**DUTALAND BERHAD ("DUTALAND" OR THE "COMPANY")**

**PROPOSED TERMINATION OF:**

**(I) CONSORTIUM AGREEMENT DATED 14 FEBRUARY 2003 ENTERED INTO BETWEEN KH ESTATES SDN BHD ("KHE"), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY AND OLYMPIA PROPERTIES SDN BHD ("OPSB"), A WHOLLY-OWNED SUBSIDIARY OF OLYMPIA INDUSTRIES BERHAD ("OIB") ("CONSORTIUM AGREEMENT"); AND**

**(II) DEVELOPMENT AGREEMENT DATED 10 AUGUST 2007 ENTERED INTO BETWEEN KHE, OPSB AND KH LAND SDN BHD ("KHL"), A WHOLLY-OWNED SUBSIDIARY OF KHE ("DEVELOPMENT AGREEMENT").**

**((I) AND (II) ARE COLLECTIVELY REFERRED TO AS THE "PROPOSED TERMINATION")**

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## 1. INTRODUCTION

On behalf of the Board of Directors of DutaLand ("**Board**"), RHB Investment Bank Berhad ("**RHB Investment Bank**") wishes to announce that on 14 April 2026, KHE, KHL and OPSB have entered into a conditional termination agreement to terminate the Consortium Agreement and Development Agreement ("**Termination Agreement**").

The Company had previously on 30 October 2003 obtained from its then shareholders, approval for, amongst others, the proposed joint operations as a consortium between KHE and OPSB to develop the freehold lands on lot 67801 ("**Parcel 1**"), lot 67802 ("**Parcel 2**"), lot 67613, part of lots 67616 and 62215 (collectively "**Parcel 3**"), lot 57489 ("**Parcel 4**"), lot 57491 ("**Parcel 5**"), part of lots 62216, 21764, 21765 and 57487 (collectively "**Parcel 6A**"), part of lot 62215 ("**Parcel 6B**"), part of lots 62216, 21764 and 21765 ("**Parcel 7A**"), part of lots 57487 and 21765 ("**Parcel 7B**"), lot 57490, part of lots 57487 and 57488 ("**Parcel 7C**"), lot 67611, part of lots 67615 and 62215 ("**Parcel 8A**") and part of lot 62216 ("**Parcel 8B**") of Mukim Batu, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur ("**Subject Lands**").

Following such approval, KHE and OPSB have appointed KHL as developer to develop the Subject Lands under the Development Agreement.

The Proposed Termination is deemed a material amendment, modification or variation to a proposal pursuant to Paragraph 8.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**").

In addition, by virtue of the interests set out in Section 6 of this announcement, the Proposed Termination is deemed a related party transaction and will be subject to the approval of non-interested shareholders of the Company to be obtained at an extraordinary general meeting ("**EGM**") to be convened ("**Shareholders' Approval**").

Accordingly, Malacca Securities Sdn Bhd has been appointed as the independent adviser ("**Independent Adviser**") to advise the non-interested directors and non-interested shareholders of the Company on the Proposed Termination.

Further details of the Proposed Termination are set out in the ensuing sections of this announcement.

## 2. DETAILS OF THE PROPOSED TERMINATION

### 2.1 Background information on the Consortium Agreement and Development Agreement

Based on the Consortium Agreement, KHE and OPSB intended to jointly develop the Subject Lands into a new township known as Bandar Sri Duta comprising of residential and commercial projects involving earthworks, infrastructure and the construction of condominium and office blocks and a retail outlet/mall ("**Project**"). The original master plan for the Project was approved via a master layout plan and development orders issued by Jabatan Perancangan Bandaraya, Dewan Bandaraya Kuala Lumpur on 12 October 1994, 3 September 1997, 17 September 1997 and 18 November 2016.

The Consortium Agreement was entered into as part of DutaLand's (formerly known as Mycom Berhad) restructuring scheme as per the circular dated 29 September 2003. Under the said restructuring scheme, the Company, via KHE, had also undertaken the acquisition of Parcel 4, Parcel 5, Parcel 6A, Parcel 7A, Parcel 7B, Parcel 7C and Parcel 8B of the Subject Lands from Kenny Height Developments Sdn Bhd ("**KHD**") for a purchase consideration of RM261.0 million as detailed in the said circular dated 29 September 2003.

