completion of the Proposed Disposal, there is no assurance that the SPA can be completed within the stipulated timeframe.

(ii) Legal risks

Our Group may also be subject to certain legal risks pursuant to the SPA such as maximum aggregate liability in relation to any warranty claim as well as any non-fulfilment of our Group's obligations under the SPA. In this respect, our Group endeavours to ensure fulfilment of our obligations under the SPA to facilitate the timely completion of the Proposed Disposal.

(iii) Foreign currency risks

Our Group is exposed to foreign currency risk as a result of our normal operations, both external and intra-group where the currency denomination differs from the functional currencies of the operating entities. However, our Group minimises the foreign currency exposure of overseas operating subsidiaries by matching local currency income against local currency costs to hedge the fluctuations in currency exchange. Similarly, in order to mitigate adverse foreign currency fluctuations, the majority of the proceeds from the Disposal Consideration will be used in GBP.

However, the remaining Disposal Consideration may be impacted by any adverse fluctuation of GBP against RM if and when converted into RM. Therefore, any significant exchange rate fluctuations in the future may have an adverse impact on the quantum of Disposal Consideration to be converted in RM by our Group. Thus, our Group will continue to monitor the foreign exchange rates and may use certain financial instruments for hedging purposes, if needed, to minimise the negative effects of foreign currency fluctuations.

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7. EFFECTS OF THE PROPOSED DISPOSAL

7.1 Issued share capital and substantial shareholders' shareholdings

The Proposed Disposal will not have any effect on the issued share capital and our substantial shareholders' shareholdings as the Proposed Disposal does not involve any issuance of Shares.

7.2 NA and gearing

The pro forma effects of the Proposed Disposal on the consolidated NA and gearing level of our Group based on the latest audited financial statements as at 30 June 2022 are as follows:

	(Audited) As at 30 June 2022 (RM'000)	(I) Subsequent events up to the LPD ⁽¹⁾ (RM'000)	(II) After (I) and the Proposed Disposal (RM'000)
Share capital	93,866	98,084	98,084
Reserves	(10,575)	(10,575)	(10,143) ⁽²⁾
(Accumulated losses)	(23,178)	(30,256)	(2,932) ⁽³⁾
Shareholders' equity/ NA	60,113	57,253	85,009
Non-controlling interest	253,555	267,058	258,266 ⁽⁴⁾
Total equity	313,668	324,311	343,275
No. of Shares in issue ('000)	3,149,209	3,225,817	3,225,817
NA per Share (RM)	0.02	0.02	0.03
Total borrowings ⁽⁵⁾ (RM'000)	876,143	871,950	834,176 ⁽⁶⁾
Gearing ⁽⁷⁾ (times)	2.79	2.69	2.43

Notes:

(1) After taking into consideration the following:

- (i) the issuance of a total of 76,608,300 Placement Shares for the fifth and final tranches of the Placement Shares pursuant to the Private Placement and deducting the actual expenses incurred for the Private Placement of RM25,000;
- (ii) the repayment of our Group's bank borrowings of approximately RM4.19 million as at the LPD from the proceeds raised from the Private Placement; and
- (iii) the estimated loss on disposal of approximately RM7.05 million and the increase in non-controlling interest of approximately RM13.50 million pursuant to the Disposal of PMC Shares.

(2) After adjusting for the estimated foreign exchange translations.

(3) After including the estimated gain on disposal of approximately RM27.32 million attributable to our Group which includes the MUI Group's Portion of Expenses of approximately RM1.87 million.

(4) After taking into consideration the payment to Jonadith as its entitlement as a partner of Belsfield of RM26.84 million as well as Jonadith's portions of gain on disposal of the Property of RM17.77 million and sharing of foreign exchange translation reserves of approximately RM0.28 million.

(5) Comprising bank borrowings and lease liabilities.

(6) After the repayment of bank borrowings and related costs of approximately RM37.77 million from the proceeds of the Proposed Disposal.

(7) Computed based on total borrowings divided by total equity.

7.3 LAT and LPS

For illustration purpose, based on our latest audited consolidated financial statements for the FYE 2022 as well as assuming that the Proposed Disposal had been completed at the beginning of the financial year (i.e., 1 July 2021) and the Regency Disposal, Private Placement and Capital Reduction had not been implemented, the pro forma effects of the Proposed Disposal on the LAT of our Group are as follows:

	(Audited) As at 30 June 2022	(I) After the Proposed Disposal
LAT (RM'000)	(45,926)	(18,602)*
No. of Shares in issue ('000)	2,932,561	2,932,561
Basic LPS (sen)	(1.57)	(0.63)

Note:

* After taking into account the estimated gain on disposal of approximately RM27.32 million which includes the MUI Group's Portion of Expenses.

7.4 Expected gain arising from the Proposed Disposal

Based on the audited NBV of the Property as at 30 June 2022, the exchange rate as at the Announcement LPD and the Disposal Consideration, the Proposed Disposal is expected to result in a pro forma gain on disposal to our Group as set out below:

	Amount (RM'000)
Disposal Consideration	82,503
Less: NBV of the Property	(34,734)
Gross gain on disposal of the Property	47,769
(Less):	
Estimated expenses in relation to the Proposed Disposal ⁽¹⁾	(2,675)
Expected gain on disposal of the Property	45,094
(Less):	
Jonadith's entitlement as a member of Belsfield ⁽²⁾	(17,770)
Total expected gain on disposal of the Property to our Group⁽³⁾	27,324

Notes:

(1) The breakdown of the estimated expenses incurred in the UK and Malaysia are as follows:

Location	RM('000)
UK	2,076
Malaysia	599
Total	2,675

(2) 38.89% of gross gain on disposal after deducting Jonadith's portion of the estimated expenses for the Proposed Disposal which were incurred in the UK of approximately RM0.81 million.

(3) 61.11% of gross gain on disposal after deducting the MUI Group's Portion of Expenses.

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8. APPROVAL/ CONSENT REQUIRED

The Proposed Disposal is subject to the following approvals being obtained from:

- (i) our shareholders at our forthcoming EGM, as pursuant to Paragraph 10.02(g) of the Listing Requirements, the highest percentage ratio applicable to the Proposed Disposal is approximately 52.43%, calculated based on 61.11% of the Disposal Consideration over the NA of our Group based on our latest audited consolidated financial statements for the FYE 2021 prior to the announcement of the Proposed Disposal.

Pursuant to the SPA, certain shareholders of MUI, namely Cherubim Investment (HK) Limited, Norcross Limited, Bonham Industries Limited and KKP Enterprises Sdn Bhd have provided irrevocable undertakings to individually vote in favour of the Proposed Disposal at our Company's EGM to be convened in relation to the Proposed Disposal; and

- (ii) any other relevant authorities, if required. The Proposed Disposal is not subject to any approval from relevant government authorities.

9. CONDITIONALITY OF THE PROPOSED DISPOSAL

The Proposed Disposal is not conditional upon any other corporate proposals undertaken or to be undertaken by our Company.

Save for the Proposed Disposal, there are no other outstanding corporate proposals which have been announced but not yet completed as at the LPD.

10. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED

None of our Directors, Major Shareholders and persons connected with them have any interest, whether direct or indirect, in the Proposed Disposal.

11. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, after having considered all aspects of the Proposed Disposal, including the rationale and justification for the Proposed Disposal, the salient terms of the SPA, the basis and justification of arriving at the Disposal Consideration as well as the financial effects of the Proposed Disposal, is of the opinion that the Proposed Disposal is in the best interests of our Company and the terms and conditions of the SPA are fair and reasonable and accordingly recommend you to vote **IN FAVOUR** of the resolution in respect of the Proposed Disposal to be tabled at our Company's forthcoming EGM.

12. TENTATIVE TIMETABLE FOR IMPLEMENTATION

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposed Disposal will be completed by the first quarter of year 2023.

Tentative timeline	Events
28 November 2022	• EGM
End November 2022	• Fulfilment of the condition precedent in the SPA and the SPA becomes unconditional
Mid to end December 2022	• Completion of the Proposed Disposal

13. EGM

Our EGM, the notice of which is enclosed in this Circular, will be held virtually through live streaming from the Broadcast Venue at Ballroom 2, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur on Monday, 28 November 2022 at 3.00 p.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the resolution to give effect to the Proposed Disposal.

If you are unable to attend and vote in person at our EGM, you should complete, sign and return the enclosed Form of Proxy in accordance with the instructions provided therein so as to arrive at our share registrar's office at Unit 32-01, Level 32 Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or submit electronically via TIIH Online at <https://tiah.online> not less than 48 hours before the time set for holding our EGM or any adjournment thereof.

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

Shareholders are advised to refer to the Administrative Guide for the EGM on the registration and voting process for the EGM.

