OCR GROUP BERHAD ("OCR" OR THE "COMPANY")

(I) PROPOSED ACQUISITION OF STACK BUILDER;
(II) PROPOSED ACQUISITION OF WONDERLAND;
(III) PROPOSED SETTLEMENT OF WONDERLAND ADVANCES; AND
(IV) PROPOSED PRIVATE PLACEMENT

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

1. INTRODUCTION

Reference is made to the earlier announcement dated 2 August 2021 wherein Mercury Securities Sdn Bhd ("**Mercury Securities**") had, on behalf of the Board of Directors of OCR ("**Board**"), announced that OCR had entered into the following agreements ("**First Announcement**"):-

(i) share sale agreement between OCR, Ong Kah Hoe ("**Stack Builder Vendor**") and Tan Chin Hoong ("**Stack Builder SSA**") for the proposed acquisition by OCR of 50 ordinary shares in Stack Builder from the Stack Builder Vendor and 30 ordinary shares in Stack Builder from Tan Chin Hoong, representing a total of 80% equity interest in Stack Builder, for a total purchase consideration of:-

(a) RM5,655,640 (if, on the date the Stack Builder SSA turns unconditional), the development order (*i.e. kebenaran merancang)* for the Rumah Selangorku Project (as defined in Section 2.1.1 of this announcement) ("**Development Order**") has been obtained by Stack Builder); or

(b) RM3,588,441 (if, on the date the Stack Builder SSA turns unconditional, the Development Order has not been obtained or is obtained but is subject to conditions or varies from the version that was originally submitted to the Shah Alam City Council by Stack Builder),

to be satisfied entirely via issuance of new ordinary shares in OCR ("**OCR Shares**" or "**Shares**") ("**Consideration Shares**");

(ii) shareholders' agreement between OCR and Tan Chin Hoong ("**Stack Builder SHA**") to regulate their relationship as shareholders of Stack Builder upon completion of the acquisition of Stack Builder;

(iii) settlement agreement between OCR, the Stack Builder Vendor, Tan Chin Hoong and Stack Builder ("**Stack Builder Settlement Agreement**") for the proposed settlement by OCR of advances owing by Stack Builder to the Stack Builder Vendor and Tan Chin Hoong amounting to RM41,590,181 ("**Stack Builder Advances**") to be satisfied entirely via issuance of new OCR Shares ("**Settlement Shares**") ("**Proposed Settlement of Stack Builder Advances**");

(iv) share sale agreement between OCR and the Wonderland Vendors ("**Wonderland SSA**") for the proposed acquisition by OCR of 2,000,000 ordinary shares in Wonderland, representing 100% equity interest in Wonderland, from the Wonderland Vendors for a purchase consideration of RM5,318,273 ("**Wonderland Purchase Consideration**") to be satisfied entirely via issuance of Consideration Shares ("**Proposed Acquisition of Wonderland**"); and

(v) settlement agreement between OCR, the Wonderland Vendors and Wonderland ("**Wonderland Settlement Agreement**") for the proposed settlement by OCR of advances owing by Wonderland to the Wonderland Vendors amounting to RM9,853,713 ("**Wonderland Advances**") to be satisfied entirely via issuance of Settlement Shares ("**Proposed Settlement of Wonderland Advances**").

In addition, the Company had proposed to undertake a private placement of up to 178,559,000 new Shares, representing 20% of the enlarged total number of issued Shares, to independent third-party investor(s) to be identified later and at an issue price to be determined later ("**Placement Shares**").

Upon further discussion between the Company, the Stack Builder Vendor, Tan Chin Hoong and Wonderland Vendors subsequent to the First Announcement, Mercury Securities wishes to announce, on behalf of the Board, that OCR has entered into the following agreements:-

(i) revised share sale agreement dated 5 October 2021 between OCR and the Stack Builder Vendor ("**Revised Stack Builder SSA**") for the proposed acquisition by OCR of 50 ordinary shares in Stack Builder, representing 50% equity interest in Stack Builder, from the Stack Builder Vendor for a total purchase consideration ("**Stack Builder Purchase Consideration**") of:-

(a) RM3,534,775 (if the Development Order is obtained by the date the Revised Stack Builder SSA turns unconditional ("**Stack Builder Unconditional Date**"); or

(b) RM2,242,776 (if the condition precedent for Stack Builder to obtain the Development Order is mutually waived by OCR and the Stack Builder Vendor by the Stack Builder Unconditional Date),

to be satisfied entirely via issuance of Consideration Shares ("**Proposed Acquisition of Stack Builder**");

(ii) revised shareholders' agreement dated 5 October 2021 between OCR and Tan Chin Hoong ("**Revised Stack Builder SHA**") to regulate their relationship as shareholders of Stack Builder upon completion of the Proposed Acquisition of Stack Builder;

(iii) supplemental agreement dated 5 October 2021 between OCR, Wonderland and the Wonderland Vendors whereby all parties mutually agreed to extend the date to fulfil the conditions precedent pursuant to the Wonderland SSA and Wonderland Settlement Agreement to a date falling 3 months after 5 October 2021 ("**Wonderland Supplemental Agreement**"); and

(iv) deed of termination dated 5 October 2021 whereby the earlier Stack Builder SSA, Stack Builder Settlement Agreement and Stack Builder SHA have been mutually terminated by the parties to the said agreements, following which Stack Builder, the Stack Builder Vendor, Tan Chin Hoong and OCR have agreed that there are no claims against each other under the said agreements.

Separately, the Company wishes to expand the size of the proposed private placement exercise. In turn, the proposed private placement shall now entail the issuance of up to 206,352,000 Placement Shares, representing 30% of the enlarged total number of issued Shares, to independent third-party investor(s) to be identified later and at an issue price to be determined later ("**Proposed Private Placement**").

The Proposed Acquisition of Stack Builder and Proposed Acquisition of Wonderland are collectively referred to as the "**Proposed Acquisitions**".

The Proposed Acquisitions and the Proposed Settlement of Wonderland Advances are collectively referred to as the "**Proposed Acquisitions and Settlement**".

The Proposed Acquisitions and Settlement and the Proposed Private Placement are collectively referred to as the "**Proposals**".

The Proposed Acquisitions and Settlement are deemed to be related party transactions pursuant to Paragraph 10.08 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**") in view of the interests of Ong Kah Hoe, being the Group Managing Director of OCR, as set out in Section 10 of this announcement. Accordingly, BDO Capital Consultants Sdn Bhd ("**BDO**" or the "**Independent Adviser**") has been appointed as the independent adviser to advise the non-interested Directors and non-interested shareholders of OCR ("**Shareholders**") for the Proposed Acquisitions and Settlement.

2. DETAILS OF THE PROPOSED ACQUISITIONS AND SETTLEMENT

2.1 Information on the Proposed Acquisitions and Settlement

2.1.1 Proposed Acquisition of Stack Builder

The Proposed Acquisition of Stack Builder entails the acquisition by OCR of 50 ordinary shares in Stack Builder, representing 50% equity interest in Stack Builder, for the Stack Builder Purchase Consideration.

Stack Builder is principally involved in property development. It currently owns a parcel of vacant leasehold land measuring 100,900 sqm in Bukit Raja, Shah Alam ("**Bukit Raja Land**") as its sole major asset. The Bukit Raja Land is being planned to be developed into 2,892 units of affordable housing under the Rumah Selangorku scheme with 60 retail lots together with other supporting common facilities / amenities sited thereon ("**Rumah Selangorku Project**"). Further details on the Rumah Selangorku Project are set out in Section 2.5.2 of this announcement.

As at 15 September 2021, being the latest practicable date prior to this announcement ("**LPD**"), Stack Builder is 50%-owned by the Stack Builder Vendor and 50%-owned by Tan Chin Hoong. Upon completion of the Proposed Acquisition of Stack Builder, Stack Builder shall become a 50%-owned subsidiary of the Company.

The change in the shareholding structure of Stack Builder pursuant to the Proposed Acquisition of Stack Builder is illustrated below:-

	% equity interest held in Stack Builder	
Shareholders of Stack Builder	**Before the Proposed Acquisition of Stack Builder**	**After the Proposed Acquisition of Stack Builder**
OCR	-	50.00
Ong Kah Hoe	50.0	-
Tan Chin Hoong	50.0	50.00
Total	**100.0**	**100.0**

In conjunction with the Proposed Acquisition of Stack Builder, the Company had on 5 October 2021 entered into the Revised Stack Builder SHA with Tan Chin Hoong to regulate their relationship as shareholders of Stack Builder upon completion of the Proposed Acquisition of Stack Builder.

The salient terms of the Revised Stack Builder SSA and Revised Stack Builder SHA are set out in Sections 2.7.1 and 2.7.2 of this announcement respectively.

2.1.2 Proposed Acquisition of Wonderland

The Proposed Acquisition of Wonderland entails the acquisition by OCR of 2,000,000 ordinary shares in Wonderland, representing 100% equity interest in Wonderland, for the Wonderland Purchase Consideration.

Wonderland is principally involved in property investment holding and leasing of temporary structure space to tenants. It currently owns a parcel of vacant freehold land measuring 1,336 sqm in Jalan Alor, Kuala Lumpur ("**Jalan Alor Land**") as its sole major asset. The Jalan Alor Land is being planned to be developed into a 10-storey SOHO building comprising a level of stratified retail lots (8 units) and 9 levels of stratified SOHO units (120 units) ("**Jalan Alor Project**"). Further details on the Jalan Alor Project are set out in Section 2.6.2 of this announcement.

As at the LPD, Wonderland is 50.000%-owned by Ong Kah Hoe, 21.875%-owned by Low Kin Kok, 15.000% owned by Chong Tze-Ban and 13.125%-owned by Low Kien Poh. Upon completion of the Proposed Acquisition of Wonderland, Wonderland shall become a wholly-owned subsidiary of the Company.

The change in the shareholding structure of Wonderland pursuant to the Proposed Acquisition of Wonderland is illustrated below:-

	% equity interest held in Wonderland	
Shareholders of Wonderland	**Before the Proposed Acquisition of Wonderland**	**After the Proposed Acquisition of Wonderland**
OCR	-	100.000
Ong Kah Hoe	50.000	-
Low Kin Kok	21.875	-
Chong Tze-Ban	15.000	-
Low Kien Poh	13.125	-
Total	**100.000**	**100.000**

The salient terms of the Wonderland SSA are set out in Section 2.7.3 of this announcement.

2.1.3 Proposed Settlement of Wonderland Advances

The Proposed Settlement of Wonderland Advances entails the settlement by OCR of the Wonderland Advances.

The Wonderland Advances were extended to Wonderland in the past mainly to fund the following:-

(i) the acquisition of the Jalan Alor Land back in December 2012 (which was funded via a combination of bank borrowings amounting to RM8.4 million and initial advances from Ong Kah Hoe, Low Kin Kok, Chong Tze-Ban and Low Kien Poh amounting to RM1.44 million, RM0.63 million, RM0.90 million and RM0.63 million respectively); and

(ii) the monthly principal repayments and interest expenses in relation to the bank borrowings drawn down to part-finance the acquisition of the Jalan Alor Land.

The Wonderland Advances represent the total amount owing by Wonderland to the Wonderland Vendors as at 31 March 2021 as follows:-

(i) the advances owing by Wonderland to Ong Kah Hoe amounted to RM5,908,264;

(ii) the advances owing by Wonderland to Low Kin Kok amounted to RM1,951,353;

(iii) the advances owing by Wonderland to Chong Tze-Ban amounted to RM1,499,362; and

(iv) the advances owing by Wonderland to Low Kien Poh amounted to RM494,734.

These advances are interest-free and have no fixed repayment schedule.

For information, based on the latest management accounts of Wonderland as at 30 June 2021:-

(i) the advances owing by Wonderland to Ong Kah Hoe amounted to RM6,008,079;

(ii) the advances owing by Wonderland to Low Kin Kok amounted to RM2,003,853;

(iii) the advances owing by Wonderland to Chong Tze-Ban amounted to RM1,499,362; and

(iv) the advances owing by Wonderland to Low Kien Poh amounted to RM494,734.

Upon the completion of the Proposed Settlement of Wonderland Advances, the balance advances, if any, are intended to be settled via Wonderland's internal funds to be generated from the Wonderland Project.

The Proposed Acquisition of Wonderland and the Proposed Settlement of Wonderland Advances are inter-conditional.

The salient terms of the Wonderland Settlement Agreement are set out in Section 2.7.4 of this announcement.

2.2 Mode of settlement

2.2.1 Stack Builder Purchase Consideration

The Stack Builder Purchase Consideration shall be fully satisfied via issuance of Consideration Shares at the issue price of RM0.19 per Consideration Share in the following manner:-

	Shareholding in Stack Builder		**Mode of settlement**	
Vendor	**No. of ordinary shares in Stack Builder**	**% of total issued ordinary shares of Stack Builder**	**Stack Builder Purchase Consideration RM**	**No. of Consideration Shares**
Ong Kah Hoe	50	50.0	(1)3,534,775 (2)2,242,776	18,604,079 11,804,084

Notes:-

(1) If, on the Stack Builder Unconditional Date, the Development Order has been obtained by Stack Builder.

(2) If the condition precedent for Stack Builder to obtain the Development Order is mutually waived by OCR and the Stack Builder Vendor by the Unconditional Date.

2.2.2 Wonderland Purchase Consideration

The Wonderland Purchase Consideration shall be fully satisfied via issuance of Consideration Shares at the issue price of RM0.19 per Consideration Share in the following manner:-

	Shareholdings in Wonderland		**Mode of settlement**	
Vendors	**No. of ordinary shares in Wonderland**	**% of total issued ordinary shares in Wonderland**	**Purchase Consideration RM**	**No. of Consideration Shares**
Ong Kah Hoe	1,000,000	50.000	2,659,137	13,995,455
Low Kin Kok	437,500	21.875	1,163,372	6,123,012
Chong Tze-Ban	300,000	15.000	797,741	4,198,637
Low Kien Poh	262,500	13.125	698,023	3,673,807
Total	**2,000,000**	**100.000**	**5,318,273**	**27,990,911**

2.2.3 Wonderland Advances

The Wonderland Advances shall be fully settled via issuance of Settlement Shares at the issue price of RM0.19 per Settlement Share in the following manner:-

	Mode of settlement	
Creditors	**Wonderland Advances RM**	**No. of Settlement Shares**
Ong Kah Hoe	5,908,264	31,096,127
Low Kin Kok	1,951,353	10,270,278
Chong Tze-Ban	1,499,362	7,891,380
Low Kien Poh	494,734	2,603,862
Total	**9,853,713**	**51,861,647**

2.3 Basis and justification for the Stack Builder Purchase Consideration and Wonderland Purchase Consideration

2.3.1 Stack Builder Purchase Consideration

The Stack Builder Purchase Consideration was arrived at on a willing-buyer willing-seller basis after taking into consideration, amongst others, the following:-

(i) the unaudited net liabilities of Stack Builder as at 31 March 2021 of RM0.17 million;

(ii) the net valuation surplus for the Bukit Raja Land, being:-

(a) the difference between the unaudited net book value ("**NBV**") of the Bukit Raja Land as at 31 March 2021 and the market value of the Bukit Raja Land as appraised by Knight Frank Malaysia Sdn Bhd ("**Valuer**"); and

(b) after adjusting for the corresponding estimated deferred taxation arising from the revaluation of the Bukit Raja Land; and

(iii) the rationale and benefits of the Proposed Acquisition of Stack Builder as set out in Section 4 of this announcement.

For illustrative purposes, the revalued net asset value of Stack Builder ("**Stack Builder RNAV**") as at 31 March 2021 after adjusting for the net revaluation surplus arising from the revaluation of the Bukit Raja Land is as follows:-

	Based on the market value of the Bukit Raja Land of RM80.00 million RM'000	**Based on the market value of the Bukit Raja Land of RM76.60 million RM'000**
Unaudited net liabilities of Stack Builder as at 31 March 2021	(172)	(172)
Add: Revaluation surplus[(1)]	9,528	6,128
Less: Deferred taxation arising from the revaluation[(2)]	(2,287)	(1,471)
Stack Builder RNAV	**7,069**	**4,485**
Stack Builder RNAV – 50%	**3,535**	**2,243**

Notes:-

(1) In conjunction with the Proposed Acquisition of Stack Builder, the Company has appointed the Valuer to undertake a valuation exercise on the Bukit Raja Land. The revaluation surplus was derived from a valuation exercise conducted by the Valuer for the purposes of the Proposed Acquisition of Stack Builder and will not be incorporated into the financial statements of Stack Builder.

The revaluation surplus of the Bukit Raja Land is calculated as follows:-

Bukit Raja Land	**Market value RM'000**	**Unaudited NBV RM'000**	**Revaluation surplus RM'000**
Assuming the Development Order has been obtained	80,000	70,472	9,528
Assuming the condition precedent for Stack Builder to obtain the Development Order is mutually waived by OCR and the Stack Builder Vendor by the Unconditional Date	76,000	70,472	6,128

(2) Based on the corporate income tax rate of 24%.

Please refer to Section 2.5.1 of this announcement for further details on the Bukit Raja Land.

2.3.2 Wonderland Purchase Consideration

The Wonderland Purchase Consideration was arrived at on a willing-buyer willing-seller basis after taking into consideration, amongst others, the following:-

(i) the unaudited net liabilities of Wonderland as at 31 March 2021 of RM0.37 million;

(ii) the unaudited NBV of existing structure erected on the Jalan Alor Land (which are to be demolished in due course to make way for the development of the Jalan Alor Project) ("**Existing Structures**") of RM2.27 million;

(iii) the net valuation surplus for the Jalan Alor Land, being:-

(a) the difference between the unaudited NBV of the Jalan Alor Land as at 31 March 2021 and the market value of the Jalan Alor Land as appraised by the Valuer; and

(b) after adjusting for the corresponding estimated deferred taxation arising from the revaluation of the Jalan Alor Land; and

(iv) the rationale and benefits of the Proposed Acquisition of Wonderland as set out in Section 4 of this announcement.

