

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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**AVILLION**

BERHAD

**AVILLION BERHAD**

(Registration No. 199201013018 (244521-A))  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE**

- (I) **PROPOSED PRIVATE PLACEMENT OF UP TO 283,322,100 NEW ORDINARY SHARES IN AVILLION BERHAD ("AVILLION"), REPRESENTING UP TO APPROXIMATELY 25% OF THE TOTAL NUMBER OF ISSUED SHARES OF AVILLION (EXCLUDING TREASURY SHARES, IF ANY); AND**
- (II) **PROPOSED VARIATION TO THE UTILISATION OF PROCEEDS RAISED FROM AVILLION'S PREVIOUS PRIVATE PLACEMENT OF NEW ORDINARY SHARES**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

***Principal Adviser and Placement Agent***

**RHB** ♦ **Investment**

**RHB INVESTMENT BANK BERHAD**

(Registration No. 197401002639 (19663-P))  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting ("**EGM**") and the Proxy Form are enclosed in this Circular. The EGM will be held at Pelita Ballroom, Avillion Hotel Port Dickson, 3<sup>rd</sup> Mile, Jalan Pantai, 71000 Port Dickson, Negeri Sembilan on Tuesday, 29 July 2025 at 10.30 a.m. or at any adjournment thereof.

You are entitled to vote at the EGM. If you are unable to attend and vote in person at the EGM, you are entitled to appoint a proxy or proxies to attend and vote on your behalf. In such event, you should complete and deposit the Proxy Form with our Share Registrar, ShareWorks Sdn Bhd, at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via electronic mail to [ir@shareworks.com.my](mailto:ir@shareworks.com.my) not less than 48 hours before the time set for the EGM or any adjournment thereof. The lodging of the Proxy Form shall not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

Last date and time for : Sunday, 27 July 2025 at 10.30 a.m.  
lodging the Proxy Form

Date and time of the EGM : Tuesday, 29 July 2025 at 10.30 a.m.

This Circular is dated 14 July 2025

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

|                                   |  |
|-----------------------------------|--|
| <b>Avillion or Company</b>        | : Avillion Berhad  |
| <b>Board</b>                      | : Board of Directors of our Company  |
| <b>Bursa Securities</b>           | : Bursa Malaysia Securities Berhad   |
| <b>Circular</b>                   | : This circular dated 14 July 2025 in relation to the Proposals  |
| <b>EGM</b>                        | : Extraordinary general meeting  |
| <b>EPS</b>                        | : Earnings per Share   |
| <b>Free Warrants Issue</b>        | : Proposed issuance of up to 566,644,050 free Warrants on the basis of 1 Warrant for every 2 Shares held, which was aborted on 19 November 2021  |
| <b>FYE</b>                        | : Financial year ended or ending 31 March, as the case may be  |
| <b>Group</b>                      | : Collectively, Avillion and our subsidiaries  |
| <b>Illustrative Issue Price</b>   | : Illustrative issue price of RM0.037 per Placement Share  |
| <b>LAT</b>                        | : Loss after tax   |
| <b>Listing Requirements</b>       | : Main Market Listing Requirements of Bursa Securities   |
| <b>LPD</b>                        | : 26 June 2025, being the latest practicable date prior to the printing of this Circular   |
| <b>NA</b>                         | : Net assets   |
| <b>Placement Shares</b>           | : Up to 283,322,100 new Shares to be issued pursuant to the Proposed Private Placement   |
| <b>Previous Circular</b>          | : Circular to our shareholders dated 3 December 2019 in relation to, among others, the Previous Private Placement  |
| <b>Previous Private Placement</b> | : Previous private placement of 20% of the total number of issued Shares, which was completed on 19 November 2021  |
| <b>Previous Variation</b>         | : Variation to the utilisation of the proceeds raised from the Previous Private Placement by reallocating a total of RM5.5 million from the proceeds (which had been earmarked for the repayment of our bank borrowings as well as asset enhancement and refurbishment program for our hotels and resort) to our working capital requirements, which was approved by our Board on 30 November 2021 |
| <b>Proposals</b>                  | : Collectively, the Proposed Private Placement and Proposed Variation  |
| <b>Proposed Private Placement</b> | : Proposed private placement of up to 283,322,100 Placement Shares, representing up to approximately 25% of our total number of issued Shares (excluding treasury shares, if any)  |

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**DEFINITIONS (CONT'D)**

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|                            |   |   |
|----------------------------|---|---|
| <b>Proposed Variation</b>  | : | Proposed variation to the utilisation of proceeds raised from the Previous Private Placement by reallocating the Unutilised Proceeds for the repayment of our bank borrowings, working capital requirements and estimated expenses in relation to the Proposals |
| <b>RHB Investment Bank</b> | : | RHB Investment Bank Berhad  |
| <b>RM and sen</b>          | : | Ringgit Malaysia and sen, respectively  |
| <b>Shares</b>              | : | Ordinary shares in our Company  |
| <b>Unutilised Proceeds</b> | : | Unutilised proceeds of approximately RM3.0 million raised from the Previous Private Placement, which had been earmarked for our Group's asset enhancement and refurbishment program for our hotels and resort   |
| <b>Warrants</b>            | : | Free warrants to be issued pursuant to the Free Warrants Issue  |

All references to “**our Company**” in this Circular are to Avillion, references to “**our Group**” are to our Company and our subsidiaries, collectively, and references to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, and where the context requires, shall include our subsidiaries. All references to “**you**” in this Circular are to our shareholders.

Unless specifically referred to, words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall include the feminine and/or neuter genders and vice versa. References to persons shall include corporations. Any discrepancies in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

Any reference to time of day in this Circular is a reference to Malaysian time, unless otherwise stated.

Any reference in this Circular to any enactment or guidelines is a reference to that enactment or guidelines as for the time being amended or re-enacted.

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**AVILLION**

BERHAD

**AVILLION BERHAD**

(Registration No. 199201013018 (244521-A))  
(Incorporated in Malaysia)

**Registered Office:**

Unit 8E, Level 8, Wisma YPR  
No. 1, Lorong Kapar  
Off Jalan Syed Putra  
58000 Kuala Lumpur

14 July 2025

**Board of Directors:**

|                              |   |
|------------------------------|---|
| Dato' Seri Jamil Bin Bidin   | <i>(Chairman, Independent Non-Executive Director)</i> |
| Fong Wai Leong               | <i>(Executive Director)</i>                           |
| Christopher Lawrence Bachran | <i>(Independent Non-Executive Director)</i>           |
| Ho Soo Woon                  | <i>(Independent Non-Executive Director)</i>           |
| Datin Norizan Binti Idris    | <i>(Independent Non-Executive Director)</i>           |
| Li Anwei                     | <i>(Independent Non-Executive Director)</i>           |

**To: Our shareholders**

Dear Sir/Madam,

- (I) PROPOSED PRIVATE PLACEMENT; AND**
  - (II) PROPOSED VARIATION**
- 

**1. INTRODUCTION**

On 16 May 2025, RHB Investment Bank announced, on behalf of our Board, that we proposed to undertake the Proposals.

On 8 July 2025, RHB Investment Bank announced, on behalf of our Board, that Bursa Securities had, vide its letter dated 8 July 2025, resolved to approve the listing of and quotation for up to 283,322,100 Placement Shares on the Main Market of Bursa Securities, subject to the conditions as set out in Section 6(i) of this Circular.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM AND THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR, TOGETHER WITH THE APPENDICES, BEFORE VOTING ON THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR FORTHCOMING EGM.**

## **2. DETAILS OF THE PROPOSALS**

### **2.1 Proposed Private Placement**

#### **2.1.1 Placement size**

The Proposed Private Placement will entail the issuance of up to approximately 25% of our total number of issued Shares. As at the LPD, we have an issued share capital of RM236,095,362 comprising 1,133,288,100 Shares and we do not hold any treasury shares.

Accordingly, a total of up to 283,322,100 Placement Shares, representing up to approximately 25% of our total number of issued Shares, may be issued pursuant to the Proposed Private Placement.

#### **2.1.2 Placement arrangement**

The Placement Shares will be placed out to independent third party investor(s) ("**Placees**") to be identified at a later date. The Placees shall be persons or parties who/which qualify under Schedules 6 and 7 of the Capital Markets and Services Act 2007. The Placement Shares are not intended to be placed to the following persons:

- (i) a director, major shareholder or chief executive of Avillion or a holding company of Avillion (collectively, the "**Interested Persons**");
- (ii) a person connected with the Interested Persons; and
- (iii) nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

The identity of the Placees, the number of Placement Shares to be placed out to each of the Placees as well as the issue price for the Placement Shares will be determined and finalised by our Board at a later date.

Subject to, among others, the prevailing market conditions and investors' interest at the point of implementation, the Proposed Private Placement may be implemented in one or more tranches within 6 months from the date of approval from Bursa Securities for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities, or any extended period as may be approved by Bursa Securities.

The implementation of the placement arrangement in multiple tranches, if any, would provide flexibility for us to procure interested investor(s) to subscribe for the Placement Shares within the approved period. In the event the Placement Shares are issued in multiple tranches, the issue price for each tranche of the Placement Shares will be determined separately.

