HUME CEMENT INDUSTRIES BERHAD (“HCIB” OR THE “COMPANY”)

PROPOSED DISPOSAL OF 30,000,000 ORDINARY SHARES IN HUME CONCRETE SDN BHD (“HCCT”), A WHOLLY-OWNED SUBSIDIARY OF HCIB, REPRESENTING 100% EQUITY INTEREST IN HCCT, BY HCIB TO YTL CEMENT (SARAWAK) SDN BHD FOR A BASE DISPOSAL PRICE OF RM215.0 MILLION

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1. INTRODUCTION

On behalf of the board of directors of the Company (“**Board**”), Hong Leong Investment Bank Berhad (“**HLIB**”) wishes to announce that the Company had, on 12 December 2025, entered into a conditional share sale and purchase agreement (“**SPA**”) with YTL Cement (Sarawak) Sdn Bhd (“**YTL Cement Sarawak**” or the “**Purchaser**”) and YTL Cement Berhad as the corporate guarantor in relation to the proposed disposal of 30,000,000 ordinary shares in HCCT (“**HCCT Shares**” or “**Sale Shares**”), representing 100% equity interest in HCCT, for a base disposal price of RM215.0 million (“**Base Disposal Price**”) (“**Proposed Disposal**”).

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

2. DETAILS OF THE PROPOSED DISPOSAL

The estimated disposal consideration in cash, amounting to the sum of the Base Disposal Price of RM215.0 million minus the RCULS (as defined in **Section 4** of **Appendix I** of this announcement) redemption sum of RM42.5 million (“**RCULS Redemption Sum**”) plus the differential sum between the Estimated Shareholders Fund and October Shareholders Fund (as defined in **Section 3(i)(c)** of **Appendix I** of this announcement) (“**Estimated Disposal Consideration**”), is subject to the closing adjustments as detailed in **Sections 3(ii) and (iii)** of **Appendix I** of this announcement, and is payable by the Purchaser to HCIB upon completion of the Proposed Disposal (“**Completion**”). The final disposal consideration for the Proposed Disposal (“**Final Disposal Consideration**”) shall be computed based on the terms of the SPA. In the event that the Final Disposal Consideration exceeds the Estimated Disposal Consideration, the Purchaser will pay HCIB an amount equal to the surplus (“**Surplus**”) in cash; conversely, in the event that the Final Disposal Consideration is less than the Estimated Disposal Consideration, HCIB will pay the Purchaser an amount equal to the shortfall (“**Shortfall**”) in cash, in accordance with the terms of the SPA. The salient terms of the SPA are set out in **Appendix I** of this announcement.

As part of the Proposed Disposal, the Purchaser will subscribe for 7,391,305 new ordinary shares in HCCT (“**New Shares**”) for an aggregate issue price of RM42,500,003.75 (“**Subscription Amount**”) immediately upon Completion, after its payment of the Estimated Disposal Consideration to HCIB on the date of Completion (“**Completion Date**”) (“**Proposed Subscription**”). Upon receipt of the Subscription Amount, HCCT will utilise the Subscription Amount to redeem all outstanding RCULS at Completion Date. HCIB is the holder of the RCULS and will receive the RCULS Redemption Sum.

Upon Completion, HCCT will cease to be a wholly-owned subsidiary of HCIB.

2.1 Information on HCCT

HCCT was incorporated as a public limited company in Malaysia under the Companies Ordinance 1940 on 31 October 1961. HCCT was formerly listed on the Kuala Lumpur Stock Exchange before being delisted on 21 April 2010. On 29 October 2010, HCCT converted to a private limited company and subsequently adopted its present name on 23 June 2014.

HCCT is principally involved in manufacturing, marketing and sale of concrete and concrete related products and investment holding. HCCT has an issued share capital of RM30,000,000 comprising 30,000,000 HCCT Shares as at 28 November 2025, being the latest practicable date of this announcement ("**LPD**").

HCCT has two wholly-owned subsidiaries, namely, Hume Concrete (EM) Sdn Bhd (**"HCEM"**) and Forestwood Sdn Bhd ("**FWSB**") as at the LPD (HCEM, together with HCCT and FWSB, shall be referred to as "**HCCT Group**"). The liquidator of FWSB has convened a final meeting to conclude the member's voluntary liquidation of FWSB, and accordingly, FWSB will be dissolved by 18 December 2025, being 3 months from the lodgement date of 18 September 2025.