For illustrative purposes, the revalued net asset value of Wonderland ("**Wonderland RNAV**") as at 31 March 2021 after adjusting for the net revaluation surplus arising from the revaluation of the Jalan Alor Land is as follows:-

	Based on the market value of the Jalan Alor Land of RM23.00 million RM'000
Unaudited NA of Wonderland as at 31 March 2021	(370)
Less: Net book value of the Existing Structures	(2,269)
Add: Revaluation surplus[(1)]	10,470
Less: Deferred taxation arising from the revaluation[(2)]	(2,513)
Wonderland RNAV	**5,318**

Notes:-

(1) In conjunction with the Proposed Acquisition of Wonderland, the Company has appointed the Valuer to undertake a valuation exercise on the Jalan Alor Land. The revaluation surplus was derived from a valuation exercise conducted by the Valuer for the purposes of the Proposed Acquisition of Wonderland and will not be incorporated into the financial statements of Wonderland.

The revaluation surplus of the Jalan Alor Land is calculated as follows:-

Jalan Alor Land	**Market value RM'000**	**Unaudited NBV RM'000**	**Revaluation surplus RM'000**
As is basis (excluding the Existing Structures)	23,000	12,530	10,470

(2) Based on the corporate income tax rate of 24%.

Please refer to Section 2.6.1 of this announcement for further details on the Jalan Alor Land.

2.4 Basis of determining and justification for the issue price of the Consideration Shares and Settlement Shares

The issue price of RM0.19 per Consideration Share and Settlement Share was agreed upon between the Company, the Stack Builder Vendor and the Wonderland Vendors immediately prior to the execution of the Stack Builder HOA and Wonderland HOA after taking into consideration that it represents:-

(i) a discount of 3.01% to the 5-day volume-weighted average market price ("**VWAP**") of OCR Shares of RM0.1959 up to and including 8 July 2021, being the last trading day before the date of the Stack Builder HOA and Wonderland HOA ("**LTD**"); and

(ii) a discount of 7.86% to the 1-month VWAP of OCR Shares of RM0.2062 up to and including the LTD.

Notwithstanding the above, the settlement of the Stack Builder Purchase Consideration, Wonderland Purchase Consideration and Wonderland Advances via the issuance of Consideration Shares and Settlement Shares allows the Company and its subsidiaries ("**OCR Group**" or the "**Group**") to conserve its cash as well as put the Group on a stronger financial footing to facilitate its existing property development and construction projects and day-to-day working capital.

For information, the issue price of RM0.19 per Consideration Share and Settlement Share represents a premium of 20.94% to the 5-day VWAP of OCR Shares up to the LPD of RM0.1571.

2.5 Background information on Stack Builder

Stack Builder was incorporated in Malaysia on 30 October 2018 under the Companies Act, 2016 ("**Act**") as a private limited company. Stack Builder is principally involved in property development.

Stack Builder currently owns the Bukit Raja Land as its sole major asset. The Bukit Raja Land is being planned to be developed into the Rumah Selangorku Project.

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2.5.1 Information on the Bukit Raja Land

As at the LPD, details of the Bukit Raja Land are set out below:-

Description	:	A parcel of converted mixed-use development land
Location	:	Persiaran Mokhtar Dahari, Kayangan Heights, Seksyen U9, Shah Alam, Selangor
Title particulars	:	Lot 96079, PN 114156, Mukim Bukit Raja, District of Petaling, State of Selangor Darul Ehsan
Registered owner	:	Stack Builder
Land area	:	109,000 sqm
Tenure	:	Leasehold term of 99 years, expiring on 15 January 2113
Category of land use	:	Building
Express condition	:	Residential and commercial building
Restriction in interest	:	The land cannot be transferred, leased or mortgaged without the consent of the State Authority
Encumbrances	:	Charged to United Overseas Bank (Malaysia) Bhd
Current use	:	Vacant
Market value	:	RM80.00 million (if the Development Order has been obtained) or RM76.60 million (if the condition precedent for Stack Builder to obtain the Development Order is mutually waived by OCR and the Stack Builder Vendor by the Unconditional Date) based on the valuation report prepared by the Valuer (date of valuation: 30 June 2021)
Audited NBV	:	RM68.1 million (as at 31 March 2020)

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The location of the Bukit Raja Land is illustrated below:-





2.5.2 Information on the Rumah Selangorku Project

The Rumah Selangorku Project comprises the proposed development of 2,892 units of affordable housing together with 60 units of retail lots under the Rumah Selangorku scheme to be developed over 4 phases as set out below:-

Phase	Description	Land area (sqm)
Phase 1	• 1,059 units of affordable housing together with 20 retail lots	26,143
	• Sewage treatment plant	9,996
Phase 2	• 926 units of affordable housing together with 20 retail lots	22,946
Phase 3	• 907 units of affordable housing together with 20 retail lots	30,594
Phase 4	• Commercial plot to be developed in the future	11,453
Others	• Surrender of road	7,851
Total land area		**108,983**



Based on the Rumah Selangorku scheme, the affordable housing units to be developed under the Rumah Selangorku Project are of the Type E category, which has a minimum built-up area of 900 sf and maximum selling price of RM250,000 unless otherwise required or approved by the relevant authorities.

The estimated gross development value ("**GDV**") of the Rumah Selangorku Project is approximately RM750 million.

The construction of the Rumah Selangorku Project has yet to commence as it is currently pending the Development Order to be obtained from the Shah Alam City Council. The submission plan for the Development Order has been submitted to the Shah Alam City Council on 5 February 2021 and is currently pending approval as at the LPD. The Development Order is expected to be obtained by the first quarter of 2022.

The construction of the Rumah Selangorku Project is expected to commence immediately upon the Development Order being obtained and is expected to be completed in stages over a period of 5 years.

The Rumah Selangorku Project is located in Seksyen U9, Shah Alam, a strategic location that offers connectivity to two main highways, namely the Shah Alam – Batu Arang Highway and Guthrie Corridor Expressway (GCE).

The Rumah Selangorku Project is also located near neighbouring schemes such as Cahaya SPK, Kayangan Heights, Sunway Kayangan, and Subang Impiana. The adjacent township. Namely Cahaya SPK, is sprawled over 500 acres and offers a diverse mix of residential units such as bungalow lots, linked semi-detached houses, semi-detached houses, superlink houses and town villas as well as supporting commercial properties / shop-lots and amenities such as schools, etc.

In terms of accessibility, the Rumah Selangorku Project has wide exposure along Persiaran Mokhtar Dahari and has a proposed direct access from the main frontage road of Persiaran Mokhtar Dahari. Future accessibility and connectivity to the locality will be further enhanced when the proposed Damansara – Shah Alam Elevated Expressway (DASH) is completed.

2.6 Background information on Wonderland

Wonderland was incorporated in Malaysia on 15 July 2011 under the Companies Act, 1965 and deemed incorporated under the Act as a private limited company. Wonderland is principally involved in property investment activities.

Wonderland currently owns the Jalan Alor Land as its sole major asset. The Jalan Alor Land is being planned to be developed into the Jalan Alor Project.

2.6.1 Information on the Jalan Alor Land

As at the LPD, details of the Jalan Alor Land are set out below:-

Description	:	A parcel of redevelopment land
Location	:	Fronts onto Jalan Rembia; off Jalan Alor in Bukit Bintang, Kuala Lumpur
Title particulars	:	Lot 442, Section 19, Geran 35394, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur
Registered owner	:	Wonderland
Land area	:	1,336 sqm
Tenure	:	Freehold
Category of land use	:	Not stated
Express condition	:	Subject to the conditions and agreements expressed or implied in Lease for Agricultural Land No. 1303 in perpetuity in and to such restrictions in interest expressed therein and shown by memorial hereon, and to such registered interests as are shown by memorial hereon
Restriction in interest	:	Not stated
Encumbrances	:	Charged to Hong Leong Bank Berhad
Current use	:	The Jalan Alor Land presently accommodates an almost unoccupied temporary single-storey structure used as commercial retail kiosks known as “Alor Backspace”.
Market value	:	RM23.00 million based on the valuation report prepared by the Valuer (date of valuation: 30 June 2021)
Audited NBV	:	RM14.8 million (as at 31 October 2020)

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The location of the Jalan Alor Land is illustrated below:-



2.6.2 Information on the Jalan Alor Project

The Jalan Alor Project comprises the proposed development of 8 units of stratified retail lots and 120 units of SOHO units within a 10-storey SOHO building as set out below:-

Type of units	No. of storey	No. of units	Net floor area (sqm)	Gross floor area (sqm)
SOHO	9	120	5,945	8,936
Retail lots	1	8	552	1,135
Total area			**6,497**	**10,071**



The Jalan Alor Project is located within an area zoned as “Major Commercial” with a permitted plot ratio of 1 : 7.50 unless otherwise required or approved by the relevant authorities.

Conditional approval for the Jalan Alor Project has been granted by the Kuala Lumpur City Hall via its letter dated 31 May 2021. The construction of the Jalan Alor Project is expected to commence in 2022 and is expected to be completed by 2025.

The estimated GDV of the Jalan Alor Project is RM105.9 million.

The Jalan Alor Project fronts onto Jalan Rembia, off Jalan Alor and is served by various existing serviced roads, namely Changkat Bukit Bintang, Jalan Sahabat, Tengkat Tong Shin, Jalan Tong Shin and Jalan Bukit Bintang, all of which are well-connected and can easily lead towards the Jalan Alor Project. The Jalan Alor Project is easily accessible from various parts of the Kuala Lumpur city centre via the main arterial roads of Jalan Raja Chulan, Jalan Sultan Ismail, Jalan Bukit Bintang, Jalan Imbi and Jalan Pudu.

The Jalan Alor Project is centrally located within the Golden Triangle of Kuala Lumpur and is within the vicinity of various infrastructure together with networks of roads including, amongst others, the Federal Highway, Stormwater Management and Road Tunnel (SMART Tunnel), Ampang – Kuala Lumpur Elevated Highway (AKLEH), Kuala Lumpur Middle Ring Road 2 (MRR2) and Duta – Ulu Kelang Expressway (DUKE). This provides the Jalan Alor Project with connectivity to the surrounding established neighbourhoods.

Strategically located within Bukit Bintang, the Jalan Alor Project forms part of Kuala Lumpur’s bustling shopping and entertainment district, characterised by the famous stretch of Bintang Walk, Jalan Alor, Pavilion Kuala Lumpur, Elite Pavilion Mall, The Starhill, Fahrenheit88, Lot 10 Shopping Centre, Sungei Wang Plaza, Plaza Lowyat and Berjaya Times Square.

Properties located within the immediate vicinity of the Jalan Alor Project consist of predominantly properties related to commercial usages in nature i.e. pre-war shops, terraced shophouses / offices, boutique / branded international class hotels, purpose-built office buildings and shopping complexes, complemented by apartment / condominium / serviced residence developments.

Popular shopping complexes located nearby include, amongst others, Pavilion Kuala Lumpur, Elite Pavilion Mall, The Starhill, Fahrenheit88, Lot 10 Shopping Centre, Sungei Wang Plaza, Plaza Lowyat and Berjaya Times Square.

High-rise office buildings located nearby include, amongst others, Maybank Tower, Plaza See Hoy Chan, Menara AIMS, Wisma New Asia, Menara PMI, Menara Boustead, Menara AIA Sentral, Wisma Chuang (formerly known as Central Plaza), Wisma CHUBB (Wisma Jerneh) and Plaza Berjaya.

Prominent boutique / branded international and business class hotels located nearby include, amongst others, Swiss-Garden Hotel, citizenM, Travelodge Bukit Bintang, Hotel Istana, WOLO Kuala Lumpur, ANSA Hotel, Grand Millennium, JW Marriott Hotel, The Westin and The Ritz-Carlton.

Apartment / condominium / serviced residence developments located nearby include, amongst others, The Robertson Residence, Wisma City Tower, Mutiara Villa (Bukit Bintang), Angkasa Impian 1 & 2, City Gardens Condominium, Menara Bukit Ceylon, Laman Ceylon, 6 Ceylon, Regency Tower, Verticas Residensi, Lanson Place Bukit Ceylon Serviced Residences and Suasana Bukit Ceylon.

The Kuala Lumpur City Centre (KLCC) development is located approximately 1.3 kilometres due north-east of the Jalan Alor Project. KLCC is a comprehensive integrated real estate development comprising commercial and residential developments around the perimeter of the entire site with a centrally positioned 20-hectare (50 acres) public park with tropical landscaping known as the KLCC Park. Completed developments within KLCC include the Petronas Twin Towers, Suria KLCC, Menara Maxis, Menara ExxonMobil, Mandarin Oriental Hotel, Traders Hotel, KLCC Convention Centre and the luxury residential development of "The Binjai on the Park".

Noteworthy upcoming mega integrated mixed-developments nearby that are currently taking place include the Merdeka 118, Bukit Bintang City Centre (BBCC) and the Tun Razak Exchange (TRX), located approximately 870 metres due south-west, 570 metres due south and 1.2 kilometres due south-east respectively of the Jalan Alor Project.

Other notable landmarks located nearby include the premises of the Kuala Lumpur Contingent Police Headquarters, Chinese Hill Maternity Hospital, Tung Shin Hospital, Victoria Institution, Stadium Negara, Stadium Merdeka, KL Forest Eco Park and Kuala Lumpur Tower.

Public transportation in the form of Mass Rapid Transit (MRT), monorails, buses, taxis and e-hailing rides are readily available within the vicinity, with the Bukit Bintang MRT station, Bukit Bintang Monorail station and Imbi Monorail station located within short-walking distance from the Jalan Alor Project.

2.7 Salient terms of the agreements in relation to the Proposed Acquisitions and Settlement

2.7.1 Salient terms of the Revised Stack Builder SSA

2.7.1.1 Sale and purchase of the Stack Builder shares

Subject to and upon the terms and conditions contained in the Revised Stack Builder SSA, Ong Kah Hoe, as legal and beneficial owner, shall sell, and OCR shall purchase, 50 ordinary shares in Stack Builder ("**Stack Builder Shares**") from Ong Kah Hoe ("**Stack Builder Sale Shares**") on a willing buyer and willing seller basis.

The Stack Builder Sale Shares are sold:-

(a) free from all encumbrances and with full legal and beneficial title; and

(b) with all rights attaching thereto (including all dividends and distributions, whether declared or undeclared, in respect thereof) with effect from the date of the Revised Stack Builder SSA.

2.7.1.2 Purchase consideration

(i) Stack Builder Purchase Consideration

If, on the Stack Builder Unconditional Date, the Development Order has been obtained by Stack Builder, the purchase consideration shall be **RM3,534,775** only, subject to and upon the terms and conditions contained in Revised Stack Builder SSA.

(ii) Adjustment

The Stack Builder Purchase Consideration is determined based on the Stack Builder RNAV after taking into consideration the unaudited NA value of Stack Builder as at 31 March 2021 and the net revaluation surplus to be derived based on the market value of the Bukit Raja Land of RM80,000,000.00 (with the assumption that the Development Order is obtained) as ascribed by the valuer appointed by OCR in its valuation report in accordance with the following formula:-

Stack Builder Purchase Consideration	=	Stack Builder RNAV as at 31 March 2021	x	50%

Hence, prior to completion of the Revised Stack Builder SSA, the Stack Builder Purchase Consideration shall be subject to adjustment as follows:-

(a) The Stack Builder Vendor shall procure Stack Builder and Stack Builder shall, within 15 business days after the Stack Builder Unconditional Date, produce and deliver to OCR the management accounts of Stack Builder for the financial year ended ("**FYE**") 31 March 2021 which has been subjected to a limited review, covering at least the audit procedures as set out in the Revised Stack Builder SSA, by the external auditors of OCR, together with the accompanying limited review report by the said auditors ("**Stack Builder Completion Accounts**") and such other necessary documents to determine the NA value of Stack Builder as at the date of the Stack Builder Completion Accounts ("**Stack Builder Completion Accounts Date**");

(b) subject to performance of the obligations set out in (a) above, OCR and the Stack Builder Vendor shall, within 20 business days after the Stack Builder Unconditional Date, determine the Stack Builder RNAV as at the Stack Builder Completion Accounts Date based on the Stack Builder Completion Accounts ("**Completion Stack Builder RNAV**") taking into account the NA value of Stack Builder as at the Stack Builder Completion Accounts Date as well as the revaluation surplus on the Bukit Raja Land based on the NBV of the Bukit Raja Land as at the Stack Builder Completion Accounts Date, the market value of the Bukit Raja Land and deferred taxation arising from the said revaluation;

(c) in the event that OCR and the Stack Builder Vendor are unable to agree on the Completion Stack Builder RNAV, OCR and the Stack Builder Vendor shall immediately appoint an independent firm of auditors to review the Stack Builder Completion Accounts and in the absence of any manifest error in the Stack Builder Completion Accounts, the said independent firm of auditors shall determine the Completion Stack Builder RNAV within 25 business days after the Stack Builder Unconditional Date. The said independent firm of auditors shall act as experts and not as arbitrators and their report shall, in the absence of manifest error, be final, conclusive and binding on the parties.