#### **2.1.3 Basis of determining the issue price of the Placement Shares**

The issue price of the Placement Shares shall be determined and fixed by our Board and announced at a later date after obtaining all the relevant approvals for the Proposed Private Placement.

The issue price of the Placement Shares may be fixed at a discount of not more than 10% to the 5-day volume weighted average market price of the Shares immediately before the price-fixing date.

For illustrative purposes throughout this Circular, the Illustrative Issue Price is assumed at RM0.037 per Placement Share, which represents a discount of approximately 9.1% to the 5-day volume weighted average market price of the Shares up to and including the LPD of RM0.0407.

## 2.1.4 Ranking of the Placement Shares

The Placement Shares shall, upon allotment and issuance, rank equally in all respects with the existing issued Shares, save and except that the Placement Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the Placement Shares.

## 2.1.5 Listing and quotation for the Placement Shares

Bursa Securities had, vide its letter dated 8 July 2025, approved the listing of and quotation for up to 283,322,100 Placement Shares on the Main Market of Bursa Securities, subject to the conditions as set out in Section 6(i) of this Circular.

## 2.1.6 Utilisation of proceeds

Based on the Illustrative Issue Price, we expect to raise gross proceeds of approximately RM10.5 million which are expected to be utilised in the following manner:

| Details of utilisation                                | RM'000        | Expected time frame for<br>utilisation from the date of<br>listing of the Placement<br>Shares |
|---|---------------|---|
|   |               | Shares  |
| Refurbishment and maintenance of hotel <sup>(1)</sup> | 4,000         | Within 24 months  |
| Repayment of bank borrowings <sup>(2)</sup>           | 3,000         | Within 12 months  |
| Working capital requirements <sup>(3)</sup>           | 2,983         | Within 12 months  |
| Estimated expenses for the Proposals <sup>(4)</sup>   | 500           | Within 1 month  |
|   | <b>10,483</b> |   |

### Notes:

- (1) We have earmarked RM4.0 million of the proceeds from the Proposed Private Placement to part finance the refurbishment and maintenance of Avillion Hotel Port Dickson to ensure it remains competitive and continues to meet guests' expectations. This includes refurbishment and upgrading of rooms (with new furniture, bedding and smart technology) and restaurant as well as maintenance and upgrading of hotel's facilities and landscape such as tennis court, garden and swimming pool.

We estimate that the total cost for refurbishment and maintenance of Avillion Hotel Port Dickson will be approximately RM15.0 million, out of which RM4.0 million will be funded via proceeds from the Proposed Private Placement, while the remaining RM11.0 million will be funded through internally generated funds and/or bank borrowings as follows:

| Description   | Estimated<br>cost<br>(RM'000) | To be funded via<br>proceeds from the<br>Proposed Private<br>Placement<br>(RM'000) | Balance<br>(RM'000) |
|---|-------------------------------|--|---------------------|
|   |                               |  |                     |
| Refurbishment and upgrading of rooms <sup>(i)</sup> | 13,000                        | 3,500  | 9,500               |
| Maintenance of common areas                         | 500                           | 500  | -                   |
| Repurposing of tennis court to an event space       | 500                           | -  | 500                 |
| Maintenance of Village Court restaurant             | 500                           | -  | 500                 |
| Maintenance of swimming pools                       | 500                           | -  | 500                 |
| <b>Total</b>  | <b>15,000</b>                 | <b>4,000</b>   | <b>11,000</b>       |

**Notes: (cont'd)****Sub-note:**

- (i) We have a total of 264 rooms comprising water chalets and garden chalets at Avillion Hotel Port Dickson as at the LPD, and we intend to refurbish a total of 239 rooms (out of 264 rooms) as follows:

| <b>Room type</b>                    | <b>No. of rooms</b> | <b>Estimated total cost (RM'000)</b> | <b>Estimated cost per room (RM'000)</b> |
|-------------------------------------|---------------------|--------------------------------------|---|
| 1-bedroom water chalet              | 196                 | 11,000                               | 56                                      |
| 1-bedroom garden chalet             | 32                  | 960                                  | 30                                      |
| 2-bedroom suite water chalet        | 10                  | 900                                  | 90                                      |
| 3-bedroom family suite water chalet | 1                   | 140                                  | 140                                     |
| <b>Total</b>                        | <b>239</b>          | <b>13,000</b>                        |   |

For information purposes, the remaining 25 rooms (out of 264 rooms) are standard hotel rooms. We have decided not to refurbish or upgrade these rooms at this juncture given their historically lower occupancy rates as compared to our chalets. The refurbishment and maintenance works at Avillion Hotel Port Dickson are expected to commence by the 3<sup>rd</sup> quarter of 2025 and is estimated to take approximately 24 months to complete.

For the avoidance of doubt, the above refurbishment and maintenance works for our rooms, restaurant, facilities and landscape at Avillion Hotel Port Dickson are different from our earlier asset enhancement and refurbishment program under the Previous Private Placement as the latter involve the extension works at Avillion Hotel Port Dickson and construction of an eco-tourism park within the Avillion Admiral Cove Hotel & Resort. Please refer to Section 3.2 of this Circular for further details of our earlier asset enhancement and refurbishment program.

- (2) As at the LPD, our total bank borrowings stood at approximately RM73.2 million. We intend to use RM3.0 million of the gross proceeds from the Proposed Private Placement to pare down our existing borrowings as follows:

| <b>Financier/<br/>Type of borrowings</b> | <b>Purpose of borrowings</b>  | <b>Outstanding amount as at the LPD (RM'000)</b> | <b>Proposed repayment amount (RM'000)</b> | <b>Interest rate per annum</b> |
|--|---|--|---|--------------------------------|
| RHB Bank Berhad/<br>Term loan            | Refinancing of existing borrowings  | 38,150   | 2,000                                     | 6.7%                           |
| OSK Capital Sdn Bhd/<br>Term loan        | Refinancing of existing borrowings, purchase of land and hotel suite, and working capital | 3,870  | 1,000                                     | 8.5%                           |

The partial repayment of the above term loans using proceeds from the Proposed Private Placement is expected to result in a total annual interest savings of approximately RM0.2 million. The proposed repayment amount for each of the financing facilities takes into consideration the amount due for repayment within the next 12 months.



**Notes: (cont'd)**

- (3) Approximately RM3.0 million of the gross proceeds to be raised from the Proposed Private Placement shall be used as our working capital to finance our day-to-day operations including, among others, the payment of salaries, administrative, tax payment, finance costs and other operating expenses such as utilities, maintenance, advertising and business promotion expenses.

The breakdown of proceeds to be used for each component of working capital is as follows:

| <b>Description</b>                            | <b>RM'000</b> |
|---|---------------|
| Finance costs <sup>(i)</sup>                  | 1,000         |
| Payment of salaries                           | 1,000         |
| Tax payment                                   | 300           |
| Other operating expenses                      |               |
| - Utilities                                   | 200           |
| - Maintenance                                 | 200           |
| - Advertising and business promotion expenses | 200           |
| Administrative costs                          | 83            |
| <b>Total</b>                                  | <b>2,983</b>  |

**Sub-note:**

- (i) Comprising interest expenses on term loan, revolving credit and bank overdraft.
- (4) The estimated expenses for the Proposals comprise professional fees, placement fees, fees payable to the relevant authorities, cost to convene the EGM, printing and advertisement expenses as well as other miscellaneous expenses. The breakdown of proceeds to be used for each component of the estimated expenses for the Proposals is as follows:

| <b>Description</b>  | <b>RM'000</b> |
|---|---------------|
| Professional fees (principal adviser, placement agent and solicitors) | 396           |
| Fees to authorities   | 31            |
| Printing, advertisement and cost to convene the EGM                   | 40            |
| Miscellaneous expenses  | 33            |
| <b>Total</b>  | <b>500</b>    |

The actual gross proceeds to be raised from the Proposed Private Placement are dependent on the final issue price and the number of Placement Shares to be issued. In the event the actual gross proceeds from the Proposed Private Placement vary from the estimated gross proceeds as set out in the table above, such variance will be allocated to/from our working capital requirements. Any shortfall in the gross proceeds raised from the Proposed Private Placement will be funded from our internally generated funds.

Pending utilisation of the proceeds from the Proposed Private Placement, such proceeds will be placed in interest-bearing deposit(s) with licensed financial institution(s) and/or short-term money market instrument(s). The interest derived from such deposit(s) and/or any gain arising from such short-term money market instrument(s) will be utilised for our future working capital requirements.

### **2.1.7 Equity fundraising exercise undertaken in the past 5 years**

Save for the Previous Private Placement and Free Warrants Issue, we have not undertaken any other equity fundraising exercises in the past 5 years prior to the date of this Circular.

On 17 October 2019, we announced the Previous Private Placement which involved the issuance of 188,881,350 new Shares (representing 20% of our then total number of issued Shares immediately prior to the said placement), and the Free Warrants Issue which involved the proposed issuance of up to 566,644,050 free Warrants on the basis of 1 Warrant for every 2 Shares held after the completion of the Previous Private Placement.

Bursa Securities had, vide its letter dated 21 November 2019, approved the listing of and quotation for (i) up to 188,881,350 new Shares, (ii) up to 566,644,050 free Warrants and (iii) up to 566,644,050 new Shares to be issued arising from the exercise of the Warrants.