14. FURTHER INFORMATION

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

Yours faithfully,
For and on behalf of the Board
MALAYAN UNITED INDUSTRIES BERHAD

ANDREW KHOO BOO YEOW
Chairman and Chief Executive Officer

SALIENT TERMS OF THE SPA

The salient terms of the SPA are set out below:

1. Sale and purchase

- 1.1 Subject to the terms and conditions of the SPA, the Vendor shall sell and each Purchaser shall purchase (as set out below), the Business as a going concern free from encumbrances together with the Assets listed below as at Completion:

Asset	Purchaser purchasing that Asset
(a) the hardware, furniture, loose fixtures and fittings, tools, chattels, crockery cutlery, pots and pans, utensils, linen, carpets, curtains, ornaments, adornments and other equipment at the Property which are owned by the Vendor as at 11 a.m. on the Completion Date (as defined in Section 7.1 of this Appendix I) (" Effective Time ") in connection with the Business but excluding the fixtures, fittings and fixed plant (" Chattels and Equipment ");	Opco
(b) the Property;	Propco
(c) subject to paragraph 1.2, all intellectual property owned by the Vendor or Corus in relation to the Business as set out in the SPA, the website accessible through the www.thebelsfieldhotel.com domain name and marketing materials solely relating to the Business (" Business Intellectual Property Rights ") and the social media accounts listed in the SPA;	Opco
(d) the goodwill, custom and connection of the Vendor and Corus in relation to the Business, together with the right for the Purchasers and their successors and assigns to carry on the Business under the name 'The Belsfield' and all other names associated with the Business and respectively to represent itself as carrying on the Business in succession to the Vendor;	Opco
(e) cash in the tills at the Hotel as at the Effective Time;	Opco
(f) all the fixtures, fittings and other plant, machinery, equipment and other tangible assets physically attached to the Property but excludes Chattels and Equipment;	Propco
(g) the benefit (subject to the burden) of the contracts listed in the SPA;	Opco
(h) all amounts receivable as at the Effective Time that are or will be receivable from customers staying at the Hotel as at the Effective Time, but not including any amounts owed by customers that have vacated the Hotel without payment;	Opco
(i) all stock of consumable items used by or in connection with the Business located at the Property at the Effective Time;	Opco
(j) all material books and records relating to the Assets or the Business;	Opco
(k) the benefit of the insurance claims relating to the Property; and	Propco
(l) the benefit of insurance claims other than those in item (k) above.	Opco

SALIENT TERMS OF THE SPA (CONT'D)

- 1.2 The Business Intellectual Property Rights owned by the Vendor or Corus shall be assigned to Opco by way of the assignment agreement in the agreed form between the Vendor, Corus and Opco in respect of the Business Intellectual Property Rights owned by the Vendor and/or Corus, entered into between the Vendor, Corus and Opco.

2. Consideration

- 2.1 Subject to any adjustment in accordance with the terms of the SPA, the consideration for the sale of the Business and Assets shall be the Disposal Consideration. The Disposal Consideration shall be satisfied by the payment of the Deposit, the Completion Payment and the Deferred Consideration.
- 2.2 The part of the Disposal Consideration apportioned in respect of the Property and the fixtures, fittings and fixed plant which form part of the Property ("**First Buyer Consideration**") is the sum of GBP14,600,000 (exclusive of VAT) (of which GBP100,000 is the Deferred Consideration), the remainder of the Disposal Consideration being the "**Second Buyer Consideration**", is exclusive of VAT.
- 2.3 Within 3 business days of agreement or determination of the apportionments adjustment amount in accordance with **Section 8 of this Appendix I**, the Vendor shall deliver an adjustment statement to the Purchasers. The adjustment statement shall specify an overall amount due from the Vendor to the Purchasers or from the Purchasers to the Vendor, as the case may be ("**Adjustment Statement Balancing Payment**"). The Adjustment Statement Balancing Payment shall increase or decrease (where applicable) against the Second Buyer Consideration only.
- 2.4 The First Buyer Consideration or Second Buyer Consideration (where applicable) shall to the extent permitted by law be deemed to be reduced by the amount of any payment made to the relevant Purchaser in respect of any warranty claim, tax warranty claim or indemnity claim as provided in the SPA.

3. Exchange deliverables

- 3.1 On the date of the SPA, the Vendor shall deliver to the Purchasers, among others:
- (a) a copy of undertakings in agreed form from KKP Enterprises Sdn Bhd, Bonham Industries Limited, Cherubim Investment (HK) Limited and Norcross Limited that they will vote in favour of the Proposed Disposal at the EGM to be convened in relation to the Condition Precedent (as defined in **Section 4.1 of this Appendix I**);
 - (b) a legal opinion in the agreed form from Chooi & Company + Cheang & Ariff regarding the capacity and enforceability of KKP Enterprises Sdn Bhd providing the undertaking referred to in **Section 3.1(a) above** and a memorandum in agreed form regarding the process required pursuant to the Listing Requirements in relation to the satisfaction of the Condition Precedent (as defined in **Section 4.1 of this Appendix I**); and
 - (c) the disclosure letter dated 19 August 2022 duly signed by the Seller ("**Disclosure Letter**").
- 3.2 On the date of the SPA, the Purchasers shall deliver to the Vendor, among others:
- (a) an acknowledgement of the Disclosure Letter, duly signed by each Purchaser; and
 - (b) the Deposit to the Vendor's solicitors to be held as stakeholder in accordance with the terms of the SPA.

SALIENT TERMS OF THE SPA (CONT'D)

4. Condition Precedent

- 4.1 Completion is subject to and conditional upon the Vendor's ultimate parent company, MUI, obtaining the requisite approvals required by applicable law and/or regulation of the shareholders of MUI at an EGM to the terms of the Proposed Disposal contemplated by the SPA ("**Condition Precedent**").
- 4.2 The Vendor shall use reasonable endeavours to procure satisfaction of the Condition Precedent as soon as practicable and in any event prior to the date falling 180 days after (and excluding) the date of the SPA or such other date as the Vendor and the Purchasers may agree in writing ("**Longstop Date**").
- 4.3 The Vendor shall or shall procure that its affiliates shall:
- (a) within 5 business days of the SPA, issue an announcement in relation to the Proposed Disposal;
 - (b) within 30 business days of the SPA, submit to Bursa Securities the Valuation Report in the form required by Bursa Securities under the Listing Requirements and the Securities Commission Malaysia's Asset Valuation Guidelines;
 - (c) within 25 business days following submission of the Valuation Report, submit to Bursa Securities a first draft of the Circular for their review;
 - (d) issue the Circular no later than 14 business days following confirmation from Bursa Securities that it has no further comments; and
 - (e) convene the EGM to approve the Proposed Disposal no later than 21 clear days after the issuance of the Circular.
- 4.4 The Vendor may in its sole discretion at any time before the Longstop Date waive in whole or in part satisfaction of the Condition Precedent (where legally possible pursuant to the laws, regulations, constitutional documents applicable to MUI). Any such waiver must be by notice in writing to the Purchasers.
- 4.5 If the Condition Precedent is not satisfied or waived on or before the Longstop Date:
- (a) the SPA shall terminate and **Section 6.1(b) of this Appendix I** and (subject to **Section 4.5(b) below**) the parties shall have no further liability or obligations except in respect of claims which arose before or gave rise to termination; and
 - (b) save where the Condition Precedent has not been satisfied as a direct result of the fault of the Purchasers, the Vendor shall within 5 business days of demand pay to the Purchasers an amount equal to the abortive costs of each Purchaser and their affiliates incurred in relation to the SPA and the proposed redevelopments at the Hotel, including the fees incurred in relation to the negotiation of the SPA and due diligence in relation to the Business and Assets, up to a maximum amount of GBP600,000 plus VAT (where applicable). Save in relation to any breach of any provision of **Section 4.3 of this Appendix I** or failure to deliver the Condition Precedent satisfaction notice to the Purchasers within 2 business days of satisfaction of the Condition Precedent, the payment of such costs by the Vendor to the Purchaser(s) shall be the sole remedy for the Purchasers who shall not be entitled to any other damages or any other remedy for the failure to satisfy the Condition Precedent.

SALIENT TERMS OF THE SPA (CONT'D)

5. Termination

5.1 If at any time before Completion:

(a) it transpires that any of the fundamental warranties set out in the SPA were inaccurate as at the date of the SPA and/or any of the fundamental warranties become inaccurate at any point between the date of the SPA and Completion; and/or

(b) the Vendor is in breach of any fundamental restrictions set out in the SPA,

the Purchasers may prior to Completion elect to terminate the SPA by notice in writing to the Vendor and, if the Purchasers elect to terminate the SPA pursuant to **this Section 5.1**, the provisions of **Section 5.2 below** shall apply.

5.2 If the Purchasers are entitled to terminate the SPA in accordance with **Section 5.1 above**, the Purchasers may terminate the SPA by written notice to the Vendor (termination to become effective on such notice being given) and the terms of **Section 6.1(b) of this Appendix I** shall apply.

5.3 If at any time from the date of the SPA up to Completion, the Property or any part of it is damaged or destroyed (whether or not such damage or destruction is caused (in whole or part) by a risk or risks insured by any of the insurance policies) and the costs of reinstatement would exceed GBP2,500,000, the Purchasers may prior to Completion elect to terminate the SPA and the terms of **Section 6.1(b) of this Appendix I** shall apply. The sole remedy of the Purchasers shall be the return of the Deposit and any accrued interest and they shall not be entitled to any damages or other remedy.