(d) if the Completion Stack Builder RNAV deviates by more than 5% from the Stack Builder RNAV as at 31 March 2021, the Stack Builder Purchase Consideration shall be adjusted accordingly based on the following formula:-

Adjusted Stack Builder Purchase Consideration	=	Completion Stack Builder RNAV	x	50%

(e) in the event that the Completion Stack Builder RNAV is less than the Stack Builder RNAV and deviates by more than 5% from the Stack Builder RNAV, OCR shall be entitled to demand from the Stack Builder Vendor the differential sum (based on their respective percentage of Sale Shares) between the Adjusted Stack Builder Purchase Consideration and the Stack Builder Purchase Consideration in cash; and

(f) in the event that the Completion Stack Builder RNAV is more than the Stack Builder RNAV and deviates by more than 5% from the Stack Builder RNAV, the Stack Builder Vendor shall be entitled to demand from OCR the differential sum between the Adjusted Stack Builder Purchase Consideration and the Stack Builder Purchase Consideration in cash.

2.7.1.3 Mode of payment

The Stack Builder Purchase Consideration shall be fully settled by OCR to the Stack Builder Vendor by way of issuance of the Consideration Shares upon the completion of the Revised Stack Builder SSA.

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2.7.1.4 Conditions precedent

The Revised Stack Builder SSA shall be conditional upon the following being obtained and/or fulfilled within the date falling 3 months after the date of the Revised Stack Builder SSA (or such other date as may be agreed upon by the parties to the Revised Stack Builder SSA) ("**Stack Builder Cut-Off Date**") by the Stack Builder Vendor and/or OCR (where applicable):-

By OCR

(i) the approval of the shareholders of OCR in a general meeting to authorise OCR to enter into the Revised Stack Builder SSA and complete the purchase of the Stack Builder Sale Shares as contemplated under the Revised Stack Builder SSA;

(ii) the approval from Bursa Securities for the listing and quotation of the Consideration Shares on the Main Market of Bursa Securities being obtained by OCR;

(iii) OCR being satisfied with the outcome of legal and financial due diligence on Stack Builder;

By the Stack Builder Vendor (for and on behalf of Stack Builder)

(iv) the written consent from financial institution(s) providing existing banking facilities to Stack Builder for, amongst others, the change of shareholdings in Stack Builder pursuant to the Revised Stack Builder SSA and discharge of the Stack Builder Vendor as guarantor for the existing banking facilities granted in favour of Stack Builder;

(v) the Development Order being issued by Shah Alam City Council and obtained by the Company for Rumah Selangorku Project;

By OCR and the Stack Builder Vendor

(vi) such other waivers, consents or approvals as may be required (or deemed necessary by OCR and the Stack Builder Vendor) from any third party (including financial institution) or governmental, regulatory body or relevant authorities having jurisdiction over any part of the transactions contemplated under the Revised Stack Builder SSA.

2.7.1.5 Unconditional Date

(i) Subject to paragraph (ii) below, the Revised Stack Builder SSA shall become unconditional on the day upon which all the conditions precedent set out in Section 2.7.1.4(i) to (vi) above have been fulfilled or mutually waived by the parties to the Revised Stack Builder SSA in accordance with the Revised Stack Builder SSA and to the extent permissible under the laws of Malaysia.

(ii) The Company and the Stack Builder Vendor may mutually agree to waive the condition precedent set out in Section 2.7.1.4(v). In the event that the condition precedent set out in Section 2.7.1.4(v) is mutually waived by the Company and the Stack Builder Vendor, the Stack Builder Purchase Consideration shall be revised to RM2,242,776 only in accordance with the formula which is contained in Section 2.7.1.2 above based on the market value of Bukit Raja Land of RM76,600,000.00 (with the assumption that the Development Order is not obtained) and be subject to such adjustment prior completion of the Revised Stack Builder SSA.

2.7.1.6 Termination

If:-

(i) on the expiry of the Stack Builder Cut-Off Date, any of the conditions precedent set out in Section 2.7.1.4 above have not been fulfilled; or

(ii) at any time prior to the expiry of the Stack Builder Cut-Off Date, any of the conditions precedent set out in Section 2.7.1.4 above shall have been granted subject to terms and conditions which are not acceptable to any of OCR and the Stack Builder Vendor, being terms and conditions which affect any or part of the transactions contemplated under the Revised Stack Builder SSA or any of the rights or interests of OCR and the Stack Builder Vendor, and further appeals to the relevant authorities or persons to vary such terms and conditions have not been successful and/or OCR or the Stack Builder Vendor are not willing to accept such terms and conditions then imposed by the relevant authorities or persons,

then either of OCR or the Stack Builder Vendor shall be entitled to terminate the Revised Stack Builder SSA by giving a written notice of termination to that effect to the other party and upon termination thereof, OCR and the Stack Builder Vendor shall not have any further rights under the Revised Stack Builder SSA except in respect of:-

(a) any obligation under the Revised Stack Builder SSA which is expressed to apply after the termination of the Revised Stack Builder SSA; and

(b) any rights or obligations which have accrued in respect of any breach of any of the provisions of the Revised Stack Builder SSA to either OCR or the Stack Builder Vendor prior to such termination.

2.7.2 Salient terms of the Revised Stack Builder SHA

2.7.2.1 Conditions precedent

(i) the Revised Stack Builder SHA is conditional upon the completion of the Revised Stack Builder SSA;

(ii) if the condition precedent above is not fulfilled on or before the date which falls within 6 months from the date of the Revised Stack Builder SHA (or such other date as the parties to the Revised Stack Builder SHA may mutually agree in writing) for whatsoever reasons, any party shall have the right to terminate the Revised Stack Builder SHA by serving a written termination notice to the other party;

(iii) the Revised Stack Builder SHA shall become unconditional and effective on the date falling on the day on which the condition precedent in Section 2.7.2.1 (i) above is fulfilled ("**Effective Date**").

2.7.2.2 Pre-emption rights

(i) None of the shareholders of Stack Builder shall, sell, dispose or transfer (including any assignment, charge, mortgage, pledge or any act or disposition which may vest any rights in or over the Stack Builder Shares to any other party) any of its Stack Builder Shares unless and until the rights of pre-emption hereinafter conferred shall have been exhausted:-

(a) Any shareholder of Stack Builder who desires to transfer all (but not part, unless otherwise mutually agreed by the shareholders) of its Stack Builder Shares ("**Selling Shareholder**") shall notify Stack Builder in writing of such desire ("**Transfer Notice**") and deliver to Stack Builder the following:-

(aa) duly executed power of attorney in the form substantially set out in the Revised Stack Builder SHA or such other form acceptable to Stack Builder;

(bb) share certificates in respect of the Stack Builder Shares; and

(cc) duly executed form of transfer of securities as prescribed under the Act.

The Transfer Notice shall constitute Stack Builder as the Selling Shareholders' agent for the sale of the Stack Builder Shares specified therein ("**Sale Shares**") to the remaining shareholders of Stack Builder at a price as may be determined by the Selling Shareholder in the Transfer Notice ("**Offer Price**"). A Transfer Notice shall contain the Offer Price and a provision that the offer for sale is in respect of all the Sale Shares and not part thereof.

(b) Upon receipt of the Transfer Notice, Stack Builder shall promptly offer to the other shareholders of Stack Builder ("**Offeree Shareholders**") in writing the Sale Shares in proportion to their then shareholdings in Stack Builder. If there is only 1 Offeree Shareholder, all the Sale Shares shall be offered to him. Each Offeree Shareholder shall within 14 days of the date of despatch of the notice (which date shall be specified therein) ("**Offer Period**") intimate in writing whether or not the offer is accepted by it, failing which the offer shall deem to have lapsed. The Offeree Shareholder(s) shall accept all and not part of the Sale Shares which are offered to him.

(c) Upon acceptance by the Offeree Shareholder(s) within the Offer Period ("**Transferee Shareholder(s)**"), Stack Builder shall within 3 thereafter notify the Selling Shareholder in writing ("**Acceptance Notice**").

(d) If any of the Offeree Shareholders does not accept the offer by Stack Builder ("**Rejecting Shareholders**"), Stack Builder shall make a further offer in writing offering the Sale Shares which were not accepted by the Rejecting Shareholders at the Offer Price ("**Rejected Shares**") to the Transferee Shareholder(s) in proportion to the Transferee Shareholder(s)' then existing shareholding in Stack Builder (that is, excluding any Sale Shares accepted by the Transferee Shareholder). If there is only 1 Transferee Shareholder, all the Rejected Shares shall be offered to him. The Transferee Shareholder(s) shall accept all and not part of the Rejected Shares which are offered to him. Upon receipt of the purchase consideration for the Sale Shares and/or Rejected Shares, Stack Builder shall effect the transfer of the Sale Shares and/or the Rejected Shares to the Transferee Shareholder(s). The purchase shall be completed at the registered office of Stack Builder within 14 days after the date of the Acceptance Notice ("**Purchase Completion Period**"). For the avoidance of doubt, the failure of any Transferee Shareholder to accept the Rejected Shares which are offered to him will not:-

(aa) prevent or delay the transfer of the portion of the Sale Shares which was offered to and accepted by him pursuant to Section 2.7.2.2(i)(b) above;

(bb) prevent or delay the transfer of the relevant portions of the Sale Shares and/or Rejected Shares, as the case may be, which were offered to and accepted by the other Transferee Shareholders pursuant to Sections 2.7.2.2(i)(b) above and this Section 2.7.2.2(i)(d); and

(cc) discharge the Selling Shareholder from its obligations to transfer the relevant portions of the Sale Shares and/or the Rejected Shares, as the case may be, accepted by the Transferee Shareholder(s).

If there is only 1 Offeree Shareholder and he does not accept the Sale Shares offered to him under Section 2.7.2.2(i)(b) above, the Sale Shares shall be deemed to be Rejected Shares and the Selling Shareholder shall be entitled to offer the Rejected Shares to any bona fide third party in accordance with Section 2.7.2.2(i)(e) below.

(e) If any of the Rejected Shares are not accepted by the Transferee Shareholder(s) within the Offer Period, then the Selling Shareholder shall be entitled for a period of 45 days after the expiry of the Offer Period to transfer or dispose of such Rejected Shares to any bona fide third party at a price not less than the Offer Price and on terms not more favourable.

(f) The Selling Shareholder shall procure that upon transfer of the Sale Shares and/or the Rejected Shares in accordance with Section 2.7.2.2(i)(d) above, any Directors of Stack Builder appointed by the Selling Shareholder to the Board of Directors of Stack Builder pursuant to the Revised Stack Builder SHA shall immediately resign without any claims or recourse against Stack Builder.

(g) All stamp duties and registration fees payable for the transfer under this Section 2.7.2.2 shall be borne by the purchaser of the Sale Shares.

(h) Upon the Selling Shareholder's failure to transfer the Sale Shares to the purchaser at the time and place specified, the Board of Directors of Stack Builder shall appoint one of the Directors of Stack Builder to exercise the power of attorney granted by the Selling Shareholder pursuant to Section 2.7.2.2(i)(a) to complete and deliver, in the name and on behalf of the Selling Shareholder, the transfer of the Sale Shares to the purchaser thereof against full payment of the price to Stack Builder. Stack Builder shall forthwith pay the purchase consideration into a separate bank account in Stack Builder's name and shall hold such purchase consideration in trust for the Selling Shareholder.

(i) It shall be the condition of the transfer of any Stack Builder Share that prior to the delivery and registration of such transfer, the transferee thereof (if not a party to the Revised Stack Builder SHA) shall execute a deed of adherence in the form set out in the Revised Stack Builder SHA under which such party shall agree to be bound and shall be entitled to the benefit of the Revised Stack Builder SHA as though such transferee were an original shareholder of Stack Builder.

(ii) The provisions of Section 2.7.2.2(i) above shall not apply in respect of the sale, disposal or transfer by any shareholder of Stack Builder of all or any of its Stack Builder Shares to its related corporation subject to the prior written consent of the other shareholders of Stack Builder and the said related corporation shall execute a deed of adherence in the form set out in the Revised Stack Builder SHA.

2.7.2.3 Default

(i) If:-

(a) any of the shareholders of Stack Builder shall commit a material breach of the Revised Stack Builder SHA ("**Defaulting Party**"), which is incapable of being remedied or being capable of remedy is not remedied within 30 days from the date on which notice requiring it to do so shall have been given to it by any of the other shareholders; or

(b) an order is made or an effective resolution is passed for the reconstruction and amalgamation of any of the Defaulting Party under the Act or any other similar action or proceeding under any other law; or

(c) an order is made or an effective resolution is passed for winding up or dissolution of any of the Defaulting Party; or

(d) a receiver, receiver and manager, official manager, provisional liquidator, liquidator, or the like official is appointed over the whole or a substantial part of the undertaking or property of any of the Defaulting Party; or

(e) a holder of an encumbrance takes possession of the whole or any substantial part of the undertaking and property of any of the Defaulting Party; or

(f) the Defaulting Party fails to diligently perform its obligations as set out in the Revised Stack Builder SHA; or

(g) the Defaulting Party, without any reason acceptable by the other party suspends performance of all or any of its obligations under the Revised Stack Builder SHA;

((a) to (g) above are collectively referred to as "**Events of Default**");

then any of the other shareholders ("**Non-Defaulting Parties**") may (in addition to seeking contractual damages or other remedies permitted by law in the case of a breach of the Revised Stack Builder SHA) within 1 month from the date the Event of Default first came to its or their knowledge ("**Option Period**") by notice in writing either require the Defaulting Party to tender its Stack Builder Shares for sale to the Non-Defaulting Parties in proportion to their then shareholding in Stack Builder ("**Call Option**") and on receipt of such notice the Defaulting Party shall be deemed to have given a Transfer Notice under the provisions of Section 2.7.2.2(i) above.

The terms and conditions on which the Stack Builder Shares are to be offered and transferred and the method of transfer will be ascertained in accordance with Section 2.7.2.2(i) above and the Constitution of Stack Builder.

If the Non-Defaulting Party does not tender such notice within the Option Period, it shall be deemed to have waived its rights in respect of the Call Option.

Notwithstanding Section 2.7.2.2(i)(g) above, all incurred cost for the transfer of the Stack Builder Shares including but not limited to stamp duties shall be borne by the Defaulting Party.

(ii) If the Non-Defaulting Party elects to exercise its right under Section 2.7.2.3(i) above, the Defaulting Party shall be bound to transfer its Stack Builder Shares in accordance with the provisions of the Revised Stack Builder SHA and the Constitution of Stack Builder and if the Defaulting Party shall fail to do so, each Non-Defaulting Party is hereby irrevocably authorised to complete and deliver in the name and on behalf of the Defaulting Party, the transfer of the Stack Builder Shares which the Non-Defaulting Party would be entitled to purchase upon a Transfer Notice being given under the provisions of Section 2.7.2.2(i) above and against payment of the price to the Defaulting Party, the purchase price per Stack Builder Share of which shall be the Fair Market Value(1) per Stack Builder Share.

Note:-

(1) *"Fair Market Value" means the fair value of the Stack Builder Shares as mutually agreed by all parties to the Revised Stack Builder SHA or determined by an independent appraiser who is a member of Malaysian Institute of Accountants (MIA) or Malaysian Institute of Certified Public Accountants (MICPA), his appointment thereof being mutually agreed by the shareholders of Stack Builder.*

On payment of the purchase price to the Defaulting Party, the Non-Defaulting Party shall be deemed to have obtained a good discharge for such payment and on execution and delivery of the transfer, the transferees shall be entitled to insist upon their names being entered in the Register of Members pursuant to Section 51 of the Act, of Stack Builder as the holders of the Stack Builder Shares concerned. If the Defaulting Party does not accept payment of the purchase price, a Non-Defaulting Party may pay the purchase price into a separate bank account to be held in trust for the Defaulting Party.

(iii) If the Defaulting Party fails to remedy a breach within the required notice period, then for so long as the Defaulting Party remains in breach and notwithstanding to the contrary of the Revised Stack Builder SHA:-

(a) the Defaulting Party shall forfeit its right to vote on all matters requiring the decision of the shareholders of Stack Builder in a general meeting;

(b) all Directors of Stack Builder appointed by the Defaulting Party shall be deemed to have resigned from the Board of Directors of Stack Builder so as to forfeit their right to vote on all matters requiring the decision of the Board of Directors of Stack Builder; and

(c) the Defaulting Party shall lose all its rights and powers under the Revised Stack Builder SHA, but shall remain bound and shall continue to comply with all of its obligations under the Revised Stack Builder SHA.

2.7.2.4 Termination

(i) The Revised Stack Builder SHA shall come into force and effect as from the date of Revised Stack Builder SHA and shall continue in full force and effect until the first occurrence of any of the following events:-

(a) the termination of Revised Stack Builder SHA by the consent of all the shareholders of Stack Builder; or

(b) the winding up of Stack Builder;

provided that any such termination shall be without prejudice to the other provisions of the Revised Stack Builder SHA.

(ii) Upon the termination of the Revised Stack Builder SHA for any reason whatsoever the obligations of the shareholders of Stack Builder shall cease provided always however that such termination shall not release any shareholder from any liability which at any time of such termination has already accrued to the other shareholder or shareholders or which may accrue thereafter in respect of any act omission or breach prior to such termination.

(iii) Without prejudice to Section 2.7.2.3 above, upon transfer by any shareholder of the entirety of its Stack Builder Shares, such shareholder shall be released from all of its obligations under the Revised Stack Builder SHA other than the obligations which have accrued prior to the completion of such transfer.

2.7.3 Salient terms of the Wonderland SSA

2.7.3.1 Sale and purchase of the Wonderland shares

Subject to and upon the terms and conditions contained in the Wonderland SSA, the Wonderland Vendors, as legal and beneficial owner, shall sell, and OCR shall purchase, 2,000,000 ordinary shares in Wonderland ("**Wonderland Shares**") ("**Wonderland Sale Shares**") on a willing buyer and willing seller basis.

The Wonderland Sale Shares are sold:-

(a) free from all encumbrances and with full legal and beneficial title; and

(b) with all rights attaching thereto (including all dividends and distributions, whether declared or undeclared, in respect thereof) with effect from the date of the Wonderland SSA.

