META BRIGHT GROUP BERHAD (“MBGB” OR THE “COMPANY”)

PROPOSED SUBSCRIPTION OF SHARES IN BUMIDOTEARTH SDN. BHD (“BUMIDOTEARTH”)

This announcement is dated 8 May 2026 (“**Announcement**”).

1. INTRODUCTION

The Board of Directors of MBGB (“**Board**”) wishes to announce that Meta Bright Energy Sdn. Bhd. (“**MBESB**”), a wholly-owned subsidiary of MBGB had on 8 May 2026 entered into a conditional Subscription Agreement (“**Subscription Agreement**”) with Bumidotearth, Teo Nam Jian, Travis Iran Money and Gan Chee Khong (collectively known as “**Promoters**”) for the subscription of 105 new ordinary shares, representing approximately 51% of the enlarged issued share capital of Bumidotearth (“**Subscription Shares**”) for a cash consideration of RM1,020,075.00 (“**Subscription Consideration**”) (“**Proposed Subscription**”).

Upon completion of the Proposed Subscription, Bumidotearth will become a 51%-owned indirect subsidiary of MBGB, held via MBESB.

2. DETAILS OF THE PROPOSED SUBSCRIPTION

2.1 Information on Bumidotearth

Bumidotearth is a private limited company incorporated in Malaysia on 2 November 2023 with an existing share capital of RM100 comprising 100 ordinary shares. Bumidotearth is principally involved in other information technology service activities and other management consultancy activities. Bumidotearth does not have any subsidiary nor associated companies. As the date of this Announcement, the directors and shareholders of Bumidotearth and their respective shareholdings are set out as follows:

Directors/ Shareholders	No. of shares	Shareholdings (%)
Teo Nam Jian (Director)	70	70
Travis Iran Money (Director)	15	15
Gan Chee Khong (Director)	15	15
Total	**100**	**100**

Upon completion of the Proposed Subscription, the shareholders of Bumidotearth and their respective shareholdings are set out as follows:

Shareholders	No. of shares	Shareholdings (%)
MBESB	105	51.22
Teo Nam Jian	70	34.14
Travis Iran Money	15	7.32
Gan Chee Khong	15	7.32
Total	**205**	**100**

For the audited financial year ended 31 December 2025, Bumidotearth recorded a profit after tax of RM241,311.00 and a net assets of RM231,663.00.

2.2 Salient Terms of the Subscription Agreement

The salient terms of the Subscription Agreement are set out in **Appendix I** of this Announcement.

2.3 Source of Funding

The Proposed Subscription will be funded via internally generated funds.

2.4 Particulars of Liabilities to be Assumed

Save for the obligations and liabilities of MBESB arising from or in connection with the Subscription Agreement, there are no liabilities, including contingent liabilities or guarantee, to be assumed by MBESB arising from the Proposed Subscription.

3. BASIS AND JUSTIFICATION OF THE SUBSCRIPTION CONSIDERATION

The Subscription Consideration was arrived at on a willing-buyer willing-seller basis and after having taken into consideration, amongst others, the following: -

(i) the implied valuation of RM2 million for 100% equity interest in Bumidotearth representing a price-to-earnings multiple of 4 times, computed based on the average annual Profit Guarantee of RM500,000.00 over the 3-year profit guarantee period (details of which are set out in **Section 4 of Appendix I** of this Announcement); and

(ii) the rationale and benefits as set out in **Section 4** below; and

4. RATIONALE AND BENEFITS

The Proposed Subscription is in line with the Company's strategy to expand its presence in the energy sector, particularly within renewable energy, energy efficiency initiatives and electric vehicle charging infrastructure. The Proposed Subscription complements the Company's existing energy initiatives through Bumidotearth's involvement in intelligent energy optimisation solutions for commercial and industrial buildings, including Dynamic Control Drive ("**DCD**") heating, ventilation and air-conditioning ("**HVAC**") optimisation solutions.

