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## **ORKIM BERHAD (“ORKIM” or THE “COMPANY”)**

### **MEMORANDUM OF AGREEMENT BETWEEN WEALTH SAIL SHIPPING PTE. LTD. AND ORKIM WISDOM SDN BHD (A WHOLLY-OWNED SUBSIDIARY OF ORKIM)**

#### **1. INTRODUCTION**

The Board of Directors of Orkim (“**Board**”) is pleased to announce that Orkim Wisdom Sdn Bhd, a wholly-owned subsidiary of the Company (“**Orkim Wisdom**” or the “**Buyer**”), had on 30 March 2026 entered into a Memorandum of Agreement (“**MOA**”) with Wealth Sail Shipping Pte Ltd (“**Wealth Sail Shipping**” or the “**Seller**”) for the proposed acquisition of an IMO type II tanker named Rich Sunda (“**the Vessel**”), for a total purchase consideration of USD24.2 million (or equivalent to approximately RM97.0 million, based on the closing middle rate of USD1:RM4.0090 as of 27 March 2026 published by Bank Negara Malaysia) (“**Purchase Price**”), subject to the terms and conditions of the MOA (“**Proposed Acquisition**”).

#### **2. DETAILS OF THE PROPOSED ACQUISITION**

The Proposed Acquisition entails Orkim Wisdom acquiring the Vessel from the Seller free from all debts, encumbrances, mortgages and maritime liens.

Pursuant to the MOA, the Seller shall also indemnify the Buyer against all claims of whatever nature made against the Vessel in respect of liabilities incurred prior to the time of delivery. Further, to ensure operations efficiency, Orkim Wisdom will also perform physical inspections and reviews of the Vessel prior to completing the Proposed Acquisition.

##### **2.1 Information on the Vessel**

The Vessel is an IMO Type II oil/chemical tanker, with the following key specifications:

Name of the Vessel	:	Rich Sunda (IMO No.: 1107594)
Name of Registered Owner	:	Wealth Sail Shipping Pte. Ltd.
Year built	:	2026
Gross tonnage	:	9,013
Deadweight	:	13,850MT
Length	:	138.73 metres
Breadth	:	20.00 metres
Depth	:	11.40 metres

##### **2.2 Information on Wealth Sail Shipping**

Wealth Sail Shipping is a private company incorporated in Singapore on 23 February 2024 and is principally engaged in the business of shipping, including the chartering of ships and boats with crew. The total issued share capital of Wealth Sail Shipping is Singapore Dollar 50,000

comprising 50,000 ordinary shares.

The Directors of Wealth Sail Shipping are Li Xiaobing, Luo Jinan, Tan Jingjin and Zhang Dehai. The shareholding structure of Wealth Sail Shipping is as follows:

<b>Name of Shareholders</b>	<b>No. of Ordinary Shares</b>	<b>Percentage (%)</b>
Li Xiaobing	15,000	30
Luo Jinan	20,000	40
Tan Jingjin	15,000	30

(Source: Business Profile of Wealth Sail Shipping Pte. Ltd. from ACRA)

### 2.3 Salient terms of the MOA

Set out below are the salient terms of the MOA

#### (i) Scope of Agreement

The Seller shall sell, and the Buyer shall purchase, the Vessel based on the terms and conditions under the MOA. The MOA is effective on the receipt by the Buyer of a completed sea trial report, following which, the Buyer shall have 1 week from the date of receipt to review and accept the same.

#### (ii) Purchase Price

The purchase price is USD24.2 million (approximately RM97.0 million), to be fully satisfied in cash in the following manner:

<b>Payment milestone</b>	<b>Amount</b>	<b>%</b>
Within 3 banking days from the date of the MOA duly signed by both the Seller and Buyer (" <b>Deposit</b> ")	USD2.4 million (approximately RM9.6 million)	10
2 banking days prior to the expected date of delivery of the Vessel	USD21.8 million (approximately RM87.4 million)	90
<b>Total</b>	<b>USD24.2 million</b>	<b>100</b>

#### **Notes:**

- (a) *Banking day refers to a day on which banks are open for the transaction of business in Singapore and Malaysia*
- (b) *Based on the closing middle rate of USD1:RM4.0090 as of 27 March 2026 published by Bank Negara Malaysia*

#### (iii) Delivery Place and Time

- (a) The Seller shall ensure that the Vessel is ready for delivery charter free, safely afloat at a safe and accessible berth or anchorage at Zhejiang Donghong Shipyard in China not before 31 March 2026 and not later than 15 May 2026, at the Seller's option, and 15 May 2026 as cancelling date at the Buyer's option ("**Cancelling Date**").

