GENERAL ANNOUNCEMENT

CONCRETE ENGINEERING PRODUCTS BERHAD ("COMPANY")

PROPOSED SETTLEMENT OF DEBT VIA TRANSFER OF QUOTED SHARES

1. INTRODUCTION

The Board of Directors of Concrete Engineering Products Berhad ("Board") wishes to announce that the Company had on 17 March 2026 entered into a Settlement Agreement ("Agreement") with Dato' Muhamad Fasri Samsudin ("Creditor") to settle an outstanding debt amounting to RM16,800,000 ("Settlement Sum") via the transfer of 48,000,000 ordinary shares in Inch Kenneth Kajang Rubber Public Limited Company ("Quoted Shares"), representing 12.68% equity interest in Inch Kenneth Kajang Rubber Public Limited Company held by the Company, to the Creditor and/or his nominees. ("Proposed Settlement").

2. DETAILS OF THE PROPOSED SETTLEMENT

- Total Debt Outstanding: RM19,367,363 as of 28 February 2026.
- Settlement Method: Transfer of 48,000,000 quoted shares of Inch Kenneth Kajang Rubber Public Limited Company ("IKKR") (Stock Code: 2607)
- Valuation of Quoted Shares: The Quoted Shares are valued at RM0.35 per share. The 5-day volume-weighted average market price (VWAMP)] up to 16 March 2026 is RM0.356 ("Reference Price").
- Total Disposal Value: RM16,800,000
- Gain/Loss on Settlement: A loss of RM3,360,000 is expected based on the carrying value of the shares in the Company's books.

Upon completion of the transfer, the Company will have a remaining 3,088,000 shares in IKKR.

3. RATIONALE FOR THE PROPOSED SETTLEMENT

The Proposed Settlement allows the Company to settle its outstanding liabilities with the Creditor without utilizing cash resources. This will strengthen the Company's financial position by reducing gearing and interest costs.

4. EFFECTS OF THE PROPOSED SETTLEMENT

- Share Capital and Substantial Shareholders' Shareholdings: The Proposed Settlement will not have any effect on the share capital and substantial shareholders' shareholdings of the Company.

- Net Assets (NA) and Gearing: The Proposed Settlement is expected to result in a reduction of the Company's total liabilities by RM16,800,000 and a loss on disposal, which will affect the NA by RM0.045 per share accordingly.

- Earnings per Share (EPS): The Proposed Settlement is expected to decrease the earnings of the Group for the financial year ending 31 August 2026 due to realization of loss.

5. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Settlement pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements is 19.89%, based on the Company's latest Quarterly Announcement as at 30 November 2026.

6. APPROVALS REQUIRED

The Proposed Settlement is not subject to the approval of shareholders or any relevant regulatory authorities.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors, Major Shareholders of the Company, and/or persons connected with them have any interest, direct or indirect, in the Proposed Settlement.

8. DIRECTORS' STATEMENT

The Board considers the Proposed Settlement fair, reasonable, and in the company's best interest.

9. ESTIMATED TIMEFRAME TO COMPLETE

Barring any unforeseen circumstances, the Proposed Debt Settlement is expected to be completed by the end of March 2026.

This announcement is dated 17 March 2026.