2.7.3.2 Purchase consideration

(i) Wonderland Purchase Consideration

The Wonderland Purchase Consideration shall be RM5,318,273 only.

(ii) Adjustment

The Wonderland Purchase Consideration is determined based on the Wonderland RNAV after taking into consideration the unaudited NA value of Wonderland as at 31 March 2021 and the net revaluation surplus to be derived based on the market value of the Jalan Alor Land of RM23,000,000 as ascribed by the valuer appointed by OCR in its valuation report.

Hence, prior to completion of the Wonderland SSA, the Wonderland Purchase Consideration shall be subject to adjustment as follows:-

(a) the Wonderland Vendors shall procure Wonderland and Wonderland shall, within 15 business days after the date the Wonderland SSA turns unconditional ("**Wonderland Unconditional Date**"), produce and deliver to OCR the management accounts of Wonderland for the period beginning from 1 November 2020, being the date immediately after the last financial year end date of Wonderland, up to 31 March 2021 which has been subjected to a limited review, covering at least the audit procedures as set out in the Wonderland SSA, by the external auditors of OCR, together with the accompanying limited review report by the said auditors ("**Wonderland Completion Accounts**") and such other necessary documents to determine the NA value of Wonderland as at the date of the Wonderland Completion Accounts ("**Wonderland Completion Accounts Date**");

(b) subject to performance of the obligations set out in (a) above, OCR and the Wonderland Vendors shall, within 20 business days after the Wonderland Unconditional Date, determine the Wonderland RNAV as at the Wonderland Completion Accounts Date based on the Wonderland Completion Accounts ("**Completion Wonderland RNAV**") taking into account the NA value of Wonderland as at the Wonderland Completion Accounts Date as well as the revaluation surplus on the Jalan Alor Land based on the NBV of the Jalan Alor Land as at the Wonderland Completion Accounts Date, the market value of the Jalan Alor Land and deferred taxation arising from the said revaluation;

(c) in the event that OCR and the Wonderland Vendors are unable to agree on the Completion Wonderland RNAV, OCR and the Wonderland Vendors shall immediately appoint an independent firm of auditors to review the Wonderland Completion Accounts and in the absence of any manifest error in the Wonderland Completion Accounts, the said independent firm of auditors shall determine the Completion Wonderland RNAV within 25 business days after the Wonderland Unconditional Date. The said independent firm of auditors shall act as experts and not as arbitrators and their report shall, in the absence of manifest error, be final, conclusive and binding on the parties.

(d) if the Completion Wonderland RNAV deviates by more than 5% from the Wonderland RNAV as at 31 March 2021, the Wonderland Purchase Consideration shall be adjusted accordingly based on the following formula:-

$$\text{Adjusted Wonderland Purchase Consideration} = \text{Completion Wonderland RNAV}$$

(e) in the event that the Completion Wonderland RNAV is less than the Wonderland RNAV and deviates by more than 5% from the Wonderland RNAV, OCR shall be entitled to demand from the Wonderland Vendors the differential sum between the Adjusted Wonderland Purchase Consideration and the Wonderland Purchase Consideration in cash and/or by set-off against the amount of debt owing to the Wonderland Vendors to be settled pursuant to the Proposed Settlement of Wonderland Advances, in such manner to be decided by OCR; and

(f) in the event that the Completion Wonderland RNAV is more than the Wonderland RNAV and deviates by more than 5% from the Wonderland RNAV, the Wonderland Vendors shall be entitled to demand from OCR the differential sum between the Adjusted Wonderland Purchase Consideration and the Wonderland Purchase Consideration in cash.

2.7.3.3 Mode of payment

The Wonderland Purchase Consideration shall be fully settled by OCR to the Wonderland Vendors by way of issuance of the Consideration Shares upon the completion of the Wonderland SSA.

2.7.3.4 Conditions precedent

The Wonderland SSA shall be conditional upon the following being obtained and/or fulfilled within the date falling 3 months* after the date of the Wonderland SSA (or such other date as may be agreed upon by the parties to the Wonderland SSA) ("**Wonderland Cut-Off Date**") by the Wonderland Vendors and/or OCR (where applicable):-

* *Both the Company and the Wonderland Vendors had on 5 October 2021 entered into the Wonderland Supplemental Agreement to extend the Wonderland Cut-Off Date to a date falling 3 months after the date of the Wonderland Supplemental Agreement.*

By OCR

(i) the approval of the shareholders of OCR in a general meeting to authorise OCR to enter into the Wonderland SSA and complete the purchase of the Wonderland Sale Shares as contemplated under the Wonderland SSA;

(ii) the approval from Bursa Securities for the listing and quotation of the Consideration Shares on the Main Market of Bursa Securities being obtained by OCR;

(iii) OCR being satisfied with the outcome of legal and financial due diligence on Wonderland;

By the Wonderland Vendors (for and on behalf of Wonderland)

(iv) the written consent from Hong Leong Bank Berhad for, amongst others, the change of shareholdings in Wonderland pursuant to the Wonderland SSA, settlement of the advances from the shareholders of Wonderland and change of the existing guarantors;

By OCR and Wonderland

(v) all conditions precedent in the Wonderland Settlement Agreement (save for the condition precedent relating to fulfilment of conditions precedents in the Wonderland SSA) have been fulfilled and/or waived in accordance with the terms and conditions of the Wonderland Settlement Agreement; and

(vi) such other waivers, consents or approvals as may be required (or deemed necessary by OCR and the Wonderland Vendors) from any third party (including financial institution) or governmental, regulatory body or relevant authorities having jurisdiction over any part of the transactions contemplated under the Wonderland SSA.

The Wonderland SSA shall become unconditional on the day upon which all the conditions precedent set out in (i) to (vi) above have been fulfilled or mutually waived by the parties to the Wonderland SSA in accordance with the Wonderland SSA and to the extent permissible under the laws of Malaysia.

2.7.3.5 Termination

If:-

(i) on the expiry of the Wonderland Cut-Off Date, any of the conditions precedent set out in Section 2.7.3.4 above have not been fulfilled; or

(ii) at any time prior to the expiry of the Wonderland Cut-Off Date, any of the conditions precedent set out in Section 2.7.3.4 above shall have been granted subject to terms and conditions which are not acceptable to any of OCR and the Wonderland Vendors, being terms and conditions which affect any or part of the transactions contemplated under the Wonderland SSA or any of the rights or interests of OCR and the Wonderland Vendors, and further appeals to the relevant authorities or persons to vary such terms and conditions have not been successful and/or OCR or the Wonderland Vendors is not willing to accept such terms and conditions then imposed by the relevant authorities or persons,

then either of OCR or the Wonderland Vendors shall be entitled to terminate the Wonderland SSA by giving a written notice of termination to that effect to the other party and upon termination thereof, OCR and the Wonderland Vendors shall not have any further rights under the Wonderland SSA except in respect of:-

(a) any obligation under the Wonderland SSA which is expressed to apply after the termination of the Wonderland SSA; and

(b) any rights or obligations which have accrued in respect of any breach of any of the provisions of the Wonderland SSA to either OCR or the Wonderland Vendors prior to such termination.

2.7.4 Salient terms of the Wonderland Settlement Agreement

2.7.4.1 Wonderland Advances

In conjunction with the Proposed Acquisition of Wonderland, OCR has agreed to settle the Wonderland Advances for and on behalf of Wonderland via issuance of 51,861,647 Settlement Shares to the Wonderland Vendors in the respective proportions as set out in Section 2.2.3 of this announcement.

2.7.4.2 Conditions precedent

The obligations of the parties that are set out in the Wonderland Settlement Agreement are conditional upon the following conditions precedent being fulfilled or obtained within 3 months from the date of the Wonderland Settlement Agreement or such other extended period as the parties may mutually agree in writing ("**Wonderland Conditional Period**"):-

(i) the approval from Bursa Securities for the listing and quotation of the Settlement Shares on the Main Market of Bursa Securities being obtained by OCR;

(ii) the approval from shareholders of OCR at a general meeting for OCR to undertake the Proposed Settlement of Wonderland Advances being obtained by OCR;

(iii) such other waivers, consents or approvals as may be required from any third party (including financial institution) or governmental, regulatory body or relevant authorities having jurisdiction over any part of the transactions contemplated under the Wonderland Settlement Agreement being obtained by the respective parties, if applicable; and

(iv) all the conditions precedent in the Wonderland SSA (save for the condition precedent relating to fulfilment of conditions precedent in the Wonderland Settlement Agreement) being fulfilled or waived in accordance with the terms and conditions of the Wonderland SSA.

The Wonderland Settlement Agreement shall become unconditional on the day upon which all the conditions precedent set out in (i) to (iv) above have been fulfilled or mutually waived by the parties to the Wonderland Settlement Agreement in accordance with the Wonderland Settlement Agreement and to the extent permissible under the laws of Malaysia.

2.7.4.3 Scheme of settlement

(i) The Parties hereby agree that the Proposed Acquisition of Wonderland and the Proposed Settlement of Wonderland Advances shall be completed simultaneously. Therefore, OCR shall, simultaneously upon allotment and issuance of the Consideration Shares to the Wonderland Vendors, allot and issue the Settlement Shares to such CDS account as notified in writing by the Wonderland Vendors to OCR.

(ii) The parties to the Wonderland Settlement Agreement hereby agree that the scheme of settlement contemplated herein shall be deemed to be completed upon crediting of Settlement Shares into the CDS Account. Notwithstanding anything in the Wonderland Settlement Agreement, the Wonderland Vendors may set off the Settlement Shares against any differential sum which the Wonderland Vendors is required to pay to OCR under Section 2.7.3.2(ii)(e) above.

(iii) Upon completion of the scheme of settlement contemplated herein, the Wonderland Vendors shall release and discharge Wonderland and OCR from all liability, claims or demands of whatever nature or form at law or in equity in respect of the Wonderland Advances including but not limited to any expenses that may have been incurred by the Wonderland Vendors in respect thereof but shall not include discharge of liability, claims or demands of whatever nature or form at law or in equity in respect of other advances by the Wonderland Vendors to Wonderland other than the Wonderland Advances.

2.7.4.4 Termination

(i) If:-

(a) on the expiry of the Wonderland Conditional Period, any of the conditions precedent set out in Section 2.7.4.2 above have not been fulfilled; or

(b) at any time prior to the expiry of the Wonderland Conditional Period, any of the conditions precedent set out in Section 2.7.4.2 above shall have been granted subject to terms and conditions which are not acceptable to any of the parties, being terms and conditions which affect any or part of the transactions contemplated under the Wonderland Settlement Agreement or any of the rights or interests of the parties, and further appeals to the relevant authorities or persons to vary such terms and conditions have not been successful and/or the said party is not willing to accept such terms and conditions then imposed by the relevant authorities or persons,

then either of the parties shall be entitled to terminate the Wonderland Settlement Agreement by giving a written notice of termination to that effect to the other party and upon termination thereof, the parties shall not have any further rights under the Wonderland Settlement Agreement except in respect of:-

(aa) any obligation under the Wonderland Settlement Agreement which is expressed to apply after the termination of the Wonderland Settlement Agreement; and

(bb) any rights or obligations which have accrued in respect of any breach of any of the provisions of the Wonderland Settlement Agreement to either party prior to such termination.

(ii) The Wonderland Settlement Agreement may be terminated:-

(a) by the non-defaulting party in the event of a breach by a defaulting party of any of its representations and warranties or any other obligations under the Wonderland Settlement Agreement and the non-defaulting party has not agreed in writing to waive such breach; and

(b) by any party in the event that the Proposed Acquisition of Wonderland is terminated and/or expired and/or not completed for whatsoever reasons.

Upon the termination of the Wonderland Settlement Agreement, each party shall not be further liable to the other party for any obligations provided herein save for antecedent breaches and that the Wonderland Advances shall become due and payable by Wonderland to the Wonderland Vendors.

2.7.5 Salient terms of the Wonderland Supplemental Agreement

2.7.5.1 Variation to the Wonderland SSA and the Wonderland Settlement Agreement

Notwithstanding the terms and conditions of the Wonderland SSA and the Wonderland Settlement Agreement, the Company, Wonderland and the Wonderland Vendors hereby agree to extend the Wonderland Cut-Off Date to a date falling within 3 months from the date of the Wonderland Supplemental Agreement, or such other period to be mutually agreed by both parties.

2.7.5.2 The Wonderland SSA and the Wonderland Settlement Agreement still subsisting

The Wonderland Supplemental Agreement shall be construed as one with the Wonderland SSA and the Wonderland Settlement Agreement accordingly, without prejudice to the generality of the foregoing. The term "Agreement" in the Wonderland SSA and the Wonderland Settlement Agreement, and all references to Agreement howsoever expressed, in all other instruments and agreement executed thereunder or pursuant thereto shall, for all purposes, refer to the Wonderland SSA and the Wonderland Settlement Agreement as varied, modified and supplemented by the Wonderland Supplemental Agreement.

2.8 Ranking of the Consideration Shares and Settlement Shares

The Consideration Shares and Settlement Shares shall, upon issuance and allotment, rank equally in all respects with the then existing issued Shares.

2.9 Listing of the Consideration Shares and Settlement Shares

The Consideration Shares and Settlement Shares to be issued will be listed on the Main Market of Bursa Securities.

2.10 Liabilities to be assumed

Save for the liabilities stated in the statements of financial position of Stack Builder and Wonderland, which will be consolidated into the financial statements of the Company following completion of the Proposed Acquisition of Stack Builder and Proposed Acquisition of Wonderland, the Company will not assume any other liabilities, including contingent liabilities and guarantees, pursuant to the Proposed Acquisition of Stack Builder and Proposed Acquisition of Wonderland.

2.11 Additional financial commitment

The Company does not foresee any additional financial commitment required to put the assets of Stack Builder and Wonderland on-stream immediately after completion of the Proposed Acquisition of Stack Builder and Proposed Acquisition of Wonderland.

2.12 Original cost and date of investment

2.12.1 Stack Builder

The original cost and date of investment in Stack Builder by the Stack Builder Vendor are as follows:-

Vendor	Date of investment	No. of shares acquired / transferred	Consideration RM
Ong Kah Hoe	7 December 2018	50	50

2.12.2 Wonderland

The original cost and date of investment in Wonderland by the Wonderland Vendors are as follows:-

Vendors	Date of investment	No. of shares acquired / transferred	Consideration RM
Ong Kah Hoe	03 August 2011	1	1
	04 May 2012	39,999	39,999
	17 August 2012	80,000	80,000
	15 May 2013	480,000	480,000
	25 November 2019	325,000	325,000
	24 December 2019	75,000	75,000
Low Kin Kok	04 May 2012	17,500	17,500
	17 August 2012	35,000	35,000
	15 May 2013	210,000	210,000
	25 November 2019	175,000	175,000
Chong Tze-Ban	03 August 2011	1	1
	04 May 2012	24,999	24,999
	17 August 2012	50,000	50,000
	15 May 2013	300,000	300,000
	24 December 2019	(75,000)	(75,000)
Low Kien Poh	04 May 2012	17,500	17,500
	17 August 2012	35,000	35,000
	15 May 2013	210,000	210,000
Total		**2,000,000**	**2,000,000**

2.13 Implication of Rules on Take-overs, Mergers and Compulsory Acquisitions

The Proposed Acquisitions and Settlement will not give rise to any consequences relating to a mandatory general offer obligation under the Rules on Take-overs, Mergers and Compulsory Acquisitions.

2.14 Public shareholding spread requirement

Pursuant to Paragraph 8.02(1) of the Listing Requirements, a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders.

The pro forma effects of the Proposed Acquisitions and Settlement on the public shareholding spread of the Company are as follows:-

	As at the LPD		After the Proposed Acquisitions and Settlement			
			Based on the Stack Builder Purchase Consideration of RM3,534,775[1]		Based on the Stack Builder Purchase Consideration of RM2,242,776[2]	
	No. of Shares	%	No. of Shares	%[3]	No. of Shares	%[4]
Issued share capital	589,386,605	100.00	687,843,242	100.00	681,043,247	100.00
Less: Directors, substantial shareholders and their associates	(105,546,100)	17.91	(169,241,761)	24.60	(162,441,766)	23.85
Public shareholding spread	**483,840,505**	**82.09**	**518,601,481**	**75.40**	**518,601,481**	**76.15**

Notes:-

(1) If the Development Order has been obtained by Stack Builder by the Cut-Off Date.

(2) If the condition precedent for Stack Builder to obtain the Development Order is mutually waived by OCR and the Stack Builder Vendor by the Unconditional Date.

(3) Based on the enlarged issued share capital of 687,843,242 Shares pursuant to the issuance of 46,594,990 Consideration Shares and 51,861,647 Settlement Shares.

(4) Based on the enlarged issued share capital of 681,043,247 Shares pursuant to the issuance of 39,794,995 Consideration Shares and 51,861,647 Settlement Shares.

Based on the above, the Proposed Acquisitions and Settlement are not expected to result in any breach in the public shareholding spread requirement by the Company.

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3. DETAILS OF THE PROPOSED PRIVATE PLACEMENT

3.1 Size of placement

The Proposed Private Placement involves the issuance of up to 206,352,000 new Shares, representing 30% of the enlarged total number of issued Shares, at an issue price to be determined later.

The actual number of Placement Shares to be issued pursuant to the Proposed Private Placement will depend on the total number of issued Shares at the relevant point in time.

It is the intention of the Company to complete the Proposed Acquisitions and Settlement prior to the implementation of the Proposed Private Placement.

As at the LPD, the Company has an issued share capital comprising 589,386,605 Shares as well as the following Convertible Securities:-

(i) 89,109,722 outstanding OCR warrants 2019 / 2022 ("**Warrants D**"), which have an exercise price of RM0.22 each and are expiring on 18 February 2022;

(ii) up to 88,407,900 ESOS Options which may be granted pursuant to the maximum allowable amount under the existing employees' share options scheme of the Company which took effect on 10 July 2020 for a period of 5 years ("**ESOS**") ("**ESOS Options**").

