JAG CAPITAL BERHAD ("JAGCap" OR THE "COMPANY") (formerly known as KUB Malaysia Berhad)

PROPOSED DISPOSAL OF 30% EQUITY INTEREST IN SINONG SEPADU SDN BHD BY KUB AGRO HOLDINGS SDN BHD, AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF JAGCAP FOR A TOTAL CASH CONSIDERATION OF RM44,299,511.10 ("PROPOSED DISPOSAL")

1. INTRODUCTION

The Board of Directors of JAGCap ("**Board**") wishes to announce that KUB Agro Holdings Sdn Bhd ("**KUBAH**" or "**Vendor**"), has on 22 April 2026 entered into a share purchase agreement ("**SPA**") with Sinong Enterprise Sdn Bhd ("**SESB**" or "**Purchaser**") for the disposal of 30% equity interest comprising 1,950,000 ordinary shares in Sinong Sepadu Sdn Bhd ("**SSSB**") ("**SSSB Shares**") to SESB for a cash consideration of RM44,299,511.10 ("**Disposal Consideration**").

KUBAH is a wholly-owned subsidiary of KUB Ekuiti Sdn Bhd, which in turn is a wholly-owned subsidiary of JAGCap.

The salient terms of the SPA are set out in Appendix I of this announcement.

Further information on the Proposed Disposal is set out below.

2. THE PROPOSED DISPOSAL

2.1 Background information

The Proposed Disposal involves the disposal of 30% equity interest in SSSB comprising 1,950,000 SSSB Shares by KUBAH to SESB which owns the remaining 70% equity interest in SSSB for a disposal consideration to be fully satisfied in cash.

2.2 Information on SSSB

SSSB was incorporated in Malaysia under the Companies Act, 1965 ("**Act**") as a private limited company on 28 June 1996.

As at 20 April 2026, being the latest practicable date prior to this announcement ("**LPD**"), SSSB's issued share capital is RM6,500,000 comprising 6,500,000 SSSB Shares. The shareholders of SSSB are SESB and KUBAH, which owns 70% and 30% equity interests in SSSB respectively.

The principal activities of SSSB are cultivation of oil palm and management of oil palm estates. SSSB is the owner of 2 oil palm estates measuring in aggregate 4,614.5324 hectares ("**Ha**") which are located in the Oya-Dalat Land District, Mukah Division, State of Sarawak are as follows:-

(i) Sungai Buloh Estate; and
(ii) Sungai Nape Estate.

(collectively known as "**SSSB Estates**").

<u>Directors</u>

As at the LPD, the Directors of SSSB are as follows:-

(i) Datuk Tan Chew Chin;
(ii) Tan Jia Kent;

(iii) Aik Swee Tong;
(iv) Ahmed Fairuz bin Abdul Aziz; and
(v) Dr Chow Kok Cheng.

2.3 Date and original cost of investment in SSSB

The original cost of investment of JAGCap in SSSB (via KUBAH) for 1,950,000 shares was RM45,000,000 based on the acquisition date of 20 March 2024.

2.4 Information on SESB

SESB was incorporated in Malaysia under the Act on 18 November 1986.

The principal activity of SESB is investment holding, while its subsidiary is principally involved in oil palm plantation and swiftlet ranching. As at the LPD, SESB has an issued share capital of RM37,418,385 comprising 37,418,385 ordinary shares.

The shareholders of SESB are as follows:-

	Ordinary shares in SESB	
Shareholders of SESB	**No.**	**%**
Kian Hong Plant Sdn Bhd	18,079,119	48.32
Dancovest (M) Sdn Bhd	9,571,586	25.58
CGL Global Sdn Bhd	5,883,271	15.72
Teh Choo Ha	1,907,648	5.10
Watermech Engineering Sdn Bhd	1,069,432	2.86
Tiu Yee Soon	723,211	1.93
Tyo Hong Hee	184,118	0.49
Total	**37,418,385**	**100.00**

The Directors of SESB and their respective shareholdings in SESB as at the LPD are as follows:-

Name	**Direct**		**Indirect**	
	Number of ordinary shares in SESB	**%**	**Number of ordinary shares in SESB**	**%**
Tiu Yee Soon	723,211	1.93	-	-
Datuk Tan Chew Chin	-	-	(1) 18,079,119	48.32
Aik Swee Tong	-	-	(2) 9,571,586	25.58
Yau Hang Kok	-	-	(3) 5,883,271	15.72
Tan Jia Kent	-	-	(4) 18,079.119	48.32

Notes:

(1) Deemed interested by virtue of his shareholdings in Kian Hong Plant Sdn Bhd pursuant to Section 8 of the Act.