The Board is of the view that the Proposed Subscription would enable the Group to strengthen its participation within the energy efficiency and sustainable infrastructure segment, which is expected to experience increasing demand driven by rising electricity costs, sustainability initiatives, ESG adoption and Malaysia's National Energy Transition Roadmap ("**NETR**").

Additionally, the transaction is expected to provide the Group with in-house engineering, procurement, construction and commissioning ("**EPCC**") capabilities, enabling MBGB to participate across the project lifecycle from development and deployment to execution, monitoring and maintenance. The Proposed Subscription is also expected to strengthen the Group's operational capabilities through Bumidotearth's software and electronic & electrical engineering expertise, technical know-how, and energy optimisation-related solutions.

The Board is also of the view that the transaction may result in operational and cost synergies through the internalisation of Bumidotearth's software and electronic & electrical engineering and execution capabilities, which may reduce reliance on third-party contractors while improving cost control, execution efficiency and project delivery capabilities. Bumidotearth's existing commercial pipeline, industry relationships and digital monitoring capabilities are also expected to enhance MBGB's access to software and electronic & electrical engineering, infrastructure and energy efficiency-related opportunities.

Overall, the Proposed Subscription is expected to strengthen the Company's positioning within the sustainable energy and energy optimisation sector while supporting the Group's longer-term growth and development strategy.

5. PROSPECTS OF BUMIDOTEARTH

Bumidotearth focuses its energy efficiency solutions in the area of DCD-based HVAC optimisation solutions ("**DCD Technology**"). DCD Technology is designed to improve cooling-system operational efficiency through intelligent adaptive control and optimisation methodologies, making it particularly suitable for commercial and retail environments with high cooling and electricity consumption requirements. The technology has also received encouraging responses from retail operators, particularly those operating multiple chain outlets across diverse geographical locations in Malaysia.

In June 2025, a subsidiary within the MBGB Group secured a commercial implementation involving the deployment of DCD Technology at two outlets operated by a retail operator with multiple chain outlets across Malaysia. Subsequent operational assessments recorded encouraging energy savings ranging from approximately 40.6% to 80.6%, depending on site operating conditions and operational load profiles, translating into an estimated simple payback period of approximately 2.2 years.

The deployment represented a live operational proof-of-concept of the DCD Technology within a commercial retail environment. Following the implementation, the MBGB Group received encouraging market interest and enquiries from various retail and commercial operators, reflecting growing demand for practical and cost-effective energy optimisation solutions.

Driven by the NETR, increasing ESG adoption, and rising electricity costs, the energy efficiency sector in Malaysia is expected to experience stronger growth momentum, transitioning from a voluntary value-added initiative towards a more operationally essential requirement, particularly within the commercial and industrial sectors.

Additionally, ongoing global energy market volatility and increasing operational cost pressures have prompted businesses to actively seek solutions that improve operational efficiency and reduce energy expenditure. In this regard, DCD Technology is well-positioned to support businesses seeking sustainable and cost-effective energy optimisation solutions to remain operationally competitive.

In addition to its software and electronic & electrical engineering and optimisation capabilities, Bumidotearth is also developing a Software-as-a-Service ("**SaaS"**) ecosystem comprising Patrolix (Patrol Management System), Enerlytics (Energy Monitoring Platform), and SustainaX (Carbon Border Adjustment Mechanism & Sustainability Reporting Platform), which complements the Bumidotearth's broader focus on intelligent infrastructure, operational visibility, and sustainability-driven digital solutions.

In view of the above, the MBGB Group is of the view that the Proposed Subscription of Bumidotearth, being a technology-driven energy optimisation solutions provider and EPCC contractor, would be strategically aligned with MBGB Group's longer-term growth strategy within the energy and sustainability sector, while strengthening the Group's capabilities in energy optimisation, intelligent infrastructure solutions, and sustainability-driven technologies.

