

3 June 2024

**Aseana Properties Limited
("Aseana" or the "Company")**

Posting of Circular and Notice of Requisitioned General Meeting

Aseana Properties Limited (LSE: ASPL), a property developer in Malaysia listed on the Main Market of the London Stock Exchange, announces that it will today post to the Company's shareholders a circular convening a Requisitioned General Meeting (the "**Circular**"). This follows receipt of a letter on behalf of shareholders who hold more than one-tenth of the total voting rights of the Company to requisition a general meeting of the Company.

The Requisitioned General Meeting will be held at 10.30 a.m. on 3 July 2024 at the registered office address of the Company at Osprey House, 5-7 Old Street, St. Helier, Jersey, JE2 3RG, Channel Islands.

The Circular will shortly be made available on the Company's website: <http://www.aseanaproperties.com> and submitted to the National Storage Mechanism to be made available for public inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>. Extracts from the Circular are set out below and should be read in conjunction with the Circular.

For further information:

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Dear Shareholder

Notice of Requisitioned General Meeting

1 Introduction

As announced by the Company on 13 May 2024, the Company received a requisition notice pursuant to article 89(1) of the Companies (Jersey) Law 1991 (as amended) from funds managed by LIMAdvisors Limited ("**LIM**"), LIMAsia Multi-Strategy Fund Inc. (registered owner of 16,522,022 Shares and beneficial owner of 70,000 Shares) and LIMAsia Special Situations Master Fund Ltd (registered owner of 9,552,170 Shares) (the "**Requisitioning Shareholders**"), requesting that the Company convene a general meeting at which two resolutions are required to be put to Shareholders (the "**Requisition Notice**"). As at the date of the Requisition Notice, the Requisitioning Shareholders held in aggregate not less than one-tenth of the total voting rights of the Company. The resolutions to be put to Shareholders at the Requisitioned General Meeting relate to the appointment of two new directors proposed by the Requisitioning Shareholders (the "**Resolutions**") - Dato' Dr Thong Kok Cheong ("**KC Thong**") and Clare Mariam Binti Muhiudeen (together, the "**Proposed Directors**").

As a result of the Requisition Notice, the Company is required to convene the Requisitioned General Meeting for the purposes of allowing Shareholders to consider and vote on the Resolutions. The full text of the Resolutions is set out in the Notice of Requisitioned General Meeting at the end of this document.

The purpose of this letter is to provide Shareholders with details of the Resolutions and explain why the Board believes that these Resolutions are not in the best interests of the Company or its Shareholders as a whole. **The Directors therefore recommend unanimously that you vote against the Resolutions.**

2 Reasons why the Board recommends that you VOTE AGAINST the Resolutions

The Board considers that the Resolutions, if passed, present a significant risk to the future prospects of the Company.

The Board has been in discussions with LIM for a number of months. On 2 April 2024 the Board received a written request from LIM that Thomas Holland, Hock Chye Tan and I resign immediately as Directors and that the Board appoint KC Thong and Ms Muhiudeen as new directors, with KC Thong to be elected as chairman of the Company. The request stated that if the Directors did not comply with LIM's request they would requisition an extraordinary general meeting at which resolutions to effect such changes would be proposed and approach other Shareholders holding more than 50% of the Shares to obtain their signatures on written notices to the Board requesting that the proposed changes be made. In these various interactions, LIM complained about the failure to complete the sale of the Company's assets in Sandakan, repay the debt owed to the three banks who acted as guarantors (the "**Bank Guarantors**") of the Medium Term Notes and raised a number of other allegations. In particular, the Board strongly rejects the Requisitioning Shareholders' allegation of poor corporate governance and any perceived failure of the Board in the pursuit of the Divestment Policy adopted by the Company.