(2) Deemed interested by virtue of his shareholdings in Dancovest (M) Sdn Bhd pursuant to Section 8 of the Act.

(3) Deemed interested by virtue of his shareholdings in CGL Global Sdn Bhd pursuant to Section 8 of the Act.

(4) Deemed interested by virtue of his shareholdings in Kian Hong Plant Sdn Bhd and his family relationship with Datuk Tan Chew Chin pursuant to Section 8 of the Act.

2.5 Information on SSSB'S estates

Further information on SSSB Estates as at the LPD are as follows:-

(i) Sungai Buloh Estate

Registered owner	:	SSSB
Title particulars	:	(i) Lot 221, Block No. 007, Oya-Dalat Land District, Mukah Division, State of Sarawak measuring 1.053 Ha; (ii) Lot 252, Block No. 007, Oya-Dalat Land District, Mukah Division, State of Sarawak measuring 1.4007 Ha; (iii) Lot 261, Block No. 007, Oya-Dalat Land District, Mukah Division, State of Sarawak measuring 1.1787 Ha; and (iv) Lot 643, Block No. 363, Oya-Dalat Land District, Mukah Division, State of Sarawak measuring 2,370.00 Ha
Existing and future use	:	Cultivated with oil palm and includes buildings, road facilities and other amenities
Total land area as per the land title	:	2,373.6324 Ha
Encumbrances	:	Nil
Category of land use	:	Agriculture
Tenure	:	(i) Lot 221: leasehold for 60 years, expiring on 10 November 2084; (ii) Lot 252: leasehold for 60 years, expiring on 10 November 2084; (iii) Lot 261: leasehold for 60 years, expiring on 31 December 2030; and (iv) Lot 643: leasehold for 60 years, expiring on 21 May 2050
Express conditions	:	(i) Subject to section 42 of the National Land Code; and (ii) To be used only for cultivation of sago* ***Note:-*** ** Only applicable for the land under Lots 221 and 252 which is currently vacant.*

Restriction in interest	:	This land may not be transferred, subleased, charged or otherwise disposed of without the approval in writing of the Director of Lands and Surveys.

Age profile of the oil palm as at the LPD :

Age profile	**Ha**	**%**
Immature (0 to 3 years)	-	-
Mature, Young (4 to 8 years)	364.82	17.0
Mature, Prime (9 to 14 years)	-	-
Mature (15 to 18 years)	-	-
Old (19 to 25 years)	-	-
Extended (>25 years)	1,775.47	83.0
Total planted area	**2,140.29**	**100.0**

Estate land area :

Estate land area	**Ha**	**%**
Planted area	2,140.29	90.2
Infrastructure	9.09	0.4
Unplanted area	216.43	9.1
Nursery	7.82	0.3
Total area	**2,373.63**	**100.0**

Production of fresh fruit bunches (“FFB”) :

	(1)2023	**(1)2024**	**(1)2025**
Metric tonne (“**MT**”) per annum	17,343	17,666	16,235

Note:-

(1) Based on 12-month calendar year ended 31 December

Audited NBV as at 30 June 2025	:	RM22,149,993

(ii) Sungai Nape Estate

Registered owner	:	SSSB
Title particulars	:	(i) Lot 135, Block No. 48, Oya-Dalat Land District, Mukah Division, State of Sarawak measuring 1,101.10 Ha; and (ii) Lot 8, Block No. 109, Oya-Dalat Land District, Mukah Division, State of Sarawak measuring 1,139.80 Ha
Existing and future use	:	Cultivated with oil palm and includes buildings, road facilities and other amenities
Total land area as per the land title	:	2,240.90 Ha
Encumbrances	:	Nil
Category of land use	:	Agriculture