- (b) In the event that the Vessel is not ready for delivery on or before the Cancelling Date, the Buyer shall have the option of cancelling the MOA, provided such option shall be exercised in writing within 3 banking days from the Cancelling Date.
- (c) Notwithstanding the exercise of due diligence by the Seller, if the Seller anticipates that the Vessel will not be ready for delivery by the Cancelling Date, then the Seller may notify the Buyer in writing stating the date when the Seller anticipates that the Vessel will be ready for delivery and proposing that, that date, shall be the new Cancelling Date.

Upon receipt of such notification, the Buyer shall have the option to cancel the MOA, provided such option is exercised in writing within 3 banking days from the receipt of the aforesaid notification from the Seller. If the Buyer does not exercise the option to cancel the MOA, the date proposed by the Seller shall be the new Cancelling Date.

**(iv) Transfer of Title and Risk**

Title and risk to the Vessel, together with everything belonging to her, shall pass on to the Buyer, upon both payment of the Purchase Price and delivery of the Vessel having occurred. Delivery of the Vessel shall be deemed to take place at the date and time specified in the protocol of delivery and acceptance.

**(v) Delivery condition**

The Seller shall deliver the Vessel to the Buyer strictly as she is and in substantially the same condition as when the Vessel was inspected by the Buyer, fair wear and tear excepted, but free from outstanding recommendations and average damage affecting her present class and with all her class, national trading certificates, clean and valid at the time of delivery.

**(vi) Total loss**

Should, before delivery, the Vessel becomes an actual constructive or compromised total loss (not being a result of an act or omission of the Seller committed with the intent to cause such total loss or recklessly and with knowledge that such total loss would probably result therefrom), or should the Vessel not be able to be delivered before the Cancelling Date due to the outbreak of war, the restraint of Governments or any other cause over which the Seller have no control, then the MOA shall be null and void and neither party shall be liable to the other.

In such event, the Deposit, together with the interest accrued thereon, if any, shall be immediately released in full to the Buyer.

**(vii) Seller's Default and compensation**

Should the Seller default in the delivery of the Vessel with everything belonging to her in the manner and within the time specified in the MOA, the Buyer shall have the right to cancel the MOA.

In such event, the Seller shall make due compensation to the Buyer for their loss and for all expenses together with interest if their failure is proven negligence. However, the compensation shall not be paid if the Buyer cancels the MOA.

## **2.4 Basis and justifications in arriving at the Purchase Price**

The Purchase Price was arrived at on a willing buyer-willing seller basis, after taking into account, amongst others, market prices other vessels with broadly similar specifications, estimated refurbishment costs required to enhance the working condition of the Vessel as well as earnings potential of the Vessel to be acquired. The estimated refurbishment costs were derived based on a physical inspection conducted on the Vessel.

## **2.5 Sources of funding**

The Purchase Price, together with the estimated start-up costs of approximately RM4 million to be incurred (“Start-up Costs”), will be mainly funded through the proceeds raised from the public issue undertaken by the Group in conjunction with its initial public offering (“IPO”) on 9 December 2025.

As set out in the Group’s IPO prospectus dated 19 November 2025, RM80.0 million from the public issue proceeds were allocated for vessel acquisitions. The Group intends to fully utilise these earmarked proceeds for the purchase of the Vessel, while the remaining balance of the Purchase Price and the Start-up Costs will be paid through internally generated funds.

## **2.6 Liabilities and guarantees to be assumed**

Save for the obligations and liabilities arising from or in connection with the completion of the MOA, there are no other liabilities, including any contingent liabilities and guarantees, to be assumed by the Company and its subsidiaries (collectively, the “**Group**”) arising from the Proposed Acquisition.

