MUDAJAYA GROUP BERHAD ("MUDAJAYA" OR "COMPANY")

PROPOSED DISPOSAL OF FOUR (4) PARCELS OF LAND LOCATED AT LOT NOS. 31, 32, 33 & 2472, BUKIT BADONG ROAD, MUKIM IJOK, SELANGOR BY MUDAJAYA CORPORATION BERHAD, A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY FOR A TOTAL DISPOSAL CONSIDERATION OF RM36,800,000.00

1. INTRODUCTION

The Board of Directors ("**Board**") of Mudajaya wishes to announce that its wholly-owned subsidiary, Mudajaya Corporation Berhad **("MCB"** or **"the Vendor")**, has on 30 October 2025 entered into a Sale and Purchase Agreement with Serba Wangi (KL) Sdn Bhd (" **SWSB**" or **the Purchaser**") for the disposal of four (4) parcels of land held under Lot Nos. 31, 32, 33 & 2472, Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor **("Ijok Land")** for a total consideration of RM36,800,000.00 ("**the Disposal Consideration**") **("Proposed Disposal")**.

2. DETAILS OF THE PROPOSED DISPOSAL

2.1 Information of the Vendor

MCB is a public non-listed company incorporated in Malaysia on 9 December 1965 under the Companies Act 1965 and having its registered address at PH1, Menara Mudajaya, No. 12A, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor. The company's principal business is civil engineering and building construction.

As at the date of the Sale and Purchase Agreement **("SPA" or "the Agreement")**, the issued share capital of MCB is RM370,000,000 comprising 370,000,000 ordinary shares. MCB is a wholly-owned subsidiary of Mudajaya.

The Directors of MCB are:-

(i) James Wong Tet Foh,
(ii) Law Chin Wat; and
(iii) Chew Chee Wai.

2.2 Information of the Purchaser

SWSB is a private limited company incorporated in Malaysia on 7 October 1974 under the Companies Act 1965 and having its registered address at Unit 26-5, Level 26, Tower A, The Verticle Business Suites, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan. SWSB is principally involved in manufacturing and wholesale of rice, sugar and flour; and providing transportation services.

As at the date of the SPA, the issued share capital of SWSB is RM260,000 comprising 260,000 ordinary shares.

2.3 Details of the Land

The details of the Land are set out below:-

	Land 1	Land 2	Land 3	Land 4
Land Details	GM 116 Lot 31, Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor	GM 158 Lot 32, Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor	GM 159 Lot 33, Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor	GM 1207 Lot 2472, Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor
Approximate Land Area	2.0234 hectare	2.0234 hectare	2.0234 hectare	1.92 hectare
Tenure	Freehold	Freehold	Freehold	Freehold
Category of Land Use	*"Pertanian"*	*"Perusahaan/ Perindustrian"*	*"Industri"*	*"Pertanian"*
Express Condition	*"Tanaman Kelapa Sawit"*	*"Perusahaan"*	*"Industri Ringan"*	*"Tanaman Kelapa Sawit"*
Locality of Land	Bukit Badong Road			
Encumbrances	Charged to AMBANK ISLAMIC BERHAD [Co. No: 295576-U] of Tingkat 24, Bangunan Ambank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur vide Charge Presentation No. 041SC1127/2019 duly registered on 28/5/2019			
Disposal Consideration	Collectively as RM36,800,000.00			
Original Cost of Investment	1,650,000.00	2,054,171.50	2,003,646.50	3,863,672.80
Date of Investment	27/05/2004	01/11/1997	01/11/1997	12/07/2012
Audited Net Book Value as at 31 December 2024 (RM)	1,650,000.00	2,054,171.50	2,003,646.50	3,863,672.80

2.4 Salient terms of the SPA

The salient terms of the SPA include, amongst others, the following:-

2.4.1 Execution of the Transfer

Simultaneously with the execution of this SPA, the Vendor(s) shall execute the Memorandum of Transfer [hereinafter referred to as "**the said Transfer**"] in favour of the Purchaser(s) and shall deposit the same with the Purchaser(s)' Solicitor who are authorised by the parties hereto to proceed with the adjudication for stamp duty payable of the said Transfer only and shall not present the same for registration or forward the same to the solicitors for the Purchaser(s)' Financier, as the case may be, until the Balance Disposal Consideration [as hereinafter defined] has been paid or until the Purchaser(s)' Financier has confirmed in writing that the Purchaser(s)' Loan has been approved and will be released upon presentation of the said Transfer in favour of the Purchaser(s) and the Charge in favour of the Purchaser(s)' Financier at the relevant Land Office for registration and upon payment by the Purchaser(s) of the difference between the Disposal Consideration and the Purchaser(s)' Loan to the Vendor(s)' Solicitors as stakeholders.