Under the Consortium Agreement, for the purposes of undertaking and implementing the development of the Project, KHE and OPSB agreed that the Subject Lands would be transferred to a trustee to hold the lands on trust for the parties. Accordingly, on 25 January 2007, a trust deed was entered into between KHE, OPSB and RHB Trustees Berhad (formerly known as OSK Trustees Berhad) as the trustee ("**Trustee**") ("**Trust Deed**"). Pursuant thereto, the Subject Lands were transferred to the Trustee, who shall hold the legal title to the Subject Lands on trust for and on behalf of KHE and OPSB respectively, in accordance with the terms of the Trust Deed.

On 10 August 2007, KHE, OPSB and KHL have entered into the Development Agreement for the appointment of KHL as the developer to develop Parcel 1, Parcel 2 and such other parcels of the Subject Lands as may be mutually agreed by KHE and OPSB.

KHE and OPSB each has obtained an independent market valuation for the Subject Lands and based on such valuations, concluded on an agreed cost-revenue sharing ratio of 58% : 42% in favour of KHE and OPSB, respectively for the Consortium Agreement ("**Agreed Ratio**"). This ratio was agreed based on the respective party's proportionate share of the valuation of the Subject Lands then.

In 2011 and 2016, Parcel 5 and Parcel 1 of the Subject Lands were sold respectively, while Parcel 2 was developed into a housing development known as Kenny Heights Estate, comprising forty-nine (49) town villas and the units in the development were sold.

As at 31 March 2026, being the latest practicable date prior to the date of this announcement ("**LPD**"), details of the remaining portion of the Subject Lands that are undeveloped, save for a temporary car park constructed on Parcel 7C which is not operational, are summarised below:

| Parcel | Beneficial owner | Title no. | Lot no. | Land area (sq. ft.) | Land tenure |
|---|---|---|---|---|---|
| 3 | OPSB | Geran 70304, 70305 (part) and 66942 (part) | Lot 67613, 67616 (part) and 62215 (part) | 386,166 | Interest in perpetuity |
| 4 | KHE | Geran 54153 | Lot 57489 | 71,688 | Interest in perpetuity |
| 6A | KHE | Geran 66943 (part), 5362 (part), 5363 (part) and 54154 (part) | Lot 62216 (part), 21764 (part), 21765 (part) and 57487 (part) | 596,364 | Interest in perpetuity |

| Parcel | Beneficial owner | Title no. | Lot no. | Land area (sq. ft.) | Land tenure |
|---|---|---|---|---|---|
| 6B | OPSB | Geran 66942 (part) | Lot 62215 (part) | 65,940 | Interest in perpetuity |
| 7A | KHE | Geran 66943 (part), 5362 (part) and 5363 (part) | Lot 62216 (part), 21764 (part) and 21765 (part) | 151,588 | Interest in perpetuity |
| 7B | KHE | Geran 54154 (part) and 5363 (part) | Lot 57487 (part) and 21765(part) | 140,340 | Interest in perpetuity |
| 7C | KHE | Geran 54154 (part), 54152 (part) and 54149 | Lot 57487 (part), 57488 (part) and 57490 | 236,623 | Interest in perpetuity |
| 8A | OPSB | Geran 70300, 70301 (part) and 66942 (part) | Lot 67611, 67615 (part) and 62215 (part) | 244,664 | Interest in perpetuity |
| 8B | KHE | Geran 66943 (part) | Lot 62216 (part) | 53,594 | Interest in perpetuity |

*(Source: Valuation report issued by Cheston International (KL) Sdn Bhd ("**Cheston**") dated 20 January 2026 ("**Valuation Report**"))*

*(The above are collectively referred as the "**Undeveloped Lands**" for the purpose of the Proposed Termination.)*

The Undeveloped Lands are located in Sri Hartamas and are sited off the northern (left) side of Jalan Sri Hartamas 1, travelling from Jalan Duta towards Damansara Heights. The Undeveloped Lands front onto SPRINT Highway (Damansara Link), Jalan Sri Hartamas 1 and Jalan Sri Hartamas 17 and are accessible from Kuala Lumpur City Centre via Jalan Tugu, Jalan Cenderasai, Jalan Tanglin, Jalan Parlimen, thence either via Jalan Tuanku Abdul Halim (formerly Jalan Duta) and Jalan Dutamas onto Jalan Sri Hartamas 1 or via Jalan Duta-Sungai Buloh Highway and SPRINT Highway (Damansara Link).