The Warrants D and ESOS Options are collectively referred to as the "**Convertible Securities**".

Based on the total number of 589,386,605 issued Shares as at the LPD and assuming:-

(i) none of the outstanding Convertible Securities as at the LPD are granted and/or exercised into new Shares (in view that the Warrants D are currently out-of-the-money given that the 5-day VWAP of the Shares up to and including the LPD is RM0.1571); and

(ii) the Proposed Acquisitions and Settlement have been completed with the issuance of 46,594,990(1) Consideration Shares and 51,861,647 Settlement Shares,

prior to the implementation of the Proposed Private Placement, the Company's enlarged share capital would comprise 687,843,242 issued Shares. Hence, the issuance of up to 206,352,000 Placement Shares under the Proposed Private Placement would represent 30% of such enlarged total number of issued Shares (after rounding down to the nearest 1,000 Shares).

Note:-

(1) Based on the Stack Builder Purchase Consideration of RM3,534,775 assuming the Development Order has been obtained by Stack Builder by the Cut-Off Date.

For information, in the event that the condition precedent for Stack Builder to obtain the Development Order is mutually waived by OCR and the Stack Builder Vendor by the Unconditional Date, the Stack Builder Purchase Consideration would be RM2,242,776, thus resulting in the issuance of 39,794,995 Consideration Shares and 51,861,647 Settlement Shares.

In turn, the Company's enlarged share capital would comprise 681,043,247 issued Shares upon completion of the Proposed Acquisitions and Settlement. Under this scenario, the Proposed Private Placement would entail the issuance of up to 204,312,000 Placement Shares, representing 30% of such enlarged total number of issued Shares (after rounding down to the nearest 1,000 Shares).

For avoidance of doubt, the Company does not hold any treasury shares as at the LPD.

For avoidance of doubt, any increase in the number of issued Shares arising from the granting and/or exercise of the Convertible Securities will not affect the maximum number of Placement Shares to be issued under the Proposed Private Placement.

The effects of the Proposed Private Placement are set out in Section 7 of this announcement.

3.2 Placement arrangement

The Placement Shares are intended to be placed to independent third-party investor(s) to be identified later. Such investor(s) shall qualify under Schedules 6 and 7 of the Capital Markets and Services Act, 2007. The Placement Shares are not intended to be placed to the following persons:-

(i) a director, major shareholder or chief executive of the Company or a holding company of the Company ("**Interested Person**");

(ii) a person connected with an Interested Person; or

(iii) nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

The Proposed Private Placement may be implemented in 1 or more tranches (as the placees may be identified and procured over a period of time rather than simultaneously) within a period of 6 months from the date of approval from Bursa Securities for the listing and quotation of the Placement Shares or any extended period as may be approved by Bursa Securities, subject to the prevailing market conditions.

3.3 Ranking of the Placement Shares

The Placement Shares shall, upon allotment, issuance and full payment of the issue price, rank equally in all respects with the existing issued Shares.

3.4 Listing of the Placement Shares

Subject to the approval of Bursa Securities being obtained, tThe Placement Shares to be issued will be listed on the Main Market of Bursa Securities.

3.5 Basis of determining and justification for the issue price of the Placement Shares

The Placement Shares will be issued based on a discount of not more than 10% to the 5-day VWAP of the Shares up to and including the last trading day immediately preceding the price-fixing date, to be determined by the Board after taking into consideration prevailing market conditions.

As the Proposed Private Placement may be implemented in several tranches within 6 months from the date of approval from Bursa Securities for the listing and quotation of the Placement Shares, there could potentially be several price-fixing dates and issue prices to be determined and fixed separately by the Board.

For illustrative purposes only, based on an illustrative issue price of RM0.1414 per Placement Share, the issue price of the Placement Shares would represent a discount of 9.99% to the 5-day VWAP of the Shares up to and including the LPD of RM0.1571 *(Source: Bloomberg)*.

3.6 Utilisation of proceeds

Based on an illustrative issue price of RM0.1414 per Placement Share and assuming full issuance of the 206,352,000 Placement Shares, the proceeds from the Proposed Private Placement are intended to be utilised by the Group in the following manner:-

Proposed utilisation of proceeds	Expected timeframe for utilisation from completion of the Proposed Private Placement	RM'000
(i) Funding for existing and future property development and construction projects	Within 24 months	27,478
(ii) Estimated expenses for the Proposals	Immediate	(1)1,700
Total		**(2)29,178**

Notes:-

(1) If the actual expenses incurred are higher than this budgeted amount, the deficit will be funded via the amount earmarked for funding for existing and future property development and construction projects. Conversely, any surplus of funds following payment of expenses will be utilised for funding for existing and future property development and construction projects, working capital and/or such other purposes as the Board may deem fit.

(2) Any additional proceeds raised in excess of this amount will be allocated towards funding for existing and future property development and construction projects. Conversely, if the proceeds raised are less than this amount, the amount earmarked for funding for existing and future property development and construction projects will be reduced accordingly.

Pending the utilisation of proceeds as and when they may be utilised, the unutilised proceeds shall be placed in interest-bearing deposits and/or money market financial instruments.

(i) Funding for existing and future property development and construction projects

The Group intends to utilise the proceeds to be raised from the Proposed Private Placement mainly to fund its existing and future property development and construction projects.

(a) Property development projects

For property development projects, the proceeds are expected to be utilised for, amongst others, payments to contractors, suppliers, consultants as well as payment to the relevant authorities.

The Group is involved in the following property development projects which are currently active as at the LPD:-

No.	Project name / location	Estimated GDV RM'million	Details	Percentage of completion as at the LPD (%)
1.	Isola @ KLCC, Kuala Lumpur	273.0	140 units of high-end condominium	64.0

No.	Project name / location	Estimated GDV RM'million	Details	Percentage of completion as at the LPD (%)
2.	PRIYA Kuantan, Pahang	166.0	Mixed development which includes commercial development and affordable housing	39.8
3.	The Mate, Damansara Jaya, Selangor	144.0	268 units of signature suites and 5 retail outlets	17.8
4.	Vertex Kuantan City Centre, Pahang	268.0	Mixed development includes 34 retail outlets and 2 blocks of serviced residence	-
5.	Tiara Bangi Homes, Bangi, Selangor	90.0	Residential properties	-

(b) Construction projects

For construction projects, the proceeds are expected to be utilised for, amongst others, payments to contractors, material costs, earthwork, piling works, site clearing, building and external works as well as payment to the relevant authorities.

As at the LPD, the Group is involved in the following construction project:-

No.	Project name / location	Contract value RM'million	Details	Percentage of completion as at the LPD (%)
1.	YOLO Signature Suites, Bandar Sunway, Selangor	159.6	Construction works for 41-storey commercial building comprising office units, shop lots, commercial space, gymnasium, swimming pool, car park and other ancillary facilities	29.0

The allocation of funding for the abovementioned property development and construction projects cannot be determined at this juncture as it will be determined over the progress of the respective projects based on their current status, the balance funding requirement at the relevant point in time as well as the availability and suitability of other funding options.

Any shortfall in the Group's funding requirement for the respective projects are expected to be met via progress billings / progressive sales billings to be received, internally generated funds, bank borrowings and/or future fund raising exercises to be undertaken (if required).

Notwithstanding the above, the Group may also utilise the proceeds to be raised from the Proposed Private Placement for other property development and construction projects to be undertaken by the Group in the future.

(ii) Estimated expenses for the Proposals

The breakdown of the estimated expenses for the Proposals is set out below:-

Expenses	Estimated amount RM'000
Professional fees(1)	1,580
Fees to relevant authorities	50
Printing, despatch and advertising expenses	40
Miscellaneous expenses and contingencies	30
Total	**1,700**

Note:-

(1) These include advisory fees payable to the Principal Adviser, management fees and placement commission payable to the Placement Agent for the management of the placement process and identification of the placees respectively as well as other professional fees payable to the company secretarial agent, share registrar, solicitors, reporting accountants and valuer in relation to the Proposals.

4. RATIONALE FOR THE PROPOSALS

4.1 Proposed Acquisitions and Settlement

The Proposed Acquisitions are in line with the Group's strategic objectives of continuously seeking acquisition opportunities of landbank and property development projects at strategic locations within the Klang Valley to further expand the property development business of the Group.

Stack Builder is principally involved in construction and development of building projects, and it currently owns the Bukit Raja Land as its sole major asset. Measuring 109,000 sqm, the Bukit Raja Land is being planned to be developed into the Rumah Selangorku Project comprising 2,892 units of affordable housing and 60 retail lots under the Rumah Selangorku scheme.

The Rumah Selangorku Project is situated at a strategic location which is near neighbouring schemes such as Cahaya SPK, Kayangan Heights, Sunway Kayangan, and Subang Impiana. It offers connectivity to two main highways, namely the Shah Alam - Batu Arang Highway and Guthrie Corridor Expressway (GCE). Future accessibility and connectivity to the locality will be further enhanced when the proposed Damansara - Shah Alam Elevated Expressway (DASH) is completed. The construction of the Rumah Selangorku Project is expected to commence immediately upon the Development Order being obtained, which is expected to be by the 1st quarter of 2022. Thereafter, the Rumah Selangorku Project is expected to be developed and launched in 4 phases over the next 5 years.

Wonderland is principally involved in property investment activities, and currently owns the Jalan Alor Land as its sole major asset. Measuring 1,336 sqm, the Jalan Alor Land is being planned to be developed into a 10-storey SOHO building development comprises of a level of stratified retail lots (8 units) and nine level of stratified SOHO units (120 units).

The Jalan Alor Project is a transit-oriented development centrally located within the Golden Triangle of Kuala Lumpur and is within the vicinity of various infrastructure together with networks of roads with connectivity to the surrounding established neighbourhoods. Properties located within the immediate vicinity of the Jalan Alor Project consist of predominantly properties related to commercial usages in nature, popular shopping complexes, high-rise office buildings, prominent boutique / branded international and business class hotels, apartment / condominium / serviced residence developments and the Kuala Lumpur City Centre (KLCC) development. Public transportation in the form of Mass Rapid Transit (MRT), monorails, buses, taxis and e-hailing rides are readily available within the vicinity, with the Bukit Bintang MRT station, Bukit Bintang Monorail station and Imbi Monorail station located within short-walking distance from the Jalan Alor Project. The construction of the Jalan Alor Project is expected to commence in 2022 and is expected to be completed by 2025.

Through the Proposed Acquisitions, the Group will be able to strengthen its future earnings base and enhance its future cash flow arising from the sales of the affordable housing units and retail lots under the Rumah Selangorku Project as well as the SOHO units and retail lots under the Jalan Alor Project.

As at 30 June 2021, the total GDV of the Group's existing property development projects is approximately RM583.0 million. Based on the estimated GDV of the Rumah Selangorku Project and the Jalan Alor Project of RM750.0 million and RM105.9 million respectively, the total GDV of the Group's property development projects is set to increase to about RM1.4 billion upon completion of the Proposed Acquisitions. Thus, the Proposed Acquisitions are expected to propel the Group's business growth and generate long term sustainable income moving forward.

The Proposed Settlement of Wonderland Advances allows the Group to reduce the liabilities of Wonderland upon it being consolidated into the Group's balance sheet pursuant to the Proposed Acquisitions.

For information, the Wonderland Advances were extended to Wonderland in the past mainly to fund the acquisition of the Jalan Alor Land back in December 2012, which was funded via a combination of bank borrowings and initial advances from the Wonderland Vendors (who are also the existing shareholders of Wonderland).

In addition, the Wonderland Advances were also utilised towards the monthly principal repayments and interest expenses in relation to the bank borrowings drawn down to part-finance the acquisition of the Jalan Alor Land.

It is also noted that the Wonderland Advances were provided interest-free and with no fixed terms of repayment.

The settlement of the Stack Builder Purchase Consideration, Wonderland Purchase Consideration and Wonderland Advances via the issuance of Consideration Shares and Settlement Shares allows the Group to conserve its cash as well as put the Group on a stronger financial footing to facilitate its existing property development and construction projects as well as day-to-day working capital. Meanwhile, resorting to bank borrowings as funding for the Proposed Acquisitions and Settlement would result in interest expenses as well as higher gearing which in turn would reduce the Group's capacity to undertake project financing for its projects.

4.2 Proposed Private Placement

As detailed in Section 3.6 of this announcement, the proceeds to be raised from the Proposed Private Placement are intended to be utilised mainly for funding for existing and future property development and construction projects. In turn, these projects are expected to contribute positively to the future earnings of the Group.

After due consideration of the various methods of fund raising, the Board is of the opinion that the Proposed Private Placement is the most appropriate avenue of fund raising at this juncture as it would enable the Group to raise additional funds expeditiously without incurring additional interest or service principal repayments for bank borrowings, thereby allowing the Company to preserve its cash flow.

On the other hand, other fund-raising exercises such as a rights issue may not be suitable as it will involve a cash call from existing Shareholders. Moreover, it will also require the Company to identify certain Shareholders to provide irrevocable undertakings to subscribe for a minimum number of rights shares or, alternatively, procure underwriting arrangements (which will incur additional cost), in order to achieve a minimum subscription level. In addition, a rights issue exercise is likely to take a longer time to complete as compared to a private placement exercise.

Upon completion of the Proposed Private Placement, the enlarged capital base is also expected to further strengthen the financial position of the Company.

Save for the following, the Company has not undertaken any other equity fund-raising exercises in the past 12 months preceding the date of this announcement:-

(i) Private Placement 20%

On 18 May 2021, the Company completed a private placement exercise which involved the issuance of 101,850,000 new Shares (representing approximately 20% of the then existing total number of issued Shares prior to the Private Placement 20%) and raised a total of RM21.88 million.

The said proceeds have been utilised as follows:-

Utilisation of proceeds	Timeframe for utilisation	Actual proceeds raised RM'000	Amount utilised as at the LPD RM'000	Balance unutilised RM'000
(i) Funding for existing and future property development and construction projects	Within 24 months from the receipt of placement proceeds	21,845	(1)17,295	4,550
(ii) Expenses for the Private Placement 20%	Upon completion of the Private Placement 20%	35	35	-
Total		**21,880**	**17,330**	**4,550**

Note:-

(1) The proceeds have been utilised for several projects namely Isola @ KLCC, PRIYA Kuantan, The Mate, Vertex Kuantan City Centre and YOLO Signature Suites.

(ii) Share Issuance

On 3 November 2020, the Company completed a share issuance exercise which involved the issuance of 98,600,000 new Shares (representing approximately 30% of the then existing total number of issued Shares prior to the Share Issuance) and raised a total of RM24.22 million.

The said proceeds have been utilised as follows:-

Utilisation of proceeds	Expected timeframe for utilisation	Actual proceeds raised RM'000	Amount utilised as at the LPD RM'000	Balance unutilised RM'000
(i) Funding for existing and future property development and construction projects	Within 24 months from the receipt of issuance funds	23,569	[(1)]23,569	-
(ii) Expenses for the Share Issuance	Immediate	650	650	-
Total		**24,219**	**24,219**	**-**

Note:-

(1) The proceeds have been utilised for several projects namely Isola @ KLCC, PRIYA Kuantan, The Mate, Vertex Kuantan City Centre and YOLO Signature Suites.

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5. INDUSTRY OVERVIEW AND PROSPECTS

5.1 Malaysian economy

The Malaysian economy registered a smaller decline of 0.5% in the first quarter (fourth quarter of ("**4Q**") 2020: -3.4%). The growth performance was supported mainly by the improvement in domestic demand and robust exports performance, particularly for electrical and electronic ("**E&E**") products. Growth was also supported by the continued policy measures. The imposition of the Second Movement Control Order ("**MCO**") ("**MCO 2.0**") and the continued closure of international borders and restrictions on inter-state travel, however, weighed on economic activity. Nevertheless, as restrictions were eased in February and March, economic activity gradually picked up.

All economic sectors registered an improvement, particularly in the manufacturing sector. On the expenditure side, growth was driven by better private sector spending and strong growth in trade activity. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a growth of 2.7% (4Q 2020: -1.5%).

Despite the recent re-imposition of containment measures, the impact on growth would be less severe than that experienced in 2020, as almost all economic sectors are allowed to operate. Overall, the growth recovery will benefit from better global demand, increased public and private sector expenditure as well as continued policy support. This will also be reflected in the recovery in labour market conditions, especially in the gradual improvement in hiring activity. Higher production from existing and new manufacturing facilities, particularly in the E&E and primary-related subsectors, as well as oil and gas facilities will provide further impetus to growth. The roll-out of the domestic Coronavirus disease 2019 ("**COVID-19**") vaccine programme will also lift sentiments and contribute towards recovery in economic activity. Nevertheless, the pace of recovery will be uneven across economic sectors.

The balance of risks remains tilted to the downside, arising mainly from ongoing uncertainties in developments related to the pandemic, and continued challenges that affect the roll-out of vaccines both globally and domestically.

*(Source: Economic and Financial Developments in the Malaysian Economy in the First Quarter of 2021, Bank Negara Malaysia ("**BNM**"))*

Reinforced by the reopening of the economy in phases, growth is expected to improve gradually during the second half of the year, cushioning the significant contraction in the first half. Thus, Malaysia's gross domestic product is expected to contract by 4.5% in 2020 (2019: expanded by 4.3%), before rebounding between 6.5% and 7.5% in 2021.

(Source: Economic Outlook 2021, Ministry of Finance Malaysia)

Overall, Malaysia's gross domestic product growth contracted by 5.6% in 2020 (2019: expanded by 4.3%).

