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

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LIEN HOE CORPORATION BERHAD
(Registration No.: 196901000161 (8507-X))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED DISPOSAL OF A PARCEL OF VACANT LAND LOCATED WITHIN BANDAR SERI ALAM, 81750 MASAI, JOHOR HELD UNDER THE TITLE HS(D) 592954 PTD 239918, IN THE MUKIM OF PLENTONG, DISTRICT OF JOHOR BAHRU, STATE OF JOHOR, MEASURING AN APPROXIMATE AREA OF 69.03 ACRES FOR A CASH CONSIDERATION OF RM88,666,380 OR THE REDUCED PRICE OF RM64,621,260 WITHOUT DEVELOPMENT ORDER ("PROPOSED DISPOSAL")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser for the Proposed Disposal



SIERAC CORPORATE ADVISERS SDN. BHD.
(Registration No.: 200001013247 (515853-A))

The Notice of the Extraordinary General Meeting ("EGM") of the Company to be held entirely through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Monday, 30 November 2020, at 2.30 p.m. or at any adjournment thereof, together with the Form of Proxy are set out in this Circular.

If you decide to appoint a proxy or proxies for the EGM, you must complete and lodge the Form of Proxy for the EGM at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or by electronic lodgement via Tricor's TIIH Online website at <https://tiih.online> not less than 48 hours before the time appointed for holding the EGM or at any adjournment thereof. For electronic lodgement, please follow the procedures as set out in the Administrative Guide.

Last date and time for lodging the Form of Proxy	::	Saturday, 28 November 2020 at 2.30 p.m.
Date and time of EGM	::	Monday, 30 November 2020 at 2.30 p.m. or at any adjournment thereof

This Circular is dated 13 November 2020

DEFINITIONS

Except where the context otherwise requires or defined herein, the following definitions shall apply throughout this Circular:

Access Road	:	The undertaking by Christine Resort to construct and complete the construction of an access road at its own costs and expenses after the KM Layout Approval and SBKS Approval has been obtained
Access Road Notice	:	The notification by Countryland Realty's solicitors to Christine Resort's solicitors
Access Road Retention Sum	:	The entitlement of the Countryland Realty's solicitors to retain a sum of money, amounting to RM9,000,000
Affordable Housing	:	The development of any low-cost, low medium-cost or medium-cost accommodation or affordable housing
Armada Resorts	:	Armada Resorts Sdn. Bhd. (Registration No.: 200601012707(732458-U))
Board	:	Board of Directors
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
Cash Company	:	means a listed issuer whose assets on a consolidated basis, consist of 70% or more of cash or short-term investments, or a combination of both, who has been considered by Bursa Securities as a Cash Company under paragraph 8.03 of the Listing Requirements
Christine Resort or the Vendor	:	Christine Resort Sdn. Bhd. (Registration No.: 199001002446 (194011-A))
Circular	:	This circular to the Shareholders in relation to the Proposed Disposal dated 13 November 2020
Company	:	Lien Hoe Corporation Berhad (Registration No.: 196901000161 (8507-X))
Countryland Realty or the Purchaser	:	Countryland Realty Sdn. Bhd. (Registration No.: 198401011090 (123630-K))
COVID-19	:	Coronavirus disease 2019
Conditions Precedent Period or CP Period	:	A period of three (3) months from the date of the SPA
Disposal Consideration	:	The cash consideration or RM88,666,380 or the Reduced Price of RM64,621,260 payable by Countryland Realty to Christine Resort in relation to the Proposed Disposal
DL Retention Sum	:	The sum of RM5,000,000.00 being the defect liability retention sum to be retained by the Purchaser's solicitors from the balance of the Disposal Consideration or the Reduced Price, as the case may be, as security for the rectification of any defects of the Access Road
EGM	:	Extraordinary general meeting
FYE	:	Financial year ended

DEFINITIONS (*cont'd*)

Group	:	Lien Hoe Corporation Berhad and its subsidiaries
Independent Property Valuer or Henry Butcher	:	Henry Butcher Malaysia (Johor) Sdn. Bhd. (Registration No.: 199001007580 (199150-H)), the independent property valuer appointed by the Company to appraise the market value of the Land
KIBB	:	Kenanga Investment Bank Berhad (Registration No.: 197301002193 (15678-H))
KM Layout Approval	:	"Kebenaran Merancang" to be issued by the local authority on the layout of the Land comprising components as required by Countryland Realty
Land	:	A parcel of freehold land located within Bandar Seri Alam, 81750 Masai, Johor held under the title HS(D) 592954 PTD 239918, in the Mukim of Plentong, District of Johor Bahru, State of Johor measuring an approximate area of 69.03 acres or 279,355.5 sq. m. or 3,006,957.6 sq. ft.
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	6 November 2020, being the latest practicable date prior to printing of this Circular
Maximum Scenario	:	A scenario assuming the disposal of the Land for a consideration of RM88,666,380 being the Disposal Consideration
Minimum Scenario	:	A scenario assuming the disposal of the Land for a consideration of RM64,621,260 being the Reduced Price
NA	:	Net assets
PN17	:	Practice Note 17 and has the meaning given in paragraph 8.04 of Listing Requirements
Proposed Disposal	:	The proposed disposal of the Land by Christine Resort to Countryland Realty for a cash consideration of RM88,666,380 or the Reduced Price of RM64,621,260 without development order
psf	:	Per square feet
Redemption Sum	:	The outstanding sum owing to KIBB of approximately RM15,170,000
Reduced Price	:	RM64,621,260 being the reduced price in the event that the KM Layout Approval or the SBKS Approval is unable to be obtained; or if the KM Layout Approval for the Required Layout has a requirement for Affordable Housing
Required Layout	:	The layout of the Land shall comprise the components/ composition of residential development (shophouse included)
Requisite Approval	:	Collectively, the KM Layout Approval and the SBKS Approval
Requisite Approval Period	:	Christine Resort shall within nine (9) months of the receipt of the required layout plan at its own costs and expenses procure and secure the Requisite Approval for the Land
RM and sen	:	Ringgit Malaysia and sen, respectively

DEFINITIONS (*cont'd*)

SBKS Approval	:	The approval of the land authority for “ <i>Serah Balik Kurnia Semula</i> ”, being the conversion and subdivision of the Land into subdivided lots for specific usages as required by Countryland Realty
SCA or Adviser	:	Sierac Corporate Advisers Sdn. Bhd. (Registration No.: 200001013247 (515853-A)), the Adviser appointed by the Board
SPA	:	The sale and purchase agreement dated 4 September 2020 entered into between Christine Resort and Countryland Realty in relation to the Proposed Disposal
sq. ft.	:	square feet
Unconditional Access Road CCC	:	The unconditional certificate of completion and compliance of the Access Road issued by the local authority
Valuation Certificate	:	The valuation certificate in relation to the valuation of the Land dated 15 September 2020 as prepared by the Independent Property Valuer
Valuation Report	:	The valuation report in relation to the valuation of the Land dated 15 September 2020 as prepared by the Independent Property Valuer

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations, unless otherwise specified. All references to “you” in this Circular are to the shareholders of the Company.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated. Any discrepancies in the tables between amounts stated and the totals in this Circular are due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that the Company’s plans and objectives will be achieved.

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LETTER TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED DISPOSAL

EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION CONTAINED IN THE MAIN CONTENT OF THIS CIRCULAR. PLEASE READ THE ENTIRE CIRCULAR CAREFULLY FOR FURTHER DETAILS ON THE PROPOSED DISPOSAL BEFORE VOTING.

PROPOSED DISPOSAL		
Details	:	<ul style="list-style-type: none"> On 4 September 2020, Christine Resort, a wholly-owned subsidiary of the Company, entered into a conditional SPA with Countryland Realty for the disposal of the Land for a cash consideration of RM88,666,380 or the reduced price of RM64,621,260 without development order. The highest percentage ratio applicable to the Proposed Disposal pursuant to Paragraph 10.02(g) of the Listing Requirements is 35.56%, calculated based on the net carrying value of the Land of RM166,783,165 against the consolidated NA of the Company of RM468,988,000, based on the latest audited consolidated financial statements of the Company for the FYE 31 December 2019. As such, the Company intends to seek our shareholders' approval for the Proposed Disposal at the forthcoming EGM to be convened.
Rationale for the Proposed Disposal	:	<ul style="list-style-type: none"> The Board believes that the Proposed Disposal is the best option available for the Group to generate the much-needed cash flow to address the immediate and foreseeable funding needs of the Group due to the uncertain and challenging outlook of Malaysia's economy. This would not only reduce the financial constraints currently faced by the Group and put the Group in a stronger financial position to ride out this difficult period, it will position the Group for growth post COVID-19 pandemic.
Basis of and justification for the Disposal Consideration	:	<ul style="list-style-type: none"> The Disposal Consideration of RM88,666,380 or RM29.50 psf for the Land was agreed upon by Countryland Realty on the understanding that Christine Resort shall at its own costs and expenses procure and secure the KM Layout Approval^(a) and the SBKS Approval^(b) for the Land within nine (9) months of the receipt of the required layout plan by Christine Resort. <p><i>Notes:</i></p> <p>(a) Christine Resort is targeting to submit the application for the KM Layout Approval by mid-November 2020. The KM Layout Approval is estimated to take 4 months to process and is expected to be obtained by mid-March 2021.</p> <p>(b) Christine Resort is targeting to submit the application for the SBKS Approval after obtaining the KM Layout Approval by mid-March 2021. The SBKS Approval is estimated to take 3 months to process and is expected to be obtained by June 2021.</p> <ul style="list-style-type: none"> The Disposal Consideration of RM88,666,380 or RM29.50 per sq. ft. for the Land was negotiated on a willing-buyer willing-seller basis. <p>The Independent Property Valuer has confirmed that in the event that the KM Layout Approval and SBKS Approval had been obtained and included in the valuation of the Land, the resulting market value of the Land would have been higher than RM90,000,000.</p> <ul style="list-style-type: none"> It was further agreed that:- <ol style="list-style-type: none"> The layout of the Land shall comprise the components as required by Countryland Realty; and The KM Layout Approval shall have no requirement for the development of Affordable Housing.

PROPOSED DISPOSAL		
Basis of and justification for the Disposal Consideration (Cont'd)	:	<ul style="list-style-type: none"> • However, in the event that the KM Layout Approval or the SBKS Approval is unable to be obtained; or if the KM Layout Approval has a requirement for Affordable Housing, Countryland Realty shall have the option to continue with the purchase of the Land at the reduced price of RM64,621,260. • The Reduced Price is at a discount of RM25,378,740 or 28.2% to the market value as ascribed by the Independent Property Valuer. • The discount is considered justifiable after taking into consideration the following factors:- <ul style="list-style-type: none"> (i) as compensation for Countryland Realty for the additional costs to obtain the KM Layout Approval or the SBKS Approval on their own expense; (ii) as compensation for Countryland Realty for the lower gross development value for the project to be undertaken by the Purchaser in the event of the Affordable Housing being a condition of the KM Layout Approval; (iii) the Land being a part of a golf resort namely Christine Resort, which was no longer operational since 2013, hence have not been generating revenue; (iv) there are limited transactional activities in the Johor property market since the outbreak of the COVID-19 pandemic in March 2020; (v) there is no other available offer and alternative purchaser for the Land at this juncture; and (vi) the weakening interest in and demand for landed assets amid the worsening economic outlook and uncertainty caused by the unprecedented COVID-19 pandemic.
Original cost and date of investment in the Land	:	<ul style="list-style-type: none"> • The Land, which formed part of a larger piece of land measuring 182.003 acres prior to its sub-division, was purchased by the Company in July 2009 via the acquisition of Christine Resort. • The original cost of the Land, based on the purchase consideration for Christine Resort, was RM13,180,178.
Estimated loss arising from the Proposed Disposal	:	<ul style="list-style-type: none"> • The Group is estimated to record a one-off net loss of RM80,519,896 (Minimum Scenario) or RM62,245,605 (Maximum Scenario) from the Proposed Disposal.

