



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

PROPOSED ACQUISITION OF ONE PARCEL OF LAND LOCATED AT LAI THIEU TOWN, THUAN AN DISTRICT, HO CHI MINH CITY, VIETNAM BY SKYWORLD DEVELOPMENT (VIETNAM) COMPANY LIMITED, A WHOLLY-OWNED SUBSIDIARY OF SKYWORLD DEVELOPMENT

Unless otherwise stated and wherever applicable, the exchange rate of Vietnamese Dong (“VND”) 100.00: Ringgit Malaysia (“RM”) 0.0157, being the middle rate quoted by Bank Negara Malaysia (“BNM”) as at 27 November 2025 is used throughout this announcement.

1. INTRODUCTION

Further to the Company’s announcement made on 9 September 2025 in relation to the memorandum of understanding (“**MOU**”) entered into between (i) SkyWorld Development (Vietnam) Company Limited (“**SkyWorld Vietnam**”); (ii) Mr. Le Van Phong (“**Mr. Le**” or “**the Seller**”); and (iii) MTV Vina An Thuan Phat Company Limited (“**VATP**”), the Board of Directors of the Company (the “**Board**”) wishes to announce that SkyWorld Vietnam, a wholly-owned subsidiary of SkyWorld Development has on 27 November 2025, entered into a conditional capital contribution purchase agreement (“**SPA**”) with Mr. Le for the acquisition of the sale capital contribution, representing the entire charter capital of VATP (“**Sale Capital Contribution**”) free from all encumbrances and together with all rights and advantages attaching thereto for a total cash consideration of VND850,000,000,000 (equivalent to approximately RM133,450,000) only (“**Purchase Consideration**”) subject to the terms and conditions stated in the SPA (collectively referred to as the “**Proposed Acquisition**”).

VATP is the legal and beneficial owner of the parcel of land lot with the total area of 9,443.5 m² located at Lai Thieu Town, Thuan An District, Ho Chi Minh City, Vietnam (“**Project Land**”). The Project Land is intended to be developed into a mixed-used project comprising high-rise apartment buildings integrated with commercial and service facilities, to be known as “Sai Gon – Thuan An central commercial apartment complex” (“**Project**”) by VATP.

Upon completion of the Proposed Acquisition, SkyWorld Vietnam will have the lawful land use rights over the Project Land through the ownership of VATP.

Details of the Proposed Acquisition are set out in the ensuing sections below.

2. DETAILS OF THE PROPOSED ACQUISITION

2.1 Proposed Acquisition

The Proposed Acquisition entails the acquisition by SkyWorld Vietnam of the Project Land, effected through the acquisition of VATP’s Sale Capital Contribution from the Seller, at the Purchase Consideration, which shall be satisfied wholly in cash.

Upon completion of the Proposed Acquisition, VATP will become an indirect wholly-owned subsidiary of SkyWorld Development.

2.2 Information on SkyWorld Vietnam

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. SkyWorld Vietnam is having its registered office at L'Mak The Signature Building, 147-147bis Hai Ba Trung, Xuan Hoa Ward, Ho Chi Minh City, Vietnam. As at the date of the announcement, the total charter capital of SkyWorld Vietnam is VND238,000,000,000 (equivalent to approximately RM37,366,000).

2.3 Information on the Seller and VATP

Mr. Le, the General Director and the sole shareholder of VATP, is a Vietnamese citizen.

VATP is 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 and 17th amended on 21 May 2025. VATP is having its registered office at R55, Street D4, Quarter 7, Tran Bien Ward, Dong Nai Province, Vietnam. As at the date of the announcement, the total registered charter capital of VATP is VND1,320,897,000,000 (equivalent to approximately RM207,380,829). The charter capital of VATP will reduce to VND800,000,000,000 (equivalent to approximately RM125,600,000), being the post-deposit immediate actions to be undertaken by VATP.

VATP is principally involved in real estate business activities and does not have any subsidiary or associated company.

