

## NCT ALLIANCE BERHAD (“NCT” OR THE “COMPANY”)

### PROPOSED ACQUISITION BY NCT PANORAMA SDN BHD (“NCT PANORAMA”), A WHOLLY-OWNED SUBSIDIARY OF NCT, OF 55.72% EQUITY INTEREST IN GRORICH CORPORATION SDN BHD (“GCSB”) FOR A TOTAL PURCHASE CONSIDERATION OF RM36.00 MILLION

---

#### 1. INTRODUCTION

On behalf of the Board of Directors of NCT (“**Board**”), UOB Kay Hian Securities (M) Sdn Bhd (“**UOBKH**”) wishes to announce that NCT Panorama (the “**Purchaser**”) had on 10 June 2025, entered into a share sale agreement (“**SSA**”) with Datuk Yap Yiw Sin and Datin Ang Guan Foo (collectively referred to as “**Vendor(s)**”), for the acquisition of 221,881 Class A ordinary shares (“**Class A Shares**”) and 592,240 Class B ordinary shares (“**Class B Shares**”) in GCSB (“**GCSB Share(s)**” or the “**Sale Share(s)**”), representing 55.72% equity interest and 72.46% voting rights in GCSB (“**Proposed Acquisition**”).

GCSB is the immediate holding company of Grorich Land Sdn Bhd (“**GLSB**”), which is the registered owner of a parcel of vacant land located at Kg Dumpil, Putatan, District of Penampang, Sabah, held under Country Lease No. 265431525 (“**Putatan Land**”). The total purchase consideration of RM36.00 million (“**Purchase Consideration**”) will be satisfied as follows:-

- (i) RM3.60 million is satisfied via the transfer of 7,500,000 existing treasury shares in NCT (“**Consideration Treasury Shares**”) at a value of RM0.48 per Consideration Treasury Share (“**Transfer Price**”) within 30 days upon signing of the SSA; and
- (ii) the balance sum of RM32.40 million is to be satisfied via the issuance and allotment of 67,500,000 ordinary shares in NCT (“**NCT Share(s)**” or the “**Share(s)**”) at an issue price of RM0.48 per NCT Share (“**Issue Price**”) (“**New Consideration Share(s)**”).

(collectively referred to as the “**Consideration Shares**”)

The Consideration Shares represent approximately 4.03% of the existing NCT shares (excluding 22,311,609 treasury shares held), as at 30 May 2025 being the latest practicable date prior to the date of this Announcement (“**LPD**”).

The New Consideration Shares will be issued in accordance with the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 (“**Act**”). The Company had obtained the approval from its shareholders at the 22<sup>nd</sup> Annual General Meeting (“**AGM**”) convened on 27 May 2025, whereby pursuant to Sections 75 and 76 of the Act, the Board had been authorised to issue and allot new NCT Shares from time to time, to such persons and for such purposes and upon such terms and conditions as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of such new Shares to be issued, when aggregated with the total number of any new NCT Shares issued during the preceding 12 months does not exceed 10% of the total number of issued Shares (excluding treasury shares, if any) of the Company for the time being (“**General Mandate**”). This General Mandate may be utilised for, among others, any possible fund raising activities and/or for issuance of Shares as a form of settlement of purchase consideration or such other applications as the Directors may deem fit and expedient in the best interest of the Company.

Further details of the Proposed Acquisition are set out in the ensuing sections of this Announcement.

## 2. DETAILS OF THE PROPOSED ACQUISITION

### 2.1 Background information on the Proposed Acquisition

The Proposed Acquisition entails the acquisition of 55.72% equity interest and 72.46% voting rights of GCSB by NCT Panorama from the Vendors for the Purchase Consideration as follows:-

Vendors	No. of Sale Shares to be acquired		Equity interest to be acquired (%)	*Voting rights represented (%)	Purchase Consideration (RM)
	*Class A	*Class B			
Datuk Yap Yiw Sin	221,881	415,132	43.60	64.92	28,168,200
Datin Ang Guan Foo	-	177,108	12.12	7.54	7,831,800
<b>Total</b>	<b>221,881</b>	<b>592,240</b>	<b>55.72</b>	<b>72.46</b>	<b>36,000,000</b>

**Note:-**

\* Each Class A Share represents 5 voting rights in GCSB whilst each Class B Share represent 1 voting right in GCSB.

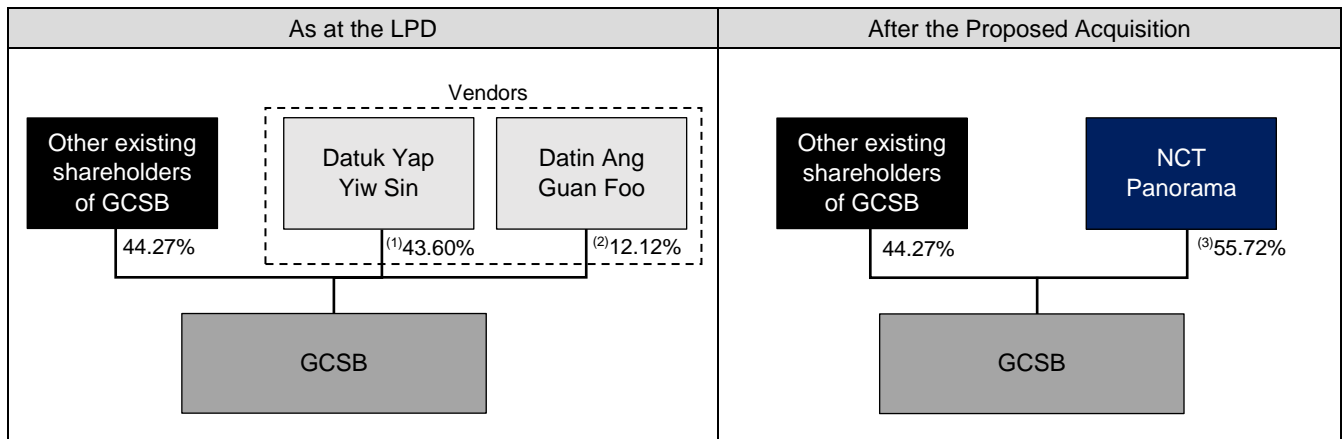
The Purchase Consideration shall be satisfied via a combination of Consideration Treasury Shares and New Consideration Shares as set out in the table below:-