6. RISK FACTORS

(i) Completion risk

The completion of the Proposed Subscription is conditional upon fulfilment or waiver of the conditions precedent to the Subscription Agreement as set out in **Appendix I** of this Announcement. These include, among others, the obtaining of the necessary approvals, execution of definitive agreements and the absence of any material adverse change. There can be no assurance that all conditions precedent will be fulfilled within the stipulated timeframe. If the conditions precedent are not fulfilled or waived within the stipulated timeframe, the Subscription Agreement may be rescinded or terminated.

MBESB will take all reasonable steps to ensure that the conditions precedent within its control are met within the agreed timeframe. Where necessary, MBESB may seek to mutually extend the relevant period with the respective parties.

(ii) Achievability of the Profit Guarantee

The Profit Guarantee is based on various bases and assumptions which our Board deems reasonable, but nevertheless is subject to certain uncertainties and contingencies which may affect Bumidotearth's profitability. In the event of any shortfall, MBESB may recover such shortfall in form more particularly set out in **Section 4 of Appendix I** of this Announcement. Nonetheless, the Company will work closely with Bumidotearth and be involved in the decision making of strategic matters of Bumidotearth to mitigate such risk.

(iii) Post-Subscription Integration and Management Risk

The realisation of the expected benefits from the Proposed Subscription will depend on effective integration of Bumidotearth into MBESB's existing operations, as well as the continued contribution of its existing management team. There can be no assurance that such integration will be achieved or that the anticipated synergies and benefits will be fully realised.

The Company intends to work closely with Bumidotearth's management team and implement appropriate integration plans and strategies to ensure a smooth transition and to maximise operational efficiencies.

7. EFFECTS OF THE PROPOSED SUBSCRIPTION

The Proposed Subscription will not have any effect on the issued and paid-up share capital and substantial shareholders' shareholdings of the Company as it will be fully satisfied in cash.

In addition, the Proposed Subscription is not expected to have a material effect on the net assets per share, earnings per share and gearing of MBGB for the financial year ending 30 June 2026.

Barring any unforeseen circumstances, the Proposed Subscription is expected to contribute positively to future earnings of MBGB through MBESB.

8. APPROVALS REQUIRED

The Proposed Subscription is not subject to the approval of the shareholders of MBGB or any relevant authorities.

9. ESTIMATED TIMEFRAME FOR COMPLETION

Barring unforeseen circumstances, the Proposed Subscription is expected to be completed by 3rd quarter of 2026.

10. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Subscription pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is approximately 1%, derived based on 51.22% of the profit after tax of Bumidotearth for the FYE 31 December 2025 (RM241,311 x 51.22% = RM123,598)) over the profit after tax of MBGB Group of RM12,325,999 for the FYE 30 June 2025.

11. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED

None of the directors, major shareholders of MBGB and/or persons connected to them have any interest, whether direct or indirect, in the Proposed Subscription.

12. DIRECTORS' STATEMENT

The Board having considered all aspects of the Proposed Subscription, is of the opinion that the Proposed Subscription is in the best interest of the Company.

13. DOCUMENTS FOR INSPECTION

A copy of the Subscription Agreement is available for inspection at the registered office of the Company at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan 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 8 May 2026.

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT

The "**Parties**" to the Subscription Agreement are MBESB, Bumidotearth and the Promoters.

The following is a summary of the salient terms of the Subscription Agreement: -

1. Purpose

Subject to the terms and conditions of the Subscription Agreement, Bumidotearth agrees to issue to MBESB and MBESB agrees to subscribe for the Subscription Shares at the aggregate sum of RM1,020,075.00 or a subscription price of RM9,715.00 per Subscription Share ("**Subscription Price**").