6. Release of the Deposit

In the event that:

(a) Completion occurs in accordance with the terms of the SPA, the Vendor's solicitors shall be irrevocably and unconditionally authorised by the Purchasers and the Vendors to immediately release the Deposit (together with any accrued interest thereon less any bank fees) to the Vendor, and the Deposit shall be applied by the Vendor towards satisfaction of part of the Disposal Consideration; or

(b) the SPA is validly terminated pursuant to **Section 4.5 of this Appendix I** or by the Purchasers pursuant to its termination rights detailed in the SPA, the Purchasers shall be irrevocably and unconditionally entitled to a full refund of the Deposit (together with any interest accrued thereon less any bank fees), and the Vendor's solicitors shall be irrevocably and unconditionally authorised by the Purchasers and the Vendor to pay the Deposit (together with any interest accrued thereon less any bank fees) to the Purchasers' solicitors as soon as reasonably practicable and in any event no later than 2 business days after the date of such termination; or

(c) the SPA is validly terminated by the Vendor pursuant to its termination rights pursuant to **Section 7.7(b) of this Appendix I**, the Vendor shall be entitled to retain the Deposit together with any interest accrued thereon which shall be irrevocably and unconditionally released to the Vendor from the Vendor's solicitors.

7. Completion

7.1 The Completion shall take place on the 12th business day following service by the Vendor of the condition satisfaction notice provided that the completion date must not be earlier than the date being 8 weeks from the date of the SPA, or such other date as agreed in writing between the parties ("**Completion Date**").

SALIENT TERMS OF THE SPA (CONT'D)

- 7.2 On the Completion Date, subject to the Vendor having complied with its obligations as set out in the SPA, the Purchasers shall:
- (a) pay the Completion Payment less the estimated Guest Advance Receipts (as defined in **Section 8.2 of this Appendix I**) in the sum of GBP400,000 (“**Guest Advance Receipts Estimate**”) by telegraphic transfer in cleared funds into the Vendor’s solicitors client account; and
 - (b) deliver, among others, the updated Disclosure Letter duly signed by the Purchasers and the form of transfer of the Property duly executed by Propco.
- 7.3 Subject to the Vendor paying such sums as are required in order to extinguish all payment obligations pursuant to the hire agreement dated 26 April 2022 relating to the boiler situated at the Hotel, commencing on the first business day of the month following the month in which Completion occurs, Propco shall pay (and Opco shall procure payment of) the Deferred Consideration to the Vendor by way of monthly instalments of GBP3,000 (with the final monthly payment being the sum of GBP1,000).
- 7.4 If the Vendor fails to comply with its obligations at Completion in accordance with the terms of the SPA, the Purchasers (provided that they are ready, willing and able to proceed to Completion) may by notice in writing to the Vendor, in addition to and without prejudice to all of its other rights and remedies:
- (a) proceed to Completion so far as is practicable (without limiting its rights under the SPA); or
 - (b) require the Vendor to proceed to Completion within 15 business days of such notice.
- 7.5 If the Purchasers opt to defer Completion under **Section 7.4(b) of this Appendix I** and, at the end of the relevant deferral period, the Vendor has not fully complied with its obligations at Completion in accordance with the terms of the SPA, the Purchasers may by notice to the Vendor in writing, in addition to and without prejudice to all of its other rights and remedies:
- (a) proceed to Completion so far as is practicable (without limiting its rights under the SPA); or
 - (b) terminate the SPA, in which case the Deposit is to be returned to the Purchasers and the provisions of **Section 6.1(b) of this Appendix I** shall apply.
- 7.6 If the Purchasers fail to comply with their obligations at Completion in accordance with the terms of the SPA, the Vendor (provided that it is ready, willing and able to proceed to Completion) may by notice in writing to the Purchasers, in addition to and without prejudice to all of its other rights and remedies:
- (a) proceed to Completion so far as is practicable (without limiting its rights under the SPA); or
 - (b) require the Purchasers to proceed to Completion within 15 business days of such notice.
- 7.7 If the Vendor opts to defer Completion under **Section 7.6(b) of this Appendix I** and, at the end of the relevant deferral period, the Purchasers have not fully complied with its obligations at Completion in accordance with the terms of the SPA, the Vendor may by notice to the Purchasers in writing:
- (a) proceed to Completion so far as is practicable (without limiting its rights under the SPA); or
 - (b) terminate the SPA, and in which case:
 - (i) the Deposit (together with any interest accrued thereon less any bank fees) shall be irrevocably and unconditionally released to the Vendor from the Vendor’s solicitors; and

SALIENT TERMS OF THE SPA (CONT'D)

- (ii) the Vendor's sole recourse against the Purchasers if the SPA is terminated pursuant to this Section 7.7 shall be to keep the Deposit and it shall not be entitled to any other remedy in respect of the failure by the Purchasers to comply with its obligations at Completion against or from the Purchasers (including without limitation a right to damages or to seek specific performance).
- 7.8 Upon termination of the SPA, the parties shall have no further liability or obligations except in respect of claims which arose before or gave rise to termination.

8. Apportionments

- 8.1 Where expenditure, outgoings and (subject to **Section 8.2 below**) prepayments attributable to the use of the Assets or the carrying on of the Business relate to either the period before or after the Effective Time, expenditure, outgoings and prepayments will be apportioned in accordance with **Section 8.3 below** and discharged accordingly.
- 8.2 Where all amounts received or receivable as at the Effective Time, whether or not also then due for payment, that have been received or are receivable from customers in respect of accommodation, goods, consumables, events, services and facilities to be provided in the course of the Business after the Effective Time ("**Guest Advance Receipts**") in excess of the Guest Advance Receipts Estimate paid in advance are attributable to the use of the Assets or the carrying on of the Business or products and/or services to be provided by the Business after the Effective Time only, they will be apportioned so as to be for the sole benefit of the Purchasers.
- 8.3 Any amount to be apportioned pursuant to **Section 8.1 above** will be apportioned on a daily basis over the period to which it relates, save that any item the cost of which can be related to the particular service used will so far as practicable be apportioned on the basis of the charges actually incurred up to and after the Effective Time. All costs associated with any excluded contracts or any contracts not assigned, novated or otherwise transferred to the Purchasers shall be for the sole account of the Vendor. Any such items (or apportioned parts) as are attributable to periods or events up to the Effective Time will be due to or from (as the case may be) the Vendor and those attributable to periods or events after the Effective Time will be due to or from (as the case may be) the Purchasers.
- 8.4 The Vendor shall as soon as practicable after Completion and in any event no later than 3 weeks from the Completion Date ("**Apportionment Statement Date**"), prepare a statement of all amounts referred to in **Sections 8.1 and 8.2 above** and provide the same to the Purchasers. Thereafter, the Vendor and the Purchasers shall seek to agree an aggregate figure ("**Apportionments Adjustment Amount**") for the proportion of the expenditure, outgoings, prepayments and receivables which fall to be borne by, or as the case may be to be paid to, the Vendor or the Purchasers in accordance with the provisions of **Section 8.3 of this Appendix I**.
- 8.5 If the Apportionments Adjustment Amount (or any component sum) has not been agreed within 10 business days from the Apportionment Statement Date, the matter or matters in dispute may be referred at the request of either the Vendor or the Purchasers to an independent chartered accountant to be nominated by agreement between the Vendor and the Purchasers or, failing agreement within 14 days of a request by either the Vendor or the Purchasers, by the President for the time being of the Institute of Chartered Accountants in England and Wales on the application of either the Vendor or the Purchasers ("**Independent Accountant**").
- 8.6 The Independent Accountant shall be deemed to act as an expert and not as an arbitrator and his determination shall (in the absence of manifest error) be conclusive and binding upon the parties.
- 8.7 The fees and expenses of the Independent Accountant shall be borne by the Vendor and the Purchasers in equal shares unless the Independent Accountant otherwise determines and, subject to such determination (if applicable), if either the Vendor or the Purchasers pays the fees and expenses payable by the other, such party shall be indemnified on demand and held harmless by the non-paying party.

SALIENT TERMS OF THE SPA (CONT'D)

9. Warranties

Save for the matters disclosed in the Disclosure Letter which constitute exceptions to the Vendor's warranties, the Vendor warrants to each Purchaser in the terms of the warranties under the SPA as at the date of the SPA and the Completion Date, as the case may be. The matters disclosed in the Disclosure Letter include among others:

- (a) all matters contained in the documents relating to the Business in the data room hosted by the Vendor's solicitors on behalf of the Vendor;
- (b) all matters revealed by search of the public records of the Vendor on file and available for inspection at the Companies House, UK;
- (c) all matters revealed by searches at Her Majesty's Land Registry, UK and all matters shown by searches at the local authorities and public registers in respect of the Property;
- (d) all matters revealed by a survey of the Property on 7 August 2022;
- (e) all matters or information which is disclosed in or revealed by the Vendor's written replies to property enquiries contained in the documents in the data room hosted by the Vendor's solicitors on behalf of the Vendor;
- (f) all matters revealed by searches at the Intellectual Property Office, UK; and
- (g) all matters revealed by searches at the Information Commissioner's Office, UK.