Vendors	Consideration Treasury Shares		New Consideration Shares		Purchase Consideration (RM)
	(RM)	No. of Shares	(RM)	No. of Shares	
Datuk Yap Yiw Sin	2,816,820	5,868,375	25,351,380	52,815,375	28,168,200
Datin Ang Guan Foo	783,180	1,631,625	7,048,620	14,684,625	7,831,800
<b>Total</b>	<b>3,600,000</b>	<b>7,500,000</b>	<b>32,400,000</b>	<b>67,500,000</b>	<b>36,000,000</b>

As at the LPD, NCT holds 22,311,609 treasury shares. Assuming no further share buybacks are undertaken prior to the completion of the Proposed Acquisition, the number of treasury shares held by the Company after the Proposed Acquisition will be 14,811,609 treasury shares.

The Consideration Shares to be issued and allotted to the Vendors pursuant to the Proposed Acquisition represent approximately 4.03% of the existing NCT shares (excluding 22,311,609 treasury shares held) as at the LPD, and approximately 3.87% of the issued share capital of the Company post completion of the Proposed Acquisition (excluding 14,811,609 treasury shares held and assuming none of the shares under the employees' share option scheme ("ESOS") are vested).

The corporate structure of the Proposed Acquisition is illustrated as follows:-



**Notes:-**

- (1) Datuk Yap Yiw Sin holds an aggregate of 637,013 Sale Shares, comprising 221,881 Class A Shares, which carry 47.24% of the voting rights, and 415,132 Class B Shares, which carry 17.68% of the voting rights.
- (2) Datin Ang Guan Foo holds 177,108 Class B Shares, representing 7.54% of the voting rights.
- (3) NCT Panorama will gain 55.72% equity interest and 72.46% voting rights after the Proposed Acquisition.

Please refer to **Appendix I** of this Announcement for further information on the salient terms of the SSA.

## 2.2 Information on GCSB

Gorich Corporation Sdn Bhd (Registration No. 198401004524 (117043-P)) was incorporated in Malaysia on 26 March 1984 under the Companies Act 1965, having its registered office at 4<sup>th</sup> Floor, Lot 12, Block A, Warisan Square, 88000 Kota Kinabalu, Sabah. GCSB is an investment holding company, whilst its wholly-owned subsidiary, GLSB, is principally involved in property development and related activities. Save for GLSB, GCSB does not have any other subsidiaries, associate companies, or joint ventures as at the LPD.

GCSB has a total issued share capital of RM1,460,940 comprising 1,460,940 ordinary shares as at the LPD, consisting of 221,881 Class A Shares and 1,239,059 Class B Shares, with all Class A Shares held by Datuk Yap Yiw Sin.

A summary of the audited financial information of GCSB for the past 3 financial years up to financial year ended (“FYE”) 31 December 2024 is as follows:-

	FYE 31 December		
	2022	2023	2024
	(RM'000)	(RM'000)	(RM'000)
Revenue	-	-	-
Other income	10,897	296	140
Profit before tax	4,925	(519)	9
Profit or Loss after tax	4,726	(1,874)	(17)
Share capital	1,461	1,461	1,461
Shareholders' funds/ net asset (“NA”)	4,726	(1,874)	(17)
Cash and cash equivalents	2,966	2,832	-
Total borrowings	-	-	-

During the financial years under review, there were:-

- i. no exceptional and/or extraordinary items in the financial statements of GCSB;
- ii. no accounting policies adopted by GCSB which are peculiar; and
- iii. no audit qualifications to the financial statements of GCSB.

## 2.3 Information on Putatan Land

The Putatan Land is situated within the locality of Kg Dumpil, Putatan, approximately 2.05 kilometres ("km") north-west of the Putatan New Township and 5.00 km from Kota Kinabalu International Airport. Geographically, the Putatan New Township is situated approximately 11.20 km due south-west of the Kota Kinabalu City Centre.

Notable landmarks nearby include Kompleks Belia & Sukan, Jabatan Belia & Sukan Persekutuan Negeri Sabah, Klinik Kesihatan Putatan, Pejabat Daerah Kecil Putatan, SMK Putatan, INTI College, JKR Putatan, Masjid Putatan, and Dewan Serba Guna Putatan. The Kota Kinabalu International Airport and Petagas War Memorial Park are also within the vicinity.

The Putatan Land spans 40.49 hectares (or equivalent to approximately 100.05 acres), is irregular in shape, and features terrain influenced by tidal waters, sloping westward from 2.80 to 13.00 metres below mean sea level, extending into the foreshore reserve.



(Location plan of Putatan Land)

Details of the Putatan Land		
Registered owner	:	GLSB
Postal address	:	Locality Kg Dumpil Putatan, Off Jalan Putatan
Title No.	:	CL 265431525
District	:	Penampang, Sabah
Locality	:	Kg Dumpil, Putatan
Zoning*	:	T(T) – Tourism Area under Draft Putatan Local Plan
Tenure	:	Leasehold for 99 years, expiring 31 December 2096 (unexpired terms of 72 years)
Approximate land area	:	40.48 hectares (approximately 100.05 acres)
Category of land use	:	Building
Existing use	:	Vacant Land
Encumbrances	:	Nil
Conditions	:	Subject to the provisions and conditions contained in the Land Ordinance Cap. 68
Special Terms	:	The said land is demised herein expressly and only for the development of aquatic centre
Restriction in interest	:	The land cannot be subdivided, transferred, charged or leased unless the written permission of the Director of Lands is obtained
Express conditions	:	Subject to the provisions and conditions contained in the Land Ordinance Cap. 68
Independent Valuer	:	VPC Alliance (Sabah) Sdn Bhd
Valuation date	:	13 May 2025
Valuation approaches	:	Comparison method
Market value ascribed	:	RM78,000,000.00
Audited net book value as at 31 December 2024	:	RM8,036,222.00

**Note:-**

\* Based on checks at Jabatan Perancangan Bandar dan Wilayah Negeri Sabah, Kota Kinabalu.