As at the LPD, HCCT Group owns 4 properties held under the following titles:

(i) Title No. HS(D) 118950, Lot PT 11979, Bandar Batu 26, Beranang, Ulu Langat, Selangor ("**Beranang Property 1**") and Title No. PN 11195, Lot 2353, Bandar Batu 26, Beranang, Ulu Langat, Selangor ("**Beranang Property 2**", together with Beranang Property 1, the "**Beranang Properties**");

(ii) Title No. HS(D) 126969, Lot PTD 64915, Mukim of Plentong, District of Johor Bahru, Johor ("**Pasir Gudang Property**");

(iii) Title No. HS(D) 833, Lot PT 7139, Mukim of Kuala Kuantan, District of Kuantan, Pahang ("**Kuantan Property"**); and

(iv) Title No. Town Lease (TL) 017514395, District of Jesselton, State of Sabah ("**Kota Kinabalu Property 1**") and Title No. Provisional Lease (PL) 016280925, District of Jesselton, State of Sabah ("**Kota Kinabalu Property 2**", together with Kota Kinabalu Property 1, the "**Kota Kinabalu Properties**"),

(Beranang Properties, Pasir Gudang Property, Kuantan Property and Kota Kinabalu Properties are collectively referred to as the "**HCCT Group Properties**").

Further details of the HCCT Group Properties are set out in **Section 4** of **Appendix II** of this announcement, while further information on HCCT is set out in **Appendix II** of this announcement.

2.2 Information on the Purchaser

YTL Cement Sarawak was incorporated in Malaysia under the Companies Act 2016 on 5 August 2025 as a private limited company and is principally involved in investment holding.

As at the LPD:

(i) YTL Cement Sarawak has an issued share capital of RM100,000 comprising 100,000 ordinary shares;

(ii) YTL Cement Sarawak is a wholly-owned subsidiary of YTL Cement Berhad which in turn is a 96.11%-owned subsidiary of YTL Corporation Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**");

(iii) the directors of YTL Cement Sarawak are Tan Sri (Sir) Yeoh Sock Ping, Dato' Sri Yeoh Sock Siong, Dato' Yeoh Seok Kian, Dato' Seri Yeoh Seok Hong and Dato' Yeoh Soo Keng; and

(iv) YTL Cement Sarawak does not have any subsidiary or associate company.

Further information on YTL Cement Sarawak is set out in **Appendix III** of this announcement.

2.3 Basis and justification of determining the Base Disposal Price

The Base Disposal Price was arrived at on a "willing-buyer willing-seller" basis, after taking into consideration the following:

(i) the aggregate market value of the HCCT Group Properties owned by the HCCT Group of RM190.6 million as ascribed by CBRE WTW Valuation & Advisory Sdn Bhd ("**CBRE**" or "**Independent Valuer**") being the independent valuer, vide its valuation certificates dated 26 November 2025 ("**Valuation Certificates**").

In arriving at the market value of the HCCT Group Properties, the Independent Valuer has adopted the Cost Approach and the Comparison Approach. Separate valuations of land and building are carried out to arrive at the market value of the HCCT Group Properties.

The land element is valued by the Comparison Approach, which entails comparing the subject land by reference to transactions of similar lands in the surrounding area which were recently sold or are being marketed with adjustments made for differences in location, accessibility/visibility, size and shape of land, tenure, land use, zoning, and other relevant characteristics.

The buildings are valued by reference to their depreciated replacement cost i.e. the replacement cost less an appropriate adjustment for depreciation or obsolescence to reflect the existing condition of the buildings at the date of valuation. The land and building valuations are then aggregated to arrive at the market value of the subject property;

(ii) the adjusted consolidated net assets ("**NA**") of HCCT Group of RM203.1 million as at 30 June 2025, after taking into consideration the consolidation adjustments and revaluation surplus arising from the valuation of the HCCT Group Properties.

The adjusted NA of the HCCT Group as at 30 June 2025 is as follows:

	RM'million
NA of HCCT Group as at 30 June 2025	21.9
Less: Consolidation adjustments	(1.0)[(1)]
Add: Revaluation surplus arising from the fair value adjustment	182.2[(2)]
Adjusted NA of HCCT Group	**203.1**

Notes:-

(1) No consolidated accounts were prepared for HCCT Group. As such, the management has recognised consolidation adjustments to eliminate the amount of intragroup transactions and balances.

(2) Revaluation surplus is derived from the excess of the market value, as determined by the Independent Valuer, over the net book value of the HCCT Group Properties as at 30 June 2025. Detailed workings of the revaluation surplus are as follows:

HCCT Group Property	**Net Book Value as at 30 June 2025 RM'000**	**Indicative Market Value RM'000**	**Revaluation Surplus RM'000**
Beranang Properties	4,392	98,000	93,608
Pasir Gudang Property	630	21,300	20,670

HCCT Group Property	Net Book Value as at 30 June 2025 RM'000	Indicative Market Value RM'000	Revaluation Surplus RM'000
Kuantan Property	354	10,300	9,946
Kota Kinabalu Properties	3,010	61,000	57,990
Total	**8,386**	**190,600**	**182,214**

(iii) the rationale and benefits of the Proposed Disposal as set out in **Section 3** of this announcement.