10. Limitations on the Vendor's liability

10.1 Notwithstanding any other provision of the SPA or any transaction document entered into pursuant to the SPA, the maximum aggregate liability of the Vendor in respect of all and any warranty claims and tax warranty claims is as set out in **Section 10.2 below**.

10.2 Save and except for claims arising as a result of any fraud or fraudulent misrepresentation of the Vendor in which case the liability of the Vendor shall not be limited or restricted, the aggregate amount of liability of the Vendor in respect of:

- (a) any warranty claim relating to a claim by either or both Purchasers for breach of any of the fundamental warranties set out in the SPA shall not exceed the Disposal Consideration; and
- (b) subject to **Section 10.2(a) above**, any and all other warranty claims and tax warranty claims set out in the SPA shall not exceed GBP3,000,000.

10.3 General limitations

10.3.1 The Vendor shall have no liability in respect of any warranty claim unless notice in writing of the warranty claim, together with reasonable supporting evidence, is given by or on behalf of the Purchasers to the Vendor on or before the date falling 24 months after Completion.

10.3.2 The Vendor shall have no liability in respect of a breach of a tax warranty claim unless notice in writing (excluding e-mail) of the tax warranty claim, together with reasonable supporting evidence, is given by or on behalf of the Purchasers to the Vendor on or before the date falling 7 years after Completion.

10.4 Limits on claims

10.4.1 Without limiting **Sections 10.1 and 10.2 above**, the aggregate maximum liability of the Vendor in respect of any claims in connection with the SPA shall in no event exceed the Disposal Consideration (including interest and costs).

SALIENT TERMS OF THE SPA (CONT'D)

10.4.2 The Vendor shall not be liable in respect of any warranty claim or tax warranty claim unless:

- (a) the amount of the warranty claim or tax warranty claim exceeds GBP15,000; and
- (b) the amount of all warranty claims or tax warranty claims that are not excluded under **Section 10.4.2(a) above** when taken together exceed GBP150,000 in which case the whole amount (and not just the amount by which the limit in **this Section 10.4.2(b)** is exceeded) shall be recoverable by the Purchasers.

10.4.3 **Section 10.4.2 above** does not apply to any warranty claim relating to a claim by the Purchasers for breach of any of the fundamental warranties.

10.4.4 The Vendor shall not be liable in respect of any warranty claim or tax warranty claim to the extent that such warranty, or its subject matter, arises from or in connection with, or consists of, any fact, matter event or circumstance which has been fairly disclosed in the disclosure letter with sufficient details to enable the Purchasers to identify the nature and scope of the matter disclosed.

11. Non-Solicit

Neither the Vendor nor Corus shall directly or indirectly solicit or entice away (or attempt to solicit or entice away) from employment in relation to the Business and/or from the employment of Opco any transferring employee or other person employed or engaged in the Business at any time during the period from the date of the SPA until 12 months after Completion, other than by means of a national advertising campaign open to all comers and not specifically targeted at any staff of Opco.

12. Vendor's Guarantor

10.5 LVH irrevocably and unconditionally guarantees to each Purchaser the due and punctual performance of each obligation and liability of the Vendor and Corus if and when they become performable or due under the SPA, Disclosure Letter and any other documents entered into or to be entered into pursuant to the SPA.

10.6 LVH irrevocably and unconditionally agrees to indemnify the Purchasers on demand against any liability arising as a result of an obligation of the Vendor or Corus referred to in **Section 12.1 above** being or becoming void, voidable or unenforceable as against the Vendor for any reason whatsoever and agrees that the amount of the loss shall be equal to the amount which the Purchasers would otherwise have been entitled to recover from the Vendor or Corus (where applicable).

13. Governing Law

10.7 The SPA and any non-contractual obligations arising out or pursuant to it shall be governed by and construed in all respects in accordance with English law.

10.8 The parties agree to submit to the exclusive jurisdiction of the English Courts as regards to any claim or matter arising in relation to the SPA.

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VALUATION CERTIFICATE

**The Belsfield Hotel, Kendal Road,
Bowness-on-Windermere, Cumbria, LA23
3EL United Kingdom**

Valuation Certificate



VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



5 September 2022

Ref: 612139/JB

Belsfield LLP

Corus House, 1 Auckland Park
Bletchley
Milton Keynes MK1 1BU
United Kingdom

James Bradley MRICS
E: jbradley@savills.com
DL: +44 (0) 20 7409 8771

London Vista Hotel Limited

Corus House Traditional Barn,
Rossway Estate,
Rossway,
Berkhamsted HP4 3TZ
United Kingdom

33 Margaret Street
London
W1G 0JD
T: +44 (0) 20 7499 8644
savills.com

(the **Addressees**)

VALUATION CERTIFICATE

Dear Sirs,

INSTRUCTION: VALUATION OF THE BELSFIELD HOTEL, KENDAL ROAD, BOWNESS-ON-WINDERMERE, CUMBRIA, LA23 3EL UNITED KINGDOM
CLIENT: BELSFIELD LLP
OTHER ADDRESSEE: LONDON VISTA HOTEL LIMITED

We, Savills Advisory Services Limited are pleased to certify that we have carried out a valuation in accordance with the instructions from Belsfield LLP and London Vista Hotel Limited, of the above mentioned property (herein referred to as the "subject property" or "Property") bearing Reference No. 612139/JB for the purpose of submission to Bursa Malaysia Securities Berhad and inclusion in the circular to shareholders of Malayan United Industries Berhad ("MUI") pursuant to the proposed disposal of the Property by Belsfield LLP, a limited liability partnership of MUI held through its subsidiaries, the registered owner of the Property ("Proposed Transaction"). We provide our Valuation as at 9 August 2022 and the condition of the Property as at the date of inspection on 9 August 2022.

1.1. Basic Requirements**1.1.1. Details of instructions**

You have instructed us to provide our opinion of value on the following basis:

- The current Market Value of the freehold interest in the subject property ("Market Value");

Belsfield LLP

August 2022

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VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



In respect of a trading business, this normally changes hands in the open market as a fully equipped operational business unit and is therefore valued including:

- all plant, equipment, furniture, furnishings, fixtures and fittings on the assumption that these are free from lien and encumbrance;
- the market's perception of the trading potential excluding any personal goodwill;
- all licences, consents, certificates and permits necessary to allow the Property to properly trade on the assumption that these will be received as required; and
- all existing staff, membership and bookings but excluding stock in trade, consumables and any additional value attributable to works of art, historic artefacts and the like.

1.1.2. Purpose of Valuation

You instruct us that our valuations are required for submission to Bursa Malaysia Securities Berhad and for the inclusion of the valuation certificate in the circular to shareholders of MUI pursuant to the Proposed Transaction.

1.1.3. Basis of Valuation

For the present exercise, we assess the **current Market Value of the freehold title of the subject property, unencumbered by lease or management agreement, assuming a fully equipped operational trading entity in its current condition with all fixtures and fittings available** and subject to the details referred to herein, as at 9 August 2022.

In undertaking our valuations, we have adopted the Royal Institution of Chartered Surveyors ("RICS") definition of Market Value, as detailed below:

Valuation Standard VPS 4, section 4 of the Red Book details Market Value (MV) as defined in IVS 104 paragraph 30.1 as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

1.1.4. Statement to affirm reference and compliance with relevant and applicable valuation standards/guidelines

We have inspected the subject property on 9 August 2022 and investigated all available data relevant to the matter. The material date of valuation is taken as 9 August 2022. We note that this document is a summary of our full valuation and should be read in conjunction with our full valuation report, bearing reference 612139/JB as at 5 September 2022.

This report has been prepared in accordance with RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2022 together, where applicable, with the UK National Supplement effective 14 January 2019, together the "Red Book". This report has also been prepared in accordance with Asset Valuation Guidelines issued by the Securities Commission Malaysia with the necessary professional responsibilities and due diligence.

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



1.1.5. Details of Valuer and inspection

The due diligence enquiries referred to in the Report and Valuation were undertaken by James Bradley MRICS (RICS Member Number 1268210). The valuation has also been reviewed by Nick Newell MRICS (RICS Member Number 0096741).

The valuation was panel reviewed. The panel comprised James Bradley MRICS (Director) and Isabelle Trompetas MRICS (Senior Surveyor) – and two independent directors with relevant experience in the sector – Nick Newell MRICS (Director) and Ben Packard MRICS (Director).

The Property was inspected on 9 August 2022 by James Bradley MRICS. We were able to inspect the whole of the Property, both externally and internally, but limited to those areas that were easily accessible or visible. The weather on the date of our inspection was dry and sunny.

All those above with MRICS or FRICS qualifications are also RICS Registered Valuers. Furthermore, in accordance with PS2, we confirm that the aforementioned individuals have sufficient current local, national and international (as appropriate) knowledge of the particular market and the skills and understanding to undertake the valuation competently.