The Company owns two assets in Sandakan in East Malaysia - a ten floor luxury hotel and the adjacent Harbour Mall shopping centre (the "**Sandakan Assets**"). On 30 June 2023, the Board announced the conditional sale of the Sandakan Assets to a single purchaser for a price of MYR 165 million, subject to the receipt of regulatory approvals. The completion of this sale has been difficult to achieve owing to the complications facing foreign purchasers of Malaysian assets but on 8

this sale has been difficult to achieve owing to the complications relating to foreign purchasers of Malaysian assets but on 6 April 2024 the Board announced that the Company had signed a supplemental sale and purchase agreement to extend the original sale and purchase agreement at an unchanged price. Efforts to complete the sale are ongoing but have been slower than expected. However, the Directors continue to believe that these sales will be successfully completed. Unfortunately, the failure to complete the sale in 2023 resulted in the Company being unable to repay the Medium Term Notes that had been used to finance the construction of the assets when they fell due on 8 December 2023. However, the Board is working closely with the Bank Guarantors who have now repaid the holders of the Medium Term Notes the outstanding principal plus interest as at 8 December 2023. The Bank Guarantors remain supportive of the Company's efforts to complete these sales and the Board continues to keep the Bank Guarantors updated on progress.

The Company is also making progress with the sale of each of the other remaining assets owned by the Company although none of them are easy to achieve, particularly given the oversupply of luxury residences and hotels in central Kuala Lumpur. The Company's remaining assets include the 45 unsold residences at The RuMa Hotel & Residences in Kuala Lumpur in respect of which, on 29 April 2024, the Company announced the sale of a block of 10 units and the sales of further blocks and individual sales are under negotiation. A number of prospective purchasers of The RuMa Hotel itself are currently undertaking due diligence on the asset. Given the complexity of The RuMa Hotel structure, this process is expected to take some time. The Company is also in discussions relating to the sale of the remaining plot of land in Kota Kinabalu.

On 30 May 2023, Shareholders voted to extend the life of the Company until May 2025. The Board believes that the passing of the Resolutions at this time could lead to an accelerated liquidation of the Company if such appointments should cause a failure or material delay to the completion of the sale of the Sandakan Assets and/or repayment to the Bank Guarantors. Since receipt of the Requisition Notice was announced, the Board has already had to field enquiries from the parties involved in the sale of the Sandakan Assets and reassure them that the Company is in a position to complete the transaction and there is no reason for further delays.

The Requisition Notice contains only two resolutions which propose the appointment of the two Proposed Directors - notwithstanding that LIM has referred to the resignation of certain Directors before (as noted above), the Requisition Notice does not contain resolutions to remove any existing Director. Nevertheless, the Directors recommend that Shareholders vote against the Resolutions for the following reasons.

KC Thong is well known to certain members of the Board, being a long-standing shareholder (holding 11,959,608 Shares representing approximately 7.48 per cent. of the voting rights of the Company as at the date of this Circular) and having been directly involved in certain transactions undertaken, or proposed to be undertaken, by the Company in the past. From the Board's engagement with LIM, we understand that, in part, the proposed Resolutions seek to address perceived shortcomings in corporate governance by LIM. However, the Institutional Shareholder Services group guidance states that persons who hold 5 per cent. or more of the voting rights of a company should be considered as a "significant shareholder" which could be a circumstance which is likely to impair, or could impair, a director's independence. Further, KC Thong was part of a group of Shareholders who had elected to join (i) Ireka Corporation Berhad, the parent company of the Company's former development manager, and (ii) Legacy Essence, the family investment company of the Lai family, former executives of Ireka Corporation Berhad, in demerging their *pro rata* share of assets from the Company in 2020, although this transaction did not proceed. For these reasons, the Board considers KC Thong to be non-independent and that the appointment of KC Thong to the Board would present a risk to the Company and Shareholders.