## 2.4 Information on the Vendors

### **Datuk Yap Yiw Sin**

Datuk Yap Yiw Sin, Malaysian, aged 82, is a director and controlling shareholder of GCSB. He has been the Chairman of GCSB since 1983. Over the years, he has been involved in the company's direction and development, focusing on stable growth and responsible management across its business areas.

He has also been active in community work and previously served as the President of the Tawau Chinese Chamber of Commerce (TCCC), where he supported the local business community and helped promote economic cooperation within the Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA) region.

### **Datin Ang Guan Foo**

Datin Ang Guan Foo, Malaysian, aged 77, is a major shareholder of GCSB. She is a full-time housewife and the spouse of Datuk Yap Yiw Sin.

## 2.5 Basis and justification of arriving at the Purchase Consideration

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

- i. the adjusted NA of GCSB which was derived as follows:-

	(RM'000)	(RM'000)
<b>Audited NA of GCSB as at FYE 31 December 2024</b>		<b>8,001</b>
Market Value of Putatan Land as appraised by VPC Alliance (Sabah) Sdn Bhd <sup>(1)</sup>	78,000	
Less: Net book value of Putatan Land	(8,036)	
Revaluation surplus	69,964	
Less: Deferred tax <sup>(2)</sup>	(16,791)	
Net revaluation surplus		53,173
<b>Adjusted audited NA of GCSB</b>		<b>61,174</b>
<b>Value of 55.72% equity interest of GCSB</b>		<b>34,086</b>

Notes:-

- (1) The market value of the Putatan Land was appraised by VPC Alliance (Sabah) Sdn Bhd as at the valuation date of 13 May 2025, using the comparison method, which analyses similar properties in the locality that were recently transacted, with adjustments made for factors such as land size, location, zoning, topography, accessibility, amongst others.
- (2) In accordance to MFRS 12, for depreciable properties, such as freehold building, leasehold land and leasehold building, the revalued carrying amount of the asset will be recovered through use and this will generate taxable income which exceeds the capital allowance that will be deductible for tax purposes in future, as such the current income tax rate of 24% shall be used to compute the deferred tax.

The Purchase Consideration of RM36.00 million represents a premium of RM1.91 million or approximately 5.61% to the adjusted NA of GCSB of RM34.09 million; and

- ii. the rationale and prospects of the Proposed Acquisition as set out in **Sections 3** and **4** of this Announcement respectively, which will enhance the presence of NCT and its subsidiaries collectively (“**NCT Group**” or the “**Group**”) in Sabah, where the Group has ongoing property development Projects.

## 2.6 Mode of settlement

Pursuant to the terms of the SSA, the Purchase Consideration is to be satisfied via the Consideration Shares, in the following manner:-

Payment Term	Timing of Settlement	Consideration Shares (RM'000)
10% of the Purchase Consideration to be satisfied via Consideration Treasury Shares	Within 30 days upon signing of the SSA	3,600
90% of the Purchase Consideration to be satisfied via New Consideration Shares	Upon completion of the Proposed Acquisition	32,400
<b>Total</b>		<b>36,000</b>

## 2.7 Basis and justification of arriving at the Transfer Price and Issue Price

The Transfer Price and Issue Price of RM0.48 per Consideration Share was determined and arrived at between NCT and the Vendors based on the 5-day volume weighted average market price (“**VWAP**”) of NCT Shares of RM0.4750 up to 9 June 2025 being the last trading day prior to this Announcement (“**LTD**”).

The prevailing market prices of NCT Shares up to the LTD are as follows:-

Price/ VWAPs up to and including the LTD	Share price	(Discount) / Premium	
	RM	RM	%
Last closing price of NCT Shares	0.4850	(0.0050)	(1.05)
5-day VWAP of NCT Shares	0.4750	0.0050	1.05

(Source: Bloomberg)

Based on the above, the Transfer Price and Issue Price represents a premium of 1.05% over the 5-day VWAPs of NCT Shares up to the LTD.

## 2.8 Ranking of the Consideration Shares pursuant to the Proposed Acquisition

The New Consideration Shares shall upon issuance and allotment, rank equally in all respects with the existing NCT Shares, save and except that the New Consideration Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of issuance and allotment of the New Consideration Shares.

## 2.9 Listing of and quotation for the Consideration Shares

An application will be made to Bursa Securities for the listing of and quotation for the New Consideration Shares pursuant to the Proposed Acquisition on the Main Market of Bursa Securities.

## 2.10 Liabilities to be assumed by the Company

There are no liabilities, including contingent liabilities and guarantees, to be assumed by NCT Group arising from the Proposed Acquisition.

## 3. RATIONALE OF THE PROPOSED ACQUISITION

The Proposed Acquisition reaffirms the Group’s expansion efforts to increase its land bank in strategic locations in Malaysia and widening its development portfolio. Upon completion of the Proposed Acquisition, the Group will apply and obtain the necessary approvals to develop the Putatan Land. This will enhance the Group’s presence in East Malaysia and enable the enlarged NCT Group to explore future projects in Sabah’s emerging property development market.

