

SHIN YANG GROUP BERHAD (“SYGROUP” OR THE “COMPANY”)

- (I) PROPOSED ACQUISITION BY SYGROUP OF 100% EQUITY INTEREST IN BOULEVARD JAYA SDN BHD AND 60% EQUITY INTEREST IN BOULEVARD MOTOR SDN BHD, BOULEVARD MOTOR (SABAH) SDN BHD AND BOULEVARD MOTOR (LABUAN) SDN BHD (“TARGET COMPANIES”) (“PROPOSED ACQUISITION”); AND**
- (II) PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF SYGROUP TO INCLUDE AUTOMOTIVE DEALERSHIP BUSINESS (“PROPOSED DIVERSIFICATION”)**

(COLLECTIVELY, THE “PROPOSALS”)

This announcement is dated 1 October 2024 (“**Announcement**”).

Reference is made to the announcements dated 11 July 2024, 9 August 2024, 14 August 2024, 30 August 2024 and 24 September 2024 (“**Earlier Announcements**”) and the Circular to shareholders dated 15 August 2024 (“**Circular**”) in relation to the Proposals. Unless stated otherwise, defined terms in this Announcement shall carry the same meanings as defined in the Earlier Announcements and the Circular.

On behalf of the Board, AmInvestment Bank wishes to announce that the Company and Vendors had on 1 October 2024 agreed for the completion of the Proposed Acquisition to be on 1 October 2024 (“**Completion Date**”).

Accordingly, pursuant to the SSAs, the Proposed Acquisitions are deemed completed on the Completion Date following among others, the transfer of the Sale Shares to the Company on the Completion Date.

In accordance with the Boulevard Jaya SSA, the Company shall pay in cash, the balance of the purchase consideration for Boulevard Jaya of RM24,750,000 (representing 90.00% of the purchase consideration) to the vendors of Boulevard Jaya within seven (7) days from the Completion Date.

In accordance with the Boulevard Motor Group SSA, the Company shall pay the estimated cash balance of the purchase consideration for the Boulevard Motor Group to Dwi Bumijaya within seven (7) days from the Completion Date whilst the Consideration Treasury Shares will only be transferred to Dwi Bumijaya after the dealership agreements of the Boulevard Motor Group has been renewed. The transfer price for the Consideration Treasury Shares shall be the higher of (i) RM0.8514 per Consideration Treasury Share, being approximately 5.00% premium to the 5-days VWAP of SYGROUP Shares up to and including 5 July 2024, being the latest practicable date prior to the date of the SSAs of RM0.8109 per SYGROUP Share or (ii) the 5-days VWAP of SYGROUP Shares up to and including the date prior to the transfer of the Consideration Treasury Shares to Dwi Bumijaya). The actual cash consideration for the Boulevard Motor Group, being the balance of the purchase consideration after deducting the actual value of the Consideration Treasury Shares, will depend on the actual transfer price of the Consideration Treasury Shares which will only be determined later when the dealership agreements have been renewed.

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On behalf of the Board, AmInvestment Bank wishes to announce that the Company and Dwi Bumijaya had on 1 October 2024 agreed to vary the balance cash amount to be paid within seven (7) days from the Completion Date, after taking into consideration the 5-days VWAP of SYGROUP Shares up to and including 30 September 2024 of RM0.8568 per SYGROUP Share, being the last date before the Completion Date, as follows:

	<u>(A)</u>		<u>(B)</u>	<u>(C) = (A)-(B)</u>	<u>(D)</u>	<u>(C)-(D)</u>
	<u>Purchase Consideration</u>	<u>Treasury Shares</u>	<u>Estimated Value of Treasury Shares</u>	<u>Estimated Cash Consideration⁽¹⁾</u>	<u>Cash deposit paid upon signing of the Boulevard Motor Group SSA</u>	<u>Balance cash to be paid within seven (7) days from the Completion Date</u>
	<u>RM</u>	<u>No.</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Initial per the Boulevard Motor Group SSA	117,000,000	55,000,000	46,827,000 ⁽²⁾	70,173,000	11,700,000	58,473,000
Revised payment to be made upon completion	117,000,000	55,000,000	47,124,000 ⁽³⁾	69,876,000	11,700,000	58,176,000

Notes:

- (1) *The actual cash purchase consideration under the Boulevard Motor Group SSA will only be finalised after the transfer of the Consideration Treasury Shares to the Vendor.*
- (2) *Based on RM0.8514 per Treasury Share, being approximately 5.00% premium to the 5-days VWAP of SYGROUP Shares up to and including 5 July 2024, being the latest practicable date prior to the date of the SSAs of RM0.8109 per SYGROUP Share.*
- (3) *Based on RM0.8568 per Treasury Share, being the 5-days VWAP of SYGROUP Shares up to and including 30 September 2024, which is the last date before the Completion Date.*

For the avoidance of doubt, we wish to highlight that there is no change to the purchase consideration for the Boulevard Motor Group of RM117.0 million or the methodology for the determination of the transfer price for the Consideration Treasury Shares as set out above.

In the event the total cash which has been paid by the Purchaser to the Vendor upon the transfer of the Consideration Treasury Shares to the Vendor is higher than the actual cash purchase consideration to be paid under the Boulevard Motor Group SSA, the Vendor shall pay and refund the differential sum to the Purchaser in cash within three (3) days from the transfer of the Consideration Treasury Shares to the Vendor. In the event the total cash which has been paid by the Purchaser to the Vendor upon the transfer of the Consideration Treasury Shares to the Vendor is less than the actual cash purchase consideration to be paid under the Boulevard Motor Group SSA, the Purchaser shall pay the differential sum to the Vendor in cash within three (3) days from the transfer of the Consideration Treasury Shares to the Vendor.