We had obtained Bursa Securities' approval for extension of time from 21 May 2020 until 21 November 2021 to complete the Previous Private Placement and Free Warrants Issue. The Previous Private Placement was completed on 19 November 2021 while the Free Warrants Issue was aborted on the same day in light of our Board's decision to defer the implementation of the Free Warrants Issue.

Please refer to Section 2.2 of this Circular for further details of the proceeds raised and the utilisation of proceeds of the Previous Private Placement.

### **2.2 Proposed Variation**

On 19 November 2021, we completed the Previous Private Placement of 188,881,350 new Shares (representing 20% of our then total number of issued Shares immediately prior to the said placement), at an issue price of RM0.12 per Share, raising total gross proceeds of approximately RM22.7 million.

The proceeds raised from the Previous Private Placement were intended to be utilised by us for the following purposes:

- (i) repayment of our bank borrowings;
- (ii) asset enhancement and refurbishment program for our hotels and resort which entails extension works for Avillion Hotel Port Dickson and the construction of an eco-tourism park within Avillion Admiral Cove Hotel & Resort;
- (iii) partially fund our township development project known as 'Desa Impian';
- (iv) our working capital requirements; and
- (v) expenses in relation to our corporate exercises.

On 30 November 2021, we announced that our Board had resolved to undertake the Previous Variation due to uncertainties in the hotel and travel industries as a result of the COVID-19 pandemic.

As at the LPD, approximately RM3.0 million of the Unutilised Proceeds, which had been earmarked for the asset enhancement and refurbishment program for our hotels and resort, remains unutilised, as we intend to prioritise the refurbishment and maintenance of our existing hotel rooms using proceeds to be raised from the Proposed Private Placement over the construction of new facilities. As the construction of new facilities is not our priority currently, we intend to undertake the Proposed Variation to reallocate the Unutilised Proceeds for other purposes.

Under the Proposed Variation, our Board proposes to vary and reallocate the Unutilised Proceeds for the repayment of our Group's bank borrowings and working capital requirements. At the same time, our Board also resolved to extend the timeframe for the use of such proceeds of up to 6 months from the date of shareholders' approval for the Proposed Variation at our forthcoming EGM.

The details of the Proposed Variation are as follows:

|   |  | (A)                           | (B)                |        | (A) + (B) =<br>(C)           |                                  | (D)                               | (C) – (D) =<br>(E)     |        | (F)  | (E) + (F) =<br>(G)                                  |  |
|---|--|-------------------------------|--------------------|--------|------------------------------|----------------------------------|-----------------------------------|------------------------|--------|--|---|--|
|   | Proposed utilisation as set out in the Previous Circular | Original proposed utilisation | Previous Variation |        | Revised proposed utilisation | Actual utilisation as at the LPD | Unutilised Proceeds as at the LPD | Proposed Variation     |        | Unutilised proceeds after the Proposed Variation | <sup>(10)</sup> Original time frame for utilisation | <sup>(11)</sup> Revised time frame for utilisation |
| Details of utilisation  | (RM'000)   | (RM'000)                      | (RM'000)           | *(%)   | (RM'000)                     | (RM'000)                         | (RM'000)                          | (RM'000)               | *(%)   | (RM'000)   |   |  |
| Repayment of bank borrowings                                      | 6,000  | 6,000                         | (1,111)            | (4.9)  | 4,889                        | <sup>(3)</sup> 4,889             | -                                 | <sup>(7)</sup> 2,000   | 8.8    | 2,000  | 1 month   | 6 months   |
| Asset enhancement and refurbishment program for hotels and resort | 10,000   | 10,000                        | (4,389)            | (19.4) | 5,611                        | <sup>(4)</sup> 2,599             | 3,012                             | <sup>(8)</sup> (3,012) | (13.3) | -  | 36 months   | -  |
| Part funding of the Desa Impian township development project      | 3,000  | 3,000                         | -                  | -      | 3,000                        | <sup>(5)</sup> 3,000             | -                                 | -                      | -      | -  | 6 months  | -  |
| General working capital   | 7,093  | 3,316                         | 5,500              | 24.3   | 8,816                        | <sup>(6)</sup> 8,816             | -                                 | <sup>(9)</sup> 1,012   | 4.5    | 1,012  | 6 months  | 6 months   |
| Estimated expenses in relation to our corporate exercises         | 350  | 350                           | -                  | -      | 350                          | 350                              | -                                 | -                      | -      | -  | 1 month   | -  |
| Total gross proceeds  | <sup>(1)</sup> 26,443                                    | <sup>(2)</sup> 22,666         | -                  | -      | 22,666                       | 19,654                           | 3,012                             | -                      | -      | 3,012  |   |  |

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**Notes:**

- \* Computed as a percentage of the total gross proceeds raised from the Previous Private Placement of approximately RM22.7 million.
- (1) The estimated gross proceeds expected to be raised as set out in the Previous Circular was illustrated based on an indicative issue price of RM0.14 per Share.
- (2) The Previous Private Placement was completed on 19 November 2021 at the final issue price of RM0.12 per Share. As the actual gross proceeds raised from the Previous Private Placement were lower than the estimated gross proceeds disclosed in the Previous Circular, the shortfall was adjusted against the proceeds allocated for working capital requirements, in accordance with the disclosure in the Previous Circular.
- (3) We have fully utilised approximately RM4.9 million of the allocated proceeds to pare down our existing borrowings as follows:

| <b>Financier/<br/>Type of borrowings</b> | <b>Purpose of borrowings</b>  | <b>Repayment<br/>amount<br/>(RM'000)</b> | <b>Interest<br/>rate per<br/>annum</b> |
|--|---|--|--|
| RHB Bank Berhad/<br>Term loan            | Refinancing of existing borrowings  | 3,250                                    | 6.7%                                   |
| OSK Capital Sdn<br>Bhd/Term loan         | Refinancing of existing borrowings,<br>purchase of land and hotel suite, and<br>working capital | 1,639                                    | 8.5%                                   |
| <b>Total</b>                             |   | <b>4,889</b>                             |  |

The partial repayment of the above borrowings resulted in a total annual interest savings of approximately RM0.4 million.

- (4) We have utilised approximately RM2.6 million out of the RM5.6 million allocated for our asset enhancement and refurbishment program at Avillion Hotel Port Dickson as follows:

| <b>Description</b>   | <b>RM'000</b> |
|--|---------------|
| Extension and upgrading works for:   |               |
| - resort facilities and amenities including board walk, staircases, fire protection equipment and air conditioning units | 1,639         |
| - 17 meeting and conference rooms  | 960           |
| <b>Total</b>   | <b>2,599</b>  |

- (5) We have fully utilised RM3.0 million of the allocated proceeds to partially fund the development costs for Phase 2A of our Desa Impian township development project in Kota Tinggi, Johor. This township is a 165-acre mixed development and is expected to be launched in 8 phases between 2015 and 2036. The status of the said project as at the LPD is as follows:

| <b>Phase</b> | <b>Description</b>                            | <b>Percentage of<br/>completion as<br/>at the LPD</b> | <b>Completion date /<br/>Expected completion date</b>   |
|--------------|---|---|---|
| 1            | 156 residential units and 26 commercial units | 100.0%  | October 2015  |
| 2A*          | 50 residential units and 52 commercial units  | 62.0%   | <ul style="list-style-type: none"> <li>June 2023 (50 residential units and 13 commercial units)</li> <li>July 2027 (remaining 39 commercial units)</li> </ul> |
| 2B, 3 to 7   | To be launched                                | Not applicable  | December 2036   |

**Notes: (cont'd)****Sub-note:**

- \* Provision for liquidated ascertained damages of approximately RM1.2 million incurred for this phase during the FYE 2023 due to delay in completion.

As at the LPD, the undeveloped land area of Desa Impian township is approximately 100 acres and the development of the remaining 6 phases is expected to be completed by December 2036.

- (6) We have fully utilised approximately RM8.8 million of the allocated proceeds for our working capital requirements. The breakdown for each component of working capital is as follows:

| <b>Description</b>  | <b>RM'000</b> |
|---|---------------|
| Salaries and wages  | 6,520         |
| Interest expenses on term loan, revolving credit and bank overdraft | 1,188         |
| Professional fees (placement agent)                                 | 1,108         |
| <b>Total</b>  | <b>8,816</b>  |

- (7) As at the LPD, our total bank borrowings stood at approximately RM73.2 million. We intend to use RM2.0 million of the Unutilised Proceeds to pare down our existing borrowing as follows:

|                                      |                                    | <b>Proposed repayment amount under the</b>       |   | <b>Total repayment amount (RM'000)</b> | <b>Interest rate per annum</b> |
|--------------------------------------|------------------------------------|--|---|--|--------------------------------|
| <b>Financier/ Type of borrowings</b> | <b>Purpose of borrowing</b>        | <b>Outstanding amount as at the LPD (RM'000)</b> | <b>*Proposed Private Placement (RM'000)</b> | <b>Proposed Variation (RM'000)</b>     |                                |
| RHB Bank Berhad/<br>Term loan        | Refinancing of existing borrowings | 38,150   | 2,000                                       | 2,000                                  | 4,000<br>6.7%                  |

**Sub-note:**

- \* Refer to Note (2) in Section 2.1.6 of this Circular.

Based on the above, the repayment of the above term loan under the Proposed Variation is expected to result in an annual interest savings of approximately RM0.1 million.

