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Sim Leisure receives letter of intent from Tropika Kiara Sdn Bhd to become a strategic shareholder

- Tropika Kiara owns and operates Malaysia's largest Chinese restaurant food chain including renowned brands such as Dragon-I, Canton-I, Ho Min San and the Japanese franchise Yayoi.
- Tropika Kiara has indicated that it sees potential synergies between its F&B business operations and the Group which owns and operates one of the most popular theme parks in Malaysia.
- Following a record year of visitor attendance at its ESCAPE theme park in Penang, Sim Leisure is looking to aggressively scale its asset-light business model in Malaysia and new geographical locations in other ASEAN cities

Singapore – 2nd March 2020, Sim Leisure Group Ltd. ("**Sim Leisure**" or the "**Company**", together with its subsidiaries, the "**Group**"), a theme park developer and operator based in Penang, Malaysia, has announced that it has received a letter of intent ("**Letter of Intent**") from Tropika Kiara Sdn Bhd ("**Tropika Kiara**") in respect of a strategic investment in the Company, with the intent to become a strategic shareholder of the Company (the "**Potential Transaction**").

Helmed by Tan Boon Seng, eldest son of the late Dato' Vincent Tan, Tropika Kiara is the investment holding company which owns and operates Malaysia's largest Chinese restaurant food chain including renowned brands such as Dragon-I, Canton-I, Ho Min San and the Japanese franchise Yayoi. Based on publicly available information, Tropika Kiara has at present about 40 restaurants spread over Peninsular Malaysia and the state of Sabah, and owns the Advance Tertiary College with 750 students across two campuses in Kuala Lumpur and Penang. In addition, Tropika Kiara owns two unique FMCG brands including Bad Lab and Good Virtues which specialise in personal grooming products.

According to the Letter of Intent, Tropika Kiara sees potential synergies between its burgeoning F&B business operations and Sim Leisure, which is currently the number 1 ranked theme park in Malaysia by Trip Advisor. Subject to definitive agreement(s) to be executed, the Potential Transaction would involve the subscription of new shares in the ordinary share capital of the Company by Tropika Kiara and/or its nominee and the acquisition by Tropika Kiara and/or its nominee of part of the shareholding stake of Mr Sim Choo Kheng (the Executive Director and Chief Executive Officer of the Company who is also the controlling shareholder of the Company).

The Group is presently embarking on aggressive expansion initiatives in Malaysia and overseas with the upcoming opening of ESCAPE Challenge, the Group's first indoor recreational centre at Paradigm Mall in

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Petaling Jaya by March or April 2020. Overseas, the Group expects to begin construction on ESCAPE Sri Lanka in March 2020.

Mr Sim Choo Kheng, Executive Director and CEO of Sim Leisure, said, *“As we continue to execute aggressive growth strategies both in Malaysia and overseas, we remain on the lookout and welcome potential strategic alliances which may give us access to new markets, new customers as well as new business opportunities. The Board will consider the potential merits of this letter of intent as we continue to strive towards our long-term goal of enhancing shareholder value.”*

– The End –

About Sim Leisure Group Ltd.

The Group is a well-established developer and operator of theme parks based in Penang, Malaysia. The Group's founder, Sim Choo Kheng, has more than 29 years of experience in the theming industry. The Group presently operates ESCAPE theme parks (<http://www.escape.my/>), in Penang, Malaysia and caters to both local and foreign visitors. ESCAPE Adventureplay is an outdoor adventure theme park which contains eco-friendly features and design elements reminiscent of traditional villages and pastimes in Malaysia. ESCAPE Waterplay is the first water park in Penang and also features the same eco-friendly and traditional design elements as ESCAPE Adventureplay. ESCAPE Gravityplay, the third in the ESCAPE series of theme parks features a chairlift and two downhill karting tracks. In November 2019, the Group officially opened the Guinness World Record's longest inner tube water slide which measures 1,111 metres. The ESCAPE theme parks welcomed approximately 112,000 visitors in 2017, approximately 185,000 visitors in 2018 and approximately 205,000 visitors in 2019.



ESCAPE is the answer to the Penang state government's vision of a world-class leisure destination when Sim Leisure won a development tender in 2009 over the 60-acre land ESCAPE currently inhabits. This Guinness World Record will place Penang on the world map and draw large tourism crowds domestically and internationally.

ESCAPE has been awarded the TripAdvisor Certificate of Excellence every year from 2014 to 2019, the Certificate of Merit and Winner in the category of Best Tourist Attraction (Man-Made Attraction/Theme Park) at the 19th Malaysia Tourism Awards for 2014/2015 and 20th Malaysia Tourism Awards for 2016/2017, respectively.

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The Group's business model disrupts the typical mainstream business model from the West which pays hefty royalties and requires costly investments in themed structures and mechanical rides. More importantly, ESCAPE theme parks address the original pursuit of fun which comes from childhood, mischievous play with friends, and not strap-on mechanical rides.

ESCAPE theme parks re-introduce the forgotten childhood play of yesteryear to today's generation, showing that fun can be affordable. ESCAPE re-connects visitors with the nature we once lived in, co-existed with, and depended on by embracing green ideas. Currently, the ESCAPE theme parks in Penang featuring various play-centric attractions which include climbing zones, obstacle courses, vertical leap, zip lines, high dive platform and waterslides have guests re-discover their innate balance, agility, physical strength, courage, and play instincts. These are part of Sim Choo Kheng's vision of fun, environmentally-friendly, and economically viable theme parks. These also explain ESCAPE theme parks' success with corporate team building programmes and school field trips.



For more information, please visit <https://www.escape.my/>

About Tropika Kiara Sdn. Bhd.

Tropika Kiara is an investment holding company helmed by Tan Boon Seng, eldest son of the late Dato' Vincent Tan. The company invests in businesses comprising of mainly food and beverage ("F&B"), investment properties, fast moving consumer goods ("FMCG") and education.

The bulk of its revenue is derived from its F&B operations which includes four brands namely Dragon-I, Canton-I, Ho Min San and the Japanese franchise Yayoi. Currently, the company has 40 restaurants spread over Peninsular Malaysia and the state of Sabah. It is believed to be the largest Chinese restaurant chain in Malaysia.

Tropika Kiara's FMCG business has unique brands including Bad Lab and Good Virtues Company under its ownership.

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Tropika Kiara owns the Advance Tertiary College ("ATC") with 750 students. ATC predominantly offers law courses and pre-university programs across two campuses located in Kuala Lumpur and Penang. It has an external tie up with University of London for its law courses.

In addition to his leadership role in Tropika Kiara, Tan Boon Seng has been the Executive Director of Widetech (Malaysia) since November 25, 2014. He holds a Bachelor of Science in Finance from University of Southern California. Mr Tan has prior work in finance with stints at AmlInvestment Bank and Maybank Investment Bank before joining Malayan Banking as Assistant Vice President of Corporate Banking until 2010. Today, Mr Tan also holds the position of Chairman of Dragon-I Restaurant Sdn. Bhd. and Canton-I Sdn. Bhd.

Issued for and on behalf of Sim Leisure Group Ltd. by Financial PR

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*This press release has been prepared by Sim Leisure Group Ltd. (the "**Company**") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release including the correctness of any of the statements or opinions made or reports contained in this press release.

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