1.1.6. Information on legal opinion, with regard to ownership, joint venture interest, title restrictions, encumbrances etc., where relevant

Registered Proprietor

The HM Land Registry certificate, as at the date of search being 12 August 2022, shows that the Registered Owner of the subject property is Belsfield LLP of Rossway Old Farm House, Rossway, Berkhamsted HP4 3TZ.

Title Details

The subject property is held freehold, with title number CU119742. The stated owner is Belsfield LLP. We have valued the freehold interest in the Property.

1.2. Detailed Requirements

1.2.1. Identification of Property

Property address

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL, United Kingdom.

Interest valued

We have valued the freehold interest in the subject property with title number CU119742. There are stated to be no third party leases or management agreements in existence, and therefore we have valued the subject property with the benefit of full vacant possession.

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



Category of land use

With reference to the Town and Country Planning (Use Classes) Order 1987 (as amended), we have assumed the Property to have a use class of C1 Hotels - Hotels, boarding and guest houses where no significant element of care is provided (excludes hostels), in accordance with its current use.

Registered owner

The HM Land Registry certificate, as at the date of search being 12 August 2022, shows that the Registered Owner of the subject property is Belsfield LLP.

Location of subject property

The Belsfield Hotel is located in the lakeside town of Bowness-on-Windermere within the Lake District National Park, a mountainous region in the North West of England renowned for its lakes, forests and fells, but also its literary heritage, its archaeological sites and listed buildings.

The Property is situated off Kendal Road A5074, to the southern end of Bowness, on the eastern side of Lake Windermere. The Property is situated within proximity to the many tourist attractions, including outdoor activities such as water sports, indoor activity centres and the popular World of Beatrix Potter.

The Property benefits from proximity to the Lake District's principal routes. From nearby Windermere easy access can be gained to the A591, which links to the popular tourist destinations of Ambleside (8.6km, 5.4 miles), Grasmere (15.7 km 9.8 miles) and Keswick (35.7 km, 22.3 miles). In addition, the Property is situated near the B5284, which provides access to Kendal (12km, 7.4 miles) to the east and on to the M6 at Junction 37, the principal west coast route between the Midlands and Scotland.

Windermere benefits from a rail terminus which provides Northern rail services direct to Manchester, and to Lancaster and Oxenholme from which West Coast mainline services operate. From Oxenholme, services to London Euston and Glasgow Central operate frequently.

1.2.2. General description

Overview

The Property comprises a 62 guestroom hotel set within approximately 6.8 acres of gardens. The Property includes the Belsfield Restaurant, Lounge Bar, The Brasserie, Garden Terrace, Drawing Room, Library, five conference suites, a small gym and on site car parking for 66 vehicles. In addition there is a staff block, small vacant house ('the Bothy') and redundant swimming pool building.

Total floor area: the Energy Performance Certificate ("EPC") dated March 2022 estimates that the Property has a gross floor area of 5,402 square metres (58,147 square feet).

The site of the Property is approximately oval in shape and is bounded by Kendal Road and Belsfield Back Road to the east, residential properties to the south and north and the Promenade to the west. Vehicular access is from Kendal Road and a secondary pedestrian access is available from the Promenade.

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



The site area is not stated on UK Land Registry Title Plans but we calculate the Property has a total ground floor site area of approximately 6.84 acres (2.77 hectares).

Planning Details

The Property is Grade II Listed (entry number 1241209), with the northern face being of the most architectural interest.

The Property is located within the Bowness Conservation Area.

In March 2021, the Property gained planning consent and listed building consent to convert the coach house (garages) into a spa, add 14 bedrooms to the accommodation block, convert part of the staff accommodation block into 5 guest apartments, remove the swimming pool building and replace with a wedding / function venue and to convert the Bothy into two guest apartments (planning reference 7/2020/5187).

In valuing the subject property we have assumed that the building is used in accordance with its present lawful uses and that the building complies with current planning laws and building regulations and that it is not subject to any adverse proposals or possible enforcement actions.

Trading Summary

The Property comprises a 62 bedroom, four star standard, full service hotel occupying a prominent location within a busy UK leisure destination. The hotel is owner operated.

For year 2019 (being the last full uninterrupted year of trading), rooms revenue accounts for around 54% of total revenue, with food and beverage at 38% and other income at 8%. Around 70% of guest bookings are from the UK, though this percentage decreases for summer months.

Trading performance during 2020 and 2021 was impacted by Covid-19 and government imposed 'lockdowns', with overall occupancies of 40.6% and 52.7% respectively. ADRs increased significantly for these years, reflecting low season closures and strong summer demand. Occupancy for the first half of 2022 is 70%, reflecting continued strong guest demand and incorporating both low season months (January to March) and high season months (April to June). ADR was £171.05, below that achieved in the full years for 2020 and 2021, but 10.8% above that achieved in the full year 2019.

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



The Belsfield Hotel	YE Dec 2018	YE Dec 2019	YE Dec 2020	YE Dec 2021	6 months to Jun 2022	YE Jun 2023 (F)
Occ %	65.7%	65.2%	40.6%	52.7%	70.0%	77.5%
ADR (£)	£148.05	£154.44	£185.40	£227.47	£171.05	£190.60
RevPAR (£)	£97.54	£100.91	£75.53	£120.25	£119.35	£147.79
Rooms Revenue (£000s)	£2,201	£2,277	£1,705	£2,714	£1,450	£3,335
Food & Beverage Revenue (£000s)	£1,598	£1,614	£937	£1,531	£915	£1,662
Other Revenue (£000s)	£338	£324	£91	£290	£180	£239
Total Revenue (£000s)	£4,137	£4,216	£2,733	£4,534	£2,545	£5,236
EBITDA (£000s)	£1,042	£1,156	£508	£1,829	£639	£1,681
EBITDA (% of Revenue)	25.2%	27.4%	18.6%	40.3%	25.1%	32.1%

Source: Corus Hotels Management. EBITDA is shown before a Furniture, Fittings and Equipment ("FF&E") reserve deduction

Occ = Occupancy

ADR = Average Daily Rate

RevPAR = Revenue Per Available Room

EBITDA = Earnings Before Interest Tax, Depreciation and Amortisation

Certain figures are subject to rounding adjustments

1.3. Market Value

1.3.1. General

Market value of the subject property

We assess the current Market Value of the freehold title of the subject property, unencumbered by lease or management agreement, assuming a fully equipped operational trading entity with all fixtures and fittings available for trade, as at 9 August 2022 and condition as at 9 August 2022, and subject to the details referred to herein, to be **£15,000,000**. This equates to £241,935 per bedroom.

Based upon the exchange rate of £1 = MYR 5.4039 (as published by The Bank of England on 8 August 2022) our opinion of value equates to MYR 81,058,500. We confirm that the valuation has been prepared in GBP and the conversion to MYR is for convenience only.

Date of Valuation

Our opinions of value are as at the date of Valuation, 9 August 2022. The importance of the date of valuation must be stressed as property values can change over a relatively short period.

Method(s) of valuation adopted

Our two principal valuation methodologies are:

1. Discounted Cashflow (Income Approach) (PRIMARY METHOD OF VALUATION)
2. Direct Comparison Approach (SECONDARY METHOD OF VALUATION)

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



Sources of information relied upon in the valuation

Document/Item	Source
Historic trading accounts	Corus Hotels Management
Trading forecasts	Corus Hotels Management
Title Plan / Title Register	HM Land Registry
Accommodation schedule	Corus Hotels Management
Floor plans / floor areas	Corus Hotels Management
EPC Certificate	Corus Hotels Management

Market Conditions – Conflict in Ukraine

Following the invasion of Ukraine by the Russian military in late February 2022, there was an immediate impact on the global economy due, in part, to sanctions imposed on Russia, rising oil and gas prices and the restriction of exported goods from Ukraine and Russia. Since the date of the invasion, there has already been an impact on the UK economy, including rising inflation and increased interest rates, and we anticipate this will in turn affect the property markets.

The commercial property markets have seen a slowdown in number of transactions in recent weeks and our valuation has been prepared against the backdrop of a very challenging economic outlook. There are concerns as to how the UK economy will perform going forward given the current inflationary pressure, the cost of living crisis and rising interest rates that are impacting on the cost of debt. Although there is good liquidity in the market, with a significant amount of capital seeking opportunities, the ongoing geo-political headwinds, economic uncertainty and rising cost of debt finance may impact yields in some sectors of the market such that they increase (soften) from their current levels.

We stress the importance of the valuation date and recommend that the value of the property is kept under regular review. For the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined in the RICS Valuation – Global Standards.

1.3.2. Valuation

Primary Methodology: Income Approach / Discounted Cashflow Approach

In valuing the Property, we have utilised a discounted cashflow approach, discounting each year's projected EBITDA at an appropriate discount rate and capitalising the Year 10 (assumed exit) EBITDA into perpetuity at an appropriate capitalisation rate and discounting to present day values. This is the normal methodology for the valuation of hotels. Our valuation is based on a hypothetical reasonably efficient operator's likely trading performance at the Property. We have assumed an owner operator scenario, although there is also potential to install third party operators, with or without a brand solution.