2.4 Information on the Project Land

Land area (sqm)	9,443.5m ²
Located at	Lai Thieu Town, Thuan An District, Ho Chi Minh City, Vietnam
Land no.	134
Map No.	39
Existing use	Vacant land
Land use	High-rise mixed-use residential and commercial
Land tenure	Extended to 50 years leasehold
Encumbrances	N/A

2.5 Information on the Project

Proposed development	40-storey high-rise apartment building with 2 basements
Population for the Project	2,743 people
Plot ratio	Not more than 13
Floor	40 floors
Maximum height	144 meters

2.6 Mode of Payment

The Purchase Consideration shall be satisfied in the following manner:-

- (I) The first instalment of VND600,000,000,000 (equivalent to approximately RM94,200,000) consists of:-

- (i) A deposit of VND300,000,000,000 (equivalent to approximately RM47,100,000), which includes VND20,000,000,000 (equivalent to approximately RM3,140,000) had already been made into the Escrow Account by SkyWorld Vietnam in accordance with the terms of the MOU prior to the SPA signing date (“**Deposit**”). The balance of VND280,000,000,000 (equivalent to RM43,960,000) will be deposited into the Escrow Account within seven (7) business days from (i) the SPA signing date; or (ii) the issuance date of the confirmation letter from Tien Phong Commercial Joint Stock Bank (“**TPBank**”), whichever is later. The release of Deposit payment from the Escrow Account to the Seller’s bank account is conditional upon the fulfilment of the following conditions (the “**Deposit Release Conditions**”) as set out in the SPA, where including but not limited to:-
- (a) SkyWorld Vietnam to receive a written agreement between the Seller and Bac Viet Green TM & DV Joint Stock Company (“**Bac Viet Green**”) confirming that Bac Viet Green agrees to unconditionally and irrevocably terminate their existing agreement;
 - (b) SkyWorld Vietnam to receive an irrevocable written letter from Bac Viet Green consenting for the Seller to entering into any conditional agreements for the Sale Capital Contribution in VATP;
 - (c) SkyWorld Vietnam to receive an executed irrevocable confirmation letter from TPBank confirming that there is no outstanding debt or bad debt of Bac Viet Green at TPBank (other than those in connection with the loan with TPBank);
 - (d) SkyWorld Vietnam and the Seller shall procure agreement from TPBank on the cashflow arrangements and step plan for the Deposit to be utilised by the Seller for contribution into the Charter Capital with the Deposit amount and to fully settle the loan with TPBank;
 - (e) The Seller and VATP shall apply for the reduction of the charter capital to VND800,000,000,000 (equivalent to approximately RM125,600,000) (“**Charter Capital Reduction**”); and
 - (f) The Seller and VATP shall have procured a bank guarantee for the purpose of the performance security deposit of VND35,839,203,097 (equivalent to approximately RM5,626,755) to secure the implementation of the Project according to any applicable law, regulation, ruling, judgement, order or decree of any governmental authority (“**Law**”).

The Deposit Release Conditions shall be fulfilled as soon as reasonably within sixty (60) days from the SPA signing date and may be extended by additional thirty (30) days by providing written notice by the Seller to SkyWorld Vietnam.

- (ii) The balance of VND300,000,000,000 (equivalent to approximately RM47,100,000) being the completion amount (“**the Completion Amount**”), to be released by SkyWorld Vietnam to the Seller’s bank account upon satisfaction of the following conditions precedents (“**Conditions Precedents**”) as set out in the SPA, where including but not limited to:-
- (a) VATP shall have obtained the amended enterprise registration certificate (“**ERC**”) recording the charter capital of VND800,000,000,000 (equivalent to approximately RM125,600,000) within 30 days from the date of remittance of the Deposit;
 - (b) VATP shall obtain the issuance of the adjusted 1/500 detail plan approval for the Project by the competent governmental authority based on the drawings provided by SkyWorld Vietnam in accordance with the adjusted parameters;

- (c) Issuance of the relevant approval from the competent authorities of Vietnam allowing SkyWorld Vietnam to proceed with the Proposed Acquisition (“**M&A approval**”);
- (d) Upon issuance of M&A approval, VATP shall obtain the amended ERC to reflect SkyWorld Vietnam as the sole owner of VATP; and
- (e) Mutual obligations from SkyWorld Vietnam and the Seller on the cashflow arrangements and step plan for the Completion Amount to be utilised by the Seller for the repayment of the loan owed by the Seller (including the principal and the interest) to VATP.

In the event of the conditions precedent as set out in the SPA not being fulfilled or waived on or before the date falling sixty (60) days from the date that the Deposit was remitted to the Seller’s bank account (whereby SkyWorld Vietnam and the Seller may extend by additional sixty (60) days by providing written notice to other Party) (“**Longstop Date**”), SkyWorld Vietnam may, in its absolute discretion, terminate the SPA. The Seller shall, within five (5) business days, refund the entire Deposit and pay an additional penalty to SkyWorld Vietnam.