- (8) Proceeds raised from the Previous Private Placement which were allocated to fund our asset enhancement and refurbishment initiatives, in particular, for the extension of the Avillion Hotel Port Dickson and construction of an eco-tourism park within the Avillion Admiral Cove Hotel & Resort, and remained unutilised as at the LPD.

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**Notes: (cont'd)**

- (9) Proceeds allocated for working capital purposes will be used to finance our day-to-day operations at the hotels and resort which include, among others, staff related expenses such as salaries, wages and allowances, staff training, as well as other operating expenses such as general upkeep and maintenance costs, utilities expenses, advertising and marketing, maintenance of security systems, landscape maintenance and office supplies. The breakdown of proceeds to be used for each component of working capital is as follows:

| <b>Description</b>                              | <b>RM'000</b> |
|---|---------------|
| Payment of salaries, wages and allowances       | 600           |
| Other operating expenses                        |               |
| - Utilities                                     | 100           |
| - Advertising and marketing                     | 100           |
| - Maintenance of security systems and landscape | 100           |
| - Office supplies                               | 100           |
| Staff training                                  | 12            |
| <b>Total</b>                                    | <b>1,012</b>  |

- (10) From the date of listing of each tranche of placement shares.

- (11) From the date of shareholders' approval for the Proposed Variation.

The Unutilised Proceeds have been placed in interest-bearing deposits with licensed financial institutions and/or short-term money market financial instruments as our Board deems fit. Interest income from such deposits or instruments is also used for our working capital purposes.

### **3. RATIONALE AND JUSTIFICATION FOR THE PROPOSALS**

#### **3.1 Proposed Private Placement**

The Proposed Private Placement will enable us to raise funds for the purposes as detailed in Section 2.1.6 of this Circular.

Part of the proceeds to be raised from the Proposed Private Placement will be set aside for the refurbishment and maintenance of Avillion Hotel Port Dickson, one of our flagship hotels, to allow us to remain competitive in the hotel business segment. Regular refurbishment and maintenance is essential to maintain our hotel's appeal and meet the expectations of our guests. Typically, a well-maintained hotel generally is expected to improve occupancy rates of the hotel and sustain favourable room rates.

The repayment of our bank borrowings using the proceeds to be raised from the Proposed Private Placement will enable us to lower our gearing which in turn is expected to contribute positively to our future earnings in terms of interest savings.

After due consideration of the various methods of fundraising, our Board is of the view that the Proposed Private Placement is the most appropriate avenue for us to raise funds as the Proposed Private Placement will:

- (i) allow us to raise funds expeditiously and cost effectively as compared to other forms of fundraising such as a rights issue which is likely to take a longer time to complete, involves additional costs and may involve financial support from shareholders and/or underwriting arrangement;

- (ii) raise the required funding for us without incurring further finance cost as compared to bank borrowings, thereby minimising any potential cash outflow in respect of interest servicing;
- (iii) allow us to raise funds in tranches based on market conditions and the prevailing market price of our Shares; and
- (iv) strengthen our financial position and capital base and potentially enhance the liquidity of our Shares.

### 3.2 Proposed Variation

We commenced our asset enhancement and refurbishment program in August 2019 with the aim of revitalising our hotel business, in particular, the Avillion Hotel Port Dickson and Avillion Admiral Cove Hotel & Resort, both located in Port Dickson, Negeri Sembilan.

In October 2019, we announced the Previous Private Placement which was subsequently completed in November 2021. We raised total proceeds of approximately RM22.7 million from the Previous Private Placement, out of which RM10.0 million was earmarked for our Group's asset enhancement and refurbishment initiatives which involve the extension of Avillion Hotel Port Dickson and construction of an eco-tourism park within Avillion Admiral Cove Hotel & Resort. We have utilised approximately RM2.6 million out of the allocated RM10.0 million as at the LPD for the extension works of the ballroom and function spaces as well as resort facilities and amenities at Avillion Hotel Port Dickson. For information purposes, the construction of the eco-tourism park within Avillion Admiral Cove Hotel & Resort has not commenced as at the LPD as we intend to prioritise the refurbishment and maintenance of our existing hotel rooms over the construction of new facilities.

Moving forward, we will focus on the refurbishment and maintenance of our existing rooms and facilities at Avillion Hotel Port Dickson rather than pursuing asset enhancement projects. Efforts will be directed towards upgrading accommodations, modernising amenities, and preserving the overall upkeep of Avillion Hotel Port Dickson to maintain its appeal and competitiveness. Meanwhile, we remain committed to our asset enhancement initiatives, albeit at a more moderate pace and a more measured approach in tandem with the recovery in our market segments. Implementation of such asset enhancement initiatives would be funded by bank borrowings and/or joint venture.

Accordingly, our Board has decided to raise fresh funds solely for refurbishment and maintenance initiatives via the Proposed Private Placement and vary the intended use of the Unutilised Proceeds for:

- (i) repayment of our bank borrowings which is expected to result in interest savings that would improve our overall cash flow management; and
- (ii) our Group's working capital requirements to provide us with sufficient financial flexibility to stabilise our current operations by increasing hotel yield, controlling and scheduling capital expenditures for upgrades and maintenance, and optimising operating costs. This would include, among others, hotel overheads, marketing and advertising as well as salary costs and compensation to attract and retain hospitality talents.

As set out in Section 2.2 of this Circular, we are required to obtain your approval for the Proposed Variation. In the event the Proposed Variation is not approved by our shareholders, we will not be able to vary and reallocate the Unutilised Proceeds for the purposes as set out in Section 2.2 of this Circular. Under such circumstances, we will continue to utilise the Unutilised Proceeds for our asset enhancement and refurbishment program for extension works at Avillion Hotel Port Dickson and the construction of the eco-tourism park within Avillion Admiral Cove Hotel & Resort, which is not our priority currently.

## **4. INDUSTRY OUTLOOK AND PROSPECTS**

### **4.1 Overview and outlook of the Malaysian economy**

Despite challenges from the global macroeconomic environment, Malaysia's economy performed well in 2024. The economy recorded a stronger growth, expanding by 5.1% (2023: 3.6%) on the back of robust domestic demand with strong investments, as well as a rebound in exports.

In 2025, like many other economies, the Malaysian economy is expected to face challenges arising from global developments. This is against a backdrop of uncertainties surrounding tariffs and other policies from major economies, as well as geopolitical conflicts. Malaysia's resilient domestic demand, however, will serve as an important buffer against these external shocks.

(Source: Bank Negara Malaysia Annual Report 2024)

The escalation in trade tensions will affect the domestic growth outlook mainly through the trade channel as higher global policy uncertainty weigh on global demand. As a result, the Malaysian economy will likely grow slightly slower than the earlier forecast of 4.5% to 5.5%. The high uncertainty surrounding outcomes of trade negotiations and how these will reshape global trade complicates a clear assessment of their impact on growth at this juncture. However, the impact from the imposition of US tariffs could be partially cushioned by some front-loading of export activities such as in electrical and electronic ahead of implementation of the reciprocal tariffs, alongside higher tourist arrivals. In addition, support from resilient domestic demand will continue to anchor growth.

(Source: Bank Negara Malaysia Quarterly Bulletin First Quarter 2025)

### **4.2 Overview and outlook of the Malaysian tourism and hospitality market**

The services sector grew by 5.4% in the first half of 2024, driven by robust household spending coupled with vibrant tourism and travel-related activities. Overall, the services sector is projected to expand by 5.3% in 2024 and 5.5% in 2025. The growth in 2025 will mainly emanate from continuous consumer spending as well as robust business and tourism-related activities.

Within the services sector, the food and beverages and accommodation subsector (being tourism-related industries) grew by 5.6% in the first half of 2024 supported by high hotel occupancy rates and patronage at eateries, in tandem with the increase in tourist arrivals to 14.1 million. Overall, the subsector is projected to register a growth of 5.8% in 2024.

In 2025, the food and beverages and accommodation subsector is poised to grow by 6.2%, in anticipation of higher tourist arrivals for business and leisure as well as meetings, incentives, conferences and exhibitions activities. The tourism industry will benefit from Malaysia's 2025 ASEAN Chairmanship, as well as nationwide hosting of numerous meetings, incentives, conferences and exhibitions events at international and regional scales. In addition, the visit state campaign by Kedah, Perlis and Selangor as well as intensive promotion for the Visit Malaysia 2026 ("**VM2026**") are expected to contribute to the growth of the subsector.

VM2026 was launched in January 2025 to drive the country's tourism sector. It targets 35.6 million tourist arrivals and aims to generate RM147.1 billion in tourism receipts.

(Source: Economic Outlook 2025, Ministry of Finance Malaysia; Launch of Visit Malaysia 2026 Campaign: A Milestone for Tourism Growth, Tourism Malaysia's website)



### 4.3 Prospects of our Group

Malaysia aims to attract 31.4 million visitors generating RM125.5 billion in tourism revenue for 2025. This optimism is expected to continue with VM2026 targeting to attract 35.6 million tourist arrivals and RM147.1 billion in revenue. As Malaysia continues to attract international visitors, we stand to benefit from sustained opportunities in the tourism and hospitality sector. To capitalise on such opportunities, we will intensify our efforts in increasing our hotels' yield, targeting new market segments, upgrading our hotel properties, and optimising operating costs.