### 2.2 Proposed Termination

Under the Consortium Agreement, the Agreed Ratio between KHE and OPSB was determined based on the respective market values of the Subject Lands contributed by each party at the time the Consortium Agreement was entered into.

Under the Termination Agreement, KHE, OPSB and KHL have agreed to mutually terminate the Consortium Agreement and Development Agreement. KHE and OPSB have also agreed to enter into a separate deed of revocation to terminate the Trust Deed. As such, upon the Proposed Termination, KHE and OPSB shall retain their respective ownership of the Undeveloped Lands.

Pursuant to the Termination Agreement, KHE and OPSB have agreed that upon the termination date, the distribution of asset, liabilities, income and expenses accruing from the joint development under the Consortium Agreement up to such date, shall be made in accordance with the Agreed Ratio.

In this regard, the Company has appointed Cheston to undertake an independent valuation on the Undeveloped Lands to determine the current market value of each parcel of the Undeveloped Lands based on the respective ownership of KHE and OPSB. Such valuation exercise, which was undertaken on 5 January 2026, was for reference purposes only to ascertain sharing ratio between KHE and OPSB based on current market value of the Undeveloped Lands. Based on the Valuation Report, Cheston has appraised the Undeveloped Lands at RM1,922.6 million. A similar valuation was also undertaken by OIB. For information purposes, the audited net book value of the Undeveloped Lands as at 30 June 2025 is RM394.3 million. The location map for the Undeveloped Lands is as follows:


*(Source: Valuation Report)*

In arriving at the opinion of the market value of the Undeveloped Lands, Cheston has appraised the Undeveloped Lands using the market/comparison approach. The market/comparison approach is premised on the principle of comparing the property under valuation with recently transacted properties of a similar nature. Where dissimilarities exist, adjustments are made. A survey by Cheston was made of property sales that have occurred in this or similar areas within the appropriate time horizon. These comparable sale prices are then adjusted for comparability to reflect differences in market condition (time), location and accessibility, shape, corner/end premium, site constraint, size, category of land use/express condition, restriction in interest and tenure to render the sold properties as similar as possible with the Undeveloped Lands.

Based on the Valuation Report, the total appraised market value of the Undeveloped Lands is RM1,922.6 million and the ratio according to the respective ownership of KHE and OPSB of the Undeveloped Lands are as follows:

| **Ownership** | **Market value[(1)]** **RM'000** | **%** |
|---|---|---|
| KHE | 1,118,500 | 58.2 |
| OPSB | 804,100 | 41.8 |
| **Total** | **1,922,600** | **100.0** |

***Note:***

[(1)] *Based on the Valuation Report.*

As appraised by Cheston, the market value attributable to KHE is RM1,118.5 million or 58.2% of the total appraised market value of the Undeveloped Lands of RM1,922.6 million, which is 0.2% higher than the Agreed Ratio.

Pursuant to the Termination Agreement, KHE and OPSB have agreed on a value of RM1,917.0 million for the Undeveloped Lands, comprising RM1,115.2 million portion to KHE and RM801.8 million portion to OPSB, representing 58.2% and 41.8%, respectively.

The abovementioned agreed value represents a deviation of less than 0.5% from the respective parties' portion based on the Agreed Ratio. The agreed value portion to KHE and OPSB above is final and both parties shall have no rights, claims or entitlements arising from the deviation.

### 2.3 Salient terms of the Termination Agreement

The key salient terms of the Termination Agreement are as set out below:

(a) Termination of Consortium Agreement and Development Agreement

(i) Subject to the terms and conditions of the Termination Agreement and the Termination Agreement becoming unconditional, the parties agree that the Consortium Agreement and the Development Agreement shall be terminated within three (3) days from the date on which the condition precedent is fulfilled ("**Termination Date**"), save for any rights, obligations and liabilities which have accrued prior to the Termination Date or which are expressed or intended to survive such Proposed Termination, as provided for in the Termination Agreement.