## **3. RATIONALE FOR THE PROPOSED ACQUISITION**

The Group’s principal business activities comprise of investment holding, while our subsidiaries are principally involved in owning, chartering and operating of vessels, and management of shipping property, freight contractors and transport business.

As at the date of this announcement, the Group’s shipping business operates a fleet of 18 vessels, comprising 16 CPP tankers and 2 LPG tankers, with total load capacity of 239,186 DWT.

The Proposed Acquisition is in line with the Group’s ongoing fleet expansion strategy and fleet rejuvenation programme. The acquisition of an IMO Type II tanker will enhance the Group’s operational flexibility, as such vessel is capable of transporting both CPP and chemical cargoes, thereby broadening the Group’s service offerings and market reach.

#### **4. RISK FACTORS**

Completion of the Vessel Acquisition is subject to the terms and conditions set out in the MOA. As is typical for transactions of this nature, there remains a risk that completion may not occur if certain conditions precedent are not fulfilled or due to unforeseen circumstances arising prior to delivery of the Vessel.

Following completion, the Vessel will be subject to the usual operational and commercial risks inherent in the shipping industry. These include fluctuations in market demand and supply, potential operational issues such as mechanical failures or delays, as well as counterparty risks relating to the performance of charterers. The Group manages these risks in the ordinary course of business through disciplined contract management, engagement with established and reputable counterparties, and the maintenance of appropriate insurance coverage, among other risk mitigation measures.

#### **5. PROSPECTS**

The Group operates in the oil and gas shipping industry, where demand for marine transportation of clean petroleum products (“CPP”), chemicals and palm oil is supported by stable economic activities, ongoing industrialisation and regional trade flows.

The Proposed Acquisition is expected to strengthen the Group’s shipping operations by increasing its fleet capacity, thereby enhancing operational capability, service reliability and ability to capture additional chartering opportunities across these segments.

The acquisition of an IMO Type II tanker will also improve the Group’s operational flexibility, allowing transportation of CPP and chemical cargoes, while supporting broader participation in compatible cargo segments such as palm oil.

Premised on the above, the Board is of the view that the Proposed Acquisition is expected to contribute positively to the Group’s future financial performance and enhance shareholders’ value.

#### **6. EFFECTS OF THE PROPOSED ACQUISITION**

##### **(i) Issued share capital and substantial shareholders’ shareholdings**

The Proposed Acquisition will not have any effect on the Issued share capital and substantial shareholders’ shareholdings of Orkim Berhad, as the Purchase Price is to be fully satisfied in cash.

##### **(ii) Earnings and earnings per share (“EPS”)**

The Proposed Acquisition is expected to contribute positively to the Group’s earnings and EPS for the financial year ending 31 December 2026 as and when the Vessel is acquired and commercialised for operations.

##### **(iii) Net assets (“NA”) and NA per share**

The Proposed Acquisition is expected to contribute positively to the Group’s NA and NA

per Share in the financial year ending 31 December 2026, arising from the potential future profit contributions to be generated.

**(iv) Gearing**

The Proposed Acquisition will not have any effect on the Group's gearing ratio as the Purchase Price is to be fully satisfied via the allocated proceeds from the public issue of Orkim Berhad and the remaining balance will be paid through internally generated funds.

**7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED**

None of the directors, major shareholders and/or persons connected to them has any interest, either directly or indirectly in the Proposed Acquisition.

**8. DIRECTORS' STATEMENT**

The Board is of the opinion that the Proposed Acquisition is in the best interest of the Group after considering, amongst others, the rationale and prospects as set out in Section 3 of this announcement and the potential financial contribution to the earnings of the Group.

**9. ESTIMATED TIME FRAME FOR COMPLETION**

Barring unforeseen circumstances, the Proposed Acquisition is expected to be completed by the 2<sup>nd</sup> quarter of 2026.

**10. APPROVALS REQUIRED**

The Proposed Acquisition is not subject to the approval of the shareholders of Orkim or any regulatory authority.

**11. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the MOA is available for inspection at the registered office of the Company located at Unit 9.01, PJ Tower, Amcorp Trade Centre, 18, Persiaran Barat, 46050 Petaling Jaya, Selangor during normal business hours on Mondays to Fridays (except Saturdays, Sundays and Public Holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 30 March 2026.