We have proactively embarked on refurbishment program for our hotels and resorts to ensure that they maintain their image and appeal to hotel guests and customers, especially with the emergence of newer hotels and resorts in the surrounding areas. Through our refurbishment program, we aim to (a) reclaim our position as the preferred hotel and resort in Port Dickson, and all the other locations where our hotels and resorts are located, and (b) improve overall occupancy rates, as well as to create a better lodging experience for our hotel guests.

To complement such efforts, we are also adopting more aggressive marketing strategies to boost business volume and drive revenue growth in our hotel business segment, including:

- (i) offering accommodation promotions at the best available rate, providing conference and corporate packages, hosting events and partnering with local attractions to offer packaged deals;
- (ii) leveraging social media platforms to build brand awareness and drive more user traffic to our hotel website;
- (iii) maintaining communication with hotel guests via follow-up emails or feedback surveys, and offering personalised programs based on guest preferences to drive repeat bookings;
- (iv) implementing eco-friendly practices to attract environmentally conscious travellers and foster loyalty; and
- (v) continuous staff training to deliver high quality service standards for our hotel guests and customers, so as to elevate guest experience and drive loyalty.

In the medium to long term, we will continue to actively manage our capital deployed in our businesses with regular reviews of our financial performance and returns. Assets that are non-core to our strategy, non-revenue-generating or underperforming will be monetised to recycle the capital for purposes of reducing debts and supporting other growing businesses.

Looking ahead, we are committed to refining our strategies, actively seeking ways to boost operating revenue, closely monitoring market trends and managing costs effectively without compromising service quality. The competitive landscape remains intense, and our management will continuously evaluate and enhance our offerings and services to remain competitive.

(Source: Management of Avillion)

## 5. EFFECTS OF THE PROPOSALS

### 5.1 Issued share capital

The Proposed Variation will not have any effect on our issued share capital.

The pro forma effect of the Proposed Private Placement on our issued share capital is as follows:

|  | <b>No. of Shares<br/>(‘000)</b> | <b>RM’000</b>         |
|--|---------------------------------|-----------------------|
| Issued share capital as at the LPD                         | 1,133,288                       | 236,095               |
| To be issued in relation to the Proposed Private Placement | 283,322                         | <sup>(1)</sup> 10,483 |
| <b>Enlarged issued share capital</b>                       | <b>1,416,610</b>                | <b>246,578</b>        |

**Note:**

(1) Assuming 283,322,100 Placement Shares are issued at the Illustrative Issue Price.

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## 5.2 Substantial shareholders' shareholdings

The Proposed Variation will not have any effect on the shareholdings of our substantial shareholders.

The pro forma effect of the Proposed Private Placement on the shareholdings of our substantial shareholders is set out below:

|                                   | As at the LPD |      |                        |      | <sup>(1)</sup> After the Proposed Private Placement |      |                        |      |
|-----------------------------------|---------------|------|------------------------|------|---|------|------------------------|------|
|                                   | Direct        |      | Indirect               |      | Direct  |      | Indirect               |      |
|                                   | No. of Shares |      | No. of Shares          |      | No. of Shares                                       |      | No. of Shares          |      |
|                                   | ('000)        | %    | ('000)                 | %    | ('000)  | %    | ('000)                 | %    |
| Ibu Kota Developments Sdn Bhd     | 247,298       | 21.8 | -                      | -    | 247,298   | 17.5 | -                      | -    |
| Daza Holdings Sdn Bhd             | -             | -    | <sup>(2)</sup> 247,298 | 21.8 | -   | -    | <sup>(2)</sup> 247,298 | 17.5 |
| Datuk Md Wira Dani Bin Abdul Daim | -             | -    | <sup>(3)</sup> 247,298 | 21.8 | -   | -    | <sup>(3)</sup> 247,298 | 17.5 |

### Notes:

- (1) Based on the enlarged number of issued Shares of 1,416,610,200, assuming full issuance of Placement Shares pursuant to the Proposed Private Placement.
- (2) Deemed interested by virtue of its shareholding in Ibu Kota Developments Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.
- (3) Deemed interested by virtue of his shareholding in Daza Holdings Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.

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### 5.3 NA and gearing

The pro forma effects of the Proposals on our consolidated NA and gearing based on our audited consolidated statement of financial position as at 31 March 2024 are as follows:

|   |  | (I)<br>After the<br>Proposed<br>Private<br>Placement<br>(RM'000) | (II)<br>After (I) and<br>the Proposed<br>Variation<br>(RM'000) |
|---|--|--|--|
|   | Audited as at<br>31 March 2024<br>(RM'000) |  |  |
| Share capital                                   | 236,095                                    | <sup>(1)</sup> 246,578   | 246,578  |
| Reserves  | (14,093)                                   | <sup>(2)</sup> (14,593)  | (14,593)   |
| <b>NA attributable to owners of our Company</b> | <b>222,002</b>                             | <b>231,985</b>   | <b>231,985</b>   |
| Number of Shares in issue ('000)                | 1,133,288                                  | 1,416,610  | 1,416,610  |
| NA per Share (sen)                              | 19.6                                       | 16.4   | 16.4   |
| Total borrowings                                | 83,528                                     | <sup>(3)</sup> 80,528  | <sup>(4)</sup> 78,528  |
| Gearing ratio (times)                           | 0.4  | 0.3  | 0.3  |

#### Notes:

- (1) Assuming 283,322,100 Placement Shares are issued at the Illustrative Issue Price.
- (2) After deducting the estimated expenses of RM0.5 million in relation to the Proposals.
- (3) After the repayment of bank borrowings amounting to RM3.0 million as set out in Section 2.1.6 of this Circular.
- (4) After the repayment of bank borrowings amounting to RM2.0 million as set out in Section 2.2 of this Circular.

### 5.4 Earnings and EPS

The Proposals are not expected to have any material effect on our consolidated earnings for the FYE 2026. However, our EPS is expected to be diluted upon completion of the Proposed Private Placement as a result of the increase in the total number of Shares in issue arising from the Proposed Private Placement. The Proposals are expected to contribute positively to our future earnings as and when the benefits of the utilisation of the proceeds from the Proposals are realised.

For illustrative purposes, based on our latest audited consolidated statement of comprehensive income for the FYE 2024 and assuming that the Proposed Private Placement had been completed on 1 April 2023 (i.e. the beginning of the FYE 2024), the pro forma effect of the Proposed Private Placement on our LAT and loss per Share are as follows:

|  | Audited for<br>the FYE 2024 | After the<br>Proposed<br>Private<br>Placement |
|--|-----------------------------|---|
| LAT attributable to owners of our Company (RM'000) | (5,756)                     | <sup>(1)</sup> (6,256)                        |
| No. of Shares in issue as at the LPD ('000)        | 1,133,288                   | 1,416,610                                     |
| Basic loss per Share (sen)                         | (0.5)                       | (0.4)   |

**Note:**

- (1) After deducting estimated expenses of RM0.5 million in relation to the Proposals.

**5.5 Convertible securities**

We do not have any convertible securities as at the LPD.

**6. APPROVALS REQUIRED**

The Proposals are subject to approval/consent being obtained from:

- (i) Bursa Securities, for the listing of and quotation for up to 283,322,100 Placement Shares on the Main Market of Bursa Securities, which was obtained vide its letter dated 8 July 2025, subject to the following conditions:

| <b>Conditions imposed</b>  | <b>Status of compliance</b> |
|--|-----------------------------|
| (a) Avillion and RHB Investment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Private Placement;   | To be complied              |
| (b) Avillion is required to furnish Bursa Securities with a certified true copy of the resolution passed by its shareholders at a general meeting for the Proposed Private Placement;  | To be complied              |
| (c) RHB Investment Bank is required to furnish Bursa Securities with details of the placees in accordance with Paragraph 6.15 of the Listing Requirements as soon as practicable after each tranche of placement and before the listing of the Placement Shares; | To be complied              |
| (d) Avillion and RHB Investment Bank are required to inform Bursa Securities upon completion of the Proposed Private Placement; and  | To be complied              |
| (e) Avillion is required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed.   | To be complied              |

- (ii) our shareholders for the Proposals at our forthcoming EGM;
- (iii) our existing financiers' consents for the Proposed Private Placement; and
- (iv) any other relevant authorities, if required.

The Proposed Variation is subject to the approval being obtained from our shareholders at our forthcoming EGM as the Proposed Variation, when aggregated with the Previous Variation, would be a material change that exceeds 25% of the total proceeds raised from the Previous Private Placement pursuant to Paragraph 8.22(1)(a) of the Listing Requirements.

For the avoidance of doubt, the Previous Variation was not subjected to the approval of our shareholders as such variation was below the said 25% threshold.

## 7. CONDITIONALITY OF THE PROPOSALS

Save for the Proposals, there are no other corporate exercise/scheme which have been announced by our Company but not yet completed before the printing of this Circular.

The Proposals are not inter-conditional with each other. The Proposals are not conditional upon any other corporate exercise/scheme of our Company.

## 8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of our Directors, major shareholders and/or chief executive, and/or persons connected with them have any interest, direct or indirect, in the Proposals.