Ms Muhiudeen is not known to the Board, other than in connection with the Requisition Notice. The Board has reviewed Ms Muhiudeen's CV provided by the Requisitioning Shareholders and, whilst she has significant human resources expertise, the Board cannot determine any relevant experience with regard to real estate transactions, distressed wind-down situations or listed public company experience. Accordingly, the Board does not consider Ms Muhiudeen to have the required experience and expertise to join the Board.

Brief biographical details of KC Thong and Ms Muhiudeen, provided by the Requisitioning Shareholders, are set out in Part 2 of this document. Shareholders should note that those details have not been checked and/or verified by the Company. No conversations have yet been held by the Directors with either of the Proposed Directors about the Company, nor have any due diligence or 'know your customer' checks been performed on them by the Company or its Financial Adviser.

The Board believes that the appointments of the two Proposed Directors would weaken the Company's corporate governance, in particular because KC Thong could not be classified as an independent director in light of his previous business dealings with the Company, his commitments to demerge his share of the Company's net assets with the Lai family in August 2020 and his support for their proposal in August 2022 to remove Helen Wong as a Director. The Board as currently comprised continues to discharge its duties solely in the interests of all Shareholders and considers that its current composition allows the Board to do this effectively. Given that the Company is pursuing a Divestment Policy, the Company is being run with a view to minimising its operating costs and the Directors question the sense of moving from a five person Board to a seven person Board when they had planned to reduce operating costs, including Board numbers, once the Sandakan Assets are sold.

The Directors have made it clear to LIM that it is not advisable to make substantial changes to the composition of the Board at this stage of the asset disposal process. Helen Wong (the Company's Divestment Director, who is leading all of the divestment efforts referred to above) has indicated that she would consider her position as a Director of the Company if either or both of the Proposed Directors were to be appointed, and her team have indicated that they would resign were Helen Wong to step down as a Director. If Helen Wong were to resign as a Director, the remainder of the current Board, consisting of Thomas Holland, Bobby Minty, Hock Chye Tan and me, would also be forced to consider our positions as Directors, as the Company would have no Divestment Director or operations personnel at the Group level, making it very difficult to continue to run the Company and setting back the asset divestment efforts considerably. In addition, the Company's status as a listed company may be prejudiced should the Board conclude that the Company no longer has adequate procedures, systems and controls to enable it to comply with its obligations under the Listing Rules. Grant Thornton UK LLP, the Company's financial adviser has indicated that it will resign from its role in the event of changes to the composition of the Board and/or if the Company no longer satisfies the requirements to comply with its Listing Rule obligations. Further announcements will be made in due course in the event that these resignations are tendered.

Should either or both of the Proposed Directors be appointed at the Requisitioned General Meeting, the new Board will liaise with LIM and other Shareholders to effect the appointment of replacement Directors and staff for the transition so as to ensure continuity and minimal disruption in the management and operations of the Company. However, the consequences of the Requisition Notice and the possible loss of all of the current Directors and operating personnel at Group level are likely to be very serious and could lead to (i) the collapse of all of the current disposal efforts, ultimately resulting in delays and increased costs associated with the disposals, (ii) foreclosure of the Medium Term Notes security over the Group's assets by the Bank Guarantors in order to get repaid, (iii) an inability to run the Company's operations on a day to day basis, which would also impact the Company's ability to publish its interim accounts for the six month period to 30 June 2024 by the deadline of 30 September 2024 in compliance with the Company's obligations pursuant to the Disclosure Guidance and Transparency Rules and potentially leading to a suspension in trading of the Company's Shares and (iv) the inability of the

transparency rules and potentially leading to a suspension in trading of the Company's shares, and (iv) the inability of the Company to raise enough working capital to finance itself. The Company did raise US\$1 million in working capital loans in March 2024 but loans of a further US\$1 million which had been arranged could not be completed because of the uncertainty created when LIM first demanded substantial changes to the composition of the Board, instead causing the Company to incur unnecessary additional advisory fees and expenses to advise the Company on the responses to those demands. In addition, changes to the composition of the Board may trigger the requirement for the Company to seek legal and tax advice as to the immediate steps required to be taken to ensure that the Company could continue to demonstrate management and control in Jersey from a tax residency perspective, incurring further unnecessary cost for the Company.