Tenure	:	(i) Lot 135: leasehold for 60 years, expiring on 21 May 2050; and (ii) Lot 8: leasehold for 60 years, expiring on 9 March 2052
Express conditions	:	Shall be used for agriculture purposes and purposes incidental to the production and processing of crops grown thereon and such other purposes as may be from time to time approved by the Director of Lands and Surveys.
Restriction in interest	:	This land may not be transferred, subleased, charged or otherwise disposed of without the approval in writing of the Director of Lands and Surveys.
Age profile of the oil palm as at the LPD	:	(see table below)

Age profile	Ha	%
Immature (0 to 3 years)	-	-
Mature, Young (4 to 8 years)	-	-
Mature, Prime (9 to 14 years)	851.97	38.0
Mature (15 to 18 years)	-	-
Old (19 to 25 years)	1,387.30	62.0
Extended (>25 years)	-	-
Total planted area	**2,239.27**	**100.0**

Estate land area :

Estate land area	Ha	%
Planted area	2,239.27	99.9
Infrastructure	1.63	0.1
Unplanted area	-	-
Nursery	-	-
Total area	**2,240.90**	**100.0**

Production of FFB :

	(1)**2023**	(1)**2024**	(1)**2025**
Metric tonne ("**MT**") per annum	18,569	16,882	15,421

Note:

(1) Based on 12-month calendar year ended 31 December

Audited NBV as at 30 June 2025 : RM23,889,179

2.6 Liabilities remaining with JAGCap

Save for the liabilities as stated in the SPA and those which may arise in the event there is a breach or non-fulfilment of the warranties and indemnities by KUBAH, there are no liabilities, including contingent liabilities, in relation to the Proposed Disposal that shall remain with JAGCap upon completion of the Proposed Disposal.

2.7 Provision of guarantee to the Purchaser

There is no guarantee to be given by JAGCap via KUBAH to SESB arising from the Proposed Disposal.

3. BASIS AND JUSTIFICATION FOR THE DISPOSAL CONSIDERATION

The Disposal Consideration was arrived after taking into consideration, amongst others, the following :

(i) The carrying amount of the investment in SSSB of RM26,815,000 as at 30 June 2025.

(ii) The price of approximately RM32,000 per hectare is arrived at after considering the estimated market value of SSSB of RM120.0 million plus a premium negotiated on a willing-buyer willing-seller basis. This translates to an implied equity value of RM147,665,037 for the entire company and RM44,299,511.10 for 30% equity interest. On this basis, the disposal consideration represents a premium of 23.1% over the market value attributable to the 30% equity interest in SSSB.

The estimated market value of RM120.0 million was determined by an independent valuer, C H Williams Talhar Wong & Yeo Sdn Bhd ("**C H Williams**") in its certificate of valuation dated 6 August 2024. In arriving at the valuation, C H Williams had adopted the Income Approach (Discounted Cash Flow) method.

4. RATIONALE FOR THE PROPOSED DISPOSAL

As the Group holds a 30% of the equity interest, it does not occupy a controlling position to direct the business activities of SSSB. The parties have different views and priorities on certain key matters relating to the affairs, operations and business of SSSB.

Accordingly, pursuant to the right of first refusal, KUBAH has offered its shares to SESB, which has elected to acquire them. Both parties mutually agreed that this arrangement is in the best interests of all stakeholders and facilitates an orderly exit for KUBAH from SSSB.

The Proposed Disposal presents a timely opportunity for JAGCap to realise a pro forma gain on disposal of RM17.424 million, and is expected to enhance the Group's net assets and earnings position. Consequently, the Group will be better positioned to deliver more sustainable returns to its shareholders.

5. USE OF PROCEEDS

The Proposed Disposal is expected to raise gross cash proceeds of RM44.300 million which are expected to be used for general working capital purposes within 12 months from the Completion Date and the remaining proceeds to be placed in interest-bearing deposits with licensed financial institution(s) and/or short-term money market instrument(s) as the Group evaluates sustainable investment opportunities in its ongoing effort to rebuild a diversified investment holding portfolio.

6. RISK FACTORS

The completion of the Proposed Disposal is subject to the fulfilment of the conditions precedent to the SPA as set out in Section 4 of Appendix I of this announcement. In the event any of the conditions precedent are not fulfilled or waived, the SPA may be terminated and KUBAH will not be able to complete the Proposed Disposal.

Whilst the Company could monitor the status and progress of the Proposed Disposal, there is no assurance that the Proposed Disposal can be completed within the time period stipulated in the SPA and that the Company can realise the gain on disposal arising from the Proposed Disposal.