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LIEN HOE CORPORATION BERHAD
(Registration No.: 196901000161 (8507-X))
(Incorporated in Malaysia)

Registered office:

3rd Floor, Plaza Armada
Lot 6, Lorong Utara C
Section 52
46200 Petaling Jaya
Selangor Darul Ehsan

13 November 2020

Directors:

Mr. Yeoh Chong Keat (*Chairman, Independent Non-executive Director*)
Dato' Yap Sing Hock (*Managing Director*)
Ms. Yap Tse Yeeng Christine (*Executive Director and Chief Executive Officer*)
Mr. Cheong Marn Seng, Allen (*Executive Director*)
Dr. Teoh Kim Loon (*Independent Non-executive Director*)
Dato' Tea Choo Keng (*Independent Non-executive Director*)

To: The Shareholders of the Company

Dear Sir / Madam,

THE PROPOSED DISPOSAL

1. INTRODUCTION

On 7 September 2020, SCA, on behalf of the Board, announced that a wholly-owned subsidiary of the Company, Christine Resort had, on 4 September 2020 entered into a conditional SPA with Countryland Realty for the disposal of the Land for a cash consideration of RM88,666,380 or the reduced price of RM64,621,260 without development order.

Further details on the Proposed Disposal are set out in the ensuing sections.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED DISPOSAL AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED DISPOSAL WHICH WILL BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED WITH THIS CIRCULAR.

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

2. DETAILS OF THE PROPOSED DISPOSAL

The Proposed Disposal entails Christine Resort agreeing to sell and Countryland Realty agreeing to purchase the Land for the Disposal Consideration of RM88,666,380 or the Reduced Price of RM64,621,260 without development order.

Christine Resort has agreed to sell the Land to Countryland Realty on an "as is where is" basis, free from all claims and encumbrances and with vacant possession upon the terms and conditions contained in the SPA.

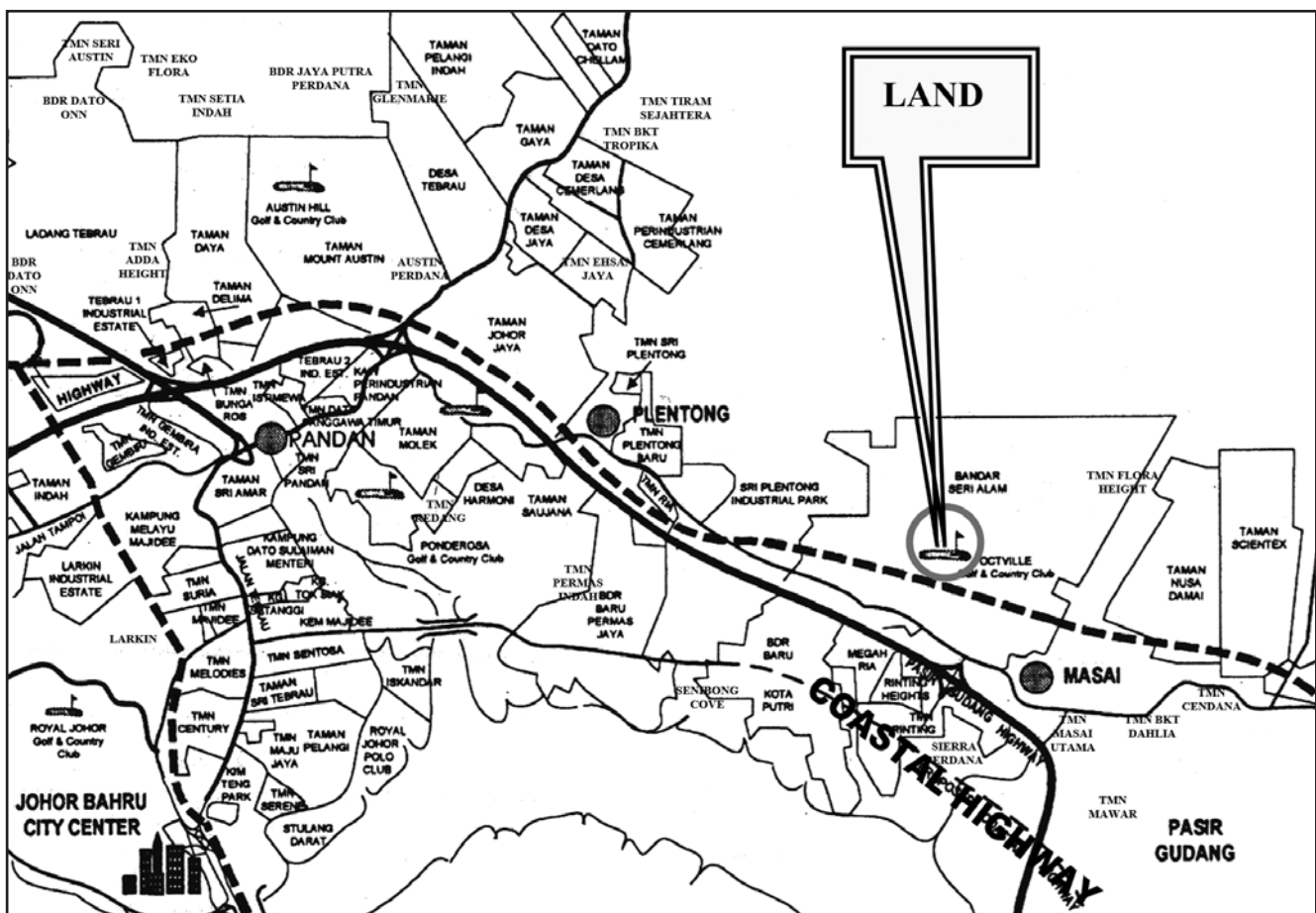
The salient terms and conditions of the SPA are set out in **Appendix I** of this Circular.

2.1. Information on the Land

The Land is a vacant land measuring a total area of approximately 69.03 acres in Bandar Seri Alam, Masai, Johor. The Land is situated at Persiaran Seri Alam within Bandar Seri Alam which is located about 25 kilometers due north-east of Johor Bahru city centre. It is accessible from Pasir Gudang Highway via Seri Alam interchange onto Persiaran Seri Alam. The Land is a freehold property zoned for mixed development.

One of the main localities surrounding the land are government institutional centres. These government institutional centres include UITM campus, UNiKL campus, MARA college and the Seri Alam Police headquarters. Other localities include mature housing schemes such as Bandar Baru Permas Jaya, Bandar Kota Putri, Taman Johor Jaya, Taman Rinting and Taman Megah Ria. There are also primary and secondary schools, as well as a private international school.

The location of the Land is illustrated in the following map:



(Source: Valuation Report)

Set out below are the detailed information of the Land:

Title no.	: HS(D) 592954
Lot no.	: PTD 239918
Land area	: 69.03 acres or 279,355.5 sq. m. or 3,006,957.6 sq. ft.
Postal address	: Lot No. PTD 239918, Persiaran Seri Alam, Bandar Seri Alam, 81750 Masai, Johor.
Location	: Mukim of Plentong, District of Johor Bahru, State of Johor
Registered proprietor	: Christine Resort
Tenure	: Freehold
Category of land use	: Building
Express conditions	: Golf course
Original cost of investment	: RM13,180,178 acquired on July 2009 by Christine Resort
Carrying value of the Land as at 31 December 2019 (audited)	: RM166,783,165
Encumbrances	: Charged to KIBB as security for a term loan facility of RM25,000,000.00 granted by KIBB, with outstanding sum of RM15,170,000 as at the LPD

2.2. Market value of the Land and method of valuation

The market value of the Land as appraised by the Independent Property Valuer vide its valuation certificate dated 15 September 2020 is RM90,000,000 (approximately RM30.00 psf.). It has been arrived at based on the Comparison Approach of valuation, which entails analysis of recent transactions in and around the locality for comparison purposes, with adjustments made for differences for various factors such as land size, location, date of transaction, tenure and land use, amongst others.

The Comparison Approach was adopted as the main and sole method in arriving at the market value of the Land as it is valued as a parcel of golf course land with no income generated as the golf course is no longer in operation since July 2013. Furthermore, there is no submission for other developments by the Company on the Land, therefore the other methods of valuation like cost method or residual method is not suitable.

The Independent Property Valuer has ascertained the market value of the Land in its existing physical condition with the benefit of vacant possession and based on an “as is” basis without taking into consideration the effects of the KM Layout Approval and SBKS Approval being obtained. The Independent Property Valuer could not take into consideration the effects of the KM Layout Approval and SBKS Approval as neither the Company nor the Independent Property Valuer has any information on the components of the layout planning.

However, the Independent Property Valuer has confirmed that in the event that the KM Layout Approval and SBKS Approval had been obtained and included in the valuation of the Land, the resulting market value of the Land would have been higher than RM90,000,000. The reason for the higher market value is to account for the upgrade in the status of the land from being that of a “golf course” to “residential housing”.

2.3. Information on Christine Resort

Christine Resort is a private limited company incorporated in Malaysia on 24 February 1990. It has an issued share capital of RM7,846,119 comprising 7,846,119 ordinary shares. The nature of business of Christine Resort is property development and investment holding.

As at the LPD, all 7,846,119 ordinary shares of Christine Resort are owned by Armada Resorts, which in turn is a wholly-owned subsidiary of the Company. The directors of Christine Resort are Dato' Yap Sing Hock, Yap Tse Yeeng Christine, Cheong Marn Seng and Dato' Tea Choo Keng, all of whom are the directors of the Company.

2.4. Information on Countryland Realty

Countryland Realty is a private limited company incorporated in Malaysia on 20 July 1984. It has an issued share capital of RM1,200,000 comprising 1,200,000 ordinary shares. It is principally involved in property development.

As at the LPD, all 1,200,000 ordinary shares of Countryland Realty are owned by Pamir Development Sdn Bhd. The directors of Countryland Realty are Ng Lay Cheen, Oh Ah Tee @ Yau Ah Tee and Soh Peak Sia.

2.5. Basis of and justification for the Disposal Consideration and Reduced Price

2.5.1 Basis of the Disposal Consideration

The Disposal Consideration of RM88,666,380 or RM29.50 per sq. ft. for the Land was agreed upon by Countryland Realty on the understanding that Christine Resort shall at its own costs and expenses^(a) procure and secure the following approvals for the Land within nine (9) months of the receipt of the required layout plan (Requisite Approval Period) by Christine Resort or such extension as may be mutually agreed upon by the Vendor and the Purchaser in accordance to Clause 1.1(b) of the SPA:-

- (i) KM Layout Approval^(b); and
- (ii) SBKS Approval^(c).