The Group has two (2) existing development projects in East Malaysia, as detailed below:-

- (i) Ion Borneo Garden, located in Penampang, Sabah, marks NCT’s entry into Sabah. The project sits on 11.2 acres of leasehold land acquired in September 2024. The project carries an estimated gross development value (“**GDV**”) of RM175.5 million and its set for launch in the 3<sup>rd</sup> quarter of 2025.
- (ii) Ion Marina Bay, located in Putatan, Sabah, spans approximately 249.7 acres with an estimated GDV of RM3.4 billion. The development will be carried out in 3 major phases over 9 years, reinforcing NCT’s long-term commitment to Sabah’s growing property market.

The Proposed Acquisition would also allow the Group to conserve its current cash reserves to be utilised for the Group's operations whilst minimising the potential impact on its gearing as the result of the mode of settlement of Proposed Acquisition pursuant to the SSA.

The Board believes that the Proposed Acquisition will further enhance the reputation and track record of NCT as a developer of quality homes in Malaysia as well as to provide a solid foundation for NCT to capitalize on the growing real estate market in Sabah in the coming years.

## **4. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS OF THE GROUP**

### **4.1 Overview and outlook of the Malaysian economy**

Malaysia's economy continued its growth momentum, supported by favourable economic performance, amid persistent challenges in the external environment. This signifies the country's strong fundamentals and diversified economic activities as well as investor confidence in the domestic market, anchored by sound Government policies. Furthermore, the Ekonomi MADANI framework, which focuses on restructuring and reforming Malaysia's economic agenda, coupled with the implementation of key policy plans such as the National Energy Transition Roadmap ("**NETR**") and New Industrial Master Plan 2030 ("**NIMP 2030**"), have started to yield positive results. During the first half of 2024, the economy posted a commendable growth of 5.1% driven by robust domestic demand, combined with further expansion in exports as well as positive growth in all economic sectors. Growth is forecast to continue its momentum in the second half of the year, albeit at a moderate pace. Overall, real gross domestic product in 2024 is revised upward, ranging between 4.8% and 5.3%, surpassing the initial target of 4% to 5%.

For 2025, the Malaysian economy is projected to grow between 4.5% and 5.5%. On the supply side, the services sector continues to uphold its position as the main driver of growth contributed by tourism activities, sustained exports and acceleration of information and communication technology ("**ICT**") related activities. Tourism-related industries, particularly food & beverages, accommodation and retail trade segments, are expected to increase further, while the wholesale trade as well as air and water transportations segments will benefit from sustained trade-related activities. Industries such as the utilities and professional services are anticipated to rise in tandem with the acceleration of ICT development, particularly in data centres. The manufacturing sector is projected to expand further attributed to better performance in export-oriented industries, primarily the electrical and electronics (E&E) segment, as external demand for semiconductors continues to increase.

Additionally, the domestic-oriented industries are anticipated to remain favourable in line with higher domestic consumption and investment. The construction sector is expected to rise attributed to growth in all subsectors. Prospects for the agriculture sector remain positive supported by higher production of crude palm oil and demand from food-related industries. On the contrary, the mining sector is forecast to decline marginally due to scheduled plants shutdown for maintenance purposes.

*(Source: Economic Outlook 2025, Ministry of Finance Malaysia)*

### **4.2 Overview and outlook of the property market in Malaysia**

The Property Market Report 2024 highlights exceptional performance, recorded the highest volume and value of property transactions in Malaysia over the past decade. This impressive growth was fueled by a robust expansion in market activities across all sub-sectors. The volume and value of transactions expanded by 5.4% and 18.0%, respectively, reaching 420,545 transactions worth RM232.30 billion, compared to 2023 (399,008 transactions worth RM196.83 billion).



The highest achievement of the property market was supported by the strong growth of Malaysia's economy and the continuous government support, including the full implementation of the NIMP 2030, the National Energy Transition Roadmap, and the Twelfth Malaysia Plan. Market activity was further supported by strong transaction volumes across nearly all states, particularly in Kelantan, which experienced a substantial growth exceeding 96%, following the full implementation of stamping applications and stamp duty payments through Stamp Duty Assessment and Payment System (STAMPS).

The residential sub-sector sustained its expansion and solidified its position as the largest contributor to the national transaction activity, recording a marginal growth in both volume and value. By price range, the segment above RM1.0 million recorded the highest growth at 15.0%, while other price ranges showed more modest increases. This growth can be attributed to government initiatives outlined in Budget 2024, which increased confidence in the property market, including the easing of requirements for the Malaysia My Second Home Overview 2 (MM2H) program. Additionally, strong performance in the commercial sub-sector acted as a catalyst for transaction activity with significant increases of 13.6% and 51.6% in value and volume, respectively, as compared to the previous year.

The growth in 2024 property market is highly supported by the implementation of various government efforts and initiatives to drive Malaysia's economy and simultaneously stimulating the expansion of the property market nationwide through the MADANI Economy Framework.

*(Source: Property Market Report 2024, Valuation and Property Services Department, Ministry of Finance Malaysia)*

#### **4.3 Overview and outlook of the property market in East Malaysia**

The performance of the East Malaysia Region property market recorded 36,443 transactions worth RM15.26 billion, a slight decrease of 7.6% in volume, while value increased by 2.5% as compared to 2023 (39,442 transactions worth RM14.88 billion). The combined total of the three states in this region accounted for 8.7% and 6.6% of the national transaction volume and value, respectively.

The performance of market activity in the region witnessed mixed movements. Wilayah Persekutuan ("WP") Labuan experienced better growth increased by 7.5%. Contrarily, Sarawak and Sabah recorded a slight decline of 8.7% and 5.3%, respectively. An upward trend was observed in transaction values. WP Labuan experienced an increase of nearly double, followed by Sabah (3.1%) and Sarawak (0.3%).