In modelling a 10 year forecast for the Property, we have considered the actual trading information supplied, together with current budget and forecast information. We have balanced actual operating costs with benchmark performance ratios derived from comparable trading assets that we have reviewed in the course of our professional work. We have also had regard to the latest economic data and hotel performance research.

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



We have produced our own trading forecasts for the Property and summarise these in the table overleaf. Our full DCF valuation is appended to our valuation report. Year 1 is the 12 month period commencing on the Valuation Date, with subsequent years following in the same manner.

The Belsfield Hotel	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Occ %	75.0%	75.0%	75.0%	75.0%	75.0%	0.0%
ARR £	185.00	189.63	194.37	199.22	204.21	2.5%
RevPAR £	138.75	142.22	145.77	149.42	153.15	2.5%
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	
Total Revenue £	4,964.3	5,088.4	5,215.6	5,346.0	5,479.6	2.5%
Gross Operating Income ("GOI")	2,672.9	2,837.4	2,991.8	3,066.6	3,143.3	4.1%
(% of Total Revenue)	53.8%	55.8%	57.4%	57.4%	57.4%	
Gross Operating Profit (GOP)	1,357.4	1,590.8	1,818.3	1,863.7	1,910.3	8.9%
(% of Total Revenue)	27.3%	31.3%	34.9%	34.9%	34.9%	
EBITDA £	906.7	1,098.5	1,313.7	1,346.5	1,380.2	11.1%
(% of Total Revenue)	18.3%	21.6%	25.2%	25.2%	25.2%	

Source: Savills

We have modelled occupancy and ADR stabilisation from Year 1, reflecting the strong current performance and market outlook. Our Year 1 ADR is below the ADR achieved for the YE June 2022, but that period benefited from temporarily low Value Added Tax ("VAT") rates for hospitality business; once VAT adjustments are made, our Year 1 ADR is slightly above the YE June 2022 period. From Year 1 our ADR rises in line with our **long term inflation assumption of 2.5% thereafter**. Food and Beverage ("F&B") income accounts for 32% of total revenue, having regard to historic revenue and accounting for a significant increase in rooms revenue (thereby skewing revenue breakdown percentages). The modelled departmental costs and undistributed operating expenses reflect the characteristics of the Property and a hypothetical reasonably efficient operator's likely trading performance. We have modelled a **management fee of 3.0% of total revenue** to reflect the fees which would be payable to a non-brand management company (or the internal costs an owner operator would incur). We have also deducted fixed costs, including property insurance costs, business rates (property tax) and also an **FF&E reserve contribution equal to 4.0% of total revenue**, as is standard for a hotel of this type.

We have applied a Capitalisation Rate of 8.00% to the Year 10 income and discounted annual forecast returns (EBITDA) at 10.50%. The resulting net market value is £15,000,000 (rounded), equating to £241,935 per bedroom.

Our valuation reflects the tenure of the asset, location, trading potential and prevailing appetite for this profile of investment in the market as at the date of valuation. Yields reflect the relative risks and potential upsides related to investments. In this case, our capitalisation and discount rates incorporate the upside which could materialise from a refurbishment of the Property. We have cross checked our valuation on a capital value per key basis and reviewed the yield outputs.

The running yield profile is as follows: **Year 1: 6.0%, Year 2: 7.3%, Year 3: 8.8%, Year 4: 9.0%, Year 5: 9.2%.**

Although direct yield comparisons are not possible, we have had regard to the following transactions in benchmarking our capitalisation rate of 8.0% and three year yield profile of 6.0% - 8.8%.

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



Date of Sale	Property Name	Keys	Sale Price	Yield	Comments
February 2020	The Swan Hotel & Spa Newby Bridge, Ulverston, Cumbria LA12 8NB	59	£16,000,000	7.6%	Riverside Lake District hotel with extensive food and beverage and events facilities. Freehold. Purchased by BH Hotels Limited. Vacant possession. Yield is on forecast 2019 EBITDA after an FF&E reserve.
May 2019	Rothay Garden Hotel Broadgate, Grasmere, Cumbria LA22 9RJ	30	£6,500,000	7.2%	Riverside Lake District hotel with restaurant and limited leisure facilities. Freehold. Purchased by Fairtree Capital (Pty) Limited. Yield is on 2018 EBITDA after an FF&E reserve.
April 2017	Langdale Chase Hotel Ambleside Road, Windermere, Cumbria LA23 1LW	29	£8,000,000	c.6.25%	A grand gothic-style manor house hotel located just north of Windermere. Freehold. Purchased by Thwaites Limited. Yield on 2016 EBITDA.

Secondary Methodology: Comparables Approach

To support our primary method of valuation we have also utilised the Direct Comparison Method of valuation.

We have undertaken research and investigations into recent comparable transactions of hotels with a similar market positioning to that of the Property. The hotel market, unlike other commercial property sectors, is more secretive about providing detailed information on transactions, as analysis is required of trading information, which is extremely sensitive between operators. For the purpose of our valuation, we have had regard to other hotels that we have valued or sold and analysed Turnover, Net Operating Profit (before tax and interest) and achieved prices, albeit on a confidential basis.

Transactions we are aware of are listed below. Furthermore, many of the transactions that we have considered during our valuation are subject to confidentiality clauses and as such we are unable to refer to them directly. The transactions which follow are nevertheless of assistance in providing a broad "cross-check".

The following table shows transactions relevant to the Property:

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



Date	Property	Keys	Price	Price per Key	Photo
2021	Wateredge Inn Ambleside Borrans Road, Ambleside, Cumbria LA22 0EP	22	£5,000,000	£227,273	

The Wateredge Inn sold in March 2021 to Inn Collection during the third national lockdown. The purchase price reflects a 2.7 multiple on total revenue and a 9.75 multiple (10.3% yield) on operating profit. The property is an attractive, Grade II listed, 17th century inn, located on the shores of Lake Windermere just south of Ambleside. The sale is a useful illustration of investor demand during the Covid-19 period.

Date	Property	Keys	Price	Price per Key	Photo
2020	The Swan Hotel & Spa Newby Bridge, Ulverston, Cumbria LA12 8NB	59	£16,000,000	£271,186	

The Swan Hotel & Spa was sold in February 2020 to BH Hotels Limited. The Swan Hotel and Spa is located at the southern end of Lake Windermere at Newby Bridge. The property includes 59 bedrooms, five self-catering cottages, 213 covers across three restaurants and wet leisure facilities, all within 17 acres of land. At the time of sale, F&B income made up 52% of all revenue with accommodation income at 34%.

The property sold for £16,000,000, equating to £271,186 per key, being a 8.9% yield on forecast 2019 EBITDA (7.6% assuming a 4% FF&E reserve) and a 2.97 multiple on total revenue, a 7.1% on 2018 EBITDA (5.8% assuming a 4% FF&E reserve).

Date	Property	Keys	Price	Price per Key	Photo
2019	Rothay Garden Hotel Broadgate, Grasmere, Cumbria LA22 9RJ	30	£6,500,000	£216,667	

Rothay Garden Hotel is located in Grasmere and was purchased by Fairtree Capital in 2019. It offers a four star product and at the time of sale was operating very well. It is far smaller than the Hotel and offers limited spa facilities. It benefits from a position next to the River Rothay. The price reflects 7.2% on 2018 EBITDA post-FF&E.

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



Date	Property	Keys	Price	Price per Key	Photo
2017	Langdale Chase Hotel Ambleside Road, Windermere, Cumbria LA23 1LW	29	£8,000,000	£275,862	

Langdale Chase Hotel comprises a grand gothic-style manor house and outbuildings providing a four star product. It is situated directly on the shores of Lake Windermere and has extensive grounds and a large car park. At the time of sale the property was in need of investment and Thwaites purchased the property with plans for refurbishment. The price reflects 6.25% yield.

Date	Property	Keys	Price	Price per Key	Photo
2016	Linthwaite House Hotel Crook Road, Bowness-on- Windermere, Cumbria LA23 3JA	30	£7,250,000	£241,667	

The property sold to Leeu Group in 2016 for complete refurbishment and extension. It is located just to the south of Bowness-on-Windermere with a hilltop position overlooking Lake Windermere and at the time of sale provided a mid-market product. The price stated excludes staff accommodation properties which were purchased for an additional £1,925,000. The property is now a luxury hotel with extensive F&B facilities and additional lodge accommodation.

Note: Some of this information has been obtained from third parties and we cannot validate its accuracy.

The following table shows our adjustments to each primary comparable to account for relative advantages / disadvantages versus the Property, which results in more directly comparable value per key results. We would emphasise that there are numerous factors which affect value for hotels. We have analysed the comparable properties and the percentage adjustments shown reflect our judgement. This approach is necessarily subject but is a useful process for the Comparables Approach to valuation.

