

SKYWORLD DEVELOPMENT BERHAD (“SKYWORLD DEVELOPMENT” OR “COMPANY”)

MEMORANDUM OF UNDERSTANDING BETWEEN SKYWORLD DEVELOPMENT (VIETNAM) COMPANY LIMITED, MR. LE VAN PHONG AND MTV VINA AN THUAN PHAT COMPANY LIMITED

Unless otherwise stated and wherever applicable, the exchange rate of Vietnamese Dong (“VND”) 100.00: Ringgit Malaysia (“RM”) 0.0160, being the middle rate quoted by Bank Negara Malaysia (“BNM”) as at 9 September 2025 is used throughout this announcement.

1. Introduction

The Board of Directors of the Company (“**Board**”) wishes to announce that SkyWorld Development (Vietnam) Company Limited (“**SkyWorld Vietnam**”), a wholly-owned subsidiary of SkyWorld Development had on 9 September 2025, entered into a Memorandum of Understanding (“**MOU**”) with (i) Mr. Le Van Phong (“**Mr. Le**”) and (ii) MTV Vina An Thuan Phat Company Limited (“**ATP**”) (Mr. Le and ATP shall collectively referred to as the “**Parties**”) to secure an exclusive negotiation period with the Parties prior to the signing of the definitive transaction agreements (“**Definitive Agreements**”) for SkyWorld Vietnam to develop the “Sai Gon – Thuan An central commercial apartment complex (Sai Gon – Thuan An Central)” project (“**Project**”) on a land lot of 9,443.5 m² located at Lai Thieu Ward, Ho Chi Minh City, Vietnam via the acquisition of ATP.

2. Information on the Project

ATP is the sole legal investor of the Project. ATP had on 8 October 2004, being granted land use right certificate No. S 016049 (recorded in the register No. 319/QSDD/2004) issued by the People’s Committee of Binh Duong Province, for a land lot of 9,443.5 m² located at Lai Thieu Ward, Ho Chi Minh City, Vietnam (“**Land Lot**”) for the implementation of the Project as depicted in the map below:-



The Project aims at constructing a high-rise apartment building combined with commercial and service facilities which consists of approximately 1,241 units of apartments with maximum height of 40 floors and 3 basements.

The Project is strategically located in one of the most prime areas of Binh Duong, nearby Lotte Mart supermarket, international hospital and surrounded by various industrial park such as Vietnam Singapore Industrial Park, Tan Cang and Song Than Industrial Parks, offering exceptional connectivity, strong lifestyle convenience and attractiveness for future residents.

3. Information on SkyWorld Vietnam, Mr. Le and ATP

SkyWorld Vietnam is a 100% foreign-invested company duly incorporated and operating in Vietnam under the Vietnamese Laws, having the Enterprise Code No. 0315835115 issued by the Department of Finance of Ho Chi Minh City, Vietnam, initially registered on 6 August 2019.

Mr. Le, the sole shareholder of ATP, is a Vietnamese citizen.

ATP (formerly known as Ham Rong Company Limited), the Land Lot owner, is a company duly incorporated and operating in Vietnam under the Vietnamese Laws, having the Enterprise Code No. 3600711917 issued by the Department of Finance of Dong Nai Province, Vietnam, initially registered on 7 December 2004.

4. Salient terms of the MOU

- (i) The Project will be undertaken through the acquisition of all the fully-paid charter capital of ATP ("**Transferred Capital**") by SkyWorld Vietnam from Mr. Le together with all rights and benefits attached to and proportionate to the aforesaid Transferred Capital (including, but not limited to, all rights and benefits attached to the Project, the Land Lot and other assets of ATP) ("**Proposed Transaction**").
- (ii) The purchase price for the Proposed Transaction is estimated at VND850,000,000,000 (equivalent to approximately RM136,000,000) ("**Purchase Price**"), including all applicable taxes and fees relating thereto and subject to adjustment based on mutual agreement between SkyWorld Vietnam and the Parties and the final Purchase Price shall be determined in the Definitive Agreements to be entered.
- (iii) Upon execution of this MOU, SkyWorld Vietnam will be granted an exclusive period of three (3) months to conduct due diligence ("**Due Diligence**") and to negotiate including, but not limited to, the Purchase Price, the deal structure as well as other terms and conditions of the Proposed Transaction with the Parties.
- (iv) A deposit of VND20,000,000,000 (equivalent to approximately RM3,200,000) ("**MOU Deposit**") shall be remitted by SkyWorld Vietnam into an escrow account within five (5) working days from (i) the date of signing of this MOU, (ii) the date of receiving the original/certified true copy of the decision of the ATP's owner duly approving the signing and performance of the MOU; or (iii) the date of escrow account opened and available for use, whichever is later.
- (v) An escrow account management service agreement ("**Escrow Agreement**") shall be signed between SkyWorld Vietnam, the Parties and the Escrow Bank.
- (vi) Upon completion of Due Diligence, if SkyWorld Vietnam decided not to proceed with the Proposed Transaction, this MOU shall be automatically terminated as of the date of the notice given by SkyWorld Vietnam to Mr. Le.
- (vii) In the event of termination of this MOU, the entire MOU Deposit and any accrued interest (if any) shall be immediately and unconditionally refunded/paid by the Escrow

Bank to the bank account designated by SkyWorld Vietnam within the timeline as set forth under the Escrow Agreement, without being subject to any deduction or withholding.

5. Rationale of the MOU

The MOU allows SkyWorld Vietnam to secure an exclusive negotiation period with the Parties to set out the principal terms and conditions for the Proposed Transaction and shall serve as a basis for subsequent discussion and execution of the Definitive Agreements.

It presents an excellent opportunity for SkyWorld Development to kick-start its property development business in Binh Duong Province Vietnam given that the Project is on track for a swift launch supported by an approved 1/500 masterplan which aligns with SkyWorld Development regional expansion plan.

6. Risk Factors

The execution of the MOU is not expected to expose the Company to any new business risk as the MOU does not create any binding contractual obligations and in the event the Company enters into the relevant Definitive Agreements, the Company will exercise due care in considering the risks and benefits associated with the Project.

7. Financial Effects of the MOU

The MOU shall not have any effect on the share capital and substantial shareholders' shareholdings of the Company. However, it is expected to contribute positively towards the revenue and earnings of the Group if the Project is materialised.

8. Interest of Directors, Major Shareholders and/or persons connected to them

None of the Directors and/or major shareholders of the Company and/or persons connected with them have any interest, whether direct or indirect, in the MOU.

9. Directors' Statement

The Board is of the opinion that the entering into this MOU is in the best interest of the Company.

10. Approvals required

The MOU is not subject to the approval of the shareholders of the Company or any relevant regulatory authorities.

This announcement is dated 9 September 2025.