- (II) The second instalment of VND250,000,000,000 (equivalent to approximately RM39,250,000), to be released to the Seller’s bank account upon satisfaction or waiver by SkyWorld Vietnam of all the subsequent conditions (“**Conditions Subsequent**”) and subject to adjustment to be made on the second instalment as set out in the SPA, where including but not limited to:-

- (a) The Seller shall have procured the issuance of the amended Land Use Right Certificate;
- (b) The Seller shall have procured VATP to (i) fulfil and pay for all financial obligations arising from the issuance of the amended Land Use Right Certificate and social housing obligations for the Project; and (ii) obtain the competent Taxation Authority’s written confirmation on the completion of the social housing obligations;
- (c) The Seller shall have procured (i) the demolition of all existing structures on the Project Land; and (ii) the Project Land to be vacant and free from all occupants and encumbrances;
- (d) The Seller shall have procured VATP to obtain all requisite approvals and other matters for the Project to be ready for construction commencement; and
- (e) There being no breach of any Seller’s warranty, undertakings or covenants given by the Seller under this SPA in all aspects on or prior to the payment date of the second instalment.

In the event of the Conditions Subsequent is not being fulfilled or complied with within ninety (90) days from the completion date (whereby SkyWorld Vietnam and the Seller may extend by additional thirty (30) days by providing written notice to the other party), SkyWorld Vietnam may (i) conditionally or unconditionally waive any of the Conditions Subsequent; (ii) undertake or procure the performance of any outstanding Conditions Subsequent and deduct all associated costs and expenses incurred from the Second Instalment; or (iii) sell and transfer the Sale Capital Contribution or the Project to any third party at its sole discretion.

2.7 Salient terms of the SPA

The salient terms of the SPA are set out below:-

- (i) VATP successfully acquires the lawful use rights of the Project Land for the implementation of the Project with the construction parameters based on the designs and the drawings provided by SkyWorld Vietnam in accordance with the applicable laws.
- (ii) There shall be no outstanding financial obligations at the date of completion and the Seller shall be liable for all liabilities, claims, debts, obligations and expenses (including, without limitation, legal costs and damages) in respect of the operations of VATP arising from or in connection with any action, omission or event occurring prior to the date of completion date.
- (iii) All financial obligations and responsibilities in respect of the implementation of the Project (including but not limited to, land use fees, all relevant taxes and costs for obtaining the Project Land and the Project and the responsibilities with respect to social housing as required by law) have been or shall be fulfilled properly at the Seller's cost and expense.
- (iv) The transfer of Sale Capital Contribution will be effected upon amended ERC reflects SkyWorld Vietnam as sole owner of VATP.
- (v) The transfer of Sale Capital Contribution must include (a) all rights, interests, and benefits attached to or arising out (whether at present or in the future) in accordance with the laws of Vietnam and completely free from any encumbrance; (b) the lawful land use rights over the Project Land through the Sale of Capital Contribution in VATP; and (c) the legal rights to implement the Project on the Project Land as the lawful owner.

3. BASIS AND JUSTIFICATION IN ARRIVING AT THE PURCHASE CONSIDERATION

The Purchase Consideration was arrived at on a “willing-buyer willing-seller” basis, after taking into consideration, among others, the following:-

- (i) Internal feasibility studies conducted on the potential and the prospect of the Project Land as it is strategically located in an established commercial cum residential area with good infrastructure and connectivity;
- (ii) VATP is the legal landowner of the Project Land for the purposes of implementing the Project; and
- (iii) The Project is on track for a quick launching schedule as the Project Land has been approved for its 1/500 masterplan.

Based on the Company's internal assessment, the Purchase Consideration is within the range of acceptable land costs given the potential gross development value to be generated from the Project, its prime location and significant contribution to strengthening SkyWorld Group's presence in Ho Chi Minh City, Vietnam.

4. RATIONALE AND PROSPECTS OF THE PROPOSED ACQUISITION

The Proposed Acquisition is in line with SkyWorld Development’s geographical expansion plan, by bringing its urban property development business model into Ho Chi Minh City, Vietnam.

The Project Land is strategically located at one of the most prime areas in Ho Chi Minh City, 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. The Project Land also benefits from its proximity to a potential future MRT station, which could enhance accessibility and long-term value. Moreover, the Project has already reached an advanced stage of approval which enables an accelerated implementation timeline.

Based on the above, the Board is of the view that the Proposed Acquisition will contribute positively to the future earnings of SkyWorld Development Group.

5. SOURCE OF FUNDING

The Proposed Acquisition and the Project will be financed through a combination of internally generated funds and/or bank borrowings. The exact quantum funding mix will be decided at a later date after due consideration of SkyWorld Development Group’s gearing level, interest costs as well as working capital requirements for SkyWorld Development Group’s business operations.