Notes:

- (a) *The estimated costs to procure and secure the KM Layout Approval and SBKS Approval is RM500,000.*
- (b) *Christine Resort is targeting to submit the application for KM Layout Approval by mid-November 2020. The KM Layout Approval is estimated to take 4 months to process and is expected to be obtained by mid-March 2021.*
- (c) *Christine Resort is targeting to submit the application for SBKS Approval after obtaining the KM Layout Approval by mid-March 2021. The SBKS Approval is estimated to take 3 months to process and is expected to be obtained by June 2021.*

If the KM Layout Approval or the SBKS Approval :-

- (i) is not obtained by the expiry of the Requisite Approval Period;
- (ii) has a requirement for Affordable Housing;
- (iii) where the terms imposed in the KM Layout Approval or the SBKS Approval are not the usual or standard terms imposed for a development of similar size or nature and such terms are not acceptable to Countryland Realty; or
- (iv) the appeal is not successful and the terms imposed in the KM Layout Approval or the SBKS Approval are not acceptable to Countryland Realty,

Countryland Realty shall have the option to either :-

- (i) continue with the purchase of the Land whereby the sale price shall be reduced by RM8.00 (i.e. from RM29.50 to RM21.50) per sq. ft. to RM64,621,260 (Reduced Price); or
- (ii) terminate the purchase of the Land.

The Disposal Consideration of RM88,666,380 or RM29.50 per sq. ft. for the Land was negotiated on a willing-buyer willing-seller basis.

The Independent Property Valuer has confirmed that in the event that the KM Layout Approval and SBKS Approval had been obtained and included in the valuation of the Land, the resulting market value of the Land would have been higher than RM90,000,000.

The Board takes cognisance that the Disposal Consideration of RM88,666,380 is below the market value ascribed by the Valuer of RM90,000,000 as well as the additional costs of approximately RM5,000,000 to construct and complete the construction of the Access Road.

However, the Board is of the opinion that the discount and additional costs is justifiable and had agreed to the discount and terms after having considered the following: -

- (i) Proceeds from the Proposed Disposal will provide immediate cash flow to the Company to fund its working capital as further disclosed in Section 4 of this Circular;
- (ii) The purchaser is taking on unusual risk in purchasing the Land amid unprecedented level of economic uncertainty caused by the COVID-19 pandemic; and
- (iii) There is a lack of other potential buyers for the Land, after having considered that the transaction value of the Johor property market had decreased by 14.9% in the first quarter of 2020 compared to the first quarter 2019 (Source: Property Sales Data for first quarter of 2020, National Property Information Centre (NAPIC)).

2.5.2. Basis of and justification for the Reduced Price

As mentioned in Section 2.5.1 of this Circular, in the event that the KM Layout Approval or the SBKS Approval is unable to be obtained; or if the KM Layout Approval has a requirement for Affordable Housing being development of any low-cost, low medium-cost or medium-cost accommodation, Countryland Realty will have the option to purchase the Land at the reduced price of RM64,621,260 (Reduced Price).

The Reduced Price was negotiated after taking into consideration of the market value of the Land of RM90,000,000 (approximately RM30.00 per sq. ft.), as appraised by the Independent Property Valuer by using the Comparison Approach of valuation.

The Independent Property Valuer has ascertained the market value of the Land in its existing physical condition with the benefit of vacant possession and based on an “as is” basis without taking into consideration effects of the KM Layout Approval and SBKS Approval being obtained.

The Reduced Price is at a discount of RM25,378,740 or 28.2% to the market value as ascribed by the Independent Property Valuer.

The discount is considered justifiable after taking into consideration the following factors:-

- (i) as compensation for Countryland Realty for the additional costs to obtain the KM Layout Approval and the SBKS Approval on their own expense;
- (ii) as compensation for Countryland Realty for the lower gross development value from the project to be undertaken in the event of the Affordable Housing being a condition of the KM Layout Approval as Countryland Realty shall be subject to a penalty of RM60,000.00 per unit as a consequence of the exemption of developing the Affordable Housing;

- (iii) the Land being a part of a golf resort, which was no longer operational since 2013, have not been generating revenue;
- (iv) there are limited transactional activities in the Johor property market since the outbreak of the COVID-19 pandemic in March 2020;
- (v) there is no other available offer and alternative purchaser for the Land at this juncture; and
- (vi) the weakening interest in and demand for landed assets amid the worsening economic outlook and uncertainty caused by the unprecedented COVID-19 pandemic.

2.6. Payment for the Disposal Consideration

The payment terms of the Disposal Consideration are as follows:-

- (i) A deposit amounting to RM8,866,638, being 10% of the Disposal Consideration, is to be paid by Countryland Realty upon execution of the SPA and shall be released together with the interest accrued thereon upon the Company obtaining its shareholders' approval. If the shareholders' approval is not obtained within the CP Period, the SPA shall be terminated.
- (ii) The Redemption Sum of RM15,170,000 shall be paid by Countryland Realty to the existing chargee directly within 14 days from the date of receipt of the KM Layout Approval and the SBKS Approval.
- (iii) The balance Disposal Consideration of RM64,629,742 shall be paid by Countryland Realty to the solicitors within 1 year from the date of the receipt of the KM Layout Approval and the SBKS Approval, after deducting the Access Road Retention Sum and DL Retention Sum.

As Christine Resort is expected to obtain both the KM Layout Approval and the SBKS Approval by mid-June 2021, the balance Disposal Consideration of RM64,629,742 is expected to be received by the Company before by June 2022. These payment terms are deemed reasonable in view of the lack of other buyers for the Land under the present circumstances as further explained in Section 2.5.1.

2.7. Construction of the Access Road

Christine Resort undertakes to construct and complete the construction of an access road at its own costs and expenses within three (3) months after the KM Layout Approval and SBKS Approval have been obtained. The construction of the Access Road is estimated to cost RM5,000,000. The said road shall be measuring 100 feet in width and complete with the upgrading of the junction and construction of a roundabout or a traffic light thereat.

2.8. Liabilities remaining with Christine Resort, Armada Resorts, or the Company

Save for the obligations and the liabilities in and arising from the SPA, there are no other liabilities including contingent liabilities and guarantees expected to be remained with the Company and the Group after the completion of the Proposed Disposal.

2.9. Original cost and date of investment in the Land

The Land, which formed part of a larger piece of land measuring 182.003 acres prior to its sub-division, was purchased by the Company in July 2009 via the acquisition of Christine Resort.

The original cost of the Land, based on the purchase consideration for Christine Resort, was RM13,180,178.

3. RATIONALE FOR THE PROPOSED DISPOSAL

The Group's core business segments are namely hotel, property investment and property development. For the last two financial years, the main income contributor has been the hotel segment from which more than 90% of the Group's total gross revenue was generated.

The operating conditions in the hotel industry have been severely impacted by the economic and social fallout from the COVID-19 pandemic which broke out early this year. The government-mandated movement orders, border controls and travel bans have led to a near-complete halt in travels and social events, which weighed down heavily on the earnings and cash flow of the Group. With the COVID-19 pandemic showing no signs of being contained, the economy is expected to worsen for the greater part of next year before a slow and long recovery of business to the levels last seen before the COVID-19 pandemic.

In response to such an uncertain and challenging outlook, the Board believes that the Proposed Disposal is the best option available to the Group to generate the much-needed cash flow to address the immediate and foreseeable funding needs of the Group. This would not only reduce the financial constraints currently faced by the Group and put the Group in a stronger financial position to ride out this difficult period, it will position the Group for growth post COVID-19 pandemic.

The Land is the most viable choice for sale as it has the largest acreage among all the land owned by the Group. Upon completion of the Proposed Disposal, the Group still owns 7 parcels of lands with a combined area of 98.14 acres. The Board has plans to develop some of the remaining lands when the outlook of the property market in Johor improves.

4. PROPOSED UTILISATION OF PROCEEDS

The proceeds arising from the Proposed Disposal of RM88,666,380 are intended to be utilised as follows:

Purposes	Time frame for utilisation	RM
Working capital/ business expansion/ new investment	Within 36 months	65,396,380 ⁽¹⁾
Repayment of loan from KIBB	Within 12 months	15,170,000 ⁽²⁾
Construction of the Access Road	Within 24 months	5,000,000
Estimated expenses related to the Proposed Disposal		3,100,000 ⁽³⁾
Total		88,666,380*

Notes:

(1) Proceeds for working capital/ business expansion/ new investment will be allocated as follows:

	RM'000
Payment to trade and other payables such as suppliers, contractors and other professionals.	20,000
To be utilised for the Group's day-to-day operating expenses to support its existing hotel activities and to finance the Group's future property development activities. The breakdown of the proceeds to be used for each of the aforesaid purposes could not be determined at this juncture.	34,011
Estimated income tax arising from the Proposed Disposal*	11,385
Total	65,396

* Please refer to note (1) of Section 6.3 of this Circular for the computation of estimated income tax arising from the Proposed Disposal. Kindly note that the aforesaid amount is only an estimation by the management at this juncture and will be determined at a later stage. Therefore, any discrepancies from the stated amount and actual amount payable

for such tax shall be drawn from/ channeled towards the general working capital of the Group.

- (2) *The repayment of loan from KIBB is expected to reduce the Group's interest costs by approximately RM1 million per annum based on the weighted average effective interest rate of 6.9%.*
- (3) *An amount of approximately RM3.1 million has been earmarked to defray the estimated expenses of the Proposed Disposal, the breakdown of which is set out below:-*

	RM'000
<i>Commission payable to a third-party introducer in relation to the Proposed Disposal</i>	2,600
<i>Other incidental expenses (inclusive of professional fees and regulatory fees)</i>	500
Total	3,100

Prior to utilisation for the above purposes, the net proceeds from the Proposed Disposal will be placed in interest-bearing deposits and/or short-term money market instruments with licensed financial institutions as our Board in its absolute discretion deems fit and in the best interest of the Group. Any interest income earned from such deposits and/or instruments will be used, when available, as additional working capital for the Group's existing business. At this juncture, the Company does not have any plans for potential business expansion or new investment.

5. RISK FACTORS IN RELATION TO THE PROPOSED DISPOSAL

5.1 Unable to obtain the Requisite Approval or the Requisite Approval has a requirement for Affordable Housing

In the event that Christine Resort is unable to obtain the KM Layout Approval or the SBKS Approval by the expiry of the Requisite Approval Period or if the KM Layout Approval for the Required Layout has a requirement for Affordable Housing, Countryland Realty will have the option to purchase of the Land at the reduced price of RM64,621,260 which is at a discount of:

- (i) RM25,378,740 or 28.2% to the market value as ascribed by the Independent Property Valuer of RM90,000,000; and
- (ii) RM102,161,905 or 61.25% to the audited net carrying value of the Land of RM166,783,165.

The discount is considered justifiable after taking into consideration the factors stated in Section 2.5.2 of this Circular.

5.2 Completion risk

The completion of the Proposed Disposal is conditional upon the conditions precedent as set out in the SPA being fulfilled and/or waived, as the case may be, as well as the performance by Christine Resort and its compliance with, amongst others, the warranties, undertakings and covenants under the SPA. The non-fulfilment of the same may result in the termination of the SPA.

In addition, should a delay or non-completion of the Proposed Disposal occur, the Group may not be able to realize the benefits that may accrue to it from the proposed utilisation of proceeds as disclosed in Section 4 of this Circular.