(Source: Annual Report 2020, BNM)

5.2 Construction industry in Malaysia

The construction sector registered a strong positive growth of 40.3% (in the second quarter ("**2Q**") of 2021) (1Q 2021: -10.4%). Growth was supported by the continuation of construction works in large infrastructure projects and on-going implementation of small-scale projects under the 2021 Budget, PEMERKASA and PEMERKASA+ stimulus packages. However, on a seasonally adjusted, quarter-on-quarter basis, construction growth declined by 3.2%. Activity was disrupted by the restrictions under Phase 1 of the FMCO, where only essential construction projects were allowed to operate, albeit at a reduced capacity.

(Source: Quarterly Bulletin 2Q 2021, BNM, 13 August 2021)

The construction sector contracted by 25.9% in the first half of 2020 and is expected to shrink by 11.8% in the second half with all segments declining significantly. At the same time, prolonged property overhangs continue to weigh down the performance of the sector. However, civil engineering and specialised construction activities subsectors are expected to improve gradually, cushioned by various measures under the economic stimulus packages. Overall, for the year, the sector is projected to contract by 18.7%.

The construction sector is expected to rebound by 13.9% in 2021 on account of the acceleration and revival of major infrastructure projects, coupled with affordable housing projects. The civil engineering subsector will continue to be the main driver of the construction sector. Among the major infrastructure projects include Mass Rapid Transit 2 (MRT2), Light Rail Transit 3 (LRT3), West Coast Expressway (WCE) and Bayan Lepas Light Rail Transit (LRT) as well as Pan Borneo and Coastal Highways in Sarawak. Utility projects include the Langat 2 Water Treatment Plant, Baleh Hydroelectric Dam and Sarawak Water Supply Grid Programme (Phase 1).

The residential subsector is anticipated to improve, supported by various measures taken by the Government to address the property overhang situation. Among the measures include the extension of Home Ownership Campaign ("**HOC**"), exemption of real property gains tax ("**RPGT**"), the introduction of rent-to-own scheme as well as reduction of foreign ownership threshold. The performance of the non-residential subsector is expected to recover marginally, supported by on-going commercial projects, including Bukit Bintang City Centre, Cyberjaya City Centre, Forest City and Malaysia Vision Valley 2.0.

(Source: Economic Outlook 2021, Ministry of Finance Malaysia)

5.3 Property market in Malaysia

The property market performance recorded a significant decline in 2020 compared to 2019. A total of 295,968 transactions worth RM119.08 billion were recorded, showing a decrease of 9.9% in volume and 15.8% in value compared to 2019, which recorded 328,647 transactions worth RM141.40 billion.

Volume of transactions across the sub-sectors contracted sharply in 2020. The residential, commercial, industrial, agriculture and development land sub-sectors recorded contraction of 8.6%, 21.0%, 24.0%, 10.7% and 2.6% respectively.

In terms of value of transactions, residential, commercial, industrial and development land sub-sectors recorded sharp decline of 9.0%, 32.6%, 14.0% and 34.0% respectively, whereas agriculture recorded otherwise, increased by 0.6%.

The residential sub-sector led the overall property market, with 64.7% contribution in volume. This was followed by agriculture (20.7%), commercial (6.8%), development land and others (6.2%) and industrial (1.6%). In terms of value, residential took the lead with 55.3% share, followed by commercial (16.4%), industrial (10.7%), agriculture (10.5%) and development land and others (7.1%).

Based on the current prolonged COVID-19 pandemic and the foreseeable impact on the overall economy, the property market performance is expected to remain cautious and soft in 2021.

Nevertheless, the government has introduced Prihatin Rakyat Economic Stimulus Package (PRIHATIN) and Short-term Economic Recovery Plan (PENJANA) in 2020 as well as Budget 2021 to help cushion the impact on property market.

For PRIHATIN, the financial initiatives introduced by the government which have helped soften the impact on property market included:

1. An automatic six-month loan moratorium for individual borrowers and small and medium enterprises (SME) from 1 April 2020 ending on 30 September 2020.

2. The Overnight Policy Rate (OPR) cut with a cumulative 125 basis points in 2020 would help lower the borrowing cost; thus, lower the monthly repayment amount.

For PENJANA, a recovery plan which is related to property included:

1. Reintroduction of Home Ownership Campaign (HOC) - Stamp duty exemption on the instruments of transfer and loan agreement for the purchase of residential homes priced between RM300,000 to RM2.5 million subject to at least 10% discounts provided by the developer. The exemption on the instrument of transfer is limited to the first RM1 million of the home price while full stamp duty exemption is given on loan agreement effective for sales and purchase agreements signed between 1st June 2020 to 31st May 2021.

2. RPGT exemption for disposal of residential homes from 1st June 2020 to 31st December 2021 (This exemption is limited to the disposal of three (3) units of residential homes per individual).

3. The uplifting of the current 70 percent margin of financing limit applicable for the third housing loan onwards for property valued at RM600,000 and above, during the period of the HOC, subject to internal risk management practices of financial institutions.

On the infrastructure development front, the government has allocated RM15 billion to fund the Pan Borneo Highway, Gemas-Johor Bahru Electrified Double-tracking Project and Klang Valley Double Tracking Project Phase 1 under Budget 2021. In addition, several key projects will be continued such as Rapid Transit System (RTS) Link from Johor Bharu to Woodlands, Singapore and MRT 3 in Klang Valley.

The residential market is expected to see a slow uptick in the second half of year 2021. The focus would remain on affordable segment. Government has allocated a total of RM1.2 billion fund for providing comfortable and quality housing, especially for the low-income group, under Budget 2021 which include:

1. RM500 million to build 14,000 units low cost housing under Program Perumahan Rakyat.

2. RM315 million for the construction of 3,000 units of Rumah Mesra Rakyat by Syarikat Perumahan Nasional Berhad.

3. RM125 million for the maintenance of low cost and medium-low stratified housing as well as assistance to repair dilapidated houses and those damaged by natural disasters; and

4. RM310 million for the Malaysia Civil Servants Housing Program (PPAM).

At the same time, various incentives are initiated by the government to promote home ownership, especially for first-time buyers, which include:

1. Full stamp duty exemption on instruments of transfer and loan agreement for first-time home buyers will be extended until 31 December 2025. This exception is effective for sale and purchase executed from 1 January 2021 to 31 December 2025.

2. Stamp Duty exemption on loan agreement and instruments of transfer given to rescuing contractors and the original house purchasers is extended for five years. This exemption is effective for loan agreements and instruments of transfer executed from 1 January 2021 to 31 December 2025 for abandoned housing projects certified by Ministry of Housing and Local Government (KPKT).

3. The Government will collaborate with selected financial institutions to provide a Rent-to-Own Scheme. The program will be implemented until 2022 involving 3,000 units PR1MA houses with a total value of more than RM1 billion.

2020 was a challenging year for the residential property but also for commercial sub-sector. The overall retail performance has been sluggish in past years and the situation was worsened in 2020 due to the pandemic. Giant exited Sarawak and Sabah market by transferring the stores to local players. Robinson Department Store permanently shut down its operations in Malaysia as two stores located at The Gardens Mall and Four Seasons Place closed down. The hotel industry was the worst hit in 2020. The closure of international borders, inter-district as well as interstate movements restriction in an effort to stem the spread of the virus, many hotels shuttered, amusement and theme parks closed while leisure travel ceased.

Retail, office and hotel property segments are expected to remain flat in the first half of 2021. The retail segment will continue facing stiff competition from online shopping platform as lifestyle changes. Apart from that, more new shopping malls are expected to complete and enter the retail market, which will lead to increasing competitive amongst the malls owners to attract tenants and shoppers. Neighbourhood malls that are occupied by shops providing essential products and services is likely to perform better and recover quicker compared to malls focusing on luxury offerings, whilst tourist-focused retail malls' performance will mainly depend on when the international borders to be open.

The office segment is forecasted to remain under pressure in 2021. As working from home is becoming a new norm, there is a likelihood of less demand for office space. This may lead to oversupply situation, high vacancy and further downward rental pressure. As a result, the affected office buildings may need resort to other possible options i.e. conversion to other usage such as higher learning institution, hostels, etc.

In the service apartment segment, the overhang and unsold under construction situation will remain an issue of concern in the property market in 2021 as the numbers continued to increase in 2020 and is not likely to be absorbed in the near future.

In conclusion, the property market performance in 2021 is much dependent on the country's economic and financial outlook. The availability and rolling out of Covid-19 vaccine throughout the country is seen as fundamental to deter any new wave of infection spread. This will help boost business confidence, household sentiments as well as the general economy, which will likely see a soft upturn in the property market in the second half of 2021.

(Source: Property Market Report 2020, Valuation and Property Services Department, Ministry of Finance Malaysia, 5 April 2021)

5.4 Prospects of Stack Builder

Stack Builder is principally involved in construction and development of building projects. It currently owns the Bukit Raja Land as its sole major asset.

The Bukit Raja Land is being planned to be developed into the Rumah Selangorku Project over 4 phases comprising 2,892 units of affordable housing under the Rumah Selangorku scheme with an additional 2% commercial facilities together with other supporting common facilities / amenities sited thereon along with a parcel of commercial plot having a plot ratio of 1:4.

The construction of the Rumah Selangorku Project has yet to commence as it is currently pending the Development Order to be obtained from the Shah Alam City Council. The submission plan for the Development Order has been submitted to the Shah Alam City Council on 5 February 2021 and is currently pending approval as at the LPD. The Development Order is expected to be obtained by the first quarter of 2022.

The construction of the Rumah Selangorku Project is expected to commence immediately upon the Development Order being obtained and is expected to be completed in stages over a period of 5 years.

The Rumah Selangorku Project is located in Seksyen U9, Shah Alam which is near neighbouring schemes such as Cahaya SPK, Kayangan Heights, Sunway Kayangan, and Subang Impiana. The Rumah Selangorku Project is situated at a strategic location that offers connectivity to two main highways, namely the Shah Alam - Batu Arang Highway and Guthrie Corridor Expressway (GCE). Future accessibility and connectivity to the locality will be further enhanced when the proposed Damansara - Shah Alam Elevated Expressway (DASH) is completed.

The estimated GDV of the Rumah Selangorku Project is RM750 million.

Further details of the Rumah Selangorku Project are set out in Section 2.5.2 of this announcement.

In light of the above, the Board believes that the Proposed Acquisition of Stack Builder will contribute positively to the earnings and cash flow of the Group in the future.

5.5 Prospects of Wonderland

Wonderland is principally involved in property investment activities. It currently owns the Jalan Alor Land as its sole major asset.

The Jalan Alor Land is being planned to be developed into a 10-storey SOHO building comprising a level of stratified retail lots (8 units) and 9 levels of stratified SOHO units (120 units).

Conditional approval for the Jalan Alor Project has been granted by the Kuala Lumpur City Hall via its letter dated 31 May 2021. The construction of the Jalan Alor Project is expected to commence in 2022 and is expected to be completed by 2025.

The Jalan Alor Project is centrally located within the Golden Triangle of Kuala Lumpur and is within the vicinity of various infrastructure together with networks of roads including, amongst others, the Federal Highway, Stormwater Management and Road Tunnel (SMART Tunnel), Ampang – Kuala Lumpur Elevated Highway (AKLEH), Kuala Lumpur Middle Ring Road 2 (MRR2) and Duta – Ulu Kelang Expressway (DUKE). This provides the Jalan Alor Project with connectivity to the surrounding established neighbourhoods.

Strategically located within Bukit Bintang, the Jalan Alor Project forms part of Kuala Lumpur's bustling shopping and entertainment district, characterised by the famous stretch of Bintang Walk, Jalan Alor, Pavilion Kuala Lumpur, Elite Pavilion Mall, The Starhill, Fahrenheit88, Lot 10 Shopping Centre, Sungei Wang Plaza, Plaza Lowyat and Berjaya Times Square.

Properties located within the immediate vicinity of the Jalan Alor Project consist of predominantly properties related to commercial usages in nature, popular shopping complexes, high-rise office buildings, prominent boutique / branded international and business class hotels, apartment / condominium / serviced residence developments and the Kuala Lumpur City Centre (KLCC) development.

Noteworthy upcoming mega integrated mixed-developments nearby that are currently taking place include the Merdeka 118, Bukit Bintang City Centre (BBCC) and the Tun Razak Exchange (TRX).

Public transportation in the form of Mass Rapid Transit (MRT), monorails, buses, taxis and e-hailing rides are readily available within the vicinity, with the Bukit Bintang MRT station, Bukit Bintang Monorail station and Imbi Monorail station located within short-walking distance from the Jalan Alor Project.

The estimated GDV of the Jalan Alor Project is RM105.9 million.

Further details of the Jalan Alor Project are set out in Section 2.6.2 of this announcement.

In light of the above, the Board believes that the Proposed Acquisition of Wonderland will contribute positively to the earnings and cash flow of the Group in the future.

5.6 Future prospects of the Group

The Group's existing property development projects include Isola at KLCC, The Mate at Damansara Jaya and PRIYA Kuantan. The total GDV of the Group's existing development projects is approximately RM583.0 million and the total unbilled sales are approximately RM204.0 million as at 30 June 2021.

In terms of the construction segment, the Group's YOLO Signature Suites registers a contract value of approximately RM159.6 million with a balance order book of approximately RM121.8 million as at 30 June 2021.

The nationwide lockdown has significantly affected the economy despite greater adaptability to restrictions and ongoing policy support from the government. In particular, the second wave of construction works suspension has greatly affected all players in the property development and construction sectors, be it suppliers or contractors.

In view of that, the Group has undertaken various initiatives to adapt to the situation and to ensure smooth delivery of projects, including improvising and taking a more proactive approach in terms of contractor management and adopting more efficient construction methods to speed-up progress once resumption of work is allowed.

Meanwhile, although sales have slowed down, the Group believes that momentum will pick-up again considering the gradual easing of restrictions and progress of the national vaccination programme, the recent reactivation of Malaysia My Second Home (MM2H) programme and the extension of the Home Ownership Campaign (HOC).

Notwithstanding the recent easing of economic and travel restrictions, the Group maintains a cautious stance on the immediate outlook on the overall property market but remains broadly optimistic on the mid-to-long term prospects.

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6. RISK FACTORS IN RELATION TO THE PROPOSED ACQUISITIONS AND SETTLEMENT

The Group is involved in the property development and construction industries. As such, the Group is already exposed to similar risks as those faced by Stack Builder and Wonderland. The potential risk factors relating to the Proposed Acquisitions and Settlement are as follows:-

6.1 Completion risk

There is a possibility that the Proposed Acquisitions and Settlement may not be completed due to failure in fulfilling the conditions precedent of the Revised Stack Builder SSA, Wonderland SSA and Wonderland Settlement Agreement as set out in Section 2.7 of this announcement within the timeframe prescribed therein. In the event that the fulfilment of conditions precedent is delayed, not met or waived, the completion of the Proposed Acquisitions and Settlement may be delayed or the respective agreements may lapse and the Company will not be able to complete the Proposed Acquisitions and Settlement.

Nevertheless, the Group endeavours to take reasonable steps to ensure that the conditions precedents are met within the stipulated timeframe and that every effort is made to obtain all necessary approvals in order to complete the Proposed Acquisitions and Settlement in a timely manner.

6.2 Business and operational risk

The Proposed Acquisitions and Settlement are subject to inherent risks in the property development industry, of which the Group is already involved in and will be addressed as part of the Group's ordinary course of business. Some of these risks may include, amongst others, adverse changes in real estate market prices, changes in economic, social and political condition (including the recent COVID-19 pandemic), fluctuations in the prices of building material and costs of labour charges, and performance of third-party sub-contractors. Any adverse changes in these conditions may have an adverse material effect on the property sector in Malaysia and the Group. The Group will adopt prudent management and efficient operating procedures to adapt to any negative changes in the property development industry. However, no assurance can be given that any changes in these factors will not have any material adverse effect on the Group's business and financial performance.

In addition, a prolonged decline in Malaysian economic conditions as a result of the recent COVID-19 pandemic as well as the MCO may affect the property market in Malaysia. There is no assurance that there will be no fallout in the property market as a result of a prolonged economic slowdown or that such fallout would not have an adverse impact to the Group's operations or financials.

6.3 Investment risk

Although the Proposed Acquisition of Stack Builder and Proposed Acquisition of Wonderland are expected to contribute positively to the future earnings of the Group as mentioned in Sections 5.4 and 5.5 of this announcement, there is no guarantee that the expected benefits from these proposals will materialise or that the Group would be able to generate sufficient returns from the development of the Rumah Selangorku Project and the Jalan Alor Project to offset the associated cost of investment.

Nevertheless, the Board has exercised due care in considering the potential risks and benefits associated with the Proposed Acquisition of Stack Builder and Proposed Acquisition of Wonderland and the Board believes that these proposals will be value accretive and synergistic to the enlarged Group after taking into consideration, amongst others, the prospects of Stack Builder and Wonderland.

7. EFFECTS OF THE PROPOSALS

7.1 Share capital

The pro forma effects of the Proposals on the issued share capital of the Company are as follows:-

Based on the Stack Builder Purchase Consideration of RM3,534,775(1)

	No. of Shares	Share capital RM
Issued share capital as at the LPD	589,386,605	193,685,010
Consideration Shares to be issued pursuant to the Proposed Acquisition of Stack Builder	18,604,079	(2)3,534,775
Consideration Shares to be issued pursuant to the Proposed Acquisition of Wonderland	27,990,911	(2)5,318,273
Settlement Shares to be issued pursuant to the Proposed Settlement of Wonderland Advances	51,861,647	(2)9,853,713
Issued share capital after the Proposed Acquisitions and Settlement	**687,843,242**	**212,391,771**
No. of Placement Shares to be issued pursuant to the Proposed Private Placement	206,352,000	(3)29,178,173
Issued share capital after the Proposals	**894,195,242**	**241,569,944**

Notes:-
(1) If the Development Order has been obtained by Stack Builder by the Unconditional Date.
(2) Based on the issue price of RM0.19 per Consideration Share / Settlement Share.
(3) Based on an illustrative issue price of RM0.1414 per Placement Share.