7. EFFECTS OF THE PROPOSED DISPOSAL

7.1 Issued share capital and substantial shareholders' shareholdings

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

7.2 NA, NA per share and gearing

The pro forma effects of the Proposed Disposal on the consolidated NA and gearing of JAGCap based on its audited consolidated financial statements as at 30 June 2025 are as follows:-

	Audited as at 30 June 2025	*** After the Proposed Disposal**
	RM'000	**RM'000**
Share capital	229,340	229,340
Redeemable Convertible Preference Shares	116,958	116,958
Reserves	33,572	33,572
Retained earnings	306,547	(1) 323,971
Equity attributable to owners of JAGCap / NA	**686,417**	**703,841**
Non-controlling interest	(10,120)	(10,120)
Total equity	**676,297**	**693,721**
Borrowings	74,869	74,869
No. of ordinary shares ('000)(2)	557,260	557,260
NA per share (RM)	1.23	1.26
Gearing (times)(3)	0.11	0.11

Notes:

(1) One-off estimated gain from the Proposed Disposal of approximately RM17.424 million after taking into account estimated expenses for the Proposed Disposal of RM0.06 million. The transaction does not give rise to capital gains tax as the cost of investment is higher than the disposal consideration.

(2) JAG Cap Shares in issue of 557,259,962 as at FYE 30 June 2025.

(3) Computed by dividing total interest-bearing borrowings by NA .

7.3 Earnings and earnings per share ("EPS")

Assuming the Proposed Disposal had been completed during FYE 30 June 2025, the pro forma effects to the earnings and EPS of the JAGCap Group based on the audited consolidated financial statements of JAGCap for the FYE 30 June 2025 are as follows:-

	Amount	(1) Basic EPS
	RM'000	**RM**
PAT and non-controlling interests ("**PATNCI**") for the FYE 30 June 2025	60,997	0.11
Add: One-off estimated pro forma gain arising from the Proposed Disposal assuming effected during FYE 30 June 2025	(2) 17,424	0.03
Pro forma PATNCI for the FYE 30 June 2025	**78,421**	**0.14**

Notes:

(1) Computed based on the weighted average number of JAGCap shares in issue of 557,173,644 as at 30 June 2025.

(2) Based on the following:

Description	***RM'000***
Disposal consideration	*44,300*
Less:	
Carrying amount of investment in associate, SSSB as at 30 June 2025	*(26,815)*
Estimated expenses in relation to the Proposed Disposal	*(61)*
Total	***17,424***

8. APPROVALS REQUIRED

The Proposed Disposal is not subject to the approval of the shareholders of the Company, but subject to approvals and consents having been obtained from the relevant regulatory or governmental body for the transaction and related matters contemplated in the SPA, if applicable.

The Proposed Disposal is not conditional upon any other corporate exercise of the Company.

9. HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable to the Proposed Disposal pursuant to Paragraph 10.02(g) of the Listing Requirements is 6.56% computed based on the aggregate original cost of 30% investment of SSSB compared with the audited consolidated NA of JAGCap as at 30 June 2025.

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

None of the Directors and/or major shareholders of JAGCap, and/or person connected with them have any interest, either direct or indirect, in the Proposed Disposal.

11. DIRECTORS' STATEMENT

The Board, having considered all aspects of the Proposed Disposal, including the salient terms of the SPA, the basis and justification, rationale and effects of the Proposed Disposal, is of the opinion that the Proposed Disposal is in the best interest of JAGCap.

12. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Disposal is expected to be completed by the 3rd quarter of 2026.

13. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at Suite A-22-1, level 22, Hampshire Place Office, 157 Hampshire, No. 1, Jalan Mayang Sari, 50450 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:

(i) A copy of the SPA dated 22 April 2026 in relation to the Proposed Disposal; and

(ii) The certificate of valuation dated 6 August 2024 prepared by C H Williams in relation to the market value of SSSB Estates.

This announcement is dated 22 April 2026.