(ii) KHE and OPSB agree that, subject to the terms of the Termination Agreement, upon the Termination Date:

(aa) The Independent Agreed Value for the Undeveloped Land is RM1,917,000,000 and, OPSB and KHE respective portion based on the Agreed Ratio are as follows:

| Proprietors | Agreed Ratio | OPSB and KHE respective portion of the Independent Agreed Value (Based on Agreed Ratio) |
|---|---|---|
| OPSB | 42% | RM 805,140,000 |
| KHE | 58% | RM 1,111,860,000 |
| **Total** | **100%** | **RM1,917,000,000** |

(bb) Parcel 3, Parcel 6B and Parcel 8A (collectively, the "**OPSB-JDA Land**") shall remain owned by OPSB, whether held directly in its name or held on trust for its benefit; and

(cc) Parcel 4, Parcel 6A, Parcel 7A, Parcel 7B, Parcel 7C and Parcel 8B (collectively, the "**KHE-JDA Land**") shall remain owned by KHE, whether held directly in its name or held on trust for its benefit.

(iii) KHE and OPSB have mutually agreed that their respective portion to the Independent Agreed Value, which represents a deviation (whether positive or negative) of less than 0.5% from KHE and OPSB respective portion based on the Agreed Ratio, shall be as follows:

OPSB : RM801,850,000
KHE : RM1,115,150,000

(iv) KHE and OPSB further acknowledges and agrees that the Independent Agreed Value attributed to them is final and they shall have no rights, claims or entitlements arising from the abovementioned deviation.

(b) Condition precedent

The Termination Agreement shall be conditional upon the parties (and where applicable, its holding company) obtaining its respective shareholders' approval at the general meeting for the termination of the Consortium Agreement and the Development Agreement within four (4) months from the date of the Termination Agreement ("**Stop Date**") or within two (2) months from the Stop Date or such other further period as may be mutually agreed between the parties in writing.

(c) Termination of Development Agreement and the appointment of the developer

(i) Subject to the provisions of the Termination Agreement, the Development Agreement and the appointment of KHL as the developer thereunder:

(aa) in respect of Parcel 1, shall cease upon (1) the sale of Parcel 1, (2) KHL having procured the closure of the housing development account in respect of Parcel 1 and (3) refund the fund in the housing development account in respect of Parcel 1 to KHE and OPSB in accordance with the Agreed Ratio;

(bb) in respect of Parcel 5, have ceased upon the sale of Parcel 5;

(cc) in respect of Parcel 2, shall continue until all obligations and liabilities required pursuant to the applicable law and regulations have been fully discharged and performed by KHL as the developer, and upon KHE and OPSB have mutually confirmed in writing that such work has been duly completed;

(dd) in respect of the Undeveloped Lands, shall on the Termination Date be terminated and shall cease to have any further force or effect, save for such residual rights, obligations and liabilities as are expressly preserved under the Termination Agreement; and

(ee) upon the termination of the Consortium Agreement and Development Agreement, and the termination of the Trust Deed, KHE and OPSB may determine, in respect of its KHE-JDA Land or its OPSB-JDA Land (as the case may be), decide for any or all parcels whether the legal title shall revert to themselves, continue to be held by the Trustee under a new trust deed, or be transferred to a new trustee.

(ii) Notwithstanding the termination:

(aa) any costs, expenses or liabilities relating to Parcel 2 and the Undeveloped Land which is incurred prior to the date of the Termination Agreement shall be borne by KHE and OPSB in accordance with the Agreed Ratio, and shall remain a continuing and residual obligation of KHE and OPSB to pay or reimburse to KHL for such costs, expenses and liabilities; and

(bb) if there remain any outstanding costs, expenses or liabilities relating to Parcel 2 and the Undeveloped Land payable by KHE or OPSB (as the case may be) to the other, it shall remain a continuing and residual obligation of KHE or OPSB (as the case may be) to pay or reimburse the other for such outstanding costs, expenses and liabilities.

(d) Master development plan

For the purposes of preserving the approved layout, conditions, terms, plot ratio and the integrity of the development order dated 18 November 2016 granted in favour of KHD for the commercial development of Parcel 3, Parcel 6A, Parcel 6B, Parcel 7A, Parcel 7B, Parcel 7C, Parcel 8A and Parcel 8B ("**Master Development Plan**"), KHE and OPSB covenant and undertake with each other that they shall comply with all conditions in the Master Development Plan and not do anything or omit to do anything (whether intentionally or unintentionally), which would or may result in any modification, or variation, or the revocation or cancellation of the Master Development Plan (unless required by the appropriate authorities or mutually agreed by KHE and OPSB).