The residential sub-sector was the dominant segment across all states, although its performance in the East Malaysia Region decreased in 2024. The region recorded 17,151 transactions, a slight decrease of 4.9% in volume compared to 2023. WP Labuan recorded a 9.7% increase in transactions, whereas Sarawak and Sabah recorded slight declines of 5.3% and 4.6%, respectively.

The primary market in the East Malaysia Region experienced mixed movements in new launches. Sarawak saw an increase of 22.1% to 2,554 units (2023: 2,092 units), while Sabah a significant 48.1% rise to 2,743 units (2023: 1,852 units). In contrast, WP Labuan saw no new launches, compared to 55 units in 2023.

The residential overhang situation saw positive movements in the review period. Sabah, Sarawak and Labuan charted 1,524 units, 1,512 units, and 41 units, respectively, reduced by 26.3%, 12.5%, and 2.4% compared to 2023 (Sabah: 2,068 units; Sarawak: 1,728 units, and WP Labuan: 42 units). Contrarily, the unsold under construction units in the East Malaysia Region increased by 18.2% (8,983 units) compared to 2023 (7,600 units). Meanwhile, the unsold not constructed also increased to 1,338 units compared to 2023 (822 units).

*(Source: Property Market Report 2024, Valuation and Property Services Department, Ministry of Finance Malaysia)*

#### **4.4 Prospects of the Putatan Land and the enlarged NCT Group**

The Proposed Acquisition enables the Group to continue focusing on strengthening its presence in East Malaysia, particularly in Sabah, an emerging region with high-growth potential. The Group strategically positions its development properties in high-growth areas to maximise financial viability and deliver enduring value to customers. By conducting in-depth market research and evaluating both current and future urban trends, the Group ensures that our projects are located in areas with solid growth trajectories.

A key highlight of this expansion is Ion Borneo Garden, NCT's debut development in Sabah. Strategically located just 10–15 km from Kota Kinabalu, the development offers seamless connectivity—placing residents within a 20 to 30-minute drive of the capital city, which ensures effortless access to key districts and amenities, enhancing everyday convenience for modern families. The acquisition of 11.2 acres of leasehold development land in Penampang was completed in September 2024, with the project carrying an estimated GDV of RM175.5 million. Ion Borneo Garden comprises 121 units of 3-storey terrace houses, delivered in two planned phases and scheduled for launch in the third quarter of 2025.

Further reinforcing the Group's long-term commitment to Sabah, Ion Marina Bay is a landmark mixed development located in Putatan. Covering approximately 249.7 acres of leasehold land, the project is designed to offer a harmonious blend of residential and commercial spaces, including single and double-storey terrace houses and commercial shop lots—catering to the evolving needs of the community. With an estimated GDV of RM3.4 billion, Ion Marina Bay will be developed in three major phases over a span of nine years, signifying the Group's sustained confidence in the growth trajectory of Sabah's property market.

The Proposed Acquisition remains central to the Group's expansion plans, enabling it to increase its landbank and to execute long-term development strategies. The Proposed Acquisition, which includes valuable land assets in Putatan, covering approximately 40.49 hectares (approximately 100.05 acres) and located close to vicinity of Ion Marina Bay, is aligned with the Group's growth trajectory and complements its expansion efforts in Sabah. This acquisition further enhances the Group's overall value, financial strength, and capacity, positioning it to capitalise on future opportunities while reinforcing its presence in both Peninsular and East Malaysia.

*(Source: Management of NCT)*

### **5. RISK FACTORS**

Being involved in the Proposed Acquisition, the Group will be subject to the following risks:-

#### **5.1 Acquisition risk**

The Proposed Acquisition is anticipated to enhance the long-term performance of the NCT Group. However, there is no guarantee that the expected benefits will be realised following the completion of the Proposed Acquisition. Consequently, there remains a risk that the projected advantages may not materialise, and that the NCT Group may not achieve adequate returns to justify the associated investment costs incurred through the Proposed Acquisition.

Nevertheless, the Board has exercised due care in considering the potential risks and the benefits associated with the Proposed Acquisition which will be value accretive to the NCT Group, after taking into consideration, inter alia, the prospects of GCSB and the experience and expertise of the NCT Group in the property industry.

## 5.2 Completion risk

The completion of the Proposed Acquisition is subject to, amongst others, the fulfilment of the conditions precedent as disclosed in **Appendix I** of this Announcement. In the event that any of the condition precedent is not fulfilled, as the case may be, the Proposed Acquisition may be delayed or terminated, and the potential benefits arising therefrom may not materialise.

Notwithstanding thereof, the Group will take all reasonable steps to ensure all conditions precedent and obligations pursuant to the SSA are satisfied within the stipulated timeframe to ensure the timely completion of the Proposed Acquisition.

## 5.3 Business and operational risk

The Proposed Acquisition is subject to inherent risks in the property development industry of which NCT Group is already involved in and will be addressed as part of the NCT Group's ordinary course of business. Some of these challenges and risk may include and are not limited to the following:-

- i. changes in economic, social, political conditions and business environment;
- ii. competition from other property developers and performance of sub-contractors;
- iii. potential disruptions in the supply of labour and materials, or volatility in associated costs; and
- iv. changes in tax regulation and working capital sufficiency.

NCT 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 NCT Group's business and financial performance.

## 5.4 Compulsory acquisition by the Government

Pursuant to the Land Acquisition Ordinance (Sabah Cap. 69) ("**Land Acquisition Ordinance**"), the relevant state authority has the power to compulsory acquire any land within the jurisdiction of such relevant state authority in Malaysia in accordance to the Land Acquisition Ordinance. In the event of any compulsory acquisition of the Putatan Land or any part thereof, the amount of compensation to be awarded will be determined on the basis prescribed in the Land Acquisition Ordinance and other relevant laws. If all or any portion of the Putatan Land is compulsorily acquired by the relevant state authority at any point of time, the amount of such compensation might be lesser than the market value as ascribed by the Valuer.