Notwithstanding the above, the Board will endeavor to take all necessary steps to ensure that the conditions precedent are fulfilled in a timely manner to facilitate the completion of the Proposed Disposal.

5.3 Loss of contribution and future income from the Land

Upon completion of the Proposed Disposal, the Group will no longer be able to benefit from future land value appreciation of the Land. As the Land is part of 6 parcels of vacant lands located along Persiaran Seri Alam, Bandar Seri Alam, 81750 Masai, Johor, the Group will lose the opportunity to develop the Land to form part of a larger integrated mixed development.

Notwithstanding the above, the proceeds from the Proposed Disposal would enable the Group to generate the much-needed cash flows to address the immediate and future liquidity needs of the Group.

6. EFFECTS OF THE PROPOSED DISPOSAL

6.1 Issued share capital and substantial shareholders' shareholdings

The Proposed Disposal will not have any effect on the issued share capital and the shareholding of the substantial shareholders of the Company as the Proposed Disposal does not involve any issuance of new ordinary shares by the Company.

6.2 Net assets and gearing

For illustrative purposes, based on the audited financial position of the Group as at 31 December 2019 and assuming that the Proposed Disposal had been effected on that date, the pro forma effects of the Proposed Disposal on the NA and gearing of the Group are as follows:

Group level	Audited as at 31 December 2019 RM'000	Minimum Scenario After the Proposed Disposal RM'000	Maximum Scenario After the Proposed Disposal RM'000
Share capital	142,188	142,188	142,188
Treasury shares	(9,177)	(9,177)	(9,177)
Reserves	333,675	221,715 ⁽¹⁾	221,715 ⁽¹⁾
Retained earnings	2,302	33,742 ⁽²⁾	52,016 ⁽²⁾
Shareholders' equity / NA	468,988	388,468	406,742
Borrowings	39,067	23,897	23,897
No. of ordinary shares outstanding	332,420	332,420	332,420
NA per ordinary share (RM)	1.41	1.17	1.22
Gearing (times)	0.08	0.06	0.06

Notes:

(1) After deducting an amount of RM111,960,025 which is prorated from total revaluation reserves of RM210,279,838 over 129.65 acres.

(2) The effects on retained earnings is as follows:

	Minimum Scenario RM	Maximum Scenario RM
Realisation of revaluation reserve	111,960,025	111,960,025
Estimated net loss on disposal of the Land	(80,519,896)	(62,245,605)
Net increase in retained earnings	31,440,129	49,714,420

6.3 Earnings

Based on the audited net carrying value of the Land as at 31 December 2019 of RM166,783,165 and the Disposal Consideration of RM88,666,380 or the Reduced Price of RM64,621,260, the Group is estimated to record a one-off net loss of RM62,245,605 (Maximum Scenario) or RM80,519,896 (Minimum Scenario) arising from the Proposed Disposal as calculated below:

	Minimum Scenario RM	Maximum Scenario RM
Disposal Consideration/ Reduced Price	64,621,260	88,666,380
Less: Net carrying value of the Land as at 31 December 2019	(166,783,165)	(166,783,165)
Gross loss on disposal of the Land	(102,161,905)	(78,116,785)
<i>Less</i>		
Estimated income tax expense ⁽¹⁾	(5,613,788)	(11,384,617)
Deferred tax ⁽²⁾	35,355,797	35,355,797
Estimated expenses in relation to the Proposed Disposal	(3,100,000)	(3,100,000)
Cost for construction of the Access Road	(5,000,000)	(5,000,000)
Estimated net loss on disposal of the Land	(80,519,896)	(62,245,605)

Notes:

(1) The estimated income tax computation is as follows:

	Minimum Scenario RM	Maximum Scenario RM
<i>Disposal Consideration / Reduced Price</i>	64,621,260	88,666,380
<i>Less: Original cost of investment</i>	(33,130,478)	(33,130,478)
<i>Less: Incidental costs in relation to the Proposed Disposal</i>	(8,100,000)	(8,100,000)
<i>Taxable income</i>	23,390,782	47,435,902
Estimated income tax expense @ 24%	5,613,788	11,384,617

(2) The amount is calculated on a prorata basis from total deferred tax of RM66,404,159 for 129.65 acres.

For illustrative purpose only, based on the latest audited consolidated financial statements of the Company for the FYE 31 December 2019 and assuming the Proposed Disposal had been completed at the beginning of the financial year, the pro forma effects of the Proposed Disposal on the loss and loss per share of the Group are as follows:

	Audited As at 31 December 2019	Minimum Scenario After the Proposed Disposal	Maximum Scenario After the Proposed Disposal
Loss after tax attributable to the Company (RM'000)	(2,782)	(83,302)*	(65,028)*
No. of issued ordinary shares as at the LPD ('000)	332,420	332,420	332,420
Loss per share (sen)	(0.84)	(25.06)	(19.56)

Note:

* After incorporating the estimated net loss on disposal of the Land of RM65,245,605 (Maximum Scenario) or RM80,519,896 (Minimum Scenario).

The Proposed Disposal is expected to contribute positively to the earnings of the Company in the future from the benefit of the usage of proceeds from the Proposed Disposal as detailed out in Section 4 of this Circular.

6.4 Convertible securities

As at the LPD, the Company does not have any outstanding convertible securities.

7. APPROVALS REQUIRED

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

- (i) the shareholders of the Company at the forthcoming EGM; and
- (ii) any other relevant authorities or parties, if required.

8. CASH COMPANY OR PN17 COMPANY

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

9. CONDITIONALITY OF THE PROPOSED DISPOSAL

The Proposed Disposal is not conditional upon any other corporate exercise being or proposed to be undertaken by the Company.

10. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Disposal pursuant to Paragraph 10.02(g) of the Listing Requirements is 35.56%, calculated from the net carrying value of the Land of RM166,783,165 against the audited consolidated NA of RM468,988,000 of the Company for the FYE 31 December 2019.

11. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Disposal, there is no other corporate exercise that has been announced but pending completion by the Company.

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

None of the directors and/or major shareholders of the Company and/or persons connected with them have any interest, direct or indirect, in the Proposed Disposal.

13. DIRECTORS' STATEMENT AND RECOMMENDATION STATEMENT BY AND RECOMMENDATION FROM THE BOARD

The Board, having considered all aspects of the Proposed Disposal (including but not limited to the salient terms of the SPA, basis and justification for the Disposal Consideration, rationale and risk factors of the Proposed Disposal as well as the effects of the Proposed Disposal), is of the opinion that the Proposed Disposal is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the resolution to give effect to the Proposed Disposal to be tabled at the forthcoming EGM.

14. TENTATIVE TIMETABLE FOR COMPLETION

Barring any unforeseen circumstances and subject to all approvals and conditions precedent as set out in the SPA being obtained and fulfilled, the Proposed Disposal is expected to be completed in the second quarter of 2022. The tentative timetable for the implementation of the Proposed Disposal is as set out below:

Events	Tentative Date
EGM for the Proposed Disposal	30 November 2020
Fulfilment of conditions precedent in relation to the Proposed Disposal	30 November 2020
Completion of the Proposed Disposal	End June 2022

15. EGM

The EGM, the notice of which is enclosed in this Circular, will be held entirely through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Monday, 30 November 2020 at 2.30 p.m. for the purpose of considering and if thought fit, passing the resolution to give effect to the Proposed Disposal.

The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Shareholder(s) or proxy(ies) or attorney(s) or authorised representative(s) will not be allowed to attend the EGM in person at the broadcast venue on the day of the meeting.

A member entitled to attend, speak and vote remotely at the EGM via the Remote Participation and Voting facilities provided, is entitled to appoint a proxy or proxies to attend, speak and vote on his/her behalf. If you are unable to attend and vote in person at the EGM, please complete, sign and return the enclosed Form of Proxy in accordance with the instructions printed on it, to be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd., in the following manner:

(i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(ii) By electronic means

The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Administrative Guide for the EGM on the procedures for electronic lodgement of proxy form via TIIH Online.

The form of proxy must be received by the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., not less than 48 hours before the time set for convening the EGM.

16. FURTHER INFORMATION

You are advised to refer to the attached appendices for further information.

Yours faithfully
for and on behalf of the Board of
LIEN HOE CORPORATION BERHAD

YEOH CHONG KEAT
Chairman

APPENDIX I - SALIENT TERMS OF THE SPA

The salient terms of the SPA are as follows:

1. Basis of sale and purchase

The Vendor hereby acknowledges and confirms its full awareness that the Purchaser is entering into the SPA to purchase the Land at the agreed price of RM29.50 psf. totaling RM88,666,380.00 strictly on the following fundamental basis and agrees to sell the Land on such basis:

- a) The purpose of the Purchaser in agreeing to purchase the Land is to develop the Land into an exclusive premium residential cum commercial development free from any low-cost, low medium-cost or medium-cost accommodation or affordable housing.
- b) The Disposal Consideration calculated at RM29.50 psf. is agreed upon by the Purchaser on the understanding that the Vendor shall at its own costs and expenses procure and secure:
 - (i) the "Kebenaran Merancang" to be issued by the local authority on the layout of the Land comprising components as required by the Purchaser (KM Layout Approval); and
 - (ii) the approval of the land authority for the conversion and subdivision of the Land into subdivided lots for specific usages as required by the Purchaser (SBKS Approval),

subject to the salient terms set out in Clause 7 of the SPA, within nine (9) months from the date of the receipt of the Required Layout (as defined in Clause 7.1 of the SPA) by the Vendor's solicitors, Messrs Tea Kelvin Kang & Co., Advocates & Solicitors, Johor Bahru or such extension as may be mutually agreed upon by the Vendor and the Purchaser provided always that:

- (A) if the KM Layout Approval or the SBKS Approval is not obtained by the expiry of the Requisite Approval Period;
- (B) where the terms imposed in the KM Layout Approval or the SBKS Approval are not the usual or standard terms imposed for a development of similar size or nature and such terms are not acceptable to the Purchaser; or
- (C) the appeal is not successful and the terms imposed in the KM Layout Approval or the SBKS Approval are not acceptable to the Purchaser.

The Purchaser shall have the option to either:

- I. continue with the purchase of the Land whereby the Disposal Consideration shall be reduced by RM8.00 (i.e. from RM29.50 to RM21.50) psf. to RM64,621,260.00; or
- II. terminate the purchase of the Land whereby:
 - (aa) the Vendor shall within fourteen (14) days from the date of such termination refund the Purchaser the deposit together with interest thereon at the rate of eight per centum (8%) per annum calculated on a day to day basis from the date of the SPA to the date of actual refund; and
 - (bb) the Purchaser's solicitors, Messrs Leng & Co., Advocates & Solicitors, Johor Bahru, shall, upon the refund under sub-paragraph (aa) above, return to the Vendor's solicitors the documents received under Clauses 5 and 8 of the SPA.
- c) The Vendor shall construct and complete all that stretch of road measuring 100 feet in width and coloured yellow in the layout plan annexed in the SPA and marked "Annexure II" ("**2nd Layout Plan**"), complete with the upgrading of the junction coloured purple in the 2nd Layout Plan and construction of a roundabout or a traffic light thereat, in strict accordance with the provisions of Clause 10 of the SPA, failing which the consequences provided thereunder shall apply. For the

APPENDIX I - SALIENT TERMS OF THE SPA (cont'd)

purpose of the SPA, the aforesaid 100 feet in width road and coloured yellow in the 2nd Layout Plan, complete with the upgrading work at the aforesaid junction and a roundabout or traffic light thereat, are hereinafter collectively referred to as "*Access Road*".