(e) Right of way

KHE and OPSB agree to grant to each other uninterrupted and irrevocable contractual right of way and access over and across such part or parts of their respective parcels of the Undeveloped Lands as may be reasonably required for the development of the Undeveloped Lands.

(f) Right of first refusal

In the event KHE or OPSB:

(i) intends to sell its parcel of land forming part of Parcel 6A, Parcel 6B, Parcel 8A or Parcel 8B ("**Selling Proprietor**"); or

(ii) receives a bona fide offer from a third party to purchase its parcel of land forming part of Parcel 6A, Parcel 6B, Parcel 8A or Parcel 8B,

such Selling Proprietor shall irrevocably grant to the other a right of first refusal to purchase the said parcel of land forming part of Parcel 6A, Parcel 6B, Parcel 8A or Parcel 8B (as the case may be) on terms no less favourable than those proposed to be offered to, or received from such third-party purchaser.

(g) Termination Date

Termination shall take effect on the Termination Date and the following steps shall be undertaken by the parties:

(i) KHE and OPSB shall notify the Trustee of the termination, and entering into a new trust deed or a supplemented trust deed, if required;

(ii) the parties shall take all necessary steps to revoke the irrevocable power of attorney dated 26 April 2023 granted by the Trustee in favour of KHL in respect of the Undeveloped Land (save and except for Parcel 4) to enable KHL to perform its obligations and exercise its rights and powers under the Development Agreement; and

(iii) the parties shall execute, deliver and perform all such further documents, acts and things as may be reasonably required to give full effect to the terms and conditions of the Termination Agreement.

## 3. RATIONALE AND BENEFITS FOR THE PROPOSED TERMINATION

The Company believes that the Consortium Agreement and Development Agreement, which were entered into in 2003 and 2007 respectively, no longer allow KHE to execute its objectives for its share of the Undeveloped Lands effectively. The Company has carefully reviewed the strategic and operational challenges currently confronting KHE, which underscore the need to pursue a revised strategy for the Undeveloped Lands. These challenges include, but not limited to, the difference in business direction between the Company and OIB in terms of the future plan for the Undeveloped Lands.

The Company is of the view that, through the Proposed Termination, KHE stands to benefit from the flexibility to plan and implement initiatives for its portion of the Undeveloped Lands without the requirement to seek prior approval from OPSB, thereby streamlining decision-making processes and enabling more responsive execution of its business plans. In addition, the termination of the Consortium Agreement allows both OPSB and KHE to pursue their respective business directions independently, without the requirement for mutual consultation. Both KHE and OPSB may monetise and/or formulate a development strategy for their respective portions of the Undeveloped Lands.

Thus, the Company is of the view that the Proposed Termination will enable KHE to capitalise on new opportunities and ultimately expect to contribute positively to the Company's future financial performance.

## 4. RISK FACTORS IN RELATION TO THE PROPOSED TERMINATION

The following are the risks associated with the Proposed Termination, which include but are not limited to:

### 4.1 Development risk

As the Undeveloped Lands are adjacent to each other, developments carried out independently rather than a coordinated single project may create inconsistencies in terms of design standards, development timeline and inefficient land use. Notwithstanding that the development of the Undeveloped Lands will be in accordance to the master layout plan dated 18 November 2016, there may be a risk that key elements such as utility networks, drainage systems and open spaces may not integrate efficiently across the parcels, particularly for Parcel 6A and Parcel 8B of the Undeveloped Lands. Such lack of coordination may result in inefficiencies, increased costs and sub-optimal outcomes for KHE.

In addition, developing the contiguous Undeveloped Lands as smaller, separately managed projects may reduce collective market presence compared to a single, larger development. The fragmentation of planning and branding could dilute overall market appeal, potentially affecting property pricing and buyer interest.

Furthermore, the absence of a unified development approach resulting from the Proposed Termination may expose KHE to competition risk arising from the developments within the Undeveloped Lands in addition to competition from other external projects, particularly if such developments are targeting similar market segments. Such competition could lead to an overlap of product offerings, reduced differentiation and property pricing pressures, ultimately impacting profit margins of the Group as a whole.