2. Conditions precedent

2.1 The completion of the Subscription Agreement is conditional on:-

(a) MBESB conducting or causing to be conducted the legal and financial due diligence on Bumidotearth the results of which are to the satisfaction of MBESB;

(b) the delivery by the Promoters and Bumidotearth of the unaudited financial statements of Bumidotearth for the financial period ended the month immediately preceding the date the last of the conditions precedent is fulfilled or otherwise waived by MBESB in the form satisfactory to MBESB;

(c) Bumidotearth and Promoters obtaining the approval of the board of directors and shareholders of Bumidotearth for the allotment and issue of the Subscription Shares to MBESB;

(d) Bumidotearth and Promoters ensuring that all outstanding amounts, loans or advances due from any and all directors of Bumidotearth are fully repaid and settled to the satisfaction of MBESB;

(e) Bumidotearth and the Promoters fulfilling and satisfying the workstream, deliverables and validation requirements and completion checklists for the DCD (generation 13) more particularly set out in the Subscription Agreement, to the satisfaction of MBESB;

(f) the Promoters procuring the granting by BDE Technologies Sdn Bhd to Bumidotearth an exclusive, non-transferable license to use such intellectual property rights as may be required by Bumidotearth to undertake its business, operations and processes (including but not limited to the rights in relation to the DCD and SaaS platforms), free of encumbrances, within such territories as may be agreed, subject to the terms of a licensing agreement to be entered into between the relevant parties (the "**Licensing Agreement**"), which are reasonably acceptable to MBESB;

(g) Bumidotearth providing the following documentation, the content of which are satisfactory to MBESB:
   (i) the proposed budget for the next 18 months of operation of Bumidotearth including but not limited to details of and estimates to revenue, capital expenditure, operating expenditure and such other matters as may be requested for by MBESB;
   (ii) the proposed financial projections for the next 18 months of operation of Bumidotearth;
   (iii) the business plan (including the standard operating procedures, duties of the relevant parties and such other information required by MBESB) of Bumidotearth;

(h) the entering into the shareholders' agreement on terms to be agreed between the Parties;

(i) Bumidotearth entering into a management agreement with MBESB or its related corporations on terms which are satisfactory to the MBESB;

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT

(j) the Promoters entering into service agreement(s) with Bumidotearth on terms which are satisfactory to MBESB;

(k) the approvals, consents authorisations, permits or waivers of any other relevant governmental or regulatory body ("**Relevant Authorities**") and any other third parties necessary or appropriate to carry out the subscription and allotment of the Subscription Shares pursuant to the terms of the Subscription Agreement having been obtained.

2.2 The conditions precedent shall be satisfied within a period of 3 months from the date of the Subscription Agreement (hereinafter referred to as the "**Cut-Off Date**") or such other extended period of time as the Parties may agree in writing. If the conditions precedent has not been fulfilled or otherwise waived by MBESB in writing on or prior to the expiry of the Cut-Off Date or such extension of time granted by MBESB in writing, then Bumidotearth shall return a deposit of RM300,000.00 which has been paid by MBESB to Bumidotearth prior to the date of the Subscription Agreement ("**Deposit**") and all other monies paid by MBESB to Bumidotearth to MBESB within 3 business days from the date thereof, failing which MBESB shall be entitled to charge an interest of 8% per annum on the amount due to MBESB up to the date of full settlement of the same. Upon return of the Deposit and all other monies paid by MBESB to Bumidotearth (including all interest arising therefrom, if any) by Bumidotearth to MBESB, the Subscription Agreement shall lapse and cease to have any further force or effect, thereafter none of the Parties shall have any further rights against the other(s).

3. Completion and subscription of the Subscription Shares

3.1 Completion shall take place on the date on which the completion of the subscription by MBESB of all the Subscription Shares shall take place, as notified by MBESB to Bumidotearth, being a day falling within 14 days after the date the last of the conditions precedent is satisfied or such other date as the Parties may agree in writing ("**Completion Date**") at the office of MBESB or such other place as the Parties mutually agree.

