CIMB Investment Bank Berhad ("CIMB") was the Principal Adviser to Orkim Berhad for its admission on the Main Market of Bursa Malaysia Securities Berhad on 9 December 2025. CIMB has not reviewed and assumes no responsibility for the contents of this announcement.

ORKIM BERHAD ("ORKIM" OR THE "COMPANY")

\- MEMORANDUM OF AGREEMENT BETWEEN ALLCONTINENTS INTERNATIONAL SHIPPING LIMITED AND ORKIM AMBITION SDN BHD (A WHOLLY-OWNED SUBSIDIARY OF ORKIM) FOR THE PROPOSED ACQUISITION OF MT RONG YAO WU ZHOU

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1. INTRODUCTION

The Board of Directors of Orkim ("**Board**") is pleased to announce that Orkim Ambition Sdn Bhd, a wholly-owned subsidiary of the Company ("**Orkim Ambition**" or the "**Buyer**"), had on 22 July 2026 entered into a Memorandum of Agreement ("**MOA**") with ALLCONTINENTS INTERNATIONAL SHIPPING LIMITED ("**ALLCONTINENTS**" or the "**Seller**") for the proposed acquisition of an IMO Type II oil/chemical tanker named MT Rong Yao Wu Zhou ("the **Vessel**"), for a total purchase consideration of RMB157 million ("**Purchase Price**"), subject to the terms and conditions of the MOA ("**Proposed Acquisition**").

2. DETAILS OF THE PROPOSED ACQUISITION

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

Pursuant to the MOA, the Seller shall indemnify the Buyer against all claims of whatever nature made against the Vessel in respect of liabilities incurred prior to the time of delivery.

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	MT Rong Yao Wu Zhou (IMO No.: 1074814)
Name of Registered Owner	ALLCONTINENTS INTERNATIONAL SHIPPING LIMITED
Year built	2025
Gross tonnage	9,613
Deadweight	13,988.39 tonnes
Length	127.22 metres
Breadth	22.00 metres
Depth	11.60 metres

2.2 Information on ALLCONTINENTS INTERNATIONAL SHIPPING LIMITED

ALLCONTINENTS INTERNATIONAL SHIPPING LIMITED is a company incorporated in Marshall Islands on 10 December 2024.

The total issued share capital of ALLCONTINENTS INTERNATIONAL SHIPPING LIMITED is USD50,000.00 divided into 50,000 shares of USD1.00 each.

The Director of ALLCONTINENTS INTERNATIONAL SHIPPING LIMITED is JIANG YUNZHE.

The shareholding structure of ALLCONTINENTS INTERNATIONAL SHIPPING LIMITED is as follows:

Name of Shareholder	No. of Shares	Percentage (%)
JIANG YUNZHE	50,000	100

(Source: Certificate of Incumbency dated 18 NOV 2025)

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.

(ii) Purchase Price

The Purchase Price is RMB157 million or equivalent to approximately RM94.875 million, based on the closing middle rate of RMB1:RM0.6043 as of 21 July 2026 published by Bank Negara Malaysia, to be fully satisfied in cash in the following manner:

Payment milestone	Amount	%
Within 3 banking days once the MOA is signed, escrow account opened and all subjects duly lifted (“Deposit”)	RMB15.7 million	10
Upon / prior to delivery of the Vessel in accordance with the MOA	RMB141.3 million	90
Total	RMB157.0 million	100

Notes:
(a) Banking days are days on which banks are open both in all of Malaysia, China, including Hong Kong and Marshall Islands.
(b) Based on the closing middle rate of RMB1:RM0.6043 as of 21 July 2026 published by Bank Negara Malaysia.

(iii) Inspection

The Vessel was inspected pursuant to the Idwal pre-purchase inspection report conducted on 11 March 2026 at Taizhou, China. In addition, a physical inspection will be conducted prior to delivery in accordance with the MOA. Completion of the Proposed Acquisition will be subject to the satisfactory outcome of such inspection.

(iv) Delivery Place and Time

The Vessel is ready for delivery not before 15 September 2026 and not later than 20 October 2026. Cancelling date is 20 October 2026 at the Buyers’ option.

The Vessel is expected to be delivered within Singapore Anchorage, subject to the terms and conditions of the MOA.

(v) 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.

(vi) 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 and national trading certificates clean and valid at the time of delivery.

The Vessel shall be delivered free of cargo, slop and stowaways, and the cargo tanks shall be gas free.

(vii) Total Loss

Should, before delivery, the Vessel become an actual, constructive or compromised total loss, or should the Vessel not be able to be delivered before the cancelling date due to the outbreak of war, restraint of governments or any other cause over which the Seller has 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.

(viii) Seller's Default and Compensation

Should the Seller default in the delivery of the Vessel in the manner and within the time specified in the MOA, the Buyer shall have the right to cancel the MOA, subject to the terms and conditions of the MOA.

In such event, the Buyer's rights to refund, compensation, expenses, interest and/or other remedies shall be governed by the MOA and applicable law, including where the Seller's failure to perform is attributable to the Seller's default, breach, negligence or other act or omission as provided under 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 of other vessels with broadly similar specifications, the physical condition of the Vessel, estimated start-up costs required to operationalise the Vessel, as well as the earnings potential of the Vessel to be acquired.

The estimated start-up costs were derived based on Management's assessment and review of the Vessel.

2.5 Sources of funding

The Purchase Price, together with the estimated start-up costs of approximately RM4.197 million to be incurred in connection with the acquisition of the Vessel, will be fully funded through proceeds to be raised from the Group's existing Sukuk Issuance Program.

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 investment holding, while its 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 operates a fleet of 19 vessels, comprising 15 clean petroleum products (CPP) tankers, 2 Chemical tankers and 2 LPG tankers, with a total deadweight tonnage of 253,036 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 CPP and chemical cargoes, thereby broadening the Group's service offerings and market reach.

The Vessel is also expected to strengthen the Group's shipping operations by increasing fleet capacity and improving its ability to capture additional chartering opportunities across Malaysia coastal and selected regional trades.

4. RISK FACTORS

Completion of the Proposed 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 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 the Company, 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

Based on the Group's latest audited financial statements for the financial year ended 31 December 2025, the Proposed Acquisition is expected to increase the Group's gearing ratio from 0.65 times to approximately 0.81 times after taking into account the proposed Sukuk issuance to finance the Purchase Price. The resulting gearing ratio will remain within the financial covenant applicable to the Group's Sukuk Wakalah Programme.

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 Sections 3 and 5 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 end of third quarter of 2026.

10. PERCENTAGE RATIO OF THE PROPOSED ACQUISITION

The highest percentage ratio applicable to the Proposed Acquisition, calculated pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad based on the Company's Audited Financial Statements for the financial year ended 31 December 2025, is 15.24%.

11. APPROVALS REQUIRED

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

12. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the MOA is available for inspection at the registered office of the Company located at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, 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 22 July 2026.