Comparable	Price per key	Macro location	Micro location	Building and product quality	Non-rooms income weighting	Total Adjustment	Implied value per key for Property
1) Wateredge Inn Ambleside	£227,273	10.0%	0.0%	5.0%	-5.0%	10.0%	£250,000
2) The Swan Hotel & Spa	£271,186	10.0%	0.0%	0.0%	-20.0%	-10.0%	£244,067
3) Rothay Garden Hotel	£216,667	0.0%	5.0%	5.0%	0.0%	10.0%	£238,334
4) Langdale Chase Hotel	£275,862	5.0%	0.0%	-15.0%	0.0%	-10.0%	£248,276
5) Linthwaite House Hotel	£241,667	0.0%	5.0%	5.0%	0.0%	10.0%	£265,834

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



The primary per key comparables listed above show a range of approximately £238,000 to £260,000 per key once adjustments are made for differences in location and other characteristics. On 62 bedrooms, this implies a value of the Property of £14,750,000 to £16,100,000 (rounded to the nearest £50,000).

We are also aware of the 2022 sale of a directly comparable hotel in a nearby Lake District town. We cannot provide details of the hotel or the transaction as it is highly confidential, but Savills were involved in the purchase and we have had regard to the price achieved, which equated to circa £225,000 per bedroom. The Belsfield Hotel is located in a slightly superior location and if we were to make adjustments to this comparable in a similar fashion to those in the table above, we would adjust to around £240,000 - £250,000 per key. This confidential transaction represents the most directly relevant comparable.

Using the Comparables method – and having regard to all the comparable evidence – we would estimate the Market Value of the Property to be around **£15,500,000**.

1.3.3. Reconciliation of the Market Value

We have used two different approaches to arrive at the Market Value of the Property. Our two principal valuation methodologies are:

Valuation Methodology	Value
Discounted Cashflow Approach (Income Approach)	£15,000,000
Direct Comparison Approach	£15,500,000

As the Property is an income generating asset, we have adopted the Income Approach to be the most suitable methodology for this present exercise. This method is subsequently counter-checked by the Comparables Approach to see the reasonableness of the results and values generated.

Having considered all of the above, we are of the opinion that the market value of the Property is in the region of **£15,000,000**.

Market Value
£15,000,000 (FIFTEEN MILLION POUNDS)

Based upon the exchange rate of £1 = MYR 5.4039 (as published by The Bank of England on 8 August 2022) our opinion of value equates to MYR 81,058,500. We confirm that the valuation has been prepared in GBP and the conversion to MYR is for convenience only.

This Valuation amount is exclusive of a Goods and Services Tax.

VALUATION CERTIFICATE (CONT'D)

Valuation Certificate

The Belsfield Hotel, Kendal Road, Bowness-on-Windermere, Cumbria LA23 3EL



Prepared by **Savills Advisory Services Limited**.

A handwritten signature in black ink that reads "Bradley".

JAMES BRADLEY MRICS

RICS Registered Valuer

Director

RICS member number 1268210

A handwritten signature in black ink that appears to read "Isabelle Trompetas".

ISABELLE TROMPETAS MRICS

RICS Registered Valuer

Senior Surveyor

RICS member number 6896815

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

Our Board, having seen, read and understood the contents of this Circular in relation to the Proposed Disposal approves and, collectively and individually, accepts full responsibility for the accuracy of the information contained in this Circular and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or information contained in this Circular, or other material facts and information, the omission of which would make any statement in this Circular false or misleading.

2. MATERIAL COMMITMENT

Save as disclosed below, as at the LPD, there is no material commitment incurred or known to be incurred by our Group, which upon becoming enforceable, may have material impact on the financial position of our Group:

Description	RM'000
Investment in a limited partnership	<u>2,414</u>

3. CONTINGENT LIABILITIES

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

4. CONSENTS**4.1 Adviser**

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

4.2 Valuer

Savills Advisory Services Limited, being the independent registered valuer for the Property, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, the valuation certificate for the Property dated 5 September 2022 as appended in **Appendix II** of this Circular and all references thereto, in the form and context in which they appear in this Circular.

5. CONFLICT OF INTERESTS**5.1 Adviser**

TA Securities has confirmed that there is no conflict of interest which exists or is likely to exist in its capacity as the adviser for the Proposed Disposal.

5.2 Valuer

Savills Advisory Services Limited has confirmed that there is no conflict of interest which exists or is likely to exist in its capacity as the independent registered valuer for the Property.

FURTHER INFORMATION (CONT'D)

6. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, the Property is not subject to any material litigation, claims and/ or arbitration and our Board confirms that there are no proceedings pending or threatened involving the Property, or of any facts likely to give rise to any proceedings.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at 189 Jalan Ampang, 50450 Kuala Lumpur, during normal business hours from 9.00 a.m. to 5.00 p.m. from Monday to Friday (excluding public holidays) for the period commencing from the date of this Circular up to and including the date of the forthcoming EGM:

- (i) the Constitution of our Company;
- (ii) our Group's audited financial statements for FYEs 2020 to 2022;
- (iii) the SPA;
- (iv) the Valuation Report and valuation certificate in relation to the Property; and
- (v) the letters of consent and conflict of interest as referred to in **Sections 4 and 5 of this Appendix III**.

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Malayan United Industries Berhad

Registration No: 196001000140 (3809-W)
Incorporated in Malaysia

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“EGM”) of Malayan United Industries Berhad (“MUI” or the “**Company**”) will be held virtually through live streaming from the Broadcast Venue at Ballroom 2, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur on Monday, 28 November 2022 at 3.00 p.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following ordinary resolution:

ORDINARY RESOLUTION

PROPOSED DISPOSAL OF A LOT OF FREEHOLD LAND IN WINDERMERE, CUMBRIA, ENGLAND, THE UNITED KINGDOM TOGETHER WITH A HOTEL ERECTED THEREON, BY BELSFIELD LLP (“VENDOR”), A 61.11%-OWNED LIMITED LIABILITY PARTNERSHIP OF MUI HELD VIA ITS SUBSIDIARIES TO BELSFIELD PROPCO LIMITED AND BELSFIELD OPCO LIMITED (COLLECTIVELY, “PURCHASERS”), FOR A DISPOSAL CONSIDERATION OF UP TO GBP15,100,000 TO BE SATISFIED ENTIRELY IN CASH (“PROPOSED DISPOSAL”)

“THAT subject to the approvals being obtained from all relevant parties and/or authorities, approval be and is hereby given to the Vendor to dispose of the business of operating the trade of the 62-room hotel erected on the Property carried on by the Vendor to the Purchasers for the Disposal Consideration subject to and upon the terms and conditions of the conditional sale and purchase agreement dated 19 August 2022 entered into between the Vendor and the Purchasers;

AND THAT the Board of Directors of MUI (“**Board**”) is hereby empowered and authorised to take all such steps and do all acts, deeds and things to enter into any arrangements, transactions, agreements and/or undertakings and to execute, sign and deliver on behalf of the Company, all such documents as may be necessary, expedient and/or appropriate to implement and give full effect to the Proposed Disposal with full powers to assent to any conditions, modifications, variations and/or amendments as the Board may in its absolute discretion deem fit, necessary, expedient, appropriate and/or as may be imposed or permitted by any relevant authorities in connection with the Proposed Disposal and to do all such things as the Board may consider necessary or expedient in the best interest of the Company.”

By Order of the Board

Lee Chik Siong (MAICSA 7054334, SSM PC No. 202008000770)
Wong Shuk Fuen (MIA 12985, SSM PC No. 202008004207)
Joint Company Secretaries

Kuala Lumpur
11 November 2022

Notes:

- 1) *The EGM of the Company will be held on a fully virtual basis through live streaming and online remote voting via the Remote Participation and Voting (“RPV”) facilities provided by Tricor Investor & Issuing House Services Sdn Bhd which are available on its TIH Online website at <https://tiih.online>. Please refer to the Administrative Guide to Shareholders for the detailed steps on the RPV facilities.*

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the EGM.

No members or proxies shall be allowed to be physically present at the Broadcast Venue on the day of the EGM.