### 4.2 Financial and operational risk

The Group is poised to benefit from the Proposed Termination should it successfully advances the development of KHE's portion of the Undeveloped Lands. Such development, however, remains subject to various financial and operational risks that could compromise project execution and delivery timeline. These include availability of funding to undertake the development, potential delays in construction, challenges related to labour availability and subcontractor performance and unforeseen site or supply chain disruptions.

Notwithstanding the foregoing, the Company will take all reasonable steps to ensure that the risks associated with the development of KHE's portion of the Undeveloped Lands are monitored managed carefully.

### 4.3 Regulatory risk

As the current category of land use of KHE's portion of the Undeveloped Lands is designated for agricultural use, KHE will be required to apply for a conversion of the category of land use to residential or commercial use, as applicable. Such conversion is subject to the approval of the relevant authorities and there can be no assurance that approval will be obtained in timely manner or can be obtained at all. In addition, the approval for conversion, if obtained, may also be subject to terms and conditions which may not be acceptable to KHE if such conditions may materially and adversely affect the plan and hence prospect for KHE's portion of the Undeveloped Lands. Under such events, KHE's portion of the Undeveloped Lands may not be suitable for the intended development.

Additionally, KHE will bear the full cost of converting the category of land use to residential or commercial use following the Proposed Termination. Under the Consortium Agreement, such costs would otherwise have been shared with OPSB based on the Agreed Ratio. Consequently, KHE may incur higher upfront development costs, which could impact overall project viability, cash flow and expected returns.

Further, any developments undertaken by KHE within its portion of the Undeveloped Lands shall be made in accordance with the master layout plan dated 18 November 2016. Any deviation would require approval for a variation to the existing approval or new approval for a new development order from the relevant authorities should there be any changes to the development plans that are not in accordance with the existing development order. The requirement to secure such approvals may result in additional regulatory processes, potential delays and increased costs.

## 5. EFFECTS OF THE PROPOSED TERMINATION

### 5.1 Share capital and substantial shareholders' shareholdings

The Proposed Termination will not have any effect on the issued and paid-up share capital and shareholding of substantial shareholders of the Company as the Proposed Termination does not involve the issuance of any new shares of the Company.

### 5.2 Net assets ("NA"), NA per share and gearing

For illustrative purposes only, based on the latest audited financial statements of the Group as at 30 June 2025 and on the assumption that the Proposed Termination had been effected on that date, the pro forma effects of the Proposed Termination on the NA and gearing of the Group are as follows:

| | Audited as at 30 June 2025 (RM'000) | After the Proposed Termination[(2)] (RM'000) |
|---|---|---|
| Share capital | 423,059 | 423,059 |
| Capital reserve | 53,089 | 53,089 |
| Treasury shares | (11,987) | (11,987) |
| Exchange fluctuation reserve | (682) | (682) |
| Retained profits | 724,105 | 1,014,427 |
| | 1,187,584 | 1,477,906 |
| Non-controlling interests | 43,087 | 43,087 |
| **Total equity/NA attributable to equity holders of the Company** | **1,230,671** | **1,520,993** |
| | | |
| No. of shares ('000) | 809,258 | 809,258 |
| NA per share (RM) | 1.52 | 1.88 |
| | | |
| Total borrowings | 722 | 722 |
| Gearing (times) | - [(1)] | - [(1)] |

***Notes:***

(1) *Amount is negligible.*

(2) *After deducting estimated expenses pursuant to the Proposed Termination amounting to RM1.5 million and adding the net effect from the remeasurement of assets and liabilities pursuant to the Proposed Termination of RM291.8 million.*

The increase in pro forma net assets of RM290.3 million is mainly attributable to the termination of the joint operation. Following the Proposed Termination and in accordance with MFRS 11 *Joint Arrangements*, the Company is required to derecognise and remeasure its proportionate share of the joint operation's assets and liabilities. Upon termination, any changes arising from the derecognition and remeasurement of the Company's proportionate share of the joint operation's assets and liabilities are recognised in the income statement.