- d) The Vendor shall grant the Purchaser the right to use free of charge the pump house land and the buffer zone in the manner set out in Clause 11 of the SPA.
- e) The Vendor shall simultaneously with the execution of the SPA grant the Purchaser the development power of attorney and the infrastructure power of attorney in accordance with the provisions of Clause 12 of the SPA.
- f) The Vendor shall grant the Purchaser the right of entry and the licence as per Clauses 13 and 18 of the SPA.
- g) The Vendor shall, within one (1) month from the Access Road Notice (as defined in Clause 10.1 (a)(i) of the SPA), deposit with the Purchaser's solicitors:
 - (i) the consent letters and the assignment as referred to in Clause 7.2(g) of the SPA; and
 - (ii) the consultant letters of discharge as per the provisions of Clause 14.1 of the SPA,failing which the 1-year period shall be extended correspondingly.
- h) Save and except for the appointment of the consultants, the Vendor has not appointed any other consultant for the development of the Land and if any appropriate authority or any of the Purchaser's consultants requires any letter of discharge from any other consultant appointed by the Vendor, the Vendor shall within fourteen (14) days from the date of request by the Purchaser procure and deliver to the Purchaser such letter of discharge coupled with the confirmation of no claim against the Purchaser and the Purchaser's consultants.
- i) The Vendor shall cause and procure the consultants:
 - a. to furnish the Purchaser or the Purchaser's consultants with all relevant approved drawings and plans and all relevant documents and correspondence pertaining to the submission and approval of the Access Road and/or the Land; and
 - b. to render the Purchaser and the Purchaser's consultants with all assistance as may be required.

If any of the basis referred to in Clause 1.1 of the SPA:

- (a) is materially inaccurate, untrue or misleading or becomes materially inaccurate, untrue or misleading; or
- (b) is not fulfilled, obtained or complied with prior to the completion.

the Purchaser shall have the absolute right and discretion to withdraw from the purchase of the Land (but failure to withdraw shall not constitute a waiver of any other rights of the Purchaser) and such withdrawal shall not extinguish any right to damages to which the Purchaser may be entitled.

2. Sale and purchase

Subject to the provisions of Clauses 1, 2 and 4 of the SPA and in consideration of RM8,866,638.00, being 10% of the Disposal Consideration, now deposited by the Purchaser with the Purchaser's solicitors, the Vendor hereby agrees to sell and the Purchaser hereby agrees to purchase the Land on an "as is where is" basis, free from all claims and encumbrances and with vacant possession at and for the Disposal Consideration or the Reduced Price, as the case may be, upon the terms and conditions contained in the SPA.

Pending fulfilment of the condition precedent under Clause 4 of the SPA, the Purchaser's solicitors shall place the deposit under fixed deposit on a "month-to-month" basis with a commercial bank in Johor Bahru. The Purchaser's solicitors shall release the deposit together with the interest accrued thereon in accordance with Clause 4.2 or 8 of the SPA.

3. Conditions precedent

Notwithstanding anything to the contrary contained in the SPA, the sale and purchase of the Land hereunder shall at all times and for all intents and purposes be conditional upon and subject to the Vendor procuring, at the Vendor's own costs and expenses and within three (3) months from the date of the SPA (CP Period), the approval of the shareholders of the Company, for the sale and transfer of the Land in favour of the Purchaser at the Disposal Consideration or the Reduced Price, as the case may be, upon terms and conditions as contained in the SPA.

If the Shareholders Approval is not obtained within the CP Period, the sale and purchase of the Land shall be terminated whereupon the Purchaser's solicitors shall return to:

- (a) the Purchaser the deposit together with the interest accrued thereon; and
- (b) the Vendor's solicitors the documents received by the Purchaser's solicitors under Clause 5 of the SPA,

and thereafter neither party shall have any claim whatsoever against each other save and except for antecedent breach.

4. Access Road

The Vendor undertakes to:

- (a) construct and complete the construction of the Access Road:
 - (i) at its own costs and expenses and within three (3) months from the date of Access Road Notice, provided always that the Purchaser's solicitors shall only issue the Access Road Notice after:
 - (A) the KM Layout Approval and the SBKS Approval have been obtained with terms acceptable to the Purchaser; or
 - (B) the expiry of the Requisite Approval Period,whichever is earlier; and
 - (ii) in accordance with:
 - (A) the drawings and specifications as submitted and approved by the appropriate authority; and
 - (B) the then prevailing standards, requirements, specifications and directions of the appropriate authority, in particular, the local authority, complete with street lighting, curb, drainage system and side-table with proper turfing; and
- (b) procure and deliver to the Purchaser's solicitors at its own costs and expenses and within the aforesaid 3-month period the unconditional certificate of completion and compliance of the Access Road issued by the local authority.

In addition to the provisions of Clause 10.1 of the SPA, the Vendor agrees and confirms as follows:

APPENDIX I - SALIENT TERMS OF THE SPA (cont'd)

- (a) The Access Road is to be constructed in accordance with the level as determined by the Purchaser and such level will be furnished in the Access Road Notice.
- (b) The Vendor shall, within seven (7) days from date of the Vendor's solicitors' receipt of the Access Road Notice, furnish the Purchaser with a program setting out the construction time table for each stage the construction of the Access Road and the Vendor shall comply strictly with such program in undertaking and completing such construction.
- (c) The Purchaser shall be entitled to station site supervisors to monitor the construction of the Access Road and the progress thereof and to report to the Purchaser on any issue arising therefrom.
- (d) The Vendor shall:
 - (i) notify the Purchaser in writing on the completion of each stage of construction of the Access Road and allow the Purchaser to do inspection before proceeding with the next stage of construction; and
 - (ii) comply with and adopt the Purchaser's proposals *vis-à-vis* the construction and completion of the Access Road.

If the Vendor completes the construction of the Access Road and delivered to the Purchaser the Unconditional Access Road CCC on or before the completion of the SPA, a sum of RM5,000,000.00 (DL Retention Sum) shall be retained by the Purchaser's solicitors from the balance of the Disposal Consideration or the Reduced Price, as the case may be, as security for the rectification of any defects of the Access Road and:

- (a) seventy per centum (70%) of the DL Retention Sum less the total of all amounts that have been released under Clause 10.6 of the SPA shall be released by the Purchaser's solicitors to the Vendor upon the expiry of twelve (12) months from the date of the Unconditional Access Road CCC; and
- (b) the remaining thirty per centum (30%) of the DL Retention Sum less the total of all amounts that have been released under Clause 10.6 of the SPA shall be released by the Purchaser's solicitors to the Vendor upon the expiry of twenty-four (24) months from the date of the Unconditional Access Road CCC.

If for any reason whatsoever:

- (a) the Vendor fails or neglects to commence the construction of the Access Road by the completion of the SPA, the Purchaser's solicitors shall be entitled to retain Access Road Retention Sum from the balance of the Disposal Consideration or the Reduced Price, as the case may be, towards the construction of the Access Road; and
- (b) the Vendor has commenced the construction of the Access Road but failed to complete the same or obtain the issuance of the Unconditional Access Road CCC on or before the completion of the SPA, the Purchaser's solicitors shall be entitled to retain from the balance of the Disposal Consideration or the Reduced Price, as the case may be, a sum required for the completion of the Access Road and the issuance of the Unconditional Access Road CCC (also Access Road Retention Sum) Provided Always that the amount to be retained hereunder shall not exceed RM9,000,000.00 and shall not be less than RM5,000,000.00.

In any of the scenarios under Clause 10.4(a) or (b) of the SPA,

- (a) the Purchaser shall, after the completion of the SPA, be entitled to take over the construction of the Access Road or the balance thereof and complete the same in accordance with the provisions of Clause 10.1 of the SPA;

APPENDIX I - SALIENT TERMS OF THE SPA (cont'd)

- (b) the Purchaser's solicitors shall reimburse the Purchaser from the Access Road Retention Sum all costs and expenses incurred for the construction and completion of the Access Road and the procurement of the issuance of the Unconditional Access Road CCC (collectively "**Access Road Costs**") provided always that nothing in the SPA shall affect the right of the Purchaser to recover from the Vendor the shortfall if the Access Road Retention Sum is insufficient to reimburse the Purchaser the Access Road Costs incurred;
- (c) the balance of the Access Road Retention Sum retained under Clause 10.4(a) of the SPA, after deducting the Access Road Costs, shall be released by the Purchaser's solicitors to the Vendor upon the issuance of the Unconditional Access Road CCC; and
- (d)
 - (i) the balance of the Access Road Retention Sum retained under Clause 10.4(b) of the SPA, after deducting the Access Road Costs and retaining a sum equivalent to the DL Retention Sum, shall be released by the Purchaser's solicitors to the Vendor upon the issuance of the Unconditional Access Road CCC; and
 - (ii) the sum referred to in Clause 10.5(d)(i) of the SPA (which is equivalent to the DL Retention Sum) shall be released by the Purchaser's solicitors to the Vendor in accordance with the provisions of Clause 10.3(a) and (b) of the SPA.

The Vendor hereby irrevocably authorises the Purchaser's solicitors to release to the Purchaser any money retained under the SPA towards:

- (a) reimbursement to the Purchaser of the Access Road Costs; and
- (b) payment of any costs and expenses for rectification of any defect in the Access Road arising from the work done by the Vendor,

Provided always that if any such costs or expenses is disputed by the Vendor, the decision of:

- I. an independent civil engineer (where applicable); and
- II. an independent quantity surveyor,

jointly appointed by the Vendor and the Purchaser at their joint costs shall be final and binding on the parties hereto.

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HENRY BUTCHER MALAYSIA

International Asset Consultants

PRIVATE & CONFIDENTIAL

Our Ref : V/JB09-20/699CV/TLS

Date: September 15, 2020

The Board of Directors
Lien Hoe Corporation Berhad
3rd Floor, Plaza Armanda
Lot 6, Lorong Utara C, Section 52
46200 Petaling Jaya, Selangor

Dear Sirs,

CERTIFICATE OF VALUATION ON A PARCEL OF VACANT FREEHOLD GOLF COURSE LAND KNOWN AS “CHRISTINE RESORT” LOCATED IN BANDAR SERI ALAM, 81750 MASAI, JOHOR, HELD UNDER LOT NO. PTD 239918, TITLE NO. HS (D) 592954, MUKIM OF PLENTONG, DISTRICT OF JOHOR BAHRU AND STATE OF JOHOR (“SUBJECT PROPERTY”)

We, Henry Butcher Malaysia (Johor) Sdn Bhd (“**Henry Butcher Malaysia**” or the “**Valuer**”), were instructed by **Lien Hoe Corporation Berhad** (“**Lien Hoe Berhad**” or the “**Client**”) to carry out valuation on the Subject Property for the purpose of submission to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and for inclusion in the circular to the shareholders of Lien Hoe Berhad in relation to the proposed disposal of a parcel of vacant freehold golf course land known as “Christine Resort” located in Bandar Seri Alam, 81750 Masai, Johor, held under Lot No. PTD 239918, Title No. HS (D) 592954, Mukim of Plentong, District of Johor Bahru and State of Johor (“**Proposed Disposal**”). This Report and Valuation is prepared in compliance with the Malaysian Valuation Standards (“**MVS**”) issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia and the Asset Valuation Guidelines issued by the Securities Commission Malaysia (“**SC**”).