- 2) *Only members whose names appear on the Record of Depositors as at 21 November 2022 shall be entitled to attend and vote at the meeting or appoint proxy(ies) to attend and vote on their behalf.*
- 3) *A member entitled to attend and vote may not appoint more than two proxies to attend and vote at the same meeting. A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, may appoint one proxy only in respect of each securities account it holds. Where a member is an exempt authorised nominee to multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
- 4) *Where two or more proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid.*
- 5) *The Form of Proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of the attorney.*
- 6) *The Form of Proxy must be deposited in the following manner, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof:*
 - (i) *Hardcopy form (applicable for all members)*
The original signed Form of Proxy must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) *TIIH Online*
You may also submit the Form of Proxy electronically via TIIH Online website at <https://tiih.online> by following the procedures provided in the Administrative Guide for this EGM.
- 7) *Pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in this Notice will be put to vote by way of poll.*



Malayan United Industries Berhad

Registration No: 196001000140 (3809-W)
Incorporated in Malaysia

EXTRAORDINARY GENERAL MEETING (“EGM”) ADMINISTRATIVE GUIDE

Day, Date : Monday, 28 November 2022
Time : 3.00 p.m.
Online Meeting Platform : <https://tiih.online>
Broadcast Venue : Ballroom 2, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur

PROCEDURES FOR REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES

Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) who wish to participate in the EGM remotely using the RPV facilities are to follow the requirements and procedures as summarised below:

Procedure		Action
BEFORE THE EGM DAY		
(a)	Register as a user with TIIH Online	<ul style="list-style-type: none">Using your computer, access the website at https://tiih.online. Register as a user under the “e-Services”. Refer to the tutorial guide posted on the homepage for assistance.Registration as a user will be approved within one working day and you will be notified via e-mail.If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
(b)	Submit your registration for RPV facilities	<ul style="list-style-type: none">Registration is open from Friday, 11 November 2022 until the day of EGM on Monday, 28 November 2022. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the EGM to ascertain their eligibility to participate the EGM using the RPV facilities.Login with your user ID and password and select the corporate event: “(REGISTRATION) MUI EGM 2022 (2)”.Read and agree to the Terms & Conditions and confirm the Declaration.Select “Register for Remote Participation and Voting”.Review your registration and proceed to register.System will send an e-mail to notify that your registration for remote participation is received and will be verified.After verification of your registration against the General Meeting Record of Depositors, the system will send you an e-mail after to approve your registration for remote participation and the procedures to use the RPV facilities are detailed therein. In the event your registration is not approved, you will also be notified via email. <p><i>(Note: Please ensure to allow sufficient time required for the approval as a new user of TIIH Online as well as the registration for RPV facilities in order for you to login to TIIH Online and participate in the EGM remotely).</i></p>
ON THE DAY OF THE EGM		
(c)	Login to TIIH Online	<ul style="list-style-type: none">Login with your user ID and password for remote participation at the EGM at any time from 2.00 p.m. i.e., 60 minutes before the commencement of the EGM on Monday, 28 November 2022 at 3.00 p.m.

(d)	Participate through Live Streaming	<ul style="list-style-type: none"> Select the corporate event: “(LIVE STREAM MEETING) MUI EGM 2022 (2)” to engage in the proceedings of the EGM remotely. If you have any question for the Chairman/ Board, you may use the query box to transmit your question. The Chairman/ Board will endeavour to respond to questions submitted by remote participants during the EGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible time, after the meeting.
(e)	Online Remote Voting	<ul style="list-style-type: none"> The voting at the EGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Voting session commences from 3.00 p.m. on Monday, 28 November 2022 until a time when the Chairman announces the end of the session. Select the corporate event: “(REMOTE VOTING) MUI EGM 2022 (2)” or if you are on the live stream meeting page, you can select “GO TO REMOTE VOTING PAGE” button below the Query Box. Read and agree to the Terms & Conditions and confirm the Declaration. Select the CDS account that represents your shareholdings. Indicate your votes for the resolutions that are tabled for voting. Confirm and submit your votes.
(f)	End of remote participation	<ul style="list-style-type: none"> Upon the announcement by the Chairman on the closure of the EGM, the live streaming will end.

Note to users of the RPV facilities:

- Should your registration for RPV facilities be approved, we will make available to you the rights to join the live streamed meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.
- The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
- In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting, kindly call the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd’s (“**Tricor**”) Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.

APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE

Shareholders who appoint proxy(ies) or attorney(s) or corporate representative(s) to participate via RPV facilities at the EGM must ensure that the duly executed proxy forms (“**Form of Proxy**”) and/ or documents relating to the appointments of proxy(ies)/ attorney(s)/ corporate representative(s) (“**Appointment Documents**”) are deposited in the following manner no later than **Saturday, 26 November 2022 at 3.00 p.m.:**

(i) Hardcopy form (applicable for all members)

The original signed Form or Proxy and/ or Appointment Documents must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(ii) TIIH Online

You may also submit the Form of Proxy electronically via <https://tiih.online> by the following procedures:

	Procedure	Action
i. Steps for Individual Shareholders		
(a)	Register as a User with TIIH Online	<ul style="list-style-type: none"> Using your computer, please access the website at https://tiih.online. Register as a user under the “e-Services”. Please refer to the tutorial guide posted on the homepage for assistance. If you are already a user with TIIH Online, you are not required to register again.

(b)	Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> • After the release of the Notice of EGM by the Company, login with your username (i.e., email address) and password. • Select the corporate event: “MUI EGM 2022 (2) – SUBMISSION OF PROXY FORM”. • Read and agree to the Terms & Conditions and confirm the Declaration. • Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf. • Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your vote. • Review and confirm your proxy(ies) appointment. • Print the Form of Proxy for your record.
ii. Steps for Corporation or Institutional Shareholders		
(a)	Register as a User with TIIH Online	<ul style="list-style-type: none"> • Access TIIH Online at https://tiih.online • Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects “Create Account by Representative of Corporate Holder”. • Complete the registration form and upload the required documents. • Registration will be verified, and you will be notified by email within 1 to 2 working days. • Proceed to activate your account with the temporary password given in the email and re-set your own password. <p><i>(Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/ she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.)</i></p>
(b)	Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> • Login to TIIH Online at https://tiih.online • Select the corporate exercise name: “MUI EGM 2022 (2) – SUBMISSION OF PROXY FORM” • Read and agree to the Terms & Conditions and Declaration. • Proceed to download the file format for “Submission of Proxy Form” in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxies by inserting the required data. • Submit the proxy appointment file. • Login to TIIH Online, select corporate exercise name: “MUI EGM 2022 (2) – SUBMISSION OF PROXY FORM”. Proceed to upload the duly completed proxy appointment file. • Select “Submit” to complete your submission. • Print the confirmation report of your submission for your record.

Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.

PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD OF DIRECTORS

Shareholders may submit questions for the Board in advance of the EGM at <https://tiih.online> by selecting “e-Services” to login, pose questions and submit electronically not later than **Saturday, 26 November 2022 at 3.00 p.m.** The Board will endeavour to answer the questions received at the EGM.

NO RECORDING OR PHOTOGRAPHY

By participating at the EGM, you agree that no part of the EGM proceedings may be recorded, photographed, stored in any retrieval systems, reproduced, transmitted or uploaded in any form, platform or social media or by any means whether it is mechanical, electronic, photocopying, recording or otherwise without the prior written consent of the Company. The Company reserves the rights to take appropriate legal actions against anyone who violates this rule.

ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 8:30 a.m. to 5:30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line : +603-2783 9299
Fax Number : +603-2783 9222
Email : is.enquiry@my.tricorglobal.com

PERSONAL DATA POLICY

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the Share Owner of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The Share Owner agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Share Owner's breach of warranty.

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Malayan United Industries Berhad

Registration No: 196001000140 (3809-W)
Incorporated in Malaysia

FORM OF PROXY

IMPORTANT!

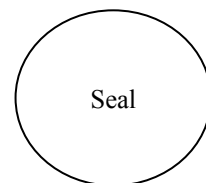
Please take note that all the fields underlined in this proxy form are mandatory and must be completed in full and accurately. The Company reserves the right to invalidate and/or reject any proxy form which is not complete or accurately filled in.

CDS Account Number	
No. of Shares Held	

I/We, _____ NRIC/ Company No. _____
of, _____ Tel No. _____
being a member of MALAYAN UNITED INDUSTRIES BERHAD hereby appoint _____
_____ NRIC No. _____
of _____ (percentage of shareholding represented: _____%)
and, _____ NRIC No. _____
of _____ (percentage of shareholding represented: _____%)
or failing him/her, the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company ("EGM") to be held virtually through live streaming from the Broadcast Venue at Ballroom 2, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur on Monday, 28 November 2022 at 3.00 p.m. or at any adjournment thereof, and to vote as indicated below:

Ordinary Resolution	FOR	AGAINST
Proposed Disposal		

(Please indicate with an "X" how you wish to cast your vote. If you do not do so, the proxy will vote or abstain from voting at his discretion).



Signature

Signed this _____ day of _____, 2022.

Notes:

- 1) The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the EGM. **No members or proxies shall be allowed to be physically present at the Broadcast Venue on the day of the EGM.**
Please refer to the Administrative Guide to Shareholders for the detailed steps on the RPV facilities.
- 2) Only members whose names appear on the Record of Depositors as at 21 November 2022 shall be entitled to attend and vote at the meeting or appoint proxy(ies) to attend and vote on their behalf.
- 3) A member entitled to attend and vote may not appoint more than two proxies to attend and vote at the same meeting. A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, may appoint one proxy only in respect of each securities account it holds. Where a member is an exempt authorised nominee to multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.



- 4) *Where two or more proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid.*
- 5) *The Form of Proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of the attorney.*
- 6) *The Form of Proxy must be deposited in the following manner, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof:*
- (i) *Hardcopy form (applicable for all members)*
The original signed Form of Proxy must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
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- 7) *Pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in the Notice of EGM will be put to vote by way of poll.*

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AFFIX
STAMP

The Share Registrar
Malayan United Industries Berhad
(Registration No.: 196001000140 (3809-W))
Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3,
Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia

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Fold This Flap For Sealing