### 5.3 Profit/Loss and profit/loss per share

For illustrative purposes only, based on the latest audited financial statements of the Group as at 30 June 2025 and on the assumption that the Proposed Termination had been effected at the beginning of the financial year, the pro forma effects of the Proposed Termination on the profit/loss and profit/loss per share of the Group are as follows:

| | Audited as at 30 June 2025 (RM'000) | After the Proposed Termination (RM'000)(1) |
|---|---|---|
| (Loss)/Profit after tax attributable to equity holders of the Company | (11,919) | 278,403 |
| No. of shares | 809,258 | 809,258 |
| (Loss)/Profit per share (sen) | (1.47) | 34.40 |

***Note:***

(1) *After deducting estimated expenses pursuant to the Proposed Termination amounting to RM1.5 million and adding the net effect from the remeasurement of assets and liabilities pursuant to the Proposed Termination of RM291.8 million.*

The increase in pro forma profit after tax attributable to equity holders of the Company of RM290.3 million is mainly attributable to the termination of the joint operation. Following the Proposed Termination and in accordance with MFRS 11 *Joint Arrangements*, the Company is required to derecognise and remeasure its proportionate share of the joint operation's assets and liabilities. Upon termination, any changes arising from the derecognition and remeasurement of the Company's proportionate share of the joint operation's assets and liabilities are recognised in the income statement.

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

Save as disclosed below, none of the Directors, major shareholders and/or persons connected with them have any interest, direct or indirect, in the Proposed Termination.

As at the LPD, Tan Sri Dato' Yap Yong Seong ("**TSDYYS**") who is the Group Managing Director and a major shareholder of the Company is deemed interested in the Proposed Termination by virtue of him being the Group Managing Director of OIB and a major shareholder of OIB with direct and indirect shareholdings, via Duta Equities Sdn Bhd ("**DESB**"), of 57.0% as at the LPD.

Datuk Yap Wee Chun ("**DYWC**"), being the Executive Director and a major shareholder of the Company is also deemed interested in the Proposed Termination by virtue of him being a major shareholder in OIB with indirect shareholdings, via DESB, of 57.0%.

(TSDYYS and DYWC are collectively referred to as the "**Interested Directors**")

In addition, Dato' Sri Yap Wee Keat ("**DSYWK**"), being a major shareholder of the Company, is deemed interested in the Proposed Termination by virtue of him being the Executive Director and a major shareholder of OIB with direct and indirect shareholdings, via DESB, of 57.0%.

DYWC and DSYWK are sons of TSDYYS and therefore they are persons connected to each other.

(TSDYYS, DYWC and DSYWK are collectively referred to as the "**Interested Persons**")

The following persons and/or entities are persons connected to the Interested Persons:

(i) KHD, being a major shareholder of the Company, of which its sole shareholder is TSDYYS. For information purposes, the shareholding of TSDYYS in KHD as at the LPD is as follows:

| | No. of shares | % |
|---|---|---|
| TSDYYS | 2,203,000 | 100.0 |

(ii) Puan Sri Datin Leong Li Nar ("**PSDLLN**"), being a major shareholder of the Company, whom is also the spouse of TSDYYS and the mother of DYWC and DSYWK; and

(iii) OIB, being a shareholder of the Company, of which its shareholders include the Interested Persons.

The direct and indirect interest of the Interested Persons and their persons connected in the Company, as at the LPD are as follows:

| | Direct | | Indirect | |
|---|---|---|---|---|
| | No. of shares | %(1) | No. of shares | %(1) |
| TSDYYS | 25,600 | -(2) | 526,907,058(3) | 65.1 |
| DYWC | 28,200 | -(2) | 526,907,058(3) | 65.1 |
| DSYWK | 100,000 | -(2) | 526,907,058(3) | 65.1 |
| PSDLLN | - | - | 526,823,075(4) | 65.1 |
| KHD | 526,823,075 | 65.1 | - | - |
| OIB | 83,983 | -(2) | - | - |

***Notes:***

(1) *Based on 809,258,039 issued ordinary shares of the Company as at the LPD.*

(2) *Amount is negligible.*

(3) *By virtue of his interest in KHD and OIB.*

(4) *By virtue of her interest in KHD.*

The Interested Directors have abstained and will continue to abstain from deliberating and voting on the Proposed Termination at the relevant meetings of the Board.

Additionally, the Interested Persons will abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolution pertaining to the Proposed Termination to be tabled at the EGM to be convened. They have also undertaken to ensure that persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolution pertaining to the Proposed Termination to be tabled at the EGM to be convened.

## 7. APPROVALS REQUIRED

The Proposed Termination is deemed as a related party transaction and is subject to the following approvals:

(i) The approval of the Company's non-interested shareholders at an EGM to be convened;

(ii) The approval of OIB's non-interested shareholders at an EGM to be convened; and

(iii) The approval, consent and/or sanction of any other relevant authorities and/or parties, if required.