## 9. DIRECTORS' RECOMMENDATION

Our Board, after having considered all aspects of the Proposals, is of the opinion that the Proposals are in the best interest of our Company. Accordingly, our Board recommends that you vote in favour of the ordinary resolutions in relation to the Proposals to be tabled at our forthcoming EGM.

## 10. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposals are expected to be completed by the 3<sup>rd</sup> quarter of 2025.

The Proposed Variation shall be effective upon obtaining the approval from our shareholders at our forthcoming EGM and the Unutilised Proceeds are expected to be fully utilised within the revised time frame as set out in Section 2.2 of this Circular.

## 11. HISTORICAL MARKET PRICES OF OUR SHARES

The monthly highest and lowest market prices of our Shares for the past 12 months from July 2024 to June 2025 are set out below:

|                    | High<br>(RM) | Low<br>(RM) |
|--------------------|--------------|-------------|
| <b><u>2024</u></b> |              |             |
| July               | 0.065        | 0.050       |
| August             | 0.055        | 0.035       |
| September          | 0.045        | 0.035       |
| October            | 0.045        | 0.035       |
| November           | 0.040        | 0.035       |
| December           | 0.045        | 0.035       |
| <b><u>2025</u></b> |              |             |
| January            | 0.045        | 0.030       |
| February           | 0.040        | 0.030       |
| March              | 0.040        | 0.030       |
| April              | 0.050        | 0.030       |
| May                | 0.050        | 0.035       |
| June               | 0.045        | 0.035       |

Last transacted market price of our Shares immediately before the announcement of the Proposals on 16 May 2025 RM0.050

Last transacted market price of our Shares as at the LPD RM0.045

(Source: Bloomberg)

## **12. EGM**

Our forthcoming EGM, the notice of which is enclosed in this Circular, will be held at Pelita Ballroom, Avillion Hotel Port Dickson, 3<sup>rd</sup> Mile, Jalan Pantai, 71000 Port Dickson, Negeri Sembilan on Tuesday, 29 July 2025 at 10.30 a.m. or at any adjournment thereof to consider and, if thought fit, passing with or without modifications the ordinary resolutions to give effect to the Proposals.

If you are unable to attend and vote in person at our forthcoming EGM, you should complete and deposit the enclosed Proxy Form in accordance with the instructions therein, with our Share Registrar, ShareWorks Sdn Bhd, at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via electronic mail to [ir@shareworks.com.my](mailto:ir@shareworks.com.my) not less than 48 hours before the time set for our forthcoming EGM or at any adjournment thereof. The lodging of the Proxy Form shall not preclude you from attending and voting in person at our forthcoming EGM should you subsequently wish to do so.

## **13. FURTHER INFORMATION**

You are requested to refer to the enclosed appendices for further information.

Yours faithfully,  
For and on behalf of the Board of  
**AVILLION BERHAD**

**DATO' SERI JAMIL BIN BIDIN**  
Chairman, Independent Non-Executive Director

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**ADDITIONAL INFORMATION**


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**1. Historical financial information of our Group**

A summary of our key financial information based on our financial statements for the past 4 FYE 2022 to FYE 2025 is as follows:

|   | <-----Audited----->  |                      |                      | Unaudited            |
|---|----------------------|----------------------|----------------------|----------------------|
|   | FYE 2022<br>(RM'000) | FYE 2023<br>(RM'000) | FYE 2024<br>(RM'000) | FYE 2025<br>(RM'000) |
| Revenue                                   | 32,075               | 66,653               | 72,987               | 58,387               |
| Loss before tax                           | (10,779)             | (5,294)              | (5,508)              | (9,032)              |
| LAT attributable to owners of our Company | (8,960)              | (4,762)              | (5,756)              | (6,719)              |
| NA  | 210,544              | 206,225              | 222,002              | 214,215              |
| Total borrowings                          | 89,249               | 90,491               | 83,528               | 80,211               |
| Total current assets                      | 69,773               | 77,200               | 68,753               | 89,095               |
| Total current liabilities                 | 58,242               | 64,697               | 64,721               | 73,689               |
| Total number of Shares in issue ('000)    | 1,133,288            | 1,133,288            | 1,133,288            | 1,133,288            |
| Loss per Share (sen) <sup>(1)</sup>       | (0.8)                | (0.4)                | (0.5)                | (0.6)                |
| NA per Share (sen) <sup>(2)</sup>         | 18.6                 | 18.2                 | 19.6                 | 18.9                 |
| Current ratio (times) <sup>(3)</sup>      | 1.2                  | 1.2                  | 1.1                  | 1.2                  |
| Gearing ratio (times) <sup>(4)</sup>      | 0.4                  | 0.4                  | 0.4                  | 0.4                  |

**Notes:**

- (1) Computed based on LAT divided by total number of Shares in issue.
- (2) Computed based on NA divided by total number of Shares in issue.
- (3) Computed based on total current assets divided by total current liabilities.
- (4) Computed based on total borrowings divided by NA.

**Commentaries on financial performance****Comparison between the FYE 2023 and FYE 2022**

Our revenue increased by approximately RM34.6 million or 107.8% to approximately RM66.7 million for the FYE 2023 (FYE 2022: RM32.1 million) mainly due to the improved performance across our business divisions which was mainly attributed to:

- (i) the easing of COVID-19-related travel restrictions and the reopening of international borders; and
- (ii) higher construction activities for our Desa Impian township development project in Johor,



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**ADDITIONAL INFORMATION (CONT'D)**


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as set out below:

| <b>Business division</b> | <b>FYE 2022<br/>(RM'000)</b> | <b>FYE 2023<br/>(RM'000)</b> | <b>Variance</b> |
|--------------------------|------------------------------|------------------------------|-----------------|
| Hotel division           | 21,767                       | 38,909                       | 78.8%           |
| Property division        | 7,774                        | 13,606                       | 75.0%           |
| Travel division          | 2,534                        | 14,138                       | 457.9%          |
| <b>Total</b>             | <b>32,075</b>                | <b>66,653</b>                |                 |

Despite recording an increase in revenue of approximately RM34.6 million as explained above, we recorded a decrease in LAT of approximately RM4.2 million or 46.7% to approximately RM4.8 million for the FYE 2023 (FYE 2022: RM9.0 million) which was mainly attributed to:

- (i) higher cost of sales and administrative expenses mainly due to the increase in staff costs as a result of the implementation of the increase in minimum wage from RM1,200 a month to RM1,500 a month which came into effect in May 2022, and higher headcount for our hotel division;
- (ii) higher finance costs due to higher interest expenses on term loan as a result of the increase in Malaysia's overnight policy rate during the FYE 2023; and
- (iii) provision for liquidated ascertained damages of approximately RM1.2 million arising from the delay in completing our Desa Impian township development project.

**Comparison between the FYE 2024 and FYE 2023**

Our revenue increased by approximately RM6.3 million or 9.4% to approximately RM73.0 million for the FYE 2024 (FYE 2023: RM66.7 million) mainly due to the improved performance from:

- (i) our travel division which was derived primarily from inbound, outbound and domestic travel services. This was mainly attributed to higher tourism demand pursuant to the recovery of the tourism industry from the COVID-19 pandemic; and
- (ii) our property division which was mainly attributed to higher construction activities for our Desa Impian township development project in Johor,

as set out below:

| <b>Business division</b> | <b>FYE 2023<br/>(RM'000)</b> | <b>FYE 2024<br/>(RM'000)</b> | <b>Variance</b> |
|--------------------------|------------------------------|------------------------------|-----------------|
| Hotel division           | 38,909                       | 37,852                       | (2.7%)          |
| Property division        | 13,606                       | 15,060                       | 10.7%           |
| Travel division          | 14,138                       | 20,075                       | 42.0%           |
| <b>Total</b>             | <b>66,653</b>                | <b>72,987</b>                |                 |

Despite the increase in revenue, we recorded an increase in LAT of approximately RM1.0 million or 20.8% to approximately RM5.8 million for the FYE 2024 (FYE 2023: RM4.8 million). This was mainly attributed to higher administrative expenses which increased by approximately RM2.7 million to approximately RM41.5 million for the FYE 2024 (FYE 2023: RM38.8 million) due to higher staff costs arising from higher headcount for our hotel division.

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**ADDITIONAL INFORMATION (CONT'D)**


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**Comparison between the FYE 2025 and FYE 2024**

Our revenue decreased by approximately RM14.6 million or 20.0% to approximately RM58.4 million for the FYE 2025 (FYE 2024: RM73.0 million) mainly due to weak performance across our business divisions which was mainly attributed to:

- (i) weaker domestic tourism demand which led to lower revenue for our hotel division;
- (ii) slower progress of construction activities for our Desa Impian township development project in Johor; and
- (iii) cessation of our travel division in Singapore during the financial year,

as set out below:

| <b>Business division</b> | <b>FYE 2024<br/>(RM'000)</b> | <b>FYE 2025<br/>(RM'000)</b> | <b>Variance</b> |
|--------------------------|------------------------------|------------------------------|-----------------|
| Hotel division           | 37,852                       | 32,916                       | (13.0%)         |
| Property division        | 15,060                       | 12,564                       | (16.6%)         |
| Travel division          | 20,075                       | 12,907                       | (35.7%)         |
| <b>Total</b>             | <b>72,987</b>                | <b>58,387</b>                |                 |

In line with our lower revenue as explained above, we recorded an increase in LAT of approximately RM0.9 million or 15.5% to approximately RM6.7 million for the FYE 2025 (FYE 2024: RM5.8 million).