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Based on the Stack Builder Purchase Consideration of RM2,242,776[(1)]

	No. of Shares	Share capital RM
Issued share capital as at the LPD	589,386,605	193,685,010
Consideration Shares to be issued pursuant to the Proposed Acquisition of Stack Builder	11,804,084	[(2)]2,242,776
Consideration Shares to be issued pursuant to the Proposed Acquisition of Wonderland	27,990,911	[(2)]5,318,273
Settlement Shares to be issued pursuant to the Proposed Settlement of Wonderland Advances	51,861,647	[(2)]9,853,713
Issued share capital after the Proposed Acquisitions and Settlement	**681,043,247**	**211,099,772**
No. of Placement Shares to be issued pursuant to the Proposed Private Placement	204,312,000	[(3)]28,889,717
Issued share capital after the Proposals	**885,355,247**	**239,989,489**

Notes:-

(1) If the condition precedent for Stack Builder to obtain the Development Order is mutually waived by OCR and the Stack Builder Vendor by the Unconditional Date.

(2) Based on the issue price of RM0.19 per Consideration Share / Settlement Share.

(3) Based on an illustrative issue price of RM0.1414 per Placement Share.

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7.2 NA and gearing

The pro forma effects of the Proposals on the NA and gearing of the Group are as follows:-

Based on the Stack Builder Purchase Consideration of RM3,534,775[(1)]

	Audited as at 31 December 2020 RM'000	(I) After subsequent events[(2)] RM'000	(II) After (I) and the Proposed Acquisitions and Settlement[(3)] RM'000	(III) After (II) and the Proposed Private Placement[(4)] RM'000
Share capital	156,003	193,685	212,392	241,570
ICPS	15,802	-	-	-
Warrants reserve	890	890	890	890
Share option reserve	444	444	444	444
Accumulated losses	(23,418)	(23,418)	(23,418)	(25,118)
Shareholders' equity / NA	**149,721**	**171,601**	**190,308**	**217,786**
Non-controlling interest	(1,002)	(1,002)	3,676	3,676
Total equity	**148,719**	**170,599**	**193,984**	**221,462**
No. of Shares in issue ('000)	455,933	589,387	687,843	894,195
NA per Share (RM)	0.33	0.29	0.28	0.24
Total borrowings (RM'000)	87,309	87,309	123,195	123,195
Gearing (times)	0.59	0.51	0.64	0.56

Notes:-

(1) If the Development Order has been obtained by Stack Builder by the Unconditional Date.

(2) After accounting for the following:-

(i) issuance of 31,603,837 new Shares pursuant to the conversion of ICPS at the conversion price of RM0.50 each from 1 January 2021 up to the LPD; and

(ii) issuance of 50,000,000 and 51,850,000 new Shares at the issue price of RM0.2187 and RM0.2111 each respectively pursuant to the Private Placement 20%.

(3) After accounting for the issuance of 46,594,990 Consideration Shares and 51,861,647 Settlement Shares at the issue price of RM0.19 per Consideration Share / Settlement Share and the consolidation of Stack Builder and Wonderland's balance sheet upon completion of the Proposed Acquisitions and Settlement.

(4) After accounting for the issuance of 206,352,000 Placement Shares at an illustrative issue price of RM0.1414 per Placement Share and estimated expenses incidental to the Proposals of RM1.70 million.

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Based on the Stack Builder Purchase Consideration of RM2,242,776[(1)]

	Audited as at 31 December 2019 RM'000	(I) After subsequent events[(2)] RM'000	(II) After (I) and the Proposed Acquisitions and Settlement[(3)] RM'000	(III) After (II) and the Proposed Private Placement[(4)] RM'000
Share capital	156,003	193,685	211,100	239,989
ICPS	15,802	-	-	-
Warrants reserve	890	890	890	890
Share option reserve	444	444	444	444
Accumulated losses	(23,418)	(23,418)	(23,418)	(25,118)
Shareholders' equity / NA	**149,721**	**171,601**	189,016	216,205
Non-controlling interest	(1,002)	(1,002)	1,976	1,976
Total equity	**148,719**	**170,599**	**190,992**	**218,181**
No. of Shares in issue ('000)	455,933	589,387	681,043	885,355
NA per Share (RM)	0.33	0.29	0.28	0.24
Total borrowings (RM'000)	87,309	87,309	123,195	123,195
Gearing (times)	0.59	0.51	0.65	0.56

Notes:-

(1) If the condition precedent for Stack Builder to obtain the Development Order is mutually waived by OCR and the Stack Builder Vendor by the Unconditional Date.

(2) After accounting for the following:-

(i) issuance of 31,603,837 new Shares pursuant to the conversion of ICPS at the conversion price of RM0.50 each from 1 January 2021 up to the LPD;

(ii) issuance of 50,000,000 and 51,850,000 new Shares at the issue price of RM0.2187 and RM0.2111 each respectively pursuant to the Private Placement 20%.

(3) After accounting for the issuance of 39,794,995 Consideration Shares and 51,861,647 Settlement Shares at the issue price of RM0.19 per Consideration Share / Settlement Share and the consolidation of Stack Builder and Wonderland's balance sheet upon completion of the Proposed Acquisitions and Settlement.

(4) After accounting for the issuance of 204,312,000 Placement Shares at an illustrative issue price of RM0.1414 per Placement Share and estimated expenses incidental to the Proposals of RM1.70 million.

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7.3 Substantial shareholders' shareholdings

The pro forma effects of the Proposals on the substantial Shareholders' shareholdings in the Company based on the register of substantial Shareholders of the Company as at the LPD are as follows:-

Based on the Stack Builder Purchase Consideration of RM3,534,775[(1)]

Substantial Shareholders	As at the LPD				(I) After the Proposed Acquisitions and Settlement			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%[(2)]	No. of Shares	%[(2)]	No. of Shares	%[(3)]	No. of Shares	%[(3)]
Ace Credit (M) Sdn Bhd	39,424,700	6.69	-	-	39,424,700	5.73	-	-
OCR Land Holdings Sdn Bhd ("**OCR Land**")	31,215,000	5.30	-	-	31,215,000	4.54	-	-
Ong Kah Hoe	24,442,600	4.15	[(5)]41,678,800	7.07	88,138,261	12.81	[(5)]41,678,800	6.06

Substantial Shareholders	(II) After (I) and the Proposed Private Placement			
	Direct		Indirect	
	No. of Shares	%[(4)]	No. of Shares	%[(4)]
Ace Credit (M) Sdn Bhd	39,424,700	4.41	-	-
OCR Land	31,215,000	3.49	-	-
Ong Kah Hoe	88,138,261	9.86	[(5)]41,678,800	4.66

Notes:-

(1) If the Development Order has been obtained by Stack Builder by the Unconditional Date.

(2) Based on the issued share capital of 589,386,605 Shares as at the LPD.

(3) Based on the enlarged issued share capital of 687,843,242 Shares after the Proposed Acquisitions and Settlement.

(4) Based on the enlarged issued share capital of 894,195,242 Shares after the Proposed Private Placement.

(5) Deemed interested by virtue of his interest in OCR Land Holdings Sdn Bhd pursuant to Section 8 of the Act and his parents' and siblings' direct shareholdings in OCR.

Based on the Stack Builder Purchase Consideration of RM2,242,776[1]

Substantial Shareholders	As at the LPD				(I) After the Proposed Acquisitions and Settlement			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%[2]	No. of Shares	%[2]	No. of Shares	%[3]	No. of Shares	%[3]
Ace Credit (M) Sdn Bhd	39,424,700	6.69	-	-	39,424,700	5.79	-	-
OCR Land Holdings Sdn Bhd	31,215,000	5.30	-	-	31,215,000	4.58	-	-
Ong Kah Hoe	24,442,600	4.15	[5]41,678,800	7.07	81,338,266	11.94	[5]41,678,800	6.12

Substantial Shareholders	(II) After (I) and the Proposed Private Placement			
	Direct		Indirect	
	No. of Shares	%[4]	No. of Shares	%[4]
Ace Credit (M) Sdn Bhd	39,424,700	4.45	-	-
OCR Land Holdings Sdn Bhd	31,215,000	3.53	-	-
Ong Kah Hoe	81,338,266	9.19	[5]41,678,800	4.71

Notes:-

(1) if the condition precedent for Stack Builder to obtain the Development Order is mutually waived by OCR and the Stack Builder Vendor by the Unconditional Date.

(2) Based on the issued share capital of 589,386,605 Shares as at the LPD.

(3) Based on the enlarged issued share capital of 681,043,247 Shares after the Proposed Acquisitions and Settlement.

(4) Based on the enlarged issued share capital of 885,355,247 Shares after the Proposed Private Placement.

(5) Deemed interested by virtue of his interest in OCR Land Holdings Sdn Bhd pursuant to Section 8 of the Act and his parents' and siblings' direct shareholdings in OCR.

7.4 Earnings and earnings per Share ("EPS")

7.4.1 Proposed Acquisitions and Settlement

For illustrative purposes, assuming that the Proposed Acquisitions and Settlement had been completed at the beginning of the FYE 31 December 2020, the pro forma effects of the Proposed Acquisitions and Settlement on the consolidated earnings and EPS of OCR would be as follows:-

Based on the Stack Builder Purchase Consideration of RM3,534,775[(1)]

	Audited FYE 31 December 2020 RM'000	After the Proposed Acquisitions and Settlement RM'000
PAT attributable to owners of OCR	815	815
Less: LAT attributable to owners of Stack Builder[(2)]	-	[(4)](13)
Less: LAT attributable to owners of Wonderland[(3)]	-	[(5)](30)
Pro forma PAT attributable to owners of OCR	**815**	**772**
Weighted average no. of Shares ('000)	372,839	[(6)]471,296
EPS (sen)	0.22	0.16

Notes:-

(1) If the Development Order has been obtained by Stack Builder by the Unconditional Date.

(2) Based on Stack Builder's audited financial statements for the financial period from 30 October 2018 to 31 March 2020.

(3) Based on Wonderland's audited financial statements for the FYE 31 October 2020.

(4) Based on OCR's 50% stake in Stack Builder upon the completion of the Proposed Acquisitions and Settlement.

(5) Based on OCR's 100% stake in Wonderland upon the completion of the Proposed Acquisitions and Settlement.

(6) After accounting for the issuance of 46,594,990 Consideration Shares and 51,861,647 Settlement Shares.

Based on the Stack Builder Purchase Consideration of RM2,242,776[(1)]

	Audited FYE 31 December 2020 RM'000	After the Proposed Acquisitions and Settlement RM'000
PAT attributable to owners of OCR	815	815
Less: LAT attributable to owners of Stack Builder[(2)]	-	[(4)](13)
Less: LAT attributable to owners of Wonderland[(3)]	-	[(5)](30)
Pro forma PAT attributable to owners of OCR	**815**	**772**
Weighted average no. of Shares ('000)	372,839	[(6)]464,496
EPS (sen)	0.22	0.17

Notes:-

(1) If the condition precedent for Stack Builder to obtain the Development Order is mutually waived by OCR and the Stack Builder Vendor by the Unconditional Date.

(2) Based on Stack Builder's audited financial statements for the financial period from 30 October 2018 to 31 March 2020.
(3) Based on Wonderland's audited financial statements for the FYE 31 October 2020.
(4) Based on OCR's 50% stake in Stack Builder upon the completion of the Proposed Acquisitions and Settlement.
(5) Based on OCR's 100% stake in Wonderland upon the completion of the Proposed Acquisitions and Settlement.
(6) After accounting for the issuance of 39,794,995 Consideration Shares and 51,861,647 Settlement Shares.

Moving forward, the impact of the Proposed Acquisitions and Settlement on the consolidated earnings and EPS of the Company is dependent on the financial performance of Stack Builder and Wonderland which in turn is dependent on, amongst others, market and industry conditions affecting the business in which Stack Builder and Wonderland are operating.

Nevertheless, the Proposed Acquisitions and Settlement are expected to contribute positively to the future earnings of the Group, premised on the prospects of Stack Builder and Wonderland as set out in Sections 5.4 and 5.5 of this announcement.

7.4.2 Proposed Private Placement

While the Proposed Private Placement is not expected to have any immediate effect on the earnings of the Group, the Proposed Private Placement is expected to contribute positively to the future earnings of the Group via the benefits to be derived from the utilisation of proceeds as set out in Section 3.6 of this announcement.

Subsequent to the completion of the Proposed Private Placement, the EPS shall be correspondingly diluted as a result of the increase in the number of Shares arising from Proposed Private Placement.

The potential effects of the Proposed Private Placement on the consolidated earnings of the Company moving forward will depend on, amongst others, the actual number and issue price of Placement Shares to be issued and the level of returns generated from the utilisation of the proceeds to be raised from the Proposed Private Placement.

For illustrative purposes, assuming that the Proposed Private Placement had been completed at the beginning of the FYE 31 December 2020, the pro forma effects of the Proposed Private Placement on the consolidated earnings and EPS of OCR would be as follows:-

	Audited FYE 31 December 2020 RM'000	**After the Proposed Private Placement RM'000**
PAT attributable to owners of OCR	815	(1)(885)
Weighted average no. of Shares ('000)	372,839	(2)579,191
EPS / (LPS) (sen)	0.22	(0.15)

Notes:-
(1) After deducting the estimated expenses for the Proposals of RM1.70 million.
(2) After accounting for the issuance of 206,352,000 Placement Shares.

7.5 Convertible securities

Save for the following, the Company does not have any other outstanding convertible securities as at the LPD:-

(i) 89,109,722 outstanding Warrants D, which have an exercise price of RM0.19 each and are expiring on 18 February 2022;

(ii) up to 88,407,900 ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS.

In accordance with the provisions of the deed polls constituting the Warrants D and the by-laws governing the ESOS, the Proposed Acquisitions and Settlement are not expected to result in any adjustment to the exercise price, conversion price and/or number of Warrants D and granted ESOS options (if any).

8. APPROVALS REQUIRED AND CONDITIONALITY

8.1 Approvals required

8.1.1 Proposed Acquisitions and Settlement

The Proposed Acquisitions and Settlement are subject to approvals being obtained from the following:-

(i) Bursa Securities for the listing and quotation of the Consideration Shares and Settlement Shares on the Main Market of Bursa Securities;

(ii) the non-interested Shareholders at an extraordinary general meeting to be convened; and

(iii) any other relevant authorities and/or parties, if required.

8.1.2 Proposed Private Placement

The Proposed Private Placement is subject to approvals being obtained from the following:-

(i) Bursa Securities for the listing and quotation of the Placement Shares on the Main Market of Bursa Securities;

(ii) the Shareholders at an extraordinary general meeting to be convened; and

(iii) any other relevant authorities and/or parties, if required.

8.2 Conditionality

The Proposed Acquisition of Wonderland and the Proposed Settlement of Wonderland Advances are inter-conditional.

The Proposed Acquisition of Stack Builder is not conditional upon the Proposed Acquisition of Wonderland and *vice versa*.

The Proposed Acquisitions and Settlement are not conditional upon the Proposed Private Placement and *vice versa*.

The Proposals are not conditional upon any other corporate exercise / scheme being or proposed to be undertaken by the Company.

9. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Acquisitions and Settlement pursuant to Paragraph 10.02(g) of the Listing Requirements is 24.27% calculated based on the latest audited total assets of Stack Builder and Wonderland for the FYE 31 March 2020 and FYE 31 October 2020 respectively compared with the latest audited total assets of the Company for the FYE 31 December 2020.

10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE OF THE COMPANY AND/OR PERSONS CONNECTED TO THEM

10.1 Proposed Acquisitions and Settlement

None of the Directors, major Shareholders, chief executive of the Company and/or persons connected to them have any interest, direct or indirect, in the Proposed Acquisitions and Settlement save for Ong Kah Hoe ("**Interested Director**") due to the following:-

(i) Ong Kah Hoe is the Group Managing Director and a major shareholder of OCR; and

(ii) Ong Kah Hoe is a party to the Revised Stack Builder SSA, Wonderland SSA and Wonderland Settlement Agreement.

As at the LPD, the shareholding of the Interested Director in the Company is as follows:-

	Direct		Indirect	
Interested Director	**No. of Shares**	**(1)%**	**No. of Shares**	**(1)%**
Ong Kah Hoe	24,442,600	4.15	(2)41,678,800	7.07

Notes:-
(1) Based on the issued share capital of 589,386,605 Shares as at the LPD.
(2) Deemed interested by virtue of his interest in OCR Land Holdings Sdn Bhd pursuant to Section 8 of the Act and his parents' and siblings' direct shareholdings in OCR.

The Interested Director has abstained and will continue to abstain from deliberating and voting at the relevant Board meetings of the Company in respect of the Proposed Acquisitions and Settlement.

The Interested Director will abstain and will undertake to ensure that persons connected with him (if any) will abstain from voting in respect of their direct and/or indirect shareholdings in the Company (if any) on the resolutions pertaining to the Proposed Acquisitions and Settlement to be tabled at the forthcoming EGM.

10.2 Proposed Private Placement

None of the Directors, major Shareholders, chief executive of the Company and/or persons connected to them have any interest, direct or indirect, in the Proposed Private Placement.

11. DIRECTORS' STATEMENT

11.1 Proposed Acquisitions and Settlement

The Board (save for the Interested Director), having considered all aspects of the Proposed Acquisitions and Settlement, including the salient terms of the agreements in relation to the Proposed Acquisitions and Settlement, the basis and justifications for the Stack Builder Purchase Consideration and Wonderland Purchase Consideration, the rationale and all other aspects of the Proposed Acquisitions and Settlement, is of the opinion that the Proposed Acquisitions and Settlement are:-

(i) in the best interest of the Company;

(ii) fair, reasonable and on normal commercial terms; and

(iii) not detrimental to the interest of the non-interested Shareholders.