2.4.2 Manner of payment of the Disposal Consideration

The Disposal Consideration shall be paid or cause to be paid by the Purchaser(s) at the times and in the manner as follows: -

Payment Description	Details	Amount (RM'000)
Deposit *(being 10% of the Disposal Consideration)*	2% of the Disposal Consideration has been paid by the Purchaser to the Vendor prior to the execution of the SPA being the Earnest Deposit	736
	3% of the Disposal Consideration has been paid by the Purchaser to the Purchaser's solicitors as stakeholder upon the execution of the SPA as retention sum for Real Property Gains Tax ("**RPGT**")	1,104
	5% of the Disposal Consideration has been paid by the Purchaser to the Vendor upon execution of the SPA being the Balance Deposit	1,840
Balance of the Disposal Consideration *(being 90% of the Disposal Consideration*	To be paid by the Purchaser to the Vendor's Solicitors as stakeholders on or before 31 March 2026 (being the Completion Period), failing which, an extension of one (1) month (being the Extended Completion Period) shall automatically be granted with an interest rate of 8% per annum during the Extended Completion Period	33,120
	Total	**36,800**

2.4.3 Express Conditions

It is hereby expressly agreed between the Vendor(s) and Purchaser(s) that they shall in addition to the terms and conditions herein be subject to the special express conditions if any set out in the Second Schedule of the SPA and in the event of any conflict, discrepancies or variance the special express conditions set out in the Second Schedule of the SPA shall prevail.

3. BASIS OF AND JUSTIFICATION FOR THE DISPOSAL CONSIDERATION

The Disposal Consideration was arrived at on a willing buyer-willing seller basis after arm's length negotiations and reflects prevailing market rates. The Proposed Disposal will be undertaken on an "as-is, where-is" basis, with the Disposal Consideration inclusive of the buildings situated on the land but excluding all plant and machinery currently located thereon. No formal valuation was commissioned for this transaction.

4. RATIONALE AND BENEFITS FOR THE PROPOSED DISPOSAL

The Proposed Disposal forms part of the Group's strategic initiative to monetise its non-core assets and unlock value while at the same time strengthening its cash position to meet working capital requirements and other operational needs.

5. UTILISATION OF PROCEEDS

The net proceeds from the Proposed Disposal, after deducting all fees and expenses relating thereto, will be utilised to strengthen the working capital reserve to support operational needs and to invest in other opportunities aligned with the Group's long-term objectives. The quantum and timing of utilisation cannot be ascertained at this juncture as it will depend on the actual proceeds available and the capital requirements of the Group at the point of time.

6. EFFECTS OF THE PROPOSED DISPOSAL

6.1 Share capital and shareholdings of substantial shareholders

The Proposed Disposal has no impact on the issued share capital and the shareholdings of the substantial shareholders of Mudajaya as it does not involve any issuance of new ordinary shares in Mudajaya.

6.2 Earnings Per Share, Net Assets Per Share and Gearing

The Proposed Disposal is not expected to have a material impact on the earnings per share, net asset per share, and gearing of Mudajaya for the financial year ending 31 December 2025.

6.3 Net Assets ("NA") Per Share and Gearing

The effect of the Proposed Disposal on the NA per share and gearing of the Mudajaya is as below:-

	Audited accounts for financial year ended 31 December 2024 RM'000	After the Proposed Disposal RM'000
Share capital	788,940	788,940
Reserves	(3,645)	(3,645)
Accumulated losses	(224,838)	(197,609)
Equity attributable to owners of the Company	560,457	587,686
No. of Shares (units '000)	2,657,398	2,657,398

	Audited accounts for financial year ended 31 December 2024 RM'000	After the Proposed Disposal RM'000
Net assets per share (sen)	0.21	0.22
Total borrowings	665,844	665,844
Gearing ratio (times)	1.19	1.13

6.4 Expected gains or losses to the Group

The Proposed Disposal is expected to have a gain of RM24,060,000.00 for Mudajaya for the financial year ending 31 December 2025.

7. APPROVALS REQUIRED

The Proposed Disposal is not subject to the approval of the shareholders of the Company.

8. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Disposal pursuant to paragraph 10.02(g) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements is 6.566%.

9. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM

None of the Directors and/or major shareholders of Mudajaya and/or persons connected to them have any interests, direct or indirect, in the Proposed Disposal.

10. DIRECTORS' RECOMMENDATION

The Board of Mudajaya, having considered all aspects of the Proposed Disposal, is of the opinion that the Proposed Disposal is in the best interest of the Group.

11. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Disposal is expected to be completed in the first quarter of 2026.

12. DOCUMENTS AVAILABLE FOR INSPECTION

The SPA is available for inspection at the registered office of the Company at PH1, Menara Mudajaya, No. 12A, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor, during normal business hours from Mondays to Fridays (except for public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 30 October 2025.