

Sim Leisure Group Ltd.

(Company Registration Number: 201808096D)
(Incorporated in the Republic of Singapore)

UPDATE ON THE TERMINATION BY BANDAR MALAYSIA SDN. BHD. OF THE THEME PARK AGREEMENT DATED 1 NOVEMBER 2023 IN RELATION TO THE DEVELOPMENT, CONSTRUCTION, OPERATION, MANAGEMENT AND MAINTENANCE OF AN ESCAPE THEME PARK OWNED BY A WHOLLY OWNED SUBSIDIARY AT JALAN LAPANGAN TERBANG LAMA, KUALA LUMPUR WILAYAH PERSEKUTUAN, MALAYSIA.

For this announcement, where applicable and unless otherwise stated/specified, all definitions and terms used in this announcement shall have the same meaning as defined in the previous announcement dated 1 November 2023, 2 February 2024, 19 December 2024 and 18 February 2025.

1.0 INTRODUCTION

1.1 The Board (the **"Board"** or the **"Directors"**) of Sim Leisure Group Ltd. (the **"Company"**, and together with its subsidiaries, the **"Group"**) refers to:-

- a) the announcement dated 1 November 2023 in relation to the entry into the Agreement by Sim Leisure Escape with the Owner in relation to the development, construction, operation and maintenance of an environmentally sustainable ESCAPE park owned by Sim Leisure Escape within the designated area at KL Base, Jalan Lapangan Terbang Lama, Kuala Lumpur Wilayah Persekutuan, Malaysia;
- b) the announcement made on 2 February 2024, announcing that Sim Leisure Escape has on 29 January 2024 entered into a TPA SA with the Owner to amend and revise certain terms of the TPA;
- c) the announcement made on 19 December 2024, announcing that Sim Leisure Escape has on 16 December 2024 received a Notice of Termination for the Agreement from the Owner (**"Owner's Termination Notice"**) which was issued pursuant to Clause 16.2 (b) of the Agreement; and
- d) the announcement made on 18 February 2025, announcing that Sim Leisure Escape has on 18 February 2025 via its legal counsel B H Lawrence & Co, served a letter of demand on the Owner for breach of the Agreement and Termination.

(collectively known as the **"Announcements"**).

1.2 Further to the Announcements, the Board wishes to announce that Sim Leisure Escape has on 8 September 2025 received a letter on settlement compensation and delivery of vacant possession from the Owner (**"Termination Settlement"**).

1.3 Following the receipt of the aforesaid letter, Sim Leisure Escape has accepted the letter and unconditionally agreed to the compensation sum as full and final settlement arising from the Termination and the other terms as set out in the Termination Settlement.

2.0 SALIENT TERMS OF THE TERMINATION SETTLEMENT

2.1 In accordance with the Termination Settlement, the parties agree that pursuant to the Owner's Termination Notice, the TPA has been terminated.

2.2 The Owner agrees to pay, and Sim Leisure Escape agrees to accept the compensation sum as full and final settlement arising from the termination of the TPA (**"Compensation Sum"**). The

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Compensation Sum shall be paid in full on and before 30 October 2025.

- 2.3 The Owner agrees to waive all outstanding payment (if any) due and owing by Sim Leisure Escape to the Owner under the TPA.
- 2.4 Upon receipt of the Compensation Sum, Sim Leisure Escape shall have no recourse or any further claims whatsoever against the Owner, Bandar Malaysia Land Sdn. Bhd., KLCC (Holdings) Sdn. Bhd., KLCC development Sdn. Bhd. and/or any of their respective related companies, associated companies and affiliates (collectively the “**Lessor Companies**”) in connection with the Termination, and Sim Leisure Escape shall have no claim or right whatsoever over the whole or any part of the Project Site and accordingly, shall not legally or physically encumber the Project Site, the Land or other land titles within the Bandar Malaysia Development in any way whatsoever. Sim Leisure Escape undertakes to indemnify the Lessor Companies against all claims, demands, damages and losses of any kind whatsoever that may be caused on or to the Project Site and the structure erected thereon or brought against the Lessor Companies by Sim Leisure Escape’s subtenant, contractors, suppliers or any third parties.
- 2.5 Sim Leisure Escape shall deliver vacant possession of the Project Site to the Owner on 15 September 2025, on an “as-is” basis such that Sim Leisure Escape shall maintain all existing and permanent buildings and structures located on the Project Site in their current state and condition, and Sim Leisure Escape may remove any loose and removable equipment and items not fixed and attached to the Project Site.
- 2.6 Upon delivery of the vacant possession Sim Leisure Escape shall have no further right over the Project Site howsoever including any items left therein and shall not be granted access to the same.
- 2.7 The parties shall keep all details and negotiations concerning the Termination Settlement strictly private and confidential shall not be disclosed to any third party without the prior written consent from the other party. The confidentiality obligations herein shall survive the completion or termination of the Termination Settlement.

3.0 OTHER INFORMATION

- 3.1 The Group expects to recognise the effects of the Compensation Sum arising from the Termination Settlement in the financial year ending 31 December 2025. The receipt of the Compensation Sum is expected to have a material positive impact on the consolidated net tangible assets per share and earnings per share of the Company and the Group for the current financial year ending 31 December 2025.

4.0 INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 4.1 Save for the Directors’ interests arising by way of their shareholdings in the Company and/or directorships in the Group, as the case may be, none of the Directors, the controlling shareholders of the Company, and their respective associates, has any interest, direct or indirect, in the Termination Settlement.

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By order of the Board,

Dato' Sim Choo Kheng
Executive Chairman
9 September 2025

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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