In the event of such occurrence, the Group may seek to minimise any potential losses from such transaction by invoking the relevant provisions in the Land Acquisition Ordinance in relation to its right to submit an objection in respect of the amount of compensation, where necessary.

## 6. EFFECTS OF THE PROPOSED ACQUISITION

### 6.1 Share capital

The pro forma effects of the Proposed Acquisition on the issued share capital of NCT are as follows:-

Minimum Scenario: Assuming none of the outstanding ESOS options are exercised prior to the implementation of the Proposed Acquisition.

Maximum Scenario: Assuming all of the outstanding ESOS options are exercised prior to the implementation of the Proposed Acquisition.

	Audited as at 31 December 2024		Minimum Scenario		Maximum Scenario	
			After the Proposed Acquisition		After the Proposed Acquisition	
	No. of Shares	RM	No. of Shares	RM	No. of Shares	RM
Issued share capital of NCT	1,883,474,458	556,209,853	<sup>(1)</sup> 1,883,563,858	<sup>(1)</sup> 556,242,484	<sup>(1)</sup> 1,883,563,858	<sup>(1)</sup> 556,242,484
Assuming full exercise of ESOS option	-	-	-	-	1,730,200	<sup>(2)</sup> 631,523
Reversal of ESOS reserve	-	-	-	-	-	142,174
Treasury shares	(20,316,809)	(7,873,286)	(20,316,809)	(7,873,286)	(20,316,809)	(7,873,286)
<b>Total issued share capital</b>	<b>1,863,157,649</b>	<b>548,336,567</b>	<b>1,863,247,049</b>	<b>548,369,198</b>	<b>1,864,977,249</b>	<b>549,142,895</b>
Consideration Treasury Shares	-	-	7,500,000	3,600,000	7,500,000	3,600,000
New Consideration Shares	-	-	67,500,000	32,400,000	67,500,000	32,400,000
<b>Enlarged issued and paid up share capital</b>	<b>1,863,157,649</b>	<b>548,336,567</b>	<b>1,938,247,049</b>	<b>584,369,198</b>	<b>1,939,977,249</b>	<b>585,142,895</b>

#### Notes:-

(1) After taking into consideration the following additional issuances:-

(i) 42,700 ordinary shares pursuant to the exercise of options under the Company's ESOS at an exercise price of RM0.365 per ordinary share on 12 March 2025

(ii) 46,700 ordinary shares pursuant to the exercise of options under the Company's ESOS at an exercise price of RM0.365 per ordinary share on 23 April 2025

(2) Assuming the outstanding ESOS are exercised at the exercise price of RM0.365 per ordinary share.

## 6.2 Substantial shareholders' shareholding

The pro forma effects of the Proposed Acquisition on the substantial shareholder's shareholding in NCT are as follows:-

### Minimum Scenario

Substantial Shareholders	<sup>(1)</sup> As at the LPD				PROFORMA I <sup>(4)</sup> After the Proposed Acquisition			
	Direct Interest		Indirect Interest		Direct Interest		Indirect Interest	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
YBG Yap Consolidated Sdn Bhd	949,654,038	51.02	-	-	949,654,038	49.05	-	-
Dato' Sri Yap Ngan Choy	59,142,700	3.18	949,796,238	<sup>(2)</sup> 51.03	59,142,700	3.05	949,796,238	<sup>(2)</sup> 49.05
Dato' Yap Fook Choy	39,405,500	2.12	949,654,038	<sup>(3)</sup> 51.02	39,405,500	2.04	949,654,038	<sup>(3)</sup> 49.05

#### **Notes:-**

- (1) Based on total number of 1,861,252,249 NCT Shares, excluding 22,311,609 treasury shares.
- (2) Deemed interested by virtue of his shareholdings in YBG Yap Consolidated Sdn Bhd and the Shares held by his daughter, Yap Pui Yee, pursuant to Section 8(4) and Section 59(11)(c) of the Act respectively.
- (3) Deemed interested by virtue of his shareholdings in YBG Yap Consolidated Sdn Bhd pursuant to Section 8(4) of the Act.
- (4) Based on total number of 1,936,252,249 NCT Shares, excluding 14,811,609 treasury shares, after the Proposed Acquisition.

### Maximum Scenario

Substantial Shareholders					PROFORMA I				PROFORMA II			
	<sup>(1)</sup> As at the LPD				<sup>(4)</sup> Assuming all outstanding ESOS options are exercised				<sup>(5)</sup> After Proforma I and the Proposed Acquisition			
	Direct Interest		Indirect Interest		Direct Interest		Indirect Interest		Direct Interest		Indirect Interest	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
YBG Yap Consolidated Sdn Bhd	949,654,038	51.02	-	-	949,654,038	50.97	-	-	949,654,038	49.00	-	-
Dato' Sri Yap Ngan Choy	59,142,700	3.18	949,796,238	<sup>(2)</sup> 51.03	59,142,700	3.17	949,796,238	<sup>(2)</sup> 50.98	59,142,700	3.05	949,796,238	<sup>(2)</sup> 49.01
Dato' Yap Fook Choy	39,405,500	2.12	949,654,038	<sup>(3)</sup> 51.02	39,405,500	2.12	949,654,038	<sup>(3)</sup> 50.97	39,405,500	2.03	949,654,038	<sup>(3)</sup> 49.00

#### Notes:-

- (1) Based on total number of 1,861,252,249 NCT Shares, excluding 22,311,609 treasury shares.
- (2) Deemed interested by virtue of his shareholdings in YBG Yap Consolidated Sdn Bhd and the Shares held by his daughter, Yap Pui Yee, pursuant to Section 8(4) and Section 59(11)(c) of the Act respectively.
- (3) Deemed interested by virtue of his shareholdings in YBG Yap Consolidated Sdn Bhd pursuant to Section 8(4) of the Act.
- (4) Based on total number of 1,863,119,249 NCT Shares, excluding 22,311,609 treasury shares, assuming all 1,867,000 outstanding ESOS options are exercised.
- (5) Based on total number of 1,938,119,249 NCT Shares, excluding 14,811,609 treasury shares, assuming all 1,867,000 outstanding ESOS options are exercised and after the Proposed Acquisition.