2.4 Mode of settlement

Pursuant to the terms of the SPA, the Estimated Disposal Consideration, and the Surplus, if any, and the Subscription Amount are to be satisfied by cash in the manner as described in **Section 5** of **Appendix I** of this announcement.

2.5 Date and original cost of investment

The original cost of HCIB's investment in the Sale Shares is RM48.0 million, made on 20 October 2014.

2.6 Liabilities which will remain with HCIB

Save for the obligations and liabilities stated in and arising from the SPA, there are no other liabilities, including contingent liabilities, which will remain with HCIB pursuant to the Proposed Disposal. In addition, there is no guarantee given by HCIB to YTL Cement Sarawak in relation to the Proposed Disposal.

2.7 Cash company or Practice Note 17 ("PN17") company

Based on the audited consolidated financial statements of the Company as at 30 June 2025, the Proposed Disposal is not expected to result in the Company becoming a cash company or a PN17 company as defined under the Main Market Listing Requirements of Bursa Securities ("**Listing Requirements**").

3. RATIONALE AND BENEFITS OF THE PROPOSED DISPOSAL

The Proposed Disposal is undertaken as part of HCIB and its subsidiaries' (collectively, "**HCIB Group**" or "**Group**") ongoing strategic review to enhance operational focus. The Proposed Disposal will enable HCIB to realise its investment in the concrete segment and divest a non-core business.

4. UTILISATION OF PROCEEDS

The Proposed Disposal is expected to realise total gross cash proceeds of RM215.0 million for HCIB, which is intended to be utilised in the following manner:

Details of utilisation	RM'000	%	Estimated timeframe for utilisation upon completion of the Proposed Disposal
Investment opportunities and expansion plans[(1)]	148,900	69.2	Within 36 months
Working capital[(2)]	63,800	29.7	Within 36 months
Estimated expenses in relation to the Proposed Disposal[(3)]	2,300	1.1	Within 1 month
Total	215,000	**100.0**	

Notes:

(1) Investment opportunities and expansion plans`

HCIB Group intends to utilise RM148.9 million of the proceeds from the Proposed Disposal for investment opportunities and/or capital expenditure for its cement business, as and when opportunities arise. Pending the identification of any suitable opportunities or plans, the proceeds will be placed with financial institutions.

Any surplus or shortfall for the amount to be utilised for investment opportunities and/or capital expenditure will be adjusted against the amount allocated for working capital purposes.

(2) Working capital

HCIB Group intends to utilise RM63.8 million of the proceeds from the Proposed Disposal to support its working capital requirements. The proceeds will be primarily channelled towards, amongst others, payment to suppliers and the creditors of HCIB Group, general administrative and daily operational expenses such as staff-related costs, utilities, statutory payments and other overhead expenditures.

(3) Estimated expenses in relation to the Proposed Disposal

The estimated expenses in relation to the Proposed Disposal comprise professional fees, regulatory fees and other incidental expenses. Any surplus or shortfall in the payment of these expenses will be adjusted against the amount allocated for working capital purposes.

5. RISK FACTORS

The risk factors relating to the Proposed Disposal, which may not be exhaustive, are set out below:

5.1 Non-completion risk

The completion of the Proposed Disposal is subject to the fulfilment of the condition precedent as set out in the SPA and as disclosed in **Section 1** of **Appendix I** of this announcement. In the event that the condition precedent is not fulfilled, the Proposed Disposal may be delayed or terminated in accordance with the SPA, and the potential benefits arising from the proposed utilisation of proceeds as disclosed in **Section 4** of this announcement may not materialise.

5.2 Loss of potential income from HCCT

Upon completion of the Proposed Disposal, HCCT will no longer be a wholly-owned subsidiary of HCIB and as such, HCIB Group will lose a source of revenue from HCCT Group.

Nonetheless, the potential loss of income from HCCT Group is expected to be minimal in view that HCCT Group had been loss-making from financial year ended (**"FYE"**) 2021 to FYE 2024 and the Proposed Disposal is not expected to result in any material adverse impact on the Group's financial performance.