The Subject Property was inspected during 1 September 2019. The date of valuation is at the date of this letter. All the information supplied by the client and other sources listed is believed to be reliable and no responsibility is accepted should the information not prove to be so.

Our term of reference is to determine the ‘Market Value’ of the Subject Property. The basis of the valuation adopted is the Market Value which is defined by the MVS to be “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion”.

HENRY BUTCHER MALAYSIA (JOHOR) Sdn Bhd (199150-H)

No. 52, 52-A-B, Jalan Padi 1, Bandar Baru UDA, 81200 Johor Bahru, Johor, Malaysia.

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Valuation | Real Estate Agency | Investment Advisory | International Marketing | Market Research | Development Consultancy
Project Marketing | Asset Management | Retail Planning & Consultancy | Auctions | Plant & Machinery | Art Consultancy



RICS



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APPENDIX II – VALUATION CERTIFICATE FROM HENRY BUTCHER (cont'd)

This Valuation Certificate should be read in conjunction with the full Report dated 15 September 2020 with reference number V/JB09-20/699/TLS.

We have conducted searches at the relevant department of the Johor State. Whilst the details of titles are believed and deemed to be correct, this should not be deemed to be legal advice provided to our client, given either expressly or by implication and Henry Butcher Malaysia will assume no responsibility or liability to the interpretation of the registered proprietor's legal title of the property.

We noted that Lien Hoe Berhad had on 7 September 2020 announced that its wholly owned subsidiary, Christine Resort Sdn Bhd has, on 4 September 2020, entered into a conditional sale and purchase agreement with Countryland Realty Sdn Bhd for the disposal of the Subject Property. We note that the following approvals have yet to be obtained as at the date of this Report:

- (i) the "Kebenaran Merancang" to be issued by the local authority on the layout of the Subject Property comprising components as required by Countryland Realty Sdn Bhd ("**KM Layout Approval^(a)**"); and
- (ii) the approval of the land authority for the conversion and subdivision of the Subject Property into subdivided lots for specific usages as required by Countryland Realty Sdn Bhd ("**SBKS Approval^(b)**").

Notes:

(a) Christine Resort Sdn Bhd is targeting to submit the application for KM Layout Approval by mid-November 2020. The KM Layout Approval is estimated to take 4 months to process and is expected to be obtained by mid-March 2021.

(b) Christine Resort Sdn Bhd is targeting to submit the application for SBKS Approval after obtaining the KM Layout Approval by mid-March 2021. The SBKS Approval is estimated to take 3 months to process and is expected to be obtained by mid-June 2021.

It is further noted that Christine Resort Sdn Bhd shall at its own costs and expenses procure and secure the KM Layout Approval and SBKS Approval within nine (9) months of the receipt of the required layout plan by Christine Resort Sdn Bhd and that if the KM Layout Approval or the SBKS Approval are not obtained, Countryland Realty Sdn Bhd shall have the option to either continue with the purchase of the Subject Property whereby the sale price shall be reduced by RM8.00 (i.e. from RM29.50 to RM21.50) per square foot to RM64,621,260 or terminate the purchase of the Subject Property.

We wish to confirm that the Market Value of the Subject Property is ascertained in its existing physical condition with the benefit of vacant possession and based on an "as is" basis without taking into consideration effects of the KM Layout Approval and SBKS Approval being obtained by Lien Hoe Berhad. We wish to confirm that in the event that the KM Layout Approval and SBKS Approval had been obtained and included as part of the Valuation of the Subject Property, the Market Value of the Subject Property would have been higher than the value stated herein.

APPENDIX II – VALUATION CERTIFICATE FROM HENRY BUTCHER (cont'd)

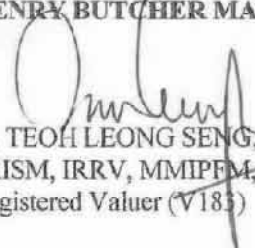
Having regard to the information provided and investigations on relevant data with some adjustments made to the sale evidences, we are of our opinion that the total Market Value of the freehold interest in the Subject Property in its existing physical condition with the benefit of vacant possession is:-

Market Value – RM90,000,000/- (Ringgit Malaysia : Ninety Million Only)

Details description of the Subject Property is attached overleaf.

Yours faithfully,

HENRY BUTCHER MALAYSIA (JOHOR) SDN BHD


Sr. TEOH LEONG SENG, BSc, MSc
FRISM, IRRV, MMIPFM, MPEPS
Registered Valuer (V183)



CERTIFICATE OF VALUATION

PROPERTY DETAILS

Property Type	:	<p>The Subject Property comprises a parcel of land with Golf Course known as “Christine Resort”.</p> <p>The subject property bearing a postal address “Christine Resort” Jalan Persiaran Seri Alam, Bandar Seri Alam, 81750 Masai, Johor.</p>
Location	:	<p>The Subject Property is located along Jalan Persiaran Seri Alam within Bandar Seri Alam which lies about 25 kilometers due north-east of Johor Bahru city centre.</p> <p>It is accessible from Pasir Gudang Highway via Seri Alam interchange onto Jalan Persiaran Seri Alam leading to the Subject Property.</p> <p>It is also easily accessible from Johor Bahru City Centre as well as CIQ Complex via Jalan Tebrau or Eastern Dispersal Link Highway (EDL) and Coastal Highway. It is also linked to Pasir Gudang Port via Pasir Gudang Highway, Tuas (Singapore) and Port of Tanjung Pelepas via Secondlink Highway and Pasir Gudang Highway.</p>
Surrounding locality	:	<p>Bandar Seri Alam is an established and well-developed area with mixed housing schemes in Masai, Johor. It is developed upon with various types of residential units such as single and double storey terrace houses, low-cost terrace houses, condominiums, townhouses, semi-detached houses and bungalows. The commercial development comprises two shopping complexes, i.e. Today’s Market and TESCO Hypermarket, double, three and four storeys shophouses and petrol stations. Other developments such as Regency Specialist Hospital, Amansari Resort (Hotel) and Leisure Park are situated within the scheme.</p> <p>Bandar Seri Alam is also well known as a government institutional centre with UiTm campus, UniKL campus, MARA college, an international private school (Japanese School), primary and secondary schools as well as the Seri Alam Police headquarters.</p> <p>Industrial developments within the scheme include Kawasan Perindustrian MIEL, Kawasan Perindustrian Kota Puteri and Kawasan Perindustrian Jalan Masai Lama.</p> <p>Bandar Seri Alam is surrounded by matured housing schemes including Bandar Baru Permas Jaya, Bandar Kota Putri, Taman Johor Jaya, Taman Rinting and Taman Megah Ria.</p> <p>Johor Bahru City Centre which lies about 25 kilometers due south-west of Bandar Seri Alam is the main administrative and commercial centre for the district.</p>

Title Particulars and Legal Description	
Title No.	: HS (D) 592954
Lot No.	: PTD 239918
Strata Title	: Nil
Mukim	: Plentong
District	: Johor Bahru
State	: Johor
Land Area	: 279,355.5 square metres (“sq.m”)
Tenure	: Freehold
Registered Proprietor	: Christine Resort Sdn. Bhd.
Category of Land Use	: Building
Express Conditions	<p>: Tanah ini hendaklah digunakan sebagai Padang Golf dan kegunaan lain yang berkaitan dengannya dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.</p> <p>Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan / dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan.</p> <p>Segala dasar dan syarat yang telah ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi.</p>
Audited net carrying value of the Subject Property as at 31 December 2019	: RM166,783,165
Restriction in Interest	: Nil
Encumbrances	: The Subject Property is presently charged to Kenanga Investment Bank Berhad vide Presentation No. 69/2020 and dated January 1, 2020.
Endorsement Caveat	<p>: Nil</p> <p>: The private caveat entered by CountryLand Realty Sdn Bhd to the Subject Property vide Presentation No. 28464/2020 and dated September 6, 2020.</p>
Planning Site	<p>: Golf course</p> <p>: The Subject Property is generally irregular in shape whilst the topographically is flat in terrain being gently undulating with land size about 279,355.5 sq. m. (3,006,957 square feet (“sq. ft.”)).</p> <p>The Subject Property is formerly a golf course with different level in terrain, some portion for fairways, green and tee, bunkers, lakes/ponds which served as water hazards as well as reservoir for irrigation, etc. The course has not been maintained and not in operation. There is a “simpanan laluan keretapi” located on the south of subject site, it is a railway for rail freight transport, being transportation of cargo. Due to the railway not in operation daily, there is no impact of the railway on the valuation.</p> <p>As at the date of inspection, we noted that there were no structures erected on the Subject Property. The site boundary is generally demarcated by chain link fencing.</p>

VALUATION METHODOLOGY

In arriving at the Market Value of the Subject Property, we have adopted the "**Comparison Approach**" in formulating our opinion of the current **Market Value** of the Subject Property.

The "**Comparison Approach**" is the market approach of comparing the Subject Property with similar properties that were either transacted recently or listed for sale within the same location or other comparable localities. In comparing the properties, due consideration is given to factors such as location, size, improvements and amenities, time element and other relevant factors to arrive at our opinion of value.

Comparison Approach is the most suitable and sole method of valuation to assess the market value of the Subject Property as the Subject Property is valued as a parcel of golf course land and with no income generated as the golf course is no longer in operation since July 2013. Furthermore, there is no submission for other developments by Lien Hoe Corporation Berhad on the Subject Property, therefore the other methods of valuation like Cost Method or Residual Method is not suitable.

In arriving at our opinion of value, the following sale transactions are summarised and analysed below:-

Comparable	No. 1	No.2	No.3
Property Details	PTD 203262 and PTD 203260 Iskandar Puteri Johor	PTD 229495 Jalan Persiaran Seri Alam Bandar Baru Seri Alam, Masai, Johor	55044, 113164, 113158, 113165, 113165, 113159, 63409, 55056, 55054 and 113162 Jalan Johor Bahru-Pontian, Pulai Spring Resorts, Johor
Property Type	Freehold Commercial Vacant Land	Freehold Commercial Vacant Land	Freehold Vacant Golf Land with Infra
Titled Land Use/Zoning	Building/ Commercial	Building/ Commercial	Building/ Golf
Express Conditions	Commercial	Commercial	Golf
Land Area (sq. ft.)	527,076	1,585,583	8,210,397
Transaction Date	18 October 2016	14 July 2017	20 March 2018
Transacted Price (sq. ft. over land area)	RM40,958,000 Land analysed @ RM77.70 per sq. ft.	RM100,537,740 Land analysed @ RM63.41 per sq. ft.	RM176,937,385 Land analysed @ RM21.55 per sq. ft.
Vendor	Medini Central Sdn Bhd	Christine Resort Sdn Bhd	Pulai Springs Resort Berhad
Purchaser	Medini Arena Sdn Bhd	Plato Assets (M) Sdn Bhd	Bintang-Bintang Development Sdn Bhd
Adjusted Value per sq. ft.	RM27.00	RM41.00	RM29.00

(Source : Jabatan Penilaian dan Perkhidmatan Harta ("JPPH"))

Adjustments

The adjustments were made particularly on aspects of location, time, improvement, land size and land usage between the Subject Property and the comparable lands.