3.2 Notwithstanding anything to the contrary in **Section 2 of this Appendix I**, the completion of the Subscription Agreement shall be conditional upon:

3.2.1 all the Subscription Shares collectively being allotted and issued to MBESB;

3.2.2 that the Parties perform all its respective obligations herein and that no breach of the Subscription Agreement has occurred which has not been remedied; and

3.2.3 the absence of injunctions or legal proceedings prohibiting the subscription of the Subscription Shares in accordance with the terms and conditions contained in the Subscription Agreement.

3.3 On the Completion Date:

(a) Bumidotearth shall deliver to MBESB the following:

(i) the board and shareholders' resolutions approving the subscription and the allotment and issue of the Subscription Shares;

(ii) the certified true copies of the approvals or documents referred to in **Section 2 of this Appendix I** evidencing the fulfilment of the conditions precedent to be fulfilled by Bumidotearth; and

(iii) the resolution of the board of directors of Bumidotearth approving the appointment of two persons nominated by MBESB as directors of Bumidotearth and the resignation of all the directors of Bumidotearth save for Teo Nam Jian effective from the Completion Date.

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT

(b) the Promoters shall deliver to MBESB the certified true copies of the approvals or documents referred to in **Section 2 of this Appendix I** evidencing the fulfilment of the conditions precedent to be fulfilled by the Promoters;

(c) MBESB shall pay the Subscription Price (less the Deposit) to Bumidotearth;

(d) in exchange for payment of the Subscription Price (less the Deposit), Bumidotearth shall allot and issue the Subscription Shares to MBESB, and enter the name(s) of MBESB and/or its nominated related corporation(s) in its register of members as holder(s) of the Subscription Shares and deliver to MBESB a certified true copy of the latest return of allotment of shares under Section 78 of the Companies Act 2016 and Register of Members of Bumidotearth reflecting such subscription.

3.4 Bumidotearth shall issue and deliver or cause to be issued and delivered to MBESB the share certificate in respect of the said Subscription Shares within 14 days after the Subscription Price has been received by Bumidotearth pursuant to **Section 3.3 of this Appendix I**.

3.5 Bumidotearth covenants that the Subscription Shares when allotted and issued shall be free from all encumbrances whatsoever and that they shall rank pari passu in all respects with the existing issued shares and with all rights, titles, benefits and advantages now or hereafter attaching thereto, including all bonuses, rights, dividends and distributions declared made and paid as from the Completion Date.

4. Profit guarantee

4.1 The Promoters jointly and severally agree, undertake and guarantee that the aggregate consolidated PAT (hereinafter defined) of Bumidotearth for 3 consecutive 12-month periods after the Completion Date ("**Profit Guarantee Period**") shall be not less than RM1,500,000.00 ("**Profit Guarantee**"), provided that if the aggregate Profit Guarantee amount of RM1,500,000.00 has been achieved prior to the expiry of the Profit Guarantee Period, then the Promoters would have deemed to have fulfilled their obligations.

"**PAT**" means the aggregated consolidated profit after taxation of Bumidotearth (which for the avoidance of doubt includes profits or losses derived from subsidiaries, associate or investment entities currently existing or in future, if any) for the Profit Guarantee Period (and after netting off all consolidated losses after taxation of Bumidotearth for the Profit Guarantee Period) based on the adopted audited accounts of Bumidotearth as well as management accounts of Bumidotearth, where relevant.

4.2 Upon the expiry of the Profit Guarantee Period (or such earlier date in the event the aggregate Profit Guarantee has been achieved prior to expiry of the Profit Guarantee Period):

4.2.1 the Promoters shall forthwith provide a copy of the audited accounts of Bumidotearth adopted by the shareholders of Bumidotearth during the Profit Guarantee Period together with the relevant management accounts of Bumidotearth to MBESB for verification; and

4.2.2 MBESB shall notify the Promoters in writing ("**Final Notice**") of the following:

(i) the aggregate amount of PAT for the Profit Guarantee Period;

(ii) whether there is a shortfall between the cumulative PAT for the Profit Guarantee Period and the Profit Guarantee of RM1,500,000 ("**Final Shortfall**");

(iii) if there is a Final Shortfall, the Final Shortfall amount; and

(iv) the Final Shortfall amount attributable to MBESB (it being 51% of the Final Shortfall amount) ("**Final Shortfall To MBESB**").