5.3 Contractual risk

HCIB may be exposed to certain contractual risks in connection with the Proposed Disposal, including but not limited to representations, warranties, covenants, and indemnities provided or to be provided by HCIB under the SPA. In addition, HCIB may be subject to contractual risks if the Purchaser fails to fulfil its obligations under the SPA or in the event of any breach of the terms and conditions of the SPA.

6. EFFECTS OF THE PROPOSED DISPOSAL

6.1 Share capital and substantial shareholders' shareholdings

The Proposed Disposal will not have any effect on the issued share capital of HCIB and the substantial shareholders' shareholdings in HCIB as the Proposed Disposal does not involve any issuance of new ordinary shares in HCIB ("**HCIB Shares**" or "**Shares**").

6.2 NA per Share and gearing

For illustration purposes, based on the latest audited consolidated financial statements of HCIB Group as at 30 June 2025, and assuming that the Proposed Disposal had been effected on that date at the Base Disposal Price, the pro forma effects of the Proposed Disposal on the NA per Share and gearing of HCIB Group are as follows:

	Audited as at 30 June 2025 (RM'000)	**After Subsequent event (1) (RM'000)**	**After the Proposed Disposal (RM'000)**
Share capital	**651,567**	**651,567**	**651,567**
Reserves	**(7,956)**	**(7,956)**	**(7,956)**
Retained earnings	**84,303**	**40,774**(1)	**226,515**(2)
Total equity attributable to the owners of the Company/ NA	**727,914**	**684,385**	**870,126**
No. of HCIB Shares in issue ('000)	**725,485**	**725,485**	**725,485**
NA per HCIB Share (RM)	**1.00**	**0.94**	**1.20**
Total borrowings (RM'000)	**144,709**	**144,709**	**144,709**
Gearing (times)	**0.20**	**0.21**	**0.17**

Notes:-

(1) After taking into consideration the interim single tier dividend of 6.0 sen per Share announced for the quarter ended 30 September 2025 of the financial year ending 30 June 2026 amounting to RM43.5 million.

(2) After taking into consideration the proforma gain on the Proposed Disposal amounting to RM185.7 million.

6.3 Earnings and Earnings per Share ("EPS")

For illustration purposes, based on the latest audited consolidated financial statements of HCIB Group as at 30 June 2025, and assuming that the Proposed Disposal had been effected on that date at the Base Disposal Price, the pro forma effects of the Proposed Disposal on the consolidated earnings and EPS of HCIB Group are as follows:-

	Audited FYE 30 June 2025 RM'000	After the Proposed Disposal RM'000
Profit after tax ("**PAT**") attributable to the equity holders of HCIB	223,171	223,171
Less:		
Audited PAT of HCCT for FYE 30 June 2025	-	(22,422)
Audited PAT of HCEM for FYE 30 June 2025	-	(1,398)
Add:		
Consolidation adjustments	-	1,017
Pro forma gain from the Proposed Disposal	-	185,741[1]
Pro forma PAT attributable to the equity holders of HCIB	**223,171**	**386,109**
Weighted average number of ordinary shares ('000)	723,696	723,696
Basic EPS (sen)	30.84	53.35

Note:-

(1) Upon completion of the Proposed Disposal, HCIB Group will cease to consolidate the gains or losses arising from HCCT Group. Based on the latest audited consolidated financial statements of the Group as at 30 June 2025, the Group is expected to realise an estimated one-off gain on disposal of approximately RM185.7 million as illustrated below:-

	RM'000	RM'000
Base Disposal Price		215,000
Less:		
NA of HCCT	11,752	
NA of HCEM	9,972	
NA of FWSB	131	
Consolidation adjustment	(1,031)	
Effects of redemption of the RCULS	1,835	
		(22,659)
Less: Estimated expenses for the Proposed Disposal		(2,300)
Less: Estimated capital gains tax		(4,300)
Estimated gain on disposal		**185,741**

7. PERCENTAGE RATIOS UNDER THE LISTING REQUIREMENTS

The highest percentage ratio applicable to the Proposed Disposal pursuant to Paragraph 10.02(g) of the Listing Requirements is approximately 29.5%, calculated based on the latest audited consolidated financial statements of HCIB Group as at 30 June 2025.

8. APPROVALS / CONSENTS REQUIRED

The Proposed Disposal is subject to the following being obtained:

(i) approval from the shareholders of HCIB at an extraordinary general meeting ("**EGM**") of the Company to be convened on the Proposed Disposal (including the Proposed Subscription).

For information, Hong Leong Manufacturing Group Sdn Bhd ("**HLMG**") being a substantial shareholder of HCIB which holds 527,910,438 ordinary shares representing approximately 72.77% of the issued and paid up share capital of HCIB as at the LPD, had provided its undertaking to vote in favour of the Proposed Disposal (including the Proposed Subscription) at the EGM to be convened to consider the same.

9. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the directors, major shareholders of HCIB and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Disposal (including the Proposed Subscription) .

10. DIRECTORS' STATEMENT

The Board, after having considered all aspects of the Proposed Disposal (including the Proposed Subscription), including but not limited to the rationale and benefits of the Proposed Disposal (including the Proposed Subscription), basis and justification of determining the Base Disposal Price, salient terms of the SPA and the financial effects of the Proposed Disposal (including the Proposed Subscription), is of the view that the Proposed Disposal (including the Proposed Subscription) is in the best interest of the Company.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to obtaining all required approvals, the Proposed Disposal (including the Proposed Subscription) is expected to be completed in the second quarter of calendar year 2026.

12. PRINCIPAL ADVISER

HLIB has been appointed by the Company to act as the Principal Adviser for the Proposed Disposal (including the Proposed Subscription).

13. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA and the Valuation Certificates are available for inspection at the registered office of the Company at Level 31, Menara Hong Leong, No. 6 Jalan Damanlela, Bukit Damansara, 50490 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 12 December 2025.

SALIENT TERMS OF THE SPA

1. CONDITION PRECEDENT

The Completion is conditional upon satisfaction of the following condition precedent ("**Condition Precedent**") by or before 9 months from the date of the SPA or such other date as may be mutually agreed in writing by HCIB and YTL Cement Sarawak (collectively, the "**Parties**") in accordance with the terms of the SPA ("**Unconditional Date**"):

(i) the passing of an ordinary resolution of the shareholders of HCIB at an EGM in respect of the sale of the Sale Shares by HCIB and the allotment and issuance of New Shares by HCCT, to YTL Cement Sarawak.

2. COMPLETION

The Completion Date shall be:

(i) the last day of the month, if the Unconditional Date falls on a date which is at least 5 business days prior to the last day of the month;

(ii) the last day of the month immediately following the month of the Unconditional Date, if the Unconditional Date falls on a date less than 5 business days prior to the last day of the month; or

(iii) such other date as the Parties may mutually agree in writing in accordance with the SPA.

3. CONSIDERATION

(i) Subject to **Sections 3(ii) and (iii)** of this **Appendix I**, the Estimated Disposal Consideration shall be an amount in cash equal to the sum of:

(a) the Base Disposal Price;

(b) *minus* the RCULS Redemption Sum; and

(c) *plus* the differential sum between the total equity attributable to owners of HCCT (on a consolidated basis) as at the Completion Date or such other date as the Parties may agree in writing, as estimated by HCIB and contemplated in accordance with the SPA ("**Estimated Shareholders Fund**") and RM21,113,563 ("**October Shareholders Fund**") (which differential amount can either be a positive or negative amount).

(ii) The Final Disposal Consideration shall be an amount in cash equal to the sum of:

(a) the Base Disposal Price;

(b) *minus* the RCULS Redemption Sum; and

(c) *plus* the differential sum between the total equity attributable to owners of HCCT (on a consolidated basis) as at the Completion Date or such other date as the Parties may agree in writing and set out in the completion statement to be prepared by YTL Cement Sarawak in accordance with the SPA ("**Completion Statement**") and October Shareholders Fund (which differential amount can either be a positive or negative amount).

(iii) The adjustment amount to the Estimated Disposal Consideration ("**Adjustment Amount**") shall be calculated in accordance with the SPA using the formula below:

Adjustment Amount = Final Disposal Consideration – Estimated Disposal Consideration

(a) If the Adjustment Amount is a negative figure, i.e. there is a Shortfall, HCIB shall pay to YTL Cement Sarawak an amount equal to the Shortfall.

(b) If the Adjustment Amount is a positive figure, i.e. there is a Surplus, YTL Cement Sarawak shall pay to HCIB an amount equal to the Surplus.

4. RCULS

The Parties agree that immediately upon Completion, the RCULS will be redeemed by HCCT on the Completion Date.

On the Completion Date, the Purchaser shall subscribe for the New Shares for the Subscription Amount, and immediately after the payment of the Estimated Disposal Consideration, pay the Subscription Amount to HCCT.

On or before Completion, HCIB will procure HCCT to issue a standing instruction to its bank to transfer the RCULS Redemption Sum to the bank account nominated by HCIB, or to issue a banker's draft in the amount of the RCULS Redemption Sum in favour of HCIB, immediately upon HCCT's receipt of the Subscription Amount on the Completion Date.