With regards to transactions of large parcels of vacant lands, we are of the opinion that there was a relatively stable property market during 2016 to 2018, therefore no time adjustment was made. The downward adjustments are due to the overall property market effects from COVID-19.

For Comparable 1, downward adjustments are given to its location, market effects, land size and land use. Upward adjustments are given to improvement as the Subject Property is with infrastructure. Comparable 1 is included despite its large downward adjustment due to lack of suitable comparables. The downward adjustment for Comparable 1 is largely due to the comparable land being in a better location in Iskandar Puteri Johor and with the land use of building / commercial compared to the Subject Property's land use for golf course.

For Comparable 2, downward adjustments are given to market effects, land size and land use as the Subject Property is bigger in size and is designated for gold course land only. Upward adjustments are given to improvement as the Subject Property is with infrastructure.

For Comparable 3, downward adjustments are given to its location and market effects as the Subject Property is in a better location. Upward adjustments are given to land size as the Subject Property is smaller in size.

Adopted Value (per sq. ft.)

Adjusted value (per sq. ft.) for our valuation is a value after adjustments to the comparables. We then formulate our opinion of the Market Value to adopt after taking into consideration such adjustments. Based on our analysis from the abovementioned 3 comparables, the effective adjusted land value ranges between RM27 per sq. ft. to RM41 per sq. ft. The average value per sq. ft. of the above comparables is RM32 per sq. ft.

However, in our opinion, the best evidence from amongst the 3 comparables is Comparable No. 3 at RM29 per sq. ft. since it has almost similar characteristics as the Subject Property in terms of zoning as both are golf course lands.

Based on this evidence, it is our considered opinion that the market value of the Subject Property can be concluded at RM30 per sq. ft.

The Impact of the Covid-19 Pandemic and the Movement Control Order:

The COVID-19 pandemic has upended the political, social, economic and financial structures of the world and many industries have been affected. Malaysia implemented and gazetted the Movement Control Order (MCO) on 18 March 2020 and the regulations is cited as the “Prevention and Control of Infectious Diseases (Measures within the Infected Local Areas) Regulations 2020”, of the Prevention and Control of Infectious Diseases Act 1988. The impact of this pandemic on both the global and Malaysian economy is unprecedented and its actual impact on the mid to long-term outlook of the property sector cannot yet be determined as there are no benchmark transactional data etc that can be used as a guide to determine where the market is headed.

There is no avoidance of the fact that the COVID-19 pandemic and the authorities’ response as well as the various movement controls will have an effect on the economy with likely repercussions on the property market. Nonetheless, we would like to also highlight that the sustainability of the values for the properties may be largely dependent on the pandemic being managed and contained, not only on a local level but on a global level as well.

In the current scenario, our valuation approaches will be, in the main, the Comparison Approach, Investment Approach and Residual Approach. For the Comparison Approach, in the short-term will be to collate as much relevant data as possible to make our analysis on the comparables. In this regard, we will be relying on guidance asking rates as the actual up to date transacted data may not be available.

In due time, this will change as more transacted data will be made available and therefore will be more reliable to be adopted. The asking rates will be more subjective and it is therefore very important that local knowledge of the market sentiment is available. Our strength in this instance is that we are in all the major towns of Malaysia and this we hope will give us the important local knowledge and experience to navigate this period.

In usual circumstances, the housing prices in Johor Bahru for single, double or other terrace houses will remain stable. We observed from some new launches that there has been an increase of 10% to 15% in the selling price. However, there are indications that condominium prices have seen some downward trend due to the over-supply of high-end condominiums.

CONCLUSION

Having regard to the information provided and investigations on relevant data with some adjustments made to the sale evidences, we are of our opinion that the total Market Value of the freehold interest in the Subject Property in its existing physical condition with the benefit of vacant possession is:-

3,006,957 sq. ft. @ RM30 per sq. ft.

RM90,208,710.00

Say RM90,000,000.00
=====

Market Value - RM90,000,000/- (Ringgit Malaysia : Ninety Million Only).

1. RESPONSIBILITY STATEMENT

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

2. CONSENTS**2.1. Adviser**

SCA, being the Adviser for the Proposed Disposal, has given and has not subsequently withdrawn its written consent for the inclusion of its name and all other references thereto in the form and context in which they appear in this Circular.

2.2. Independent Property Valuer

Henry Butcher, being the Independent Property Valuer to the Company for the Proposed Disposal, has given and has not subsequently withdrawn its written consent for the inclusion of its name and all other references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTEREST**3.1. Adviser**

As at the LPD, SCA is not aware of any existing conflict of interest or any circumstances which would or is likely to give rise to a possible conflict of interest in relation to its role as the Adviser for the Proposed Disposal.

3.2. Independent Property Valuer

As at the LPD, Henry Butcher is not aware of any existing conflict of interest or any circumstances which would or is likely to give rise to a possible conflict of interest in relation to its role as Independent Property Valuer for the Proposed Disposal.

4. MATERIAL COMMITMENTS

As at the LPD, the Board is not aware of any other material capital commitments incurred or known to be incurred by the Group which, upon becoming due and enforceable, may have a material impact on the financial results or position of the Group.

5. MATERIAL CONTRACTS

Save for the SPA, the Group has not entered into any material contracts (not being contract entered into in the ordinary course of business in accordance with the Listing Requirements) within the past two (2) years immediately preceding to the date of this Circular.

6. CONTINGENT LIABILITIES

As at the LPD, the Board is not aware of any other contingent liability incurred or known to be incurred by the Group which, upon becoming due and enforceable, may have a material impact on the financial results or position of the Group.

7. MATERIAL LITIGATION

The Board had announced on 14 July 2020 that the High Court of Shah Alam has granted an order for the extension of the judicial management of Macro Resources Sdn Bhd (“**Macro**”), a wholly-owned subsidiary of the Company, pursuant to Section 406 of the Companies Act 2016 from 21 July 2020 to 20 January 2021. Hence, the judicial manager, Mr. Ng Choon Jin of SL Ng Corporate Solutions Sdn Bhd will continue his term as the judicial manager of Macro until 20 January 2021.

Save for the above, as at the LPD, the Company is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and has no knowledge of any proceedings pending or threatened against the Company, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of the Company.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company’s registered office at 3rd Floor, Plaza Armada, Lot 6 Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan during normal business hours on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:

- (i) the Constitution of the Company, Armada Resorts, and Christine Resort;
- (ii) the SPA;
- (iii) the Valuation Certificate as set out in Appendix II of this Circular and the Valuation Report in relation thereto;
- (iv) the audited consolidated financial statements of the Company for the past 2 FYEs 31 December 2018 and 31 December 2019 and the latest unaudited quarterly results of the Company for the 6-months financial period ended 30 June 2020;
- (v) letters of consent as referred to in Section 2 of this Appendix; and
- (vi) letters of declaration of conflict of interest as referred to in Section 3 of this Appendix.

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LIEN HOE CORPORATION BERHAD
(Registration No.: 196901000161 (8507-X))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of the members of Lien Hoe Corporation Berhad (the “**Company**”) will be conducted on a fully virtual basis through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Monday, 30 November 2020 at 2.30 p.m. or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolution, with or without modification(s):-

ORDINARY RESOLUTION

PROPOSED DISPOSAL OF A PARCEL OF VACANT LAND BY CHRISTINE RESORT SDN BHD, AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF THE COMPANY, TO COUNTRYLAND REALTY SDN BHD FOR A CASH CONSIDERATION OF RM88,666,380 OR REDUCED PRICE OF RM64,621,260 WITHOUT DEVELOPMENT ORDER (“PROPOSED DISPOSAL”)

“**THAT** subject to the requisite approvals being obtained from the relevant authorities and/or parties, approval be and is hereby given for Christine Resort Sdn Bhd (“**Christine Resort**”), a wholly-owned subsidiary of Armada Resorts Sdn Bhd, which is in turn a wholly-owned subsidiary of the Company to dispose of a parcel of freehold land located within Bandar Seri Alam, 81750 Masai, Johor held under the title HS(D) 592954 PTD 239918, in the Mukim of Plentong, District of Johor Bahru, State of Johor, measuring an approximate area of 69.03 acres for a cash consideration of RM88,666,380 or reduced price of RM64,621,260 without development order and upon all other terms and conditions as contained in the sale and purchase agreement dated 4 September 2020 entered into between Christine Resort and Countryland Realty Sdn Bhd, including any amendment and/or extension thereof as mutually agreed.

AND THAT the Directors of the Company be and are hereby authorised to do all such acts, deeds and things and to execute, sign and deliver all such documents and/or agreements as they may deem necessary or expedient to complete the Proposed Disposal with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities.”

BY ORDER OF THE BOARD

TAN FONG SHIAN (SSM PC No. 201908004045) (MAICSA 7023187)
LIEW CHAK HOOI (SSM PC No. 201908004042) (MAICSA 7055965)
Secretaries

Petaling Jaya
13 November 2020

Notes:

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

Shareholder(s) or proxy(ies) or attorney(s) or authorised representative(s) **WILL NOT BE ALLOWED** to attend the Extraordinary General Meeting (“EGM”) in person at the broadcast venue on the day of the meeting.

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, “participate”) remotely at the EGM via the Remote Participation and Voting facilities (“RPV”) provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at <https://tiih.online>.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the EGM in order to participate remotely via RPV.
2. For the purpose of determining who shall be entitled to participate at this meeting via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 23 November 2020 (“Record of Depositors”) and only a depositor whose name appears on the Record of Depositors shall be entitled to participate at this meeting via RPV.
3. A member of the Company entitled to participate at this meeting via RPV is entitled to appoint a proxy to participate instead of him. A proxy need not be a member of the Company. Where a member appoints more than one proxy, such appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
4. In the case of a corporate member, the form of proxy appointing a corporate representative must be executed under seal or under the hand of officer(s) or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 (“SICDA”) which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. A member who has appointed a proxy or attorney or authorised representative to participate at the EGM via RPV must request his/ her proxy or attorney or authorised representative to register himself/ herself for RPV via TIIH Online website at <https://tiih.online>. Please follow the procedures for RPV in the Administrative Guide for the EGM.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Share Registrar of the Company not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form - In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) By electronic means - The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Administrative Guide for the EGM on the procedures for electronic lodgement of proxy form via TIIH Online.
8. Please ensure ALL the particulars as required in the form of proxy are completed, signed and dated accordingly.
9. Last date and time for lodging the form of proxy is **Saturday, 28 November 2020 at 2.30 p.m.**
10. Pursuant to paragraph 8.29A (1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in this notice of EGM will be conducted by poll.
11. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
12. A corporate member who has appointed a representative, please deposit the ORIGINAL certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting. The certificate of appointment should be executed in the following manner:

- (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

13. The Personal Data Protection Act 2010, which regulates the processing of personal data in commercial transactions, applies to the Company. By providing to us or our agents your personal data which may include your name, contact details and mailing address, you hereby consent, agree and authorise the processing and/or disclosure of any personal data of or relating to you for the purposes of issuing the notice of this meeting and convening the meeting, including but not limited to preparation and compilation of documents and other matters, whether or not supplied by you. You further confirm to have obtained the consent, agreement and/or authorisation of all persons whose personal data you have disclosed and/or processed, in connection with the foregoing.