The Proposed Termination is not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

## 8. AUDIT COMMITTEE'S STATEMENT

The Audit Committee of the Company, after taking into consideration all aspects of the Proposed Termination as well as the evaluation of the Independent Adviser on the Proposed Termination, is of the opinion that the Proposed Termination is:

(i) in the best interest of the Company;

(ii) fair, reasonable and on normal commercial terms; and

(iii) not detrimental to the interest of the non-interested shareholders of the Company.

## 9. DIRECTORS' STATEMENT / RECOMMENDATION

The Board, save for the Interested Directors, having considered all aspects of the Proposed Termination, including but not limited to the salient terms of the Termination Agreement, rationale, risk factors and effects of the Proposed Termination as well as the evaluation of the Independent Adviser on the Proposed Termination, is of the opinion that the Proposed Termination is in the best interest of the Company.

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## 10. ADVISERS

RHB Investment Bank has been appointed as the Principal Adviser to the Company for the Proposed Termination.

The Proposed Termination is deemed as a related party transaction in view of the interests as set out in Section 6 of this announcement. Accordingly, Malacca Securities Sdn Bhd has been appointed to act as the Independent Adviser to undertake the following:

(i) comment as to whether the Proposed Termination is:

   (a) fair and reasonable so far as the Company's non-interested shareholders are concerned; and

   (b) detrimental to the Company's non-interested shareholders,

   and set out the reasons for such opinion, key assumptions made and factors taken into consideration in forming that opinion;

(ii) advise the non-interested shareholders whether they should vote in favour of the Proposed Termination; and

(iii) take all reasonable steps to satisfy itself that it has a reasonable basis to make the comments and advice in relation to items (i) and (ii) above.

An independent advice letter from the Independent Adviser, setting out their evaluation and recommendation on the Proposed Termination, will be issued in due course.

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## 11. TRANSACTIONS WITH THE INTERESTED MAJOR SHAREHOLDERS, INTERESTED DIRECTORS AND/OR PERSONS CONNECTED WITH THEM FOR THE PRECEDING 12 MONTHS

The total amount transacted with the Interested Persons and/or persons connected with them for the 12-month period preceding the LPD was approximately RM2.18 million which comprises of the following:

| Transacting company within the Group | Transacting Interested Persons | Nature of transaction | Total amount transacted in the preceding 12 months<br>RM'000 | Nature of relationship between the Group and the transacting Interested Persons |
|---|---|---|---|---|
| DutaLand, KHL, Sea Resorts Development Sdn Bhd, Oakland Holdings Sdn Bhd and Pertama Land & Development Sdn Bhd | Dairy Maid Resort & Recreation Sdn Bhd ("**DMRR**") | Rental of office premises, including parking space at Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur and provision of related/administrative facilities such as maintenance of the premises and properties, if required, from DMRR for a term of not more than 3 years with rental payable on a monthly basis. | 883 | DMRR is a wholly-owned subsidiary of OIB and its principal activities are property investment and letting of properties.<br><br>TSDYYS, DYWC and DSYWK are major shareholders of OIB. Meanwhile, PSDLLN and KHD are persons connected to TSDYYS, DYWC and DSYWK. |
| Herald Privilege Sdn Bhd | City Properties Sdn Bhd ("**CPSB**") | Rental of retail premises at Avenue K, 156, Jalan Ampang, 50450 Kuala Lumpur for retailing of food and beverages, and provision of related/administrative facilities such as maintenance of the premises and properties, if required, from CPSB for a term of not more than 3 years with rental payable on a monthly basis. | 1,292 | CPSB is a party connected with TSDYYS and DYWC and its principal activity is investment holding, renting and managing of a shopping complex.<br><br>TSDYYS and KHD are major shareholders of CPSB holding 88.0% and 12.0% interest, respectively, while TSDYYS, DYWC and DSYWK are directors of CPSB. PSDLLN is a person connected to TSDYYS, KHD, DYWC and DSYWK. |

## 12. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to the requisite approvals being obtained, the Proposed Termination is expected to be completed by the third quarter of 2026.

## 13. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Termination Agreement and the Valuation Report will be made available for inspection at the registered office of the Company at Level 23, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 14 April 2026.