Under the SPA, "**RCULS**" means the following redeemable convertible unsecured loan stocks, representing 100% of the redeemable convertible unsecured loan stocks in HCCT:

(a) 5 years RCULS of RM21 million, extended for a period of 2 years until 13 December 2026;

(b) 2 years RCULS of RM16.5 million, extended for a period of 2 years until 24 March 2026; and

(c) 2 years RCULS of RM5.0 million, extended for a period of 2 years until 24 November 2026.

5. PAYMENT

On the Completion Date, YTL Cement Sarawak shall pay the Estimated Disposal Consideration to HCIB and shall pay the Subscription Amount to HCCT.

If there is a Surplus in the Adjustment Amount, YTL Cement Sarawak shall pay the amount equivalent to the Surplus within 5 business days after the Completion Statement has been completed.

If YTL Cement Sarawak does not pay the Estimated Disposal Consideration and the Subscription Amount in full when due under the terms of the SPA, HCIB shall, subject to the terms of the SPA, be entitled to elect any of the following to:

(i) claim for specific performance against YTL Cement Sarawak of its obligations under the SPA; or

(ii) terminate the SPA (other than the surviving provisions under the SPA) without liability on the part of HCIB, and upon such termination, YTL Cement Sarawak shall pay a sum equivalent to 15% of the Base Disposal Price to HCIB as agreed liquidated damages and thereafter, neither Party shall have any claim against the other; or

(iii) fix a new Completion Date provided that YTL Cement Sarawak shall pay an interest of 8% per annum on the Estimated Disposal Consideration from the due date to the date of actual payment.

If HCIB does not deliver the required closing documents in accordance with the terms of the SPA, YTL Cement Sarawak shall, subject to the terms of the SPA, be entitled to elect to:

(i) claim for specific performance against HCIB of its obligations under the SPA; or

(ii) terminate the SPA (other than the surviving provisions under the SPA) without liability on the part of YTL Cement Sarawak and upon such termination, HCIB shall pay a sum equivalent to 15% of the Base Price to YTL Cement Sarawak as agreed liquidated damages and thereafter, neither Party shall have any claim against the other; or

(iii) fix a new Completion Date provided that HCIB shall pay an interest of 8% per annum on the Estimated Disposal Consideration from the due date to the date of actual delivery of the closing documents.

6. CORPORATE GUARANTEE

YTL Cement Berhad unconditionally and irrevocably guarantees YTL Cement Sarawak's full and timely performance of all its obligations under the SPA, and shall upon demand perform and discharge or procure the performance and discharge of any such obligations if YTL Cement Sarawak fails to do so.

7. UNDERTAKING

On the date of the SPA, HCIB shall deliver to YTL Cement Sarawak a written undertaking by HLMG to vote in favour of the ordinary resolution at an EGM of HCIB to approve the Proposed Disposal and the allotment and issuance of New Shares by HCCT to YTL Cement Sarawak.

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INFORMATION OF HCCT

1. BACKGROUND INFORMATION ON HCCT

HCCT was incorporated as a public limited company in Malaysia under the Companies Ordinance 1940 on 31 October 1961.HCCT was formerly listed on the Kuala Lumpur Stock Exchange before being delisted on 21 April 2010. On 29 October 2010, HCCT converted to a private limited company and subsequently adopted its present name on 23 June 2014.

HCCT is principally involved in manufacturing, marketing and sale of concrete and concrete related products and investment holding. The current principal market for HCCT's products is Malaysia.

2. SUBSIDIARIES

As at the LPD, HCCT has the following subsidiaries:

Name	**Incorporation date/ Place of incorporation**	**Effective equity interest held (%)**	**Principal activities**	**Principal market for products**
HCEM	13 July 1984/ Malaysia	100	Manufacture, marketing and sale of concrete and concrete related products and investment holding	Malaysia
FWSB(1)	22 January 1993/ Malaysia	100	Dormant	Not applicable

Note:-

(1) The liquidator of FWSB has convened a final meeting to conclude the member's voluntary liquidation of FWSB, and accordingly, FWSB will be dissolved by 18 December 2025, being 3 months from the lodgement date of 18 September 2025.

3. SUMMARY OF FINANCIAL INFORMATION

A summary of the financial information of HCCT and HCEM, based on their audited financial statements for the past 3 FYEs 30 June 2023, 2024 and 2025 is as follows:

3.1 HCCT

	Audited FYE 30 June		
	2023	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**
Revenue	**46,604**	**46,945**	**44,459**
Profit/ (loss) before tax	(4,800)	(706)	28,515
Profit / (loss) after tax	**(9,163)**	**(1,173)**	**22,422**
Net assets	**18,278**	**15,996**	**11,752**

INFORMATION OF HCCT (CONT'D)

Commentary on past performance

(i) FYE 30 June 2023

HCCT recorded revenue of RM46.6 million in the FYE 2023. However, HCCT still incurred a loss before tax of RM4.8 million, mainly due to insufficient revenue to sustain its operating costs. A higher tax expense was also incurred during the financial year due to the reversal of deferred tax assets amounting to RM4.0 million. Consequently, HCCT posted a loss after tax of RM9.2 million.