LIEN HOE CORPORATION BERHAD

Registration No.196901000161 (8507-X)

ADMINISTRATIVE GUIDE FOR THE EXTRAORDINARY GENERAL MEETING (“EGM”)

Date : Monday, 30 November 2020
Time : 2.30 p.m.
Broadcast Venue : Tricor Business Centre, Manuka 2 & 3 Meeting Room,
Unit 29-01, Level 29, Tower A, Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia

MODE OF MEETING

In view of the COVID-19 outbreak and as part of the safety measures, the EGM will be conducted on a **virtual basis through live streaming from the Broadcast Venue and online remote voting**. This is in line with the *Guidance and FAQs on the Conduct of General Meetings for Listed Issuers* issued by the Securities Commission Malaysia on 18 April 2020, including any amendment that may be made from time to time.

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Shareholder(s) or proxy(ies) or attorney(s) or authorised representative(s) **WILL NOT BE ALLOWED** to attend the EGM in person at the Broadcast Venue on the day of the meeting.

Due to the constant evolving COVID-19 situation in Malaysia, we may be required to change the arrangements of our EGM at short notice. Kindly check the Company’s website or announcements for the latest updates on the status of the EGM. The Company will continue to observe the guidelines issued by the Ministry of Health and will take all relevant precautionary measures as advised.

REMOTE PARTICIPATION AND VOTING FACILITIES (“RPV”)

Shareholders are to attend, speak (in the form of real time submission of typed texts) and vote (collectively, “participate”) remotely at the EGM using RPV provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“**Tricor**”) via its **TIIH Online** website at <https://tiih.online>. Please refer to Procedure for RPV.

A shareholder who has appointed a proxy(ies) or attorney(s) or authorised representative(s) to participate at this EGM via RPV must request his/her proxy(ies) or attorney or authorised representative to register himself/herself for RPV at TIIH Online website at <https://tiih.online>. Please refer to Procedure for RPV.

As the EGM is a fully virtual EGM, shareholders who are unable to participate in this EGM may appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the proxy form.

PROCEDURES FOR RPV

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

	Procedure	Action
BEFORE THE EGM DAY		
(a)	Register as a user with TIIH Online	<ul style="list-style-type: none"> Using your computer, access the website at https://tiih.online. Register as a user under the “e-Services”. Refer to the tutorial guide posted on the homepage for assistance. Registration as a user will be approved within one working day and you will be notified via email. If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
(b)	Submit your registration for RPV	<ul style="list-style-type: none"> Registration is open from Friday, 13 November 2020 until the day of EGM on Monday, 30 November 2020. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the EGM to ascertain their eligibility to participate the EGM using the RPV. Login with your user ID and password and select the corporate event: “(REGISTRATION) LIEN HOE EGM” Read and agree to the Terms & Conditions and confirm the Declaration. Select “Register for Remote Participation and Voting”. Review your registration and proceed to register. System will send an e-mail to notify that your registration for remote participation is received and will be verified. After verification of your registration against the General Meeting Record of Depositors dated 23 November 2020, the system will send you an e-mail on/after 28 November 2020 to approve your registration for remote participation and the procedures to use the RPV are detailed therein. In the event your registration is not approved, you will also be notified via email. <p><i>(Note: Please ensure to allow sufficient time required for the approval as a new user of TIIH Online as well as the registration for RPV in order that you can login to TIIH Online and participate the EGM remotely).</i></p>
ON THE DAY OF THE EGM		
(c)	Login to TIIH Online	<ul style="list-style-type: none"> Login with your user ID and password for remote participation at the EGM at any time from 2.00 p.m. i.e. 30 minutes before the commencement of the EGM on Monday, 30 November 2020 at 2.30 p.m.
(d)	Participate through Live Streaming	<ul style="list-style-type: none"> Select the corporate event: “(LIVE STREAM MEETING) LIEN HOE EGM” to engage in the proceedings of the EGM remotely. If you have any question for the Chairman/ Board, you may use the query box to transmit your question. The Chairman/ Board will endeavor to respond to questions submitted by you during the EGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.

(e)	Online Remote Voting	<ul style="list-style-type: none"> • Voting session commences from 2.30 p.m. on Monday, 30 November 2020 until a time when the Chairman announces the end of the session. Select the corporate event: “(REMOTE VOTING) LIEN HOE EGM” or if you are on the live stream meeting page, you can select “GO TO REMOTE VOTING PAGE” button below the Query Box. • Read and agree to the Terms & Conditions and confirm the Declaration. • Select the CDS account that represents your shareholdings. • Indicate your votes for the resolutions that are tabled for voting. • Confirm and submit your votes.
(f)	End of remote participation	<ul style="list-style-type: none"> • Upon the announcement by the Chairman on the closure of the EGM, the live streaming will end.

Note to users of the RPV facilities:

1. Should your registration for RPV be approved we will make available to you the rights to join the live streamed meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.
2. The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
3. In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting on the meeting day, kindly call Tricor Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.

APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE

Shareholders who appoint proxy(ies) to participate via RPV at the EGM must ensure that the duly executed proxy forms are deposited in a hard copy form or by electronic means to Tricor not later than **Saturday, 28 November 2020 at 2.30 p.m.**

The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner:

(i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(ii) By electronic means (applicable to individual shareholders only)

The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Procedure for Electronic Submission of Proxy Form as below.

Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.

Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not later than **Saturday, 28 November 2020 at 2.30 p.m.** to participate via RPV in the EGM. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not later than **Saturday, 28 November 2020 at 2.30 p.m.** to participate via RPV in the EGM. The certificate of appointment should be executed in the following manner:

- (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

PROCEDURE FOR ELECTRONIC SUBMISSION OF PROXY FORM

The procedures to submit your proxy form electronically via Tricor's **TIIH Online** website are summarised below:

	Procedure	Action
a	Register as a User with TIIH Online	<ul style="list-style-type: none"> Using your computer, please access the website at https://tiih.online. Register as a user under the "e-Services". Please do refer to the tutorial guide posted on the homepage for assistance. If you are already a user with TIIH Online, you are not required to register again.
b	Proceed with submission of Proxy Form	<ul style="list-style-type: none"> After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password. Select the corporate event: "Submission of Proxy Form". Read and agree to the Terms & Conditions and confirm the Declaration. Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint Chairman as your proxy. Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide your vote. Review and confirm your proxy(ies) appointment. Print proxy form for your record.

POLL VOTING

The voting at the EGM will be conducted by poll in accordance with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor as Poll Administrator to conduct the poll by way of electronic voting (e-voting).

Shareholders or proxy(ies) or corporate representative(s) or attorney(s) can proceed to vote on the resolutions at any time from **2.30 p.m. on Monday, 30 November 2020** but before the end of the voting session which will be announced by the Chairman of the meeting. Kindly refer to item (e) of the above – Procedures for RPV for guidance on how to vote remotely from TIIH Online website at <https://tiih.online>.

Upon completion of the voting session for the EGM, the Scrutineers will verify the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD OF DIRECTORS

Shareholders may submit questions for the Board in advance of the EGM via Tricor's TIIH Online website at <https://tiih.online> by selecting "e-Services" to login, pose questions and submit electronically not later than **Saturday, 28 November 2020 at 2.30 p.m.** The Board will endeavor to answer the questions received at the EGM.

DOOR GIFT/FOOD VOUCHER

There will be no door gifts or food vouchers for attending the EGM.

NO RECORDING OR PHOTOGRAPHY

Unauthorised recording and photography are strictly prohibited at the EGM.

ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line : +603-2783 9299

Fax Number : +603-2783 9222

Email : is.enquiry@my.tricorglobal.com

Contact persons : Ms. Christine Cheng +603 2783 9265 /Email: Christine.Cheng@my.tricorglobal.com

: Mr. Tee Yee Loon +603 2783 9242 /Email: Yee.Loan.Tee@my.tricorglobal.com



LIEN HOE CORPORATION BERHAD
(Registration No.: 196901000161 (8507-X))
(Incorporated in Malaysia)

No. of shares held:	
CDS account no.:	

FORM OF PROXY

I/We.....
[Full name and NRIC/Company No.]

of
[Address]

being a member of LIEN HOE CORPORATION BERHAD hereby appoint *the Chairman of the meeting, or
[Full name and NRIC No.]

of
[Address]

*and/or failing him/her,
[Full name and NRIC No.]

of
[Address]

as my/our Proxy to attend, speak and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be conducted on a fully virtual basis through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Monday, 30 November 2020 at 2.30 p.m.

My/our proxy is to vote as indicated below:

RESOLUTION	FOR	AGAINST
Ordinary Resolution The Proposed Disposal		

Please indicate with an 'X' in the appropriate spaces how you wish your votes to be cast. If you do not indicate how you wish your proxy to vote on the resolution, the proxy will vote as he thinks fit or, at his discretion, abstain from voting.

The proportion of my/our shareholdings to be represented by my/our proxies are as follows (to be completed ONLY when two proxies are appointed):-

Proxy 1	%	Proxy 2	%
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Dated:

Signature /Common Seal of Shareholder(s)

*** STRIKE OUT IF INAPPLICABLE**

NOTES:-

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

Shareholder(s) or proxy(ies) or attorney(s) or authorised representative(s) **WILL NOT BE ALLOWED** to attend the Extraordinary General Meeting ("EGM") in person at the broadcast venue on the day of the meeting.

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the EGM via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIH Online website at <https://tih.online>.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the EGM in order to participate remotely via RPV.

2. For the purpose of determining who shall be entitled to participate at this meeting via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 23 November 2020 ("Record of Depositors") and only a depositor whose name appears on the Record of Depositors shall be entitled to participate at this meeting via RPV.
3. A member of the Company entitled to participate at this meeting via RPV is entitled to appoint a proxy to participate instead of him. A proxy need not be a member of the Company. Where a member appoints more than one proxy, such appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.



4. In the case of a corporate member, the form of proxy appointing a corporate representative must be executed under seal or under the hand of officer(s) or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. A member who has appointed a proxy or attorney or authorised representative to participate at the EGM via RPV must request his/ her proxy or attorney or authorised representative to register himself/ herself for RPV via TIIH Online website at <https://tiih.online>. Please follow the procedures for RPV in the Administrative Guide for the EGM.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Share Registrar of the Company not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form - In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) By electronic means - The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Administrative Guide for the EGM on the procedures for electronic lodgement of proxy form via TIIH Online.
8. Please ensure ALL the particulars as required in the form of proxy are completed, signed and dated accordingly.
9. Last date and time for lodging the form of proxy is **Saturday, 28 November 2020 at 2.30 p.m.**
10. Pursuant to paragraph 8.29A (1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in this notice of EGM will be conducted by poll.
11. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
12. A corporate member who has appointed a representative, please deposit the ORIGINAL certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting. The certificate of appointment should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
13. The Personal Data Protection Act 2010, which regulates the processing of personal data in commercial transactions, applies to the Company. By providing to us or our agents your personal data which may include your name, contact details and mailing address, you hereby consent, agree and authorise the processing and/or disclosure of any personal data of or relating to you for the purposes of issuing the notice of this meeting and convening the meeting, including but not limited to preparation and compilation of documents and other matters, whether or not supplied by you. You further confirm to have obtained the consent, agreement and/or authorisation of all persons whose personal data you have disclosed and/or processed, in connection with the foregoing.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

Share Registrar
TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.

Unit 32-01, Level 32, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur

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