In conclusion, if the Resolutions are passed the Board believes that the efforts of the current Board and team will be significantly set back and will result in the Company incurring more costs via additional debt service payments due to delayed sales efforts, additional potential claims for LAD (liquidated and ascertained damages) payments and having to recruit a new team to manage the divestment processes, the sales and the deteriorating conditions of the assets. The pursuit of the Resolutions by the Requisitioning Shareholders will therefore negatively and disproportionately affect all Shareholders.

3 Company update

The Company published its Annual Report for the year ended 31 December 2023 on 30 April 2024 which provides details of the Company's financial position.

4 Arrangements for the Requisitioned General Meeting

The Requisitioned General Meeting will be held at 10.30 a.m. on 3 July 2024 at the registered office address of the Company at Osprey House, 5-7 Old Street, St. Helier, Jersey, JE2 3RG, Channel Islands.

The Requisitioned General Meeting will be held in person. If you decide not to attend the meeting in person it is important that you do still cast your votes in respect of the business of the meeting and you can do so by voting by proxy in accordance with the instructions set out in paragraph 6 (*Action to be taken in respect of the Requisitioned General Meeting*) below.

5 Resolutions to be proposed at the Requisitioned General Meeting

The Resolutions to be put to Shareholders at the Requisitioned General Meeting comprise two ordinary resolutions in relation to the appointment of the Proposed Directors proposed by the Requisitioning Shareholders. In order to be validly passed an ordinary resolution of Shareholders will require a vote in favour by Shareholders holding a majority of the Shares represented at the Requisitioned General Meeting.

The Directors recommend unanimously that you VOTE AGAINST the Resolutions.

6 Action to be taken in respect of the Requisitioned General Meeting

Shareholders will find enclosed with this Circular a Form of Proxy for use in connection with the Requisitioned General Meeting. Shareholders are requested to complete and return the enclosed Form of Proxy as soon as possible.

To be valid, Forms of Proxy for use at the Requisitioned General Meeting must be completed and returned in accordance with the instructions printed thereon to the registered office of the Company at Osprey House, 5-7 Old Street, St. Helier, Jersey, JE2 3RG, Channel Islands by post as soon as possible and, in any event, so as to arrive no later than 10.30 a.m. on 1 July 2024 (or, in the case of an adjournment, not later than 24 hours before the time fixed for the holding of the adjourned meeting).

The results of the votes cast at the Requisitioned General Meeting will be announced as soon as possible, once known, through a Regulatory Information Service.

5 Recommendation

For the reasons set out above, the Directors recommend unanimously that Shareholders VOTE AGAINST the Resolutions to be proposed at the Requisitioned General Meeting.

Yours faithfully

Nicholas John Paris
Chairman
for and on behalf of
Aseana Properties Limited

Part 2 - Biographical details of the Proposed Directors

Please note: The information in this Part 2 relating to the Proposed Directors has been provided by the Requisitioning Shareholders and has not been checked and/or verified by the Company.

Dato' Dr Thong Kok Cheong (KC Thong)

KC Thong owns 12,775,532 Shares and has been an investor since the Company's Initial Public Offering. KC Thong aged 78, graduated from the Imperial College of Science and Technology, London, with First Class Honors in Chemical Engineering in 1968 and a PhD in 1971. He worked for Royal Dutch Shell for 19 years, gaining considerable experience in the upstream business of exploration, production of oil and gas, and downstream oil business in refining, supply, marketing and trading of oil products. As Chief Corporate Planner for Shell Group of Companies in Malaysia, he contributed to several industry position papers on the Asean Petroleum Product Outlook, Malaysian Energy Outlook, Balance of Payments (Invisibles), and role of Foreign Investments under the auspices of the MCCI and Malaysian National Committee - World Energy Conference. In 1993, he entered business and was executive director of two publicly listed Malaysian companies (Insas Berhard and Jasa Megah Berhard, which later became Dijaya and then Tropicana Berhard). He resigned in 2000 to pursue his interests in property development, investments, and consultancy. KC Thong is a Malaysian national and lives in Kuala Lumpur, Malaysia.