## **2. Value creation and impact of the Proposed Private Placement to our Group and our shareholders**

The proceeds to be raised from the Proposed Private Placement will provide us with additional financial resources for the refurbishment and maintenance of our hotel as well as working capital requirements as set out in Section 2.1.6 of this Circular. Regular refurbishment and maintenance is essential to maintain our hotel's appeal and meet the expectations of our guests, and enable our hotel to remain competitive in the hotel business segment. This, coupled with our marketing strategies to drive revenue (as set out in Section 4.3 of this Circular and Section 4 below), is aimed at improving our financial position and performance and enhancing shareholders' value moving forward.

In addition, the proceeds to be raised from the Proposed Private Placement do not incur additional interest expense as compared to bank borrowings, which will minimise any potential cash outflow in respect of interest servicing and principal repayment by us. Further, the repayment of bank borrowings is also expected to result in an annual interest savings of approximately RM0.2 million.

The resultant increase in the total number of issued Shares may potentially improve the trading liquidity of our Shares. However, the shareholdings of our existing shareholders will be diluted in proportion to the actual number of Placement Shares to be issued pursuant to the Proposed Private Placement. The effect of the Proposed Private Placement on our issued share capital, substantial shareholders' shareholdings, NA, gearing, earnings and EPS are set out in Section 5 of this Circular.

Despite the dilutive effect on our existing shareholders' shareholdings, the Proposed Private Placement is expected to contribute positively to our future earnings when the benefits of the use of proceeds are realised.

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**ADDITIONAL INFORMATION (CONT'D)**


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**3. Adequacy of the Proposed Private Placement in addressing our Group's financial concerns**

Our Board is of the view that the Proposed Private Placement is an adequate interim funding proposal as it allows us to raise approximately RM10.5 million in fresh capital for purposes as set out in Section 2.1.6 of this Circular, which include the refurbishment and maintenance of our hotel. The refurbishment and maintenance of our hotel is aimed at maintaining its appeal to allow us to remain competitive and, coupled with our marketing strategies to drive revenue, we expect the occupancy rate of our hotel to improve, enabling it to generate operating cash flows which can be ploughed back to meet our working capital requirements. We will continuously assess our financial position and condition moving forward and will address our financial requirements at the relevant point in time.

**4. Steps taken by our Group to improve our financial position**

As part of our efforts to improve our financial performance and strengthen our financial position, we are also adopting more aggressive marketing strategies to boost business volume and drive revenue growth in our hotel business segment, including:

- (i) offering accommodation promotions at the best available rate, providing conference and corporate packages, hosting events and partnering with local attractions to offer packaged deals;
- (ii) leveraging social media platforms to build brand awareness and drive more user traffic to our hotel website;
- (iii) maintaining communication with hotel guests via follow-up emails or feedback surveys, and offering personalised programs based on guest preferences to drive repeat bookings;
- (iv) implementing eco-friendly practices to attract environmentally conscious travellers and foster loyalty; and
- (v) continuous staff training to deliver high quality service standards for our hotel guests and customers, so as to elevate guest experience and drive loyalty.

In the medium to long term, we will continue to actively manage our capital deployed in our businesses with regular reviews of our financial performance and returns. Assets that are non-core to our strategy, non-revenue-generating or underperforming will be monetised to recycle the capital for purposes of reducing debts and supporting other growing businesses.

Looking ahead, we are committed to refining our strategies, actively seeking ways to boost operating revenue, closely monitoring market trends and managing costs effectively without compromising service quality. The competitive landscape remains intense, and our management will continuously evaluate and enhance our offerings and services to remain competitive.

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**ADDITIONAL INFORMATION (CONT'D)**

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**5. Material impact of the Proposed Private Placement to our shareholders and our Company from the business, financial and operational perspective**

From the financial perspective, the Proposed Private Placement is expected to strengthen our capital base and reduce our gearing level, which allows us to have greater financial flexibility in sourcing for funding alternatives in the future, if required. In particular, the financial impact is as follows:

- (i) our capital base on a pro forma basis will increase from approximately RM236.1 million to approximately RM246.6 million and our NA will also correspondingly increase from approximately RM222.0 million as at 31 March 2024 to approximately RM232.0 million upon completion of the Proposed Private Placement; and
- (ii) our gearing ratio will decrease from 0.4 times as at 31 March 2024 to 0.3 times upon completion of the Proposed Private Placement.

From the business and operational perspective, the proceeds to be raised from the Proposed Private Placement (as set out in Section 2.1.6 of this Circular), which are mainly earmarked for the refurbishment and maintenance of our flagship hotel, Avillion Hotel Port Dickson, and our working capital requirements, enable us to:

- (i) maintain our hotel's appeal to meet the expectations of guests so as to remain competitive in the hotel business segment; and
- (ii) raise immediate funds to finance our day-to-day operations to help ease our cash flow requirements,

The above benefits of the utilisation of the proceeds from the Proposed Private Placement, if realised, would improve our future financial position and performance.

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**FURTHER INFORMATION**


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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

Our Board has seen and approved this Circular and it collectively and individually accepts full responsibility for the accuracy of the information given in this Circular and confirms that, after having made all reasonable enquiries and to the best of its knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement in this Circular false or misleading.

**2. CONSENT AND CONFLICT OF INTEREST**

RHB Investment Bank, being our Principal Adviser for the Proposals and Placement Agent for the Proposed Private Placement, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

RHB Investment Bank, its subsidiaries and associated companies, as well as its holding company, RHB Bank Berhad, and the subsidiaries and associated companies of RHB Bank Berhad (collectively, the **"RHB Banking Group"**) engage in private banking, commercial banking and investment banking transactions which include, among others, brokerage, advisory on mergers and acquisitions, securities trading, assets and fund management as well as credit transaction services. The RHB Banking Group has engaged and may in the future engage in transactions with and perform services for our Group, in addition to the roles set out in this Circular.

In addition, any member of the RHB Banking Group may at any time, in the ordinary course of business, offer to provide its services or to engage in any transaction (on its own account or otherwise) with any member of our Group, our Directors, our shareholders, our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of our Group and/or our affiliates.

As at the LPD, RHB Banking Group has extended several credit facilities amounting to a total of RM65.2 million to our Group, of which approximately RM57.8 million remains outstanding. The total credit facilities extended to our Group represent approximately 0.2% of the audited consolidated NA of RHB Banking Group as at 31 December 2024 of RM32.5 billion. We intend to partially repay the term loan extended to us by RHB Banking Group with the proceeds to be raised from the Proposed Private Placement and the proceeds which are reallocated for the repayment of our bank borrowings under the Proposed Variation (refer to Note (2) of Section 2.1.6 and Section 2.2 of this Circular), subject to approvals from the relevant authorities and/or parties (where applicable) being obtained for the Proposals.

Notwithstanding the above, RHB Investment Bank is of the view that the abovementioned does not give rise to a conflict of interest situation in its capacity as the Principal Adviser for the Proposals and Placement Agent for the Proposed Private Placement due to the following reasons:

- (i) the banking facilities were provided by RHB Banking Group on an arm's length basis and in its ordinary course of business, and the said facilities provided are not material when compared to the audited NA of RHB Banking Group as at 31 December 2024 of approximately RM32.5 billion;

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**FURTHER INFORMATION (CONT'D)**


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- (ii) RHB Investment Bank is a licensed investment bank and its appointment as the Principal Adviser for the Proposals and Placement Agent for the Proposed Private Placement is in the ordinary course of its business. RHB Investment Bank does not receive or derive any financial interest or benefit save for the professional fees received in relation to the aforesaid appointment;
- (iii) the Corporate Finance division of RHB Investment Bank is required under its investment banking license to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, among others, the establishment of Chinese wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations; and
- (iv) the conduct of the RHB Banking Group in its banking business is strictly regulated by the Financial Services Act 2013, Islamic Financial Services Act 2013, Capital Markets and Services Act 2007 and the RHB Banking Group's own internal controls and checks which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

Save as disclosed above, RHB Investment Bank has confirmed that no conflict of interest exists or is likely to exist in its capacity as the Principal Adviser for the Proposals and Placement Agent for the Proposed Private Placement.

**3. MATERIAL COMMITMENTS**

Save as disclosed below, as at the LPD, our Board is not aware of any other material commitments incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on our profits or NA:

|   | <u>RM'000</u>              |
|---|----------------------------|
| <b><u>Non-cancellable operating lease commitments</u></b> |                            |
| Future minimum lease payable:                             |                            |
| - Not later than 1 year                                   | 2,060                      |
| - Later than 1 year but not later than 5 years            | <u>321</u>                 |
| <b>Total</b>  | <b><u><u>2,381</u></u></b> |

**4. CONTINGENT LIABILITIES**

As at the LPD, our Board is not aware of any contingent liabilities incurred or known to be incurred by us which, upon becoming enforceable, may have a material impact on our profits or NA.

**5. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

As at the LPD, we are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware of any proceedings pending or threatened against us or of any facts likely to give rise to any proceedings which might materially and adversely affect our business or financial position.