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4.3 In the event the aggregate amount of PAT for the Profit Guarantee Period is equivalent to or more than RM1,500,000, upon receipt of the Final Notice from MBESB pursuant to **Section 4.2 of this Appendix I,** the Promoters would have deemed to have fulfilled their obligations under **Section 4.1 of this Appendix I**.

4.4 In the event there is a Final Shortfall To MBESB, then:

4.4.1 the Promoters shall be jointly and severally liable to MBESB and shall within 14 business days from the date of the Final Notice, transfer to MBESB such number of shares calculated in accordance with the Formula (rounded up to the nearest whole Share) and equivalent to the Final Shortfall to MBESB. All stamp duties and other costs payable in respect of the transfer shall be borne by the Promoters; and

4.4.2 upon completion of the transfer of the shares, the Promoters would have deemed to have fulfilled their obligations under **Section 4.1 of this Appendix I**.

4.5 For the purposes of **Section 4 of this Appendix I**:

(a) “**Formula**” means:

$$X = \frac{A}{B} \times 100$$

Where;

X = percentage of shares in the then existing share capital of Bumidotearth to be transferred,

A = Final Shortfall to MBESB;

B = RM2,000,000 (being the valuation of Bumidotearth as at the date of the Subscription Agreement) plus the additional paid-up capital of Bumidotearth from the Completion Date to the date of expiry of the Profit Guarantee Period.

For illustrative purposes:

(a) in the event the Final Shortfall to MBESB is RM100,000 and there is no increase in the paid-up capital of Bumidotearth, then the number of shares to be transferred by the Promoters to MBESB shall be 11 shares based on the following:

$$X = \frac{100{,}000}{2{,}000{,}000} \times 100$$

X = 5% of 205

(b) in the event the Final Shortfall to MBESB is RM100,000 and there is an increase in the paid-up capital of Bumidotearth of RM500,000 by the issuance of 500,000 shares at an issue price of RM1.00 each, then the number of shares to be transferred by the Promoters to MBESB shall be 20,009 Shares based on the following:

$$X = \frac{100{,}000}{2{,}500{,}000} \times 100$$

X = 4% of 500,205

(b) Save for manifest error, all written notices issued by MBESB pursuant to **Section 4 of this Appendix I** shall be binding and conclusive between and among the Parties

5. Default

5.1 In the event that Bumidotearth shall for any reason fail or refuse to complete the subscription of the Subscription Shares under the terms of the Subscription Agreement or Bumidotearth or Promoters fail to comply with all the obligations or stipulations contained herein or default in the Subscription Agreement and do not remedy the same to the reasonable satisfaction of MBESB within the period stipulated by MBESB or such breach is not waived by MBESB at its absolute discretion, MBESB shall be entitled to, without prejudice to its other rights and remedies including its right to sue for specific performance of the Subscription Agreement upon the terms hereof, terminate the Subscription Agreement whereby Bumidotearth shall return the Deposit and all other monies paid by MBESB to Bumidotearth within 3 business days from the date thereof failing which MBESB shall be entitled to charge an interest of 8% per annum on the amount due to MBESB up to the date of full settlement of the same.

5.2 MBESB shall always be at liberty, in lieu of claiming for damages, to claim the remedy of specific performance of the Subscription Agreement against Bumidotearth and/or any existing shareholder(s). In the event that MBESB shall elect to enforce such right, it is mutually agreed that an alternative remedy of monetary compensation shall not be regarded as compensation or sufficient compensation for Bumidotearth's default in the performance of the terms and conditions of the Subscription Agreement.

5.3 If the Promoters shall breach any of their obligations under the Subscription Agreement, MBESB shall be entitled to claim for specific performance in addition to any other remedies as may be available to MBESB under law and/or equity.

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