6. LIABILITIES TO BE ASSUMED

Save for any potential bank borrowings that may arise from funding the Purchase Consideration or the obligations and liabilities arising from the SPA, there are no other liabilities including taxation liability, contingent liabilities and/or guarantees to be assumed by SkyWorld Development arising from the Proposed Acquisition.

7. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

(i) Issued share capital and substantial shareholders’ shareholdings

The Proposed Acquisition will not have any effect on the issued share capital of SkyWorld Development and the substantial shareholders’ shareholdings as it does not involve any issuance of new shares in SkyWorld Development.

(ii) Net assets and gearing

The Proposed Acquisition is not expected to have any material impact on the net assets per share of the Company and of the Group for the financial year ending 31 March 2026.

The proforma effect on the gearing can only be determined upon finalisation of the funding mix for the Proposed Acquisition.

(iii) Earnings and earnings per share (“EPS”)

The Proposed Acquisition is not expected to have any material effect on the earnings and EPS of SkyWorld Development Group for the financial year ending 31 March 2026.

However, it is expected to contribute positively to the long-term future earnings and EPS of SkyWorld Development Group.

8. RISKS FACTORS OF THE PROPOSED ACQUISITION

The risks factors associated with the Proposed Acquisition are as follows:-

8.1 Non-completion risk

The completion of the Proposed Acquisition is conditional upon the fulfilment of the conditions precedents as set out in the SPA. In the event the conditions precedents are not met, the SPA may be terminated and SkyWorld Vietnam will not be able to complete the Proposed Acquisition. However, SkyWorld Development will take all reasonable steps to ensure that the conditions precedent as set out in the SPA are fulfilled within the stipulated timeframe in order to complete the Proposed Acquisition.

8.2 Business risk

The Proposed Acquisition is subject to risk inherent in the property development business of which SkyWorld Development Group is already involved in. Such risks may include sensitivity to economic and political conditions, financing risk, delay in commencement and completion, competition from other property developers, labour and material supply shortage, fluctuations in the prices of building materials and costs of labour charges. Any adverse change in such conditions may have a material adverse effect on SkyWorld Development. These risks are addressed as part of the ordinary course of business and are not expected to represent new risks to the operations of SkyWorld Development.

8.3 Interest rate and foreign exchange risks

SkyWorld Development Group intends to finance the Proposed Acquisition and the Project via internally generated funds and/or bank borrowings. Interest rate exposure arises from the borrowings and deposits of SkyWorld Development Group. Fluctuations in interest rates may impact the interest expenses on borrowings and, consequently, the profitability of SkyWorld Development Group.

In addition, the Group would be exposed to fluctuations in foreign exchange rates. To mitigate these risks, Management regularly reviews the Group's borrowing strategy to ensure that debt obligations are structured in a manner that balances exposure to interest rate and foreign exchange risks with the Group's financial objectives.

8.4 Risk of property overhang

SkyWorld Development Group may face risk of property overhang, commonly caused by over-supply and low demand for properties and other factors such as economic downturns and unfavourable financial conditions. There may be possibility of occurrence of property overhang at the time of completion of the development of the Project in the future, of which is inevitable. This will affect the sale of the Group's properties and, in turn, its financial performance. Accordingly, SkyWorld Development Group will closely monitor developments in the property market and undertake careful management planning prior to the finalisation and/or launch of the Project's development.

Save for the above, the Board does not foresee any specific risk/risk factors arising from the Proposed Acquisition which could materially or adversely affect the financial and operating condition of the Company.

9. APPROVAL/CONSENT REQUIRED FOR THE PROPOSED ACQUISITION

Save for the necessary consents or approval of the relevant authorities for the transfer of Sale Capital Contribution in VATP, the Proposed Acquisition is not subject to the approval of the shareholders of SkyWorld Development and it is not conditional upon any other corporate exercise proposed or to be proposed by the Company.

10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

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

11. STATEMENT BY DIRECTORS

The Board, having taken into consideration all aspects of the Proposed Acquisition, including but not limited to, the terms and conditions of the SPA, the rationale, prospects, risk factors and financial effects, is of the opinion that the Proposed Acquisition is in the best interest of the Group.

12. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Acquisition pursuant to paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is 15.16%, calculated based on the audited consolidated financial statements of SkyWorld Development for the financial year ended 31 March 2025.

13. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to the fulfilment of all conditions as stipulated in the SPA, the Proposed Acquisition is expected to be completed within one (1) year from the date of SPA.

14. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA is available for inspection at the registered office of the Company at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur during office hours from Mondays to Fridays (except public holidays) for a period of not less than three (3) months from the date of this announcement.

This announcement is dated 27 November 2025.