Oriental Interest Berhad

(Registration No. 199301017406 (272144-M)

Press Release

FOR IMMEDIATE RELEASE

ORIENTAL INTEREST BERHAD ESTABLISHES NEW GROWTH PLATFORM WITH ACQUISITION OF NEW BUSINESSES FOR RM280 MILLION

Kedah, 27 July 2026 – Property developer, Oriental Interest Berhad ("OIB" or the "Company") (stock code: 5827) is expanding its business portfolio through the proposed acquisition of the entire equity interest in Chin Hin (Jitra) Sendirian Berhad ("CHJSB") and CHJ Motor Holdings Sdn Bhd ("CMHSB") (collectively known as "Target Companies") for a total purchase consideration of RM280 million.

The proposed acquisitions will provide the Group (OIB and subsidiaries, collectively) with additional income streams, broaden its earnings base and enhancing its existing business segments. They will also establish a new platform for future growth; particularly in the financing industry, which is supported by consistent demand for accessible credit among consumers and small businesses that may be underserved by conventional financial institutions.

Building on this platform, the Group intends to scale the business, deepen its market presence and pursue further opportunities in the financing industry. Further acquisitions could accelerate growth by adding scale, expanding the customer base, broadening the Group's geographic reach and introducing new financing product and capabilities. This is expected to position the financing business as a meaningful contributor to the Group's recurring income and long term growth.

Operating principally in Kedah, the Target Companies provide an integrated range of motorcycle related services spanning retail sales, financing, after-sales servicing and spare parts distribution. CHJSB, incorporated in 1971, provides motor vehicle hire purchase financing and money lending services. CMHSB is the retail arm, holding eleven subsidiaries engaged in the retail of motorcycles and spare parts, repairs and insurance agency services.

Both Target Companies' financial performance grew in the financial year ended 31 August 2025 ("FY2025"). Aggregate revenue rose 5.1% to RM263.82 million in FY2025 from RM250.91 million in FY2024, while aggregate profit after taxation ("PAT") rose 79.6% to RM19.35 million from RM10.78 million in the previous year.

For the six months ended 28 February 2026, aggregate revenue rose 4.1% to RM134.65 million from RM129.39 million a year earlier, and aggregate PAT rose 38.6% to RM16.17 million from RM11.66 million. The half year PAT already represents 83.6% of the PAT recorded for the whole of the preceding financial year.

The purchase consideration will be satisfied entirely in securities, with no cash outlay required from OIB on completion of the Proposed Acquisitions. RM100 million will be settled through the issuance of 76,923,077 new ordinary shares at RM1.30 each, and the balance of RM180 million through the issuance of 180,000,000 redeemable non-convertible preference shares ("RPS") at RM1.00 each. The RPS carry a tenure of seven years and a cumulative coupon of 4.0% per annum.

Settling the consideration via securities rather than cash allows the Group to retain its cash resources for its operational requirements, ongoing property development projects and future initiatives. The issuance of RPS as part of the settlement also moderates the immediate dilution to existing shareholders relative to a settlement made entirely in ordinary shares.

A conditional share sale and purchase agreement was entered into with LLSB 1980 Holdings Sdn Bhd, the vendor of both Target Companies. LLSB 1980 Holdings Sdn Bhd is also a substantial shareholder of OIB, with a direct interest of 5.08%, and forms part of the same ownership group as OIB's controlling shareholder, LK Labuan Foundation ("Foundation"), which holds an aggregate indirect interest of 66.24% in the Group.

LK Labuan Foundation carries forward a business legacy established in 1955 by the late Mr Low Kan Soon and Madam Lee Leong Kee. With the involvement of three generations of the family, the Foundation manages a diversified portfolio of businesses across property development, food and agriculture, construction materials, manufacturing, automotive distribution and retail.

The proposed acquisitions are accordingly a related party transaction and require the approval of non-interested shareholders at an extraordinary general meeting to be convened. Subject to the approval of OIB's non-interested shareholders and the fulfilment of all relevant conditions precedent, the proposed acquisitions are expected to be completed by the fourth quarter of 2026.

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ABOUT ORIENTAL INTEREST BERHAD ("OIB")

Oriental Interest Berhad (stock code: 5827) is listed on the Main Market of Bursa Malaysia Securities Berhad. The Group's (collectively, OIB and subsidiaries) core businesses are property development and general construction across residential, industrial, retail and commercial projects. OIB is also involved in hospitality operations and oil palm cultivation. For more information, please log on to https://oibgroup.com/

Released on behalf of Oriental Interest Berhad by Capital Front Investor Relations.

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