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**FURTHER INFORMATION (CONT'D)**

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**6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at our Registered Office at Unit 8E, Level 8, Wisma YPR, No. 1, Lorong Kapar, Off Jalan Syed Putra, 58000 Kuala Lumpur during normal office hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of our EGM:

- (i) our Constitution;
- (ii) our audited consolidated financial statements for the past 2 FYE 2023 and FYE 2024, as well as our latest unaudited consolidated financial statements for the FYE 2025; and
- (iii) the letter of consent and conflict of interest referred to in Section 2 of this Appendix.



AVILLION

BERHAD

**AVILLION BERHAD**

(Registration No. 199201013018 (244521-A))  
(Incorporated in Malaysia)

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (“**EGM**”) of Avillion Berhad (“**Avillion**” or the “**Company**”) will be held at Pelita Ballroom, Avillion Hotel Port Dickson, 3<sup>rd</sup> Mile, Jalan Pantai, 71000 Port Dickson, Negeri Sembilan on Tuesday, 29 July 2025 at 10.30 a.m. or at any adjournment thereof to consider and, if thought fit, passing with or without modifications the following ordinary resolutions:

### **ORDINARY RESOLUTION 1**

**PROPOSED PRIVATE PLACEMENT OF UP TO 283,322,100 NEW ORDINARY SHARES IN AVILLION (“SHARES”), REPRESENTING UP TO APPROXIMATELY 25% OF THE TOTAL NUMBER OF ISSUED SHARES OF AVILLION (EXCLUDING TREASURY SHARES, IF ANY) (“PROPOSED PRIVATE PLACEMENT”)**

“**THAT** subject to the approvals of all relevant authorities and/or parties (where applicable) being obtained, including the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for up to 283,322,100 new Shares (“**Placement Shares**”) to be issued pursuant to the Proposed Private Placement on the Main Market of Bursa Malaysia Securities Berhad, having been obtained and to the extent permitted by law;

**THAT** the issue price of the Placement Shares will be determined and fixed by the Board of Directors of Avillion (“**Board**”) at a later date (“**Price-Fixing Date**”) at a discount of not more than 10% to the 5-day volume weighted average market price of the Shares immediately before the Price-Fixing Date, for such purposes and use of proceeds as set out in Section 2.1.6 of the circular to shareholders in relation to the Proposed Private Placement and Proposed Variation (as defined herein) dated 14 July 2025 (“**Circular**”);

**THAT** the Placement Shares shall, upon allotment and issuance, rank equally in all respects with the existing issued Shares, save and except that the Placement Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the Placement Shares;

**THAT** pursuant to subsection 85(1) of the Companies Act 2016 read together with the Constitution of the Company, approval be and is hereby given to waive the pre-emptive rights of the existing shareholders of the Company to be first offered any new Shares ranking equally to the existing issued Shares arising from the allotment and issuance of the new Shares pursuant to the Proposed Private Placement and that the Board is exempted from the obligation to offer such new Shares first to the existing shareholders of the Company in respect of the allotment and issuance of the Placement Shares pursuant to the Proposed Private Placement, which will consequently result in a dilution of the shareholders’ shareholdings percentage in the Company;

**AND THAT** the Board be and is hereby authorised to do all acts and things as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/ or amendments as may be required or permitted by any relevant authorities, and to take all steps and to enter into all such agreements, arrangements, undertakings, indemnities, transfer, assignments and guarantees with any party or parties and to carry out any other matters as may be required to implement, finalise and give full effect to the Proposed Private Placement.”



## ORDINARY RESOLUTION 2

### PROPOSED VARIATION TO UTILISATION OF PROCEEDS RAISED FROM AVILLION'S PREVIOUS PRIVATE PLACEMENT OF ORDINARY SHARES ("PROPOSED VARIATION")

"**THAT** subject to the approvals of the relevant authorities and/or parties (where applicable) being obtained, approval be and is hereby given to the Board to vary the utilisation of the proceeds raised from its previous private placement of 188,881,350 new Shares (which was completed on 19 November 2021) in the manner as set out in Section 2.2 of the Circular and to extend the timeframe for the use of such proceeds up to 6 months from the date of shareholders' approval for the Proposed Variation;

**AND THAT** the Board be and is hereby authorised to do all acts and things as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/ or amendments as may be required or permitted by any relevant authorities, and to take all steps and to enter into all such agreements, arrangements, undertakings, indemnities, transfer, assignments and guarantees with any party or parties and to carry out any other matters as may be required to implement, finalise and give full effect to the Proposed Variation."

#### By Order of the Board

**Chang Ngee Chuang (MAICSA 7077854) (SSM PC No. 201908001421)**  
**Jeremy Tai Yung Wei (MAICSA 7065447) (SSM PC No. 202308000580)**  
Company Secretaries

Kuala Lumpur  
14 July 2025

#### Notes:

- (1) A member entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members, shall be entitled to appoint any person as his proxy to attend and vote instead of the member at the meeting.
- (2) A member may appoint not more than 2 proxies to attend the same meeting.
- (3) A proxy may but need not to be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend the Meeting shall have the same rights as the member to speak and vote at the meeting. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
- (4) Where a member is an exempt authorised nominee who holds Shares for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (5) The Proxy Form must be signed by the appointor or by his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under hand of an officer or attorney duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
- (6) Subject to the Constitution, the Proxy Form shall be deposited with the Share Registrar of the Company, ShareWorks Sdn Bhd, at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via electronic mail to [ir@shareworks.com.my](mailto:ir@shareworks.com.my) not less than 48 hours before the time set for holding the EGM or any adjournment thereof.
- (7) For the purpose of determining a member who shall be entitled to attend and vote at the EGM, the Company shall be requesting the Record of Depositors as at 22 July 2025. Only a depositor of the Company whose name appears on the Record of Depositors as at 22 July 2025 shall be entitled to attend and vote at the EGM as well as for appointment of proxy(ies) to attend and vote on his/her stead.



# AVILLION

BERHAD

## AVILLION BERHAD

(Registration No. 199201013018 (244521-A))  
(Incorporated in Malaysia)

### PROXY FORM

|                    |  |
|--------------------|--|
| CDS Account No.    |  |
| No. of Shares held |  |

I/We, \_\_\_\_\_  
[Full name and NRIC No./Registration No.]

of \_\_\_\_\_  
[Address]

Telephone No: \_\_\_\_\_ Email address: \_\_\_\_\_

being (a) member(s) of Avillion Berhad ("**Company**") hereby appoint

\_\_\_\_\_

[Full name and NRIC No./Registration No.]

of \_\_\_\_\_  
[Address]

Telephone No: \_\_\_\_\_ Email address: \_\_\_\_\_

\*and/or failing him/her \_\_\_\_\_  
[Full name and NRIC No./Registration No.]

of \_\_\_\_\_  
[Address]

Telephone No: \_\_\_\_\_ Email address: \_\_\_\_\_

or failing him/her, the Chairman of the Meeting as my/our proxy to participate and vote for me/us on my/our behalf at the Extraordinary General Meeting ("**EGM**") of the Company which will be held at Pelita Ballroom, Avillion Hotel Port Dickson, 3<sup>rd</sup> Mile, Jalan Pantai, 71000 Port Dickson, Negeri Sembilan on Tuesday, 29 July 2025 at 10.30 a.m. or at any adjournment thereof.

Please indicate your voting instructions with an "X" in the appropriate space. If no specific direction as to voting is given, the proxy will vote or abstain from voting on the resolution at his/her discretion.

| NO. | ORDINARY RESOLUTION                                | FOR | AGAINST |
|-----|--|-----|---------|
| 1.  | Ordinary Resolution 1 - Proposed Private Placement |     |         |
| 2.  | Ordinary Resolution 2 - Proposed Variation         |     |         |

#### Shareholding represented by Proxy

|         |   |
|---------|---|
| Proxy 1 | % |
| Proxy 2 | % |
| Total   | % |

Signature of Shareholder or Common Seal

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

#### Notes:

- (1) A member entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members, shall be entitled to appoint any person as his proxy to attend and vote instead of the member at the meeting.
- (2) A member may appoint not more than 2 proxies to attend the same meeting.
- (3) A proxy may but need not to be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend the Meeting shall have the same rights as the member to speak and vote at the meeting. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
- (4) Where a member is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (5) The Proxy Form must be signed by the appointor or by his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under hand of an officer or attorney duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
- (6) Subject to the Constitution, the Proxy Form shall be deposited with the Share Registrar of the Company, ShareWorks Sdn Bhd, at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via electronic mail to [ir@shareworks.com.my](mailto:ir@shareworks.com.my) not less than 48 hours before the time set for holding the EGM or any adjournment thereof.
- (7) For the purpose of determining a member who shall be entitled to attend and vote at the EGM, the Company shall be requesting the Record of Depositors as at 22 July 2025. Only a depositor of the Company whose name appears on the Record of Depositors as at 22 July 2025 shall be entitled to attend and vote at the EGM as well as for appointment of proxy(ies) to attend and vote on his/her stead.



Fold this flap for sealing

Then fold here

AFFIX  
STAMP

**AVILLION BERHAD**  
(Registration No. 199201013018 (244521-A))  
(Incorporated in Malaysia)

**Company Share Registrar**  
**SHAREWORKS SDN BHD**  
No 2-1, Jalan Sri Hartamas 8  
Sri Hartamas  
50480 Kuala Lumpur  
Malaysia

1st fold here