

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 and 19 December 2024.

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 Company’s 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 further announcement made on 2 February 2024, announcing that Sim Leisure Escape has on 29 January 2024 entered a TPA SA with the Owner to amend and revise certain terms of the TPA; and
- 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.

(collectively known as the “**Announcements**”).

1.2 Further to the Announcements, the Board wishes to announce 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 (“**LOD**”).

1.3 Following the Termination, the Owner has refunded to Sim Leisure Escape the Security Deposit and Advance Payment totalling to RM1,350,000.

2.0 BREACHES AND UNLAWFUL ACTS BY THE OWNER

2.1 In the LOD, Sim Leisure Escape has taken a position that the Owner is in breach of a number of its expressed and/or implied obligations under the Agreement including but not limited to the premature termination thereof, the negotiation and signing of an agreement to sell the Project Site to KLCC (Holdings) Sdn Bhd and the transfer of the Project Site to KLCC Development Sdn Bhd, all of the foregoing in disregard of its legal obligations to, and contravening the legal rights of, Sim Leisure Escape.

3.0 DEMAND FOR COMPENSATION AND SETTLEMENT

- 3.1 Accordingly, Sim Leisure Escape has, via the LOD, sought a formal settlement negotiation and meeting to consider a settlement on terms acceptable to Sim Leisure Escape.
- 3.2 In the event the Owner fails to engage meaningfully in settlement discussions, or the settlement discussions cannot be concluded successfully, Sim Leisure Escape reserves the right to initiate legal proceedings to, among others, seeking an urgent injunction, damages for breach of contract, and discovery orders against the Owner and all relevant parties.
- 3.3 While the Company will keep shareholders updated through specific announcements to the Exchange, as well as in our half and full year interim financial statements announcements, on any material new developments related to the Termination as and when they arise, it will ensure that all information shared does not compromise our legal strategy.
- 3.4 As set out in the Company's announcement dated 19 December 2024, the Termination is not expected to have any material 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 2024. Depending on the outcome of the settlement negotiation and/or legal action, the Group expects to recognise the effects of the Termination in the financial year ending 31 December 2025, which would, depending on the development outcome of this matter, potentially take into account the final sum of the compensation entitlement and potential claims.

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 and LOD.

5.0 DIRECTORS' RESPONSIBILITY STATEMENT

- 5.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Project, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

6.0 DOCUMENTS FOR INSPECTION

- 6.1 A copy of the LOD will be made available for inspection during normal business hours at the registered office of the Company at 138 Robinson Road, #26-03, Oxley Tower, Singapore 068906 during normal business hours on any weekday (public holidays excepted) for a period of three (3) months from the date of this announcement.

Sim Leisure Group Ltd.

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

Any shareholder who wishes to inspect the foregoing document should contact the Company at the email address investorrelations@simleisuregroup.com at least three (3) business days in advance to make a prior appointment to inspect the document. The Company will arrange a date on which each shareholder may come for inspection of the document accordingly. Shareholders will need to identify themselves by stating his/her/its full name as it appears on his/her/its Central Depository/Central Provident Fund/Supplementary Retirement Scheme (“**CDP/CPF/SRS**” respectively) share records, contact number and National Registration Identity Card number/Passport number/Unique Entity Number and state the manner in which he/she/it holds his/her/its shares in the Company (e.g. via CDP, CPF or SRS).

By order of the Board,

Dato’ Sim Choo Kheng
Executive Chairman
18 February 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 document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.