APPENDIX I – SALIENT TERMS OF THE SPA

The salient terms and conditions of the Proposed Disposal are set out below:

Matter			Salient term
(1)	Sale and purchase of the Sale Shares (as defined herein)	:	1.1 Subject to the terms and conditions of the SPA, KUBAH agrees to sell to SESB and SESB agrees to purchase from KUBAH 30% of the issued share capital comprising 1,950,000 ordinary shares ("**Sale Shares**") of SSSB free from all encumbrances together with all rights attached thereto.
(2)	Disposal Consideration	:	2.1 The disposal consideration for the Sale Shares of RM44,299,511.10 shall be satisfied by cash and payable in the following manner: (a) RM4,429,951.11 representing 10% of the Disposal Consideration ("**Deposit**") shall be paid to KUBAH's solicitors as stakeholders upon the date of the SPA and released to KUBAH within seven (7) days from the day upon which the last of the Conditions (as defined below) are fulfilled or waived ("**Unconditional Date**"); and (b) RM39,869,559.99 representing 90% of the Disposal Consideration ("**Balance Purchase Price**") shall be paid by SESB to KUBAH within the Completion Period (as defined below) or the Extended Completion Period (as defined below).
(3)	Completion Period and Extended Completion Period	:	3.1 "**Completion Period**" is defined as within 3 months from the Unconditional Date. 3.2 "**Extended Completion Period**" is defined as a further extension of 1 month from the expiry of the Completion Period subject to late payment interest at the rate of 8% per annum on the outstanding Balance Purchase Price remaining unpaid calculated on daily basis from the day immediately after the last day of the Completion Period until the date of receipt of the Balance Purchase Price by KUBAH. 3.3 "**Completion Date**" is defined as a date falling within the Completion Period or the Extended Completion Period, as the case may be, on which Completion takes place. 3.4 Completion of the SPA ("**Completion**") shall take place at the office of the SSSB on the Completion Date which shall be a day falling within the Completion Period or the Extended Completion Period.
(4)	Conditions Precedent	:	4.1 The SPA is conditional upon and subject to, if applicable, all other relevant approvals and consents having been obtained, including but not limited to any consent any consent from the regulatory or governmental body for the transactions and related matters contemplated in the SPA ("**Condition**") within a period of four (4) months following the date of the SPA or such later date as may be agreed by KUBAH and SESB in writing ("**Cut-Off Date**").
(5)	Termination	:	5.1 The SPA may be terminated following the events, amongst others, identified as below: (a) if the Conditions is not fulfilled or waived on or before the Cut-Off Date; or (b) if a Force Majeure Event shall continue for a period exceeding 3 months from the date of the occurrence of the Force Majeure Event; or

Matter	Salient term
	(c) if any of the following event or events occur, which is not remedied within 14 days or such other period as may be agreed between KUBAH and SESB, from the date of receipt of a notice specifying the relevant event or events to be remedied: (i) either KUBAH or SESB is in material breach of any term or condition, including any representation and warranty, of the SPA or fails to perform or observe any material undertaking, obligation or agreement expressed or implied in the SPA; or (ii) a receiver, receiver and manager, trustee or similar official is appointed over any of the assets or undertaking of the either KUBAH, SESB or SSSB; or (iii) either KUBAH, SESB or SSSB becomes unable to pay its debts when they are due or becomes unable to pay its debts within the meaning of the Companies Act 2016; or (iv) either KUBAH, SESB or SSSB enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them; or (v) an application or order is made for the winding up or dissolution of either KUBAH, SESB or SSSB or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of either KUBAH, SESB or SSSB; or (vi) either KUBAH, SESB or SSSB ceases or threatens to cease carrying on all or a substantial portion of its business 5.2 In the event the SPA is terminated due to a default by KUBAH or SESB, any documents which have been delivered shall be returned to KUBAH with KUBAH's interest remaining intact provided that: (a) where KUBAH is the defaulting party, the Deposit together with any interest accrued shall be refunded in full to SESB together with an additional equivalent sum thereof as agreed liquidated damages; or (b) where SESB is the defaulting party, the Deposit together with any interest accrued shall be forfeited to KUBAH as agreed liquidated damages. 5.3 In the alternative, either KUBAH or SESB shall be entitled to the rights of specific performance against the other under the SPA for the other party's default in the performance of the terms and conditions of the SPA.

For reference,

"**Force Majeure Event**" means any circumstances beyond the reasonable control of either KUBAH or SESB (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, closure of government office, pandemic, lock-down, explosion, flooding, civil commotion, sabotage or acts of war) which would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business of SSSB, or which has or is likely to have the effect of making any material part of the SPA incapable of performance in accordance with its terms.