11.2 Proposed Private Placement

The Board, having considered all aspects of the Proposed Private Placement, including the utilisation of the proceeds from the Proposed Private Placement, the rationale and all other aspects of the Proposed Private Placement, is of the opinion that the Proposed Private Placement is in the best interest of the Company

13. AUDIT COMMITTEE'S STATEMENT

The Audit Committee of OCR, having considered all aspects of the Proposed Acquisitions and Settlement, including the salient terms of the agreements in relation to the Proposed Acquisitions and Settlement, the basis and justifications for the Stack Builder Purchase Consideration and Wonderland Purchase Consideration, the rationale, the prospects in relation to the Proposed Acquisitions and Settlement as well as the evaluation of BDO, is of the opinion that the Proposed Acquisitions and Settlement are:-

(i) in the best interest of the Company;

(ii) fair, reasonable and on normal commercial terms; and

(iii) not detrimental to the interest of the non-interested Shareholders.

13. INDEPENDENT ADVISER

The Proposed Acquisitions and Settlement are deemed to be related party transactions pursuant to Paragraph 10.08 of the Listing Requirements by virtue of the interests of the Interested Director as set out in Section 10 of this announcement.

Accordingly, BDO has been appointed as the Independent Adviser in accordance with the Listing Requirements to undertake the following in relation to the Proposed Acquisitions and Settlement:-

(i) comment as to:-

(a) whether the Proposed Acquisitions and Settlement are fair and reasonable so far as the non-interested Shareholders are concerned; and

(b) whether the Proposed Acquisitions and Settlement are to the detriment of the non-interested Shareholders,

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

(ii) advise the non-interested Shareholders on whether they should vote in favour of the Proposed Acquisitions and Settlement; and

(iii) take all reasonable steps to satisfy itself that it has a reasonable basis to make the comments and advice in subsections (i) and (ii) above.

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14. TRANSACTIONS WITH RELATED PARTIES IN THE PAST 12 MONTHS

Save as disclosed below, there were no other related party transactions entered into between the Company and the related parties for the 12 months preceding the LPD.

Related Party	Related party within OCR Group	Nature of Transaction	Value transacted (12 months up to LPD) (RM'000)	Interested Directors, Major Shareholders and Persons Connected	Nature of relationship
Unilink Outdoor Sdn Bhd ("**UOSB**")	O&C Makok Isola Sdn Bhd ("**OMISB**")	OMISB rents the billboard from UOSB for advertising and marketing of its projects. Renting Period: 1 year commencing from January 2021	306	Ong Kah Hoe	• Ong Kah Hoe is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 4.15% and indirect interest of 7.07% by virtue of his interest in OCR Land, a company in which Ong Kah Hoe is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings as at the LPD. • Ong Kah Hoe is a director and major shareholder of UOSB with a direct interest of 64% as at the LPD.
UOSB	OCR Construction Sdn Bhd ("**OCRCSB**")	OCRCSB rents the billboard from UOSB for advertising and marketing of its projects. Renting Period: 1 year commencing from January 2021	306	Ong Kah Hoe	• Ong Kah Hoe is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 4.15% and indirect interest of 7.07% by virtue of his interest in OCR Land, a company in which Ong Kah Hoe is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings as at the LPD. • Ong Kah Hoe is a director and major shareholder of UOSB with a direct interest of 64% as at the LPD.
OCR Land	OMISB	OMISB pays marketing fee to OCR Land for advertising and marketing for the Isola @ KLCC project. Marketing fee up to 3% on the net development value of the project.	66	Ong Kah Hoe and OCR Land	• Ong Kah Hoe is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 4.15% and indirect interest of 7.07% by virtue of his interest in OCR Land, a company in which Ong Kah Hoe is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings as at the LPD. • OCR Land is a major shareholder of OCR with direct interest of 6.14% as at the LPD.

Related Party	Related party within OCR Group	Nature of Transaction	Value transacted (12 months up to LPD) (RM'000)	Interested Directors, Major Shareholders and Persons Connected	Nature of relationship
OCR Land	OCR Properties (Kuantan) Sdn Bhd ("**OPKSB**")	OPKSB pays marketing fee to OCR Land for advertising and marketing for the PRIYA Kuantan project. Marketing fee up to 3% on the net development value of the project.	827	Ong Kah Hoe and OCR Land	• Ong Kah Hoe is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 4.15% and indirect interest of 7.07% by virtue of his interest in OCR Land, a company in which Ong Kah Hoe is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings as at the LPD. • OCR Land is a major shareholder of OCR with direct interest of 6.14% as at the LPD.
OCR Land	OCRCSB	OCRCSB pays marketing fee to OCR Land for advertising and marketing for The Mate project in Damansara Jaya, Selangor. Marketing fee up to 3% on the net development value of the project.	275	Ong Kah Hoe and OCR Land	• Ong Kah Hoe is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 4.15% and indirect interest of 7.07% by virtue of his interest in OCR Land, a company in which Ong Kah Hoe is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings as at the LPD. • OCR Land is a major shareholder of OCR with direct interest of 6.14% as at the LPD.
OCR Properties (Yolo) Sdn Bhd ("**OPYSB**")	OCRCSB	OPYSB awards a construction contract for the YOLO Signature Suites project to OCRCSB. Commencement: November 2018 Expected completion: January 2023 Contract sum: RM159 million* Contract costs: RM127 million	2,256	Ong Kah Hoe	• Ong Kah Hoe is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 4.15% and indirect interest of 7.07% by virtue of his interest in OCR Land, a company in which Ong Kah Hoe is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings as at the LPD. • Ong Kah Hoe is a director and major shareholder of OPYSB with a direct interest of 50% as at the LPD.

Related Party	Related party within OCR Group	Nature of Transaction	Value transacted (12 months up to LPD) (RM'000)	Interested Directors, Major Shareholders and Persons Connected	Nature of relationship
OCR Noble Land (The Pano) Sdn Bhd ("**ONLTP**")	OCRCSB	ONLTP awards a construction contract for The Pano project to OCRCSB. Commencement: January 2019 Expected completion: January 2022 Contract Sum: RM21 million* Contract Costs: RM15 million	8,648	Ong Kah Hoe	• Ong Kah Hoe is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 4.15% and indirect interest of 7.07% by virtue of his interest in OCR Land, a company in which Ong Kah Hoe is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings as at LPD date. • Ong Kah Hoe is a director and major shareholder of ONLTP with a direct interest of 50% as at LPD date.
Unilink Sdn Bhd ("**USB**")	OCRCSB	OCRCSB awards labour and related services for The Pano project to USB. Commencement: January 2019 Expected completion: January 2022 Contract Sum: RM15 million* Contract Costs: RM12 million	3,050	Ong Kah Hoe	• Ong Kah Hoe is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 4.15% and indirect interest of 7.07% by virtue of his interest in OCR Land, a company in which Ong Kah Hoe is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings as at the LPD. • Ong Kah Hoe is a director and major shareholder of USB with a direct interest of 35% as at the LPD.

* The contract sum stated is based on the past record of recurring related party transactions carried out with the related parties. The actual value of the transactions from the date of OCR's 23rd annual general meeting to date of the next annual general meeting may vary.

15. APPLICATION TO THE AUTHORITIES

The corresponding applications in relation to the Proposals will be submitted to Bursa Securities on even date.

16. ESTIMATED TIME FRAME FOR COMPLETION

Subject to all relevant approvals being obtained, the Proposals are expected to be completed by the first quarter of 2022.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the agreements in relation to the Proposed Acquisitions and Settlement and the valuation reports in relation to the Bukit Raja Land and the Jalan Alor Land are available for inspection at the registered office of the Company at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor, Malaysia during normal business hours from Monday to Friday (except public holidays) for a period of 3 months from the date of this announcement.

18. ADVISER

Mercury Securities has been appointed by the Company to act as the Principal Adviser in relation to the Proposals.

This announcement is dated 5 October 2021.

1. HISTORY AND BUSINESS

Stack Builder was incorporated in Malaysia on 30 October 2018 under the Act as a private limited company.

Stack Builder is principally involved in property development. It currently owns the Bukit Raja Land as its sole major asset. The Bukit Raja Land is being planned to be developed into the Rumah Selangorku Project.

Further details on the Bukit Raja Land and the Rumah Selangorku Project are set out in Sections 2.5.1 and 2.5.2 of this announcement.

2. SHARE CAPITAL

As at the date of this announcement, the issued share capital of Stack Builder is RM100.00 comprising 100 ordinary shares. As at the date of this announcement, there is only one class of shares in Stack Builder.

3. SHAREHOLDERS

As at the date of this announcement, the shareholders of Stack Builder and their shareholdings are as follows:-

Name	Nationality / Place of Incorporation	Direct		Indirect	
		No. of ordinary shares in Stack Builder	(1)%	No. of ordinary shares in Stack Builder	(1)%
Ong Kah Hoe	Malaysian	50	50.00	-	-
Tan Chin Hoong	Malaysian	50	50.00	-	-

Note:-
(1) Based on the issued share capital of 100 ordinary shares in Stack Builder as at the date of this announcement.

4. DIRECTORS

As at the date of this announcement, the directors of Stack Builder and their shareholdings are as follows:-

Name	Nationality	Direct		Indirect	
		No. of ordinary shares in Stack Builder	(1)%	No. of ordinary shares in Stack Builder	(1)%
Ong Kah Hoe	Malaysian	50	50.00	-	-
Tan Chin Hoong	Malaysian	50	50.00	-	-

Note:-
(1) Based on the issued share capital of 100 ordinary shares in Stack Builder as at the date of this announcement.

5. SUBSIDIARIES AND ASSOCIATED COMPANIES

As at the date of this announcement, Stack Builder does not have any subsidiary and associated companies.

6. HISTORICAL FINANCIAL INFORMATION

The historical financial information of Stack Builder is set out below:-

	Audited	Unaudited
	Financial period from 30 October 2018 to 31 March 2020[(1)] RM	**FYE 31 March 2021 RM**
Revenue	-	-
Profit before tax / (loss before tax)	(26,411)	(145,543)
Profit after tax / (loss after tax) ("**LAT**")	(26,411)	(145,543)
No. of ordinary shares in issue	100	100
Net EPS / (loss per Share)	(264)	(1,455)
Issued share capital	100	100
Shareholders' funds / NA	(26,311)	(171,854)
NA per share	(263)	(1,719)
Current assets	2,587,443	2,589,243
Current liabilities	50,738,249	42,732,933
Current ratio (times)	0.05	0.06
Total equity	(26,311)	(171,854)
Borrowings	30,500,000	30,500,000
Gearing (times)	N/A	N/A

Note:-

(1) The financial statements of Stack Builder for the financial period from 30 October 2018 to 31 March 2020 represent the first audited financial statements of Stack Builder since incorporation on 30 October 2018.

The audited financial statements of Stack Builder for the financial period from 30 October 2018 to 31 March 2020 have been prepared in accordance with applicable approved Malaysian accounting standards and there was no audit qualification for the respective years under review. Stack Builder has not adopted any accounting policies which are peculiar to its operations for the respective years under review. As at the date of this announcement, Stack Builder does not have any business activities that generate revenue.

Commentaries

(i) FYE 31 March 2021 vs financial period from 30 October 2018 to 31 March 2020

Stack Builder did not generate any revenue during the financial period from 30 October 2018 to 31 March 2020 and the FYE 31 March 2021.

Stack Builder recorded a higher LAT of RM0.15 million in FYE 31 March 2021 as compared to RM0.03 million in the financial period from 30 October 2018 to 31 March 2020 mainly due to interest expenses arising from a term loan drawn for keyman insurance for Ong Kah Hoe, being the main personal guarantor of the term loan.

1. HISTORY AND BUSINESS

Wonderland was incorporated in Malaysia on 15 July 2011 under the Companies Act, 1965 and deemed incorporated under the Act as a private limited company.

Wonderland is principally involved in property investment holding and leasing of temporary structure space to tenants. It currently owns the Jalan Alor Land as its sole major asset. The Jalan Alor Land is being planned to be developed into the Jalan Alor Project.

Further details on the Jalan Alor Land and the Jalan Alor Project are set out in Sections 2.6.1 and 2.6.2 of this announcement.

2. SHARE CAPITAL

As at the date of this announcement, the issued share capital of Wonderland is RM2,000,000.00 comprising 2,000,000 ordinary shares. As at the date of this announcement, there is only one class of shares in Wonderland.

3. SHAREHOLDERS

As at the date of this announcement, the shareholders of Wonderland and their shareholdings are as follows:-

Name	Nationality / Place of Incorporation	Direct		Indirect	
		No. of ordinary shares in Wonderland	(1)%	No. of ordinary shares in Wonderland	(1)%
Ong Kah Hoe	Malaysian	1,000,000	50.000	-	-
Low Kin Kok	Malaysian	437,500	21.875	-	-
Chong Tze-Ban	Malaysian	300,000	15.000	-	-
Low Kien Poh	Malaysian	262,500	13.125	-	-

Note:-

(1) Based on the issued share capital of 2,000,000 ordinary shares in Wonderland as at the date of this announcement.

4. DIRECTORS

As at the date of this announcement, the directors of Wonderland and their shareholdings are as follows:-

Name	Nationality	Direct		Indirect	
		No. of ordinary shares in Wonderland	(1)%	No. of ordinary shares in Wonderland	(1)%
Ong Kah Hoe	Malaysian	1,000,000	50.000	-	-
Low Kin Kok	Malaysian	437,500	21.875	-	-
Chong Tze-Ban	Malaysian	300,000	15.000	-	-

Note:-

(1) Based on the issued share capital of 2,000,000 ordinary shares in Wonderland as at the date of this announcement.

5. SUBSIDIARIES AND ASSOCIATED COMPANIES

As at the date of this announcement, Wonderland does not have any subsidiary and associated companies.

6. HISTORICAL FINANCIAL INFORMATION

The historical financial information of Wonderland is set out below:-

	Audited		Unaudited
	FYE 31 October 2019 RM'000	FYE 31 October 2020 RM'000	5-month FPE 31 March 2021 RM'000
Revenue	417	454	88
Profit before tax / (loss before tax)	(191)	(25)	(373)
Profit after tax / (LAT)	(191)	(30)	(373)
No. of ordinary shares in issue ('000)	1,500	2,000	2,000
Net EPS / (loss per Share) (RM)	(0.127)	(0.015)	(0.187)
Issued share capital	1,500	2,000	2,000
Shareholders' funds / NA	(467)	3	(370)
NA per share (RM)	(0.311)	0.002	(0.185)
Current assets	434	532	127
Current liabilities	10,887	10,289	10,146
Current ratio (times)	0.040	0.052	0.013
Total equity	(467)	3	(370)
Borrowings	5,601	5,479	5,386
Gearing (times)	N/A	1,801	N/A

The audited financial statements of Wonderland for the FYE 31 October 2019 and FYE 31 October 2020 have been prepared in accordance with applicable approved Malaysian accounting standards and there was no audit qualification for the respective years under review. Wonderland has not adopted any accounting policies which are peculiar to its operations for the respective years under review. Since its inception, the revenue of Wonderland is solely derived from rental income of a temporary single-storey structure which has been used as commercial retail kiosks.

Commentaries

(i) 5-month FPE 31 March 2021 vs FYE 31 October 2020

Wonderland recorded a revenue of RM0.09 million in the 5-month FPE 31 March 2021 as compared to RM0.45 million in FYE 31 October 2020 (the annualised revenue for the 5-month FPE 31 March 2021 was RM0.21 million, representing a decrease of RM0.24 million or 53.33% on an annualised basis). The lower revenue on an annualised basis was mainly due to lower revenue from the rental of a temporary single-storey structure which has been used as commercial retail kiosks.

In line with the lower revenue, Wonderland recorded a higher LAT of RM0.37 million in the 5-month FPE 31 March 2021 as compared to RM0.03 million in FYE 31 October 2020 (the annualised LAT for the 5-month FPE 31 March 2021 was RM0.90 million, representing an increase of RM0.87 million on an annualised basis).

(ii) FYE 31 October 2020 vs FYE 31 October 2019

Wonderland recorded a revenue of RM0.45 million in FYE 31 October 2020 as compared to RM0.42 million in FYE 31 October 2019, representing an increase of RM0.03 million or 7.14%. This was mainly due to higher revenue from the rental of a temporary single-storey structure which has been used as commercial retail kiosks.

In line with the above, Wonderland recorded a lower LAT of RM0.03 million in FYE 31 October 2020 as compared to RM0.19 million in FYE 31 October 2019, representing a decrease of RM0.16 million. This was also contributed by lower interest expenses arising from a term loan drawn down to finance the acquisition of the Jalan Alor Land, which in turn was mainly due to reduction of overnight policy rate by Bank Negara Malaysia .

(iii) FYE 31 October 2019 vs. FYE 31 October 2018

Wonderland recorded a revenue of RM0.42 million in FYE 31 October 2019 as compared to RM0.51 million in FYE 31 October 2018, representing a decrease of RM0.089 million or 17.45%. This was mainly due to lower revenue from the rental of a temporary single-storey structure which has been used as commercial retail kiosks.

Despite the above, Wonderland recorded a lower LAT of RM0.19 million in FYE 31 October 2019 as compared to RM0.23 million in FYE 31 October 2018, representing a decrease of RM0.04 million. This was mainly due to lower interest expenses arising from a term loan drawn down to finance the acquisition of the Jalan Alor Land, which in turn was mainly due to reduction of overnight policy rate by Bank Negara Malaysia.