(ii) FYE 30 June 2024

Revenue increased slightly by RM0.3 million from RM46.6 million in FYE 2023 to RM46.9 million in FYE 2024. HCCT's loss before tax narrowed significantly to RM0.7 million, mainly due to margin improvements and dividends of RM2.2 million received from HCEM. As a result, the loss after tax reduced to RM1.2 million.

(iii) FYE 30 June 2025

Revenue decreased slightly from RM46.9 million in FYE 2024 to RM44.5 million in FYE 2025. However, HCCT still recorded a profit before tax of RM28.5 million, which is mainly attributed to a one-off gain of approximately RM32.2 million from the disposal of land. This resulted in a PAT of RM22.4 million for FYE 2025.

3.2 HCEM

	Audited FYE 30 June		
	2023	2024	2025
	RM'000	RM'000	RM'000
Revenue	23,954	19,780	17,337
Profit/ (loss) before tax	2,742	2,234	1,835
Profit/ (loss) after tax	2,026	1,651	1,398
Net assets	**10,457**	**10,088**	**9,972**

Commentary on past performance

(i) FYE 30 June 2023

In FYE 2023, HCEM generated revenue of RM24.0 million and recorded a profit before tax of RM2.7 million, resulting in a PAT of RM2.0 million. This is mainly due to higher selling prices, which resulted in improved margins.

(ii) FYE 30 June 2024

In FYE 2024, revenue declined by RM4.2 million from RM24.0 million to RM19.8 million mainly due to lower production yield. Profit before tax correspondingly decreased by RM0.5 million from RM2.7 million to RM2.2 million, while PAT decreased by RM0.3 million from RM2.0 million to RM1.7 million. Despite the lower revenue, HCEM remained profitable.

(iii) FYE 30 June 2025

In FYE 2025, revenue continued to decline by RM2.5 million from RM19.8 million to RM 17.3 million. Profit before tax fell by RM0.4 million from RM2.2 million to RM1.8 million, with PAT also declining by RM0.3million from RM1.7 million to RM1.4 million. This reflected a continuation of the downtrend in revenue and earnings, although HCEM managed to sustain profitability.

INFORMATION OF HCCT

4. KEY INFORMATION OF HCCT GROUP PROPERTIES

	Beranang Property 1	Beranang Property 2	Pasir Gudang Property
Description of the buildings:	Industrial premises	A parcel of vacant industrial land	A parcel of vacant industrial land
Age of buildings:	Approximately 35 years	Not applicable	Not applicable
Existing use / occupation:	Industrial premises	Vacant industrial land	Vacant industrial land
Registered owner:	HCCT	HCCT	HCCT
Postal address:	Lot No. PT11979 (formerly known as PT 143), Bandar Batu 26, Beranang, Ulu Langat, Selangor	Lot No. 2353, Bandar Batu 26, Beranang, Ulu Langat, Selangor	PLO 244, Jalan Emas, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor
Title No.	HS(D) 118950	PN 11195	HS(D) 126969
Lot No.	PT 11979	Lot 2353	PTD 64915, Mukim of Plentong, District of Johor Bahru, Johor
Tenure:	Leasehold 99 years expiring 1 July 2085	Leasehold 99 years expiring 1 July 2085	Leasehold 60 years expiring on 26 October 2045
Approximate land area:	117,636.37 square metres	61,520 square metres	56,655 square metres
Category of land use:	"Industri"	"Industri"	"Perusahaan/Perindustrian"
Encumbrances:	Nil	Nil	Nil
Independent Valuer:	CBRE	CBRE	CBRE
Valuation date:	6 November 2025	6 November 2025	5 November 2025
Valuation approach:	Cost Approach	Comparison Approach	Comparison Approach
Market value ascribed:	RM65.0 million	RM33.0 million	RM21.3 million
Net book value as at 30 June 2025:	RM4.4 million		RM0.6 million

INFORMATION OF HCCT (CONT'D)