### 6.3 NA per Share and gearing level

For illustrative purposes only, based on the latest audited consolidated financial statements of NCT as at 31 December 2024 on the assumption that the Proposed Acquisition had been effected on that date, the pro forma effects of the Proposed Acquisition on the audited consolidated NA per NCT Share and gearing of NCT Group are as follows:-

	Audited as at 31 December 2024 RM('000)	<sup>(1)</sup> Subsequent adjustment up to the LPD RM('000)	Minimum Scenario	Maximum Scenario	
			Proforma I	Proforma I	Proforma II
			After the Proposed Acquisition RM('000)	Assuming all ESOS options are exercised RM('000)	After Proforma I and the Proposed Acquisition RM('000)
Share capital	556,210	556,242	<sup>(2)</sup> 589,276	<sup>(4)</sup> 557,066	<sup>(2)</sup> 590,100
Treasury shares	(7,873)	(8,825)	(5,858)	(8,825)	(5,858)
ESOS and RSG Reserves	142	142	142	-	-
Retained earnings	187,752	187,752	<sup>(3)</sup> 187,552	187,752	<sup>(3)</sup> 187,552
<b>Shareholders' equity/NA</b>	<b>736,231</b>	<b>735,311</b>	<b>771,112</b>	<b>735,993</b>	<b>771,793</b>
Non-controlling interest	14,983	14,983	14,983	14,983	14,983
<b>Total Equity</b>	<b>751,214</b>	<b>750,294</b>	<b>786,095</b>	<b>750,976</b>	<b>786,776</b>
No. of NCT Shares in Issue ('000)	1,863,158	1,861,252	<sup>(2)</sup> 1,936,252	<sup>(4)</sup> 1,863,119	<sup>(2)</sup> 1,938,119
<b>NA per NCT Share (RM)</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>
Total borrowings (RM'000)	160,050	160,050	160,050	160,050	160,050
Cash and bank balances (RM'000)	42,568	42,568	42,568	42,568	42,568
Net borrowings (RM'000)	117,482	117,482	117,482	117,482	117,482
<b>Gearing (times)<sup>(5)</sup></b>	<b>0.22</b>	<b>0.22</b>	<b>0.21</b>	<b>0.22</b>	<b>0.21</b>

#### Notes:-

(1) After taking into consideration the following:-

- (i) Additional issuance of 42,700 ordinary shares pursuant to the exercise ESOS options at an exercise price of RM0.365 per ordinary share on 12 March 2025;
- (ii) Additional issuance of 46,700 ordinary shares pursuant to the exercise ESOS options at an exercise price of RM0.365 per ordinary share on 23 April 2025; and
- (iii) 22,311,609 treasury shares held as at the LPD.

(2) After accounting for the issuance of New Consideration Shares pursuant to the Proposed Acquisition.

(3) After deducting the estimated expenses of approximately RM0.20 million in relation to the Proposed Acquisition (which includes professional fees, fees payable to the relevant authorities and miscellaneous expenses) to be incurred.

(4) Assuming all 1,867,000 outstanding ESOS options as at the LPD are exercised at an exercise price of RM0.365 per ordinary share.

(5) Computed based on total borrowings over equity.

#### **6.4 Earnings and earnings per share (“EPS”)**

The Proposed Acquisition is not expected to have any material effect on the earnings of NCT Group for the FYE 31 December 2025. However, there will be a corresponding dilution in the EPS of NCT Group as a result of the increase in the number of NCT Shares issued pursuant to the Proposed Acquisition. Nevertheless, the Proposed Acquisition is expected to contribute positively to the future earnings of the Group when the benefits arising from the Proposed Acquisition as set out in **Section 3** of this Announcement are realised.

#### **6.5 Convertible Securities**

As at the LPD, save for the outstanding ESOS options, the Company does not have any other convertible securities.

The Proposed Acquisition will not give rise to any adjustments to the exercise price and/or number of outstanding ESOS options.

#### **7. HIGHEST PERCENTAGE RATIO APPLICABLE**

The highest percentage ratio applicable to the Proposed Acquisition pursuant to Rule 10.02(g) of the Listing Requirements is approximately 4.81% calculated based on the latest audited financial statements of NCT for the FYE 31 December 2024.

#### **8. APPROVALS REQUIRED AND CONDITIONALITY**

The Proposed Acquisition is subject to the following approvals being obtained:-

- (i) Bursa Securities, for the listing of and quotation for the New Consideration Shares on the Main Market of Bursa Securities; and
- (ii) any other relevant parties/authorities, if applicable.

The Company has obtained the General Mandate from its shareholders at the 22<sup>nd</sup> AGM convened on 27 May 2025. The General Mandate will continue to be in force until the conclusion of the next AGM of the Company held.

The Proposed Acquisition is not conditional upon any other proposals undertaken or to be undertaken by the Company.

#### **9. INTEREST OF DIRECTOR, MAJOR SHAREHOLDER, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM**

None of the Directors, major shareholders, chief executive of NCT and/or persons connected with them has any interest, direct or indirect, in the Proposed Acquisition.

#### **10. DIRECTORS' STATEMENT**

The Board after having considered all aspects of the Proposed Acquisition, including but not limited to the rationale, financial effects, salient terms of SSA, the future prospects of GCSB and the enlarged NCT Group, is of the view that the Proposed Acquisition is in the best interest of NCT.