Clare Mariam Binti Muhiudeen

Clare Muhiudeen aged 62 graduated from University College London with a BSC in Psychology in 1983 and graduated from

the London School of Economics in 1984 with a MSC in Industrial Relations. Ms Muhiudeen has had a successful career in Human Resources and consulting for 38 years based in London and Hong Kong, with EMEA and Asia Pac roles with Watson Wyatt LLP, Watson Wyatt Worldwide, Towers Watson, International WTW until retiring in 2023 where she was Chair of the Asia Leadership Committee representing all businesses and markets across WTW Asia including Malaysia. Ms Muhiudeen is a Malaysian national and HK Permanent Resident. She is also a sub-committee member of Women's Network of Malaysian Chamber of Commerce Hong Kong.

Part 3 Definitions

The following definitions apply throughout this Circular unless the context otherwise requires:

"Board" or "Directors"	the directors of the Company
"Circular"	this circular to Shareholders incorporating the Notice of Requisitioned General Meeting
"Company"	Aseana Properties Limited
"Disclosure Guidance and Transparency Rules"	the UK disclosure guidance and transparency rules made by the UK Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000, as amended from time to time
"Divestment Policy"	the divestment policy of the Company adopted on 22 June 2015
"Form of Proxy"	the form of proxy for use by Shareholders in connection with the Requisitioned General Meeting
"Group"	the Company and its subsidiaries from time to time
"LIM"	LIMAdvisors Limited
"Listing Rules"	the listing rules made by the UK Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000, as amended from time to time
"Notice of Requisitioned General Meeting"	the notice convening the Requisitioned General Meeting set out on pages 12 to 14 of this Circular
"Proposed Directors"	Dato' Dr Thong Kok Cheong and Clare Mariam Binti Muhiudeen
"Registrar"	Computershare Investor Services (Jersey) Limited
"Regulatory Information Service"	a service approved by the London Stock Exchange plc for the distribution to the public of announcements and included within the list maintained on the London Stock Exchange plc's website
"Requisition Notice"	has the meaning given to it in paragraph 1 of Part 1 (<i>Letter from the Chairman</i>) of this Circular
"Requisitioned General Meeting"	the general meeting of the Company to be held on 3 July 2024 at 10.30 a.m. (or any adjournment thereof), notice of which is set out at the end of this Circular
"Requisitioning Shareholders"	LIM Asia Multi-Strategy Fund Inc. (registered owner of 16,522,022 Shares and beneficial owner of 70,000 Shares) and LIMAsia Special Situations Master Fund Inc (registered owner of 9,552,170 Shares)
"Resolutions"	Resolution 1 and Resolution 2, each to be proposed as an ordinary resolution at the Requisitioned General Meeting, to appoint two new directors to the Board
"Shareholder"	a holder of Shares
"Shares"	ordinary shares of US\$0.05 in the capital of the Company

Expected Timetable of Principal Events

Publication of this Circular	3 June 2024
Latest time and date for receipt of Forms of Proxy	10.30 a.m. on 1 July 2024
Requisitioned General Meeting	10.30 a.m. 3 July 2024
Results of Requisitioned General Meeting announced	3 July 2024

Notes:

- (i) *The times and dates set out in the timetable above and mentioned throughout this Circular are indicative only and may be adjusted by the Company without further notice. Any changes will be notified to Shareholders through an RIS.*
- (ii) *References to times in this Circular are to Jersey time (BST) unless otherwise stated.*

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