	Kota Kinabalu Property 1	Kota Kinabalu Property 2	Kuantan Property
Description of the buildings:	Industrial land developed into factory complex	Industrial land developed into factory complex	A parcel of industrial land
Age of buildings:	Approximately 34 years	Approximately 34 years	Not applicable
Existing use / occupation:	Factory complex	Factory complex	Vacant land
Registered owner:	HCEM	HCEM	HCCT
Postal address:	Lorong Tongkuzu, Off Jalan Lintas, 88450, Kota Kinabalu, Sabah	Lot 6A, Jalan Undan, Off Mile 5.5 Jalan Tuaran, 88450, Kota Kinabalu, Sabah	Lot 46, Jalan Industri Semambu, Kawasan Perindustrian Semambu, 25300 Kuantan, Pahang
Title No.	Town Lease (TL) 017514395	Provisional Lease (PL) 016280925	HS(D) 833
Lot No.	Not applicable	Not applicable	PT 7139, Mukim of Kuala Kuantan, District of Kuantan, Pahang
Tenure:	Leasehold 60 years expiring 31 December 2078	Leasehold 60 years expiring 31 December 2078	Leasehold 66 years expiring on 27 October 2041
Approximate land area:	20,234.28 square metres	7,891.37 square metres	47,844 square metres
Category of land use:	General Industrial (GI)	General Industrial (GI)	"Perusahaan/Perindustrian"
Encumbrances:	Nil	Nil	Nil
Independent Valuer:	CBRE	CBRE	CBRE
Valuation date:	6 November 2025	6 November 2025	17 November 2025
Valuation approach:	Cost Approach	Cost Approach	Comparison Approach
Market value ascribed:	RM42.9 million	RM18.1 million	RM10.3 million
Net book value as at 30 June 2025:	RM3.0 million		RM0.4 million

INFORMATION OF YTL CEMENT SARAWAK

1. BACKGROUND INFORMATION OF YTL CEMENT SARAWAK

YTL Cement Sarawak was incorporated in Malaysia under the Companies Act 2016 on 5 August 2025 as a private limited company and is principally involved in investment holding.

As at the LPD:

(i) YTL Cement Sarawak has an issued share capital of RM100,000 comprising 100,000 ordinary shares;

(ii) YTL Cement Sarawak is a wholly-owned subsidiary of YTL Cement Berhad which in turn is a 96.11%-owned subsidiary of YTL Corporation Berhad, a company listed on the Main Market of Bursa Securities; and

(iii) YTL Cement Sarawak does not have any subsidiary or associate company.

2. DIRECTORS AND SHAREHOLDERS

The directors of YTL Cement Sarawak are Tan Sri (Sir) Yeoh Sock Ping, Dato' Sri Yeoh Sock Siong, Dato' Yeoh Seok Kian, Dato' Seri Yeoh Seok Hong and Dato' Yeoh Soo Keng as at the LPD.

The directors of YTL Cement Sarawak do not own any interests, whether direct or indirect, in the ordinary shares in YTL Cement Sarawak ("**YTL Cement Sarawak Shares**").

The substantial shareholders of YTL Cement Sarawak together with their respective shareholdings in YTL Cement Sarawak as at the LPD are as follows:

	Direct		Indirect	
	No. of YTL Cement Sarawak Shares	**[1]%**	**No. of YTL Cement Sarawak Shares**	**[1]%**
YTL Cement Berhad	100,000	100	-	-
YTL Corporation Berhad	-	-	100,000[2]	100
Yeoh Tiong Lay & Sons Holdings Sdn Bhd	-	-	100,000[2]	100
Yeoh Tiong Lay & Sons Family Holdings Limited	-	-	100,000[3]	100
Yeoh Tiong Lay & Sons Trust Company Limited	-	-	100,000[4]	100
Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong	-	-	100,000[5]	100

Notes:-

(1) Based on the issued share capital of YTL Cement Sarawak, comprising 100,000 YTL Cement Sarawak Shares as at the LPD.

(2) Deemed interests by virtue of interests held through YTL Cement Berhad pursuant to Section 8 of the Companies Act 2016.

(3) Deemed interests by virtue of interests held through YTL Cement Berhad pursuant to Section 8 of the Companies Act 2016 arising from its ownership of 100% of Yeoh Tiong Lay & Sons Holdings Sdn Bhd.

(4) Deemed interests by virtue of interests held through YTL Cement Berhad pursuant to Section 8 of the Companies Act 2016 arising from its ownership of 100% of Yeoh Tiong Lay & Sons Family Holdings Limited in its capacity as trustee.

(5) Deemed interests by virtue of interests held through YTL Cement Berhad pursuant to Section 8 of the Companies Act 2016 arising from her beneficial interest (held through Yeoh Tiong Lay & Sons Trust Company Limited in its capacity as trustee) in Yeoh Tiong Lay & Sons Family Holdings Limited.