**11. ESTIMATED TIMEFRAME FOR COMPLETION**

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Board expects the Proposed Acquisition to be completed by the second half of 2025.

**12. ADVISER**

UOBKH has been appointed as the Principal Adviser for the Proposed Acquisition.

**13. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the SSA will be made available for inspection at the registered office of NCT at Third Floor, No. 77, 79, & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor, during the normal business hours from Monday to Friday (except public holidays) for a period of three (3) months from the date of this Announcement.

**This Announcement is dated 10 June 2025.**

---

**SALIENT TERMS OF THE SSA**


---

The salient terms of the SSA in relation to the Proposed Acquisition are set out as follows:-

Condition Precedent

1. Completion of the sale and purchase of the Sale Shares in accordance with the SSA ("**Completion**") shall be conditional upon the fulfilment of the following Conditions Precedent:-
  - (a) the Purchaser obtaining the approval of the directors and shareholders, where applicable, of the Purchaser and/or NCT, for the following:
    - (i) purchase of the Sale Shares from the Vendors upon the terms and conditions of the SSA; and
    - (ii) the proposed allotment and issuance of the New Consideration Shares in favour of the Vendors based on the terms and conditions of the SSA.
  - (b) the Purchaser conducting or cause to be conducted due diligence on the Company to the satisfaction of the Purchaser; and
  - (c) the Purchaser shall procure and/or cause to procure NCT submitting the application for approval of Bursa Securities for the listing of and quotation for the New Consideration Shares on the Main Market of Bursa Securities.

The Conditions Precedent shall be satisfied within **One-Hundred and Eighty (180) Days** from the date of the SSA but in any event no later than 7 December 2025.

3. If there is any material adverse change in the financial position, operations, assets, or liabilities of the Company prior to Completion, the Purchaser shall have the right to terminate the SSA by written notice
4. The Purchaser shall ensure the fulfilment of the following within the completion period of thirty (30) days from the date of the SSA becoming unconditional (the "**Completion Date**") as below:-
  - (i) the completion of the listing and quotation of the New Consideration Shares on the Main Market of Bursa Securities; and
  - (ii) the approvals, consents, authorisations, permits or waivers of any relevant governmental or regulatory body and any third parties necessary or appropriate to carry out the sale and purchase of the Sale Shares pursuant to the terms of the SSA having been obtained.

Purchase Consideration

1. The Purchase Consideration of the Sale Shares shall be **Ringgit Malaysia Thirty-Six Million RM36,000,000.00 only** shall be satisfied entirely by share-based settlement as follows:-
  - (i) the value of **Ringgit Malaysia Three Million and Six Hundred Thousand RM3,600,000.00 only** in the form **7,500,000** of the Treasury Shares at the agreed value of **RM0.48 only** per share, which shall be transferred by NCT to the Vendors; and
  - (ii) the balance sum of **Ringgit Malaysia Thirty-Two Million and Four Hundred Thousand RM32,400,000.00 only** shall be satisfied by the allotment and issuance of **67,500,000** new shares of NCT Alliance at the issue price of **RM0.48** per share to the Vendors.

---

**SALIENT TERMS OF THE SSA (cont'd)**


---

2. Within thirty (30) days of the date of the SSA and further subjected to the Purchaser and/or NCT securing the approval from the Bursa Malaysia Depository Sdn Bhd ("**Bursa Depository**") for the transfer of the Consideration Treasury Shares by NCT to the Vendor, the Purchaser shall transfer the Consideration Treasury Shares to the Vendors within three (3) business day of the SSA upon receiving the aforementioned approval from the Bursa Depository.
3. On or before the Completion Date, the Vendors shall deliver or cause to be delivered to the Purchaser:-
  - (i) the original share certificates in respect of all the Sale Shares (if any); the instruments of transfer under section 105 of the Act in respect of the Sale Shares duly executed by the Vendors as transferor in favour of the Purchaser as transferee; the resolution of the directors of the Company approving the transfer and registration of the Sale Shares in favour of the Purchaser subject only to the transfers having been duly stamped; and such other documents as may be required to give good title to the Sale Shares and to enable the Purchaser to become the registered holder of the Sale Shares (if not already deposited with the Purchaser's Solicitors acting as independent stakeholder and custodian pending Completion) and such documents as may be required to give good title to the Sale Shares and to enable the Purchaser to become the registered holder of the Sale Shares;
  - (ii) if so required, the resolution of the directors of the Company approving the appointment of such person(s) nominated by the Purchaser as director(s) of the Company;
  - (iii) if so, required by the Purchaser, the resignation letters of such persons as directors of the Company and confirming that no liability is outstanding from the Company to them;
  - (iv) all licences, approvals, permits and authorisations of the Company, if any, required for its business and operations and the completion of the SSA; and
  - (v) the Vendors shall pay for the annual Quit Rent for the amount of **RM30,428.58** in proportionate to their shareholding percentage of **55.72%** from the amount of **RM 54,600.00** of the said Quit Rent.
4. Upon the delivery of the documents set out in sub-paragraph 3 above, the Purchaser shall on or before the Completion Date; allot and issue the New Consideration Shares into the CDS Account of the Vendors.
5. Completion is conditional on the Vendors and the Purchaser and NCT complying with all of their respective obligations under this Clause and the listing of and quotation for the New Consideration Shares on the Main Market of Bursa Securities. For this purpose, the Purchaser shall cause the New Consideration Shares to be listed and quoted on the Main Market of Bursa Securities within thirty (30) days prior to the Completion Date or such other extended period as the Parties may mutually agree upon in writing.
6. The Vendors shall further cause the transfer of the Sale Shares and the Purchaser to be registered as a member of the Company into the register of members of the Company and notify the Companies Commission of Malaysia of the changes in shareholders and directors of the Company pursuant to the Completion in accordance with the Act on or before the Completion Date.