TA WIN HOLDINGS BERHAD ("TA WIN" OR "COMPANY")

PROPOSED SUBSCRIPTION OF 36,847,197 ADDITIONAL ORDINARY SHARES AT RM1.00 PER SHARE IN CYPRIUM WIRE TECHNOLOGY SDN. BHD., 90% SUBSIDIARY OF CYPRIUM CAPITAL SDN. BHD., WHICH IN TURN A SUBSIDIARY OF THE COMPANY, BY WAY OF DEBT CAPITALISATION ("PROPOSED SUBSCRIPTION")

1. INTRODUCTION

The Board of Directors of the Company ("**Board**") wishes to announce that Cyprium Wire Technology Sdn. Bhd. ("**CWT**"), 90% subsidiary of the Cyprium Capital Sdn. Bhd. ("**CC")**, a which in turn a subsidiary of the Company, proposes additional subscription of Ringgit Malaysia Thirty-Six Million Eight Hundred Forty-Seven Thousand One Hundred Ninety-Seven (RM36,847,197.00) Only of 36,847,197 new ordinary shares at an issue price of RM1.00 per share ("**Subscription Price**") in CWT by way of debt capitalisation of an amount owing by CWT to Ta Win and its other subsidiaries ("**Ta Win Group**" or "**Group**") amounting to RM36,847,197.00 ("**Debt Capitalisation**").

Further details of the Proposed Subscription are set out in the ensuing sections below.

2. DETAILS OF THE PROPOSED SUBSCRIPTION

2.1 PROPOSED SUBSCRIPTION

Pursuant to the shareholders' entitlement exercise undertaken by CWT, the rights to subscribe for the new ordinary shares were proposed to be offered to all existing shareholders of CWT in proportion to their respective shareholdings according to the Shareholders Agreement dated 30 June 2021.

CC has indicated its intention to subscribe for its entitlement of 36,847,197 new ordinary shares at an issue price of RM1.00 per share by way of capitalisation of the amount owing by CWT amounting to RM36,847,197.00.

The remaining shareholders of CWT have no intention of exercising their respective entitlements. Accordingly, the Proposed Subscription is only the subscribed by CC.

2.2 INFORMATION ON CWT

CWT is a company incorporated in Malaysia under the Companies Act, 2016 and having its registered address at Unit 26-11, 26-12, Level 26, Q Sentral, Jalan Stesen Sentral 2, 50470 Kuala Lumpur, Malaysia and its business address at Lot 63-67, Alor Gajah Industrial Estate, 78000, Alor Gajah, Melaka, Malaysia.

The principal activity of CWT is manufacturing wire and/or cable products, including but not limited to, using electron beam irradiation, technology which utilise proprietary cross-linking/ionizing radiation treatment.

Currently, the shareholders of CWT and their respective shareholdings are as follows:-

SHAREHOLDERS	NUMBER OF SHARES	PERCENTAGE OF SHAREHOLDINGS
CC	4,235,310	90%
ALT Precision Sdn. Bhd.	352,943	7.5%
Meadowhub Sdn. Bhd.	117,647	2.5%

The Directors of CWT are Dato' Sri Ngu Tieng Ung, JP, Mr. Yeap Wai Meng and Mr. Tan Seng Pang.

2.3 DILUTION

Upon completion of the Proposed Subscription, ALT Precision Sdn. Bhd. and Meadowhub Sdn. Bhd. equity interest in CWT will be diluted to 0.8% and 0.3% respectively. Notwithstanding, CC continues to account for investment in CWT through consolidation as 98.9% owned subsidiary.

The Proposed Subscription and Debt Capitalisation will also increase Ta Win indirect equity interest in CWT through CC due to other existing shareholders not subscribing to their respective entitlements to the new ordinary shares.

3. BASIS AND JUSTIFICATION FOR THE SUBSCRIPTION CONSIDERATION

As at 30 June 2025, CWT had net liabilities of approximately RM31.50 million. There were Shareholders' Advances extended to CWT by the Company and CC amount to approximately RM74,458,800.00 and RM37,166.00 respectively, which totals to approximately RM74.50 million. These advances were extended as financial assistance prior to Financial Year Ended 30 June 2025. The Proposed Subscription requires no new cash outflow from the Group.

In order to regularise CWT financial standing, the Company proposes to undertake an increase in the share capital of CWT via the issuance of new ordinary shares in CWT on the basis of eighty-seven (87) new ordinary shares for every ten (10) existing ordinary shares held by the existing shareholders at a subscription price of RM1.00 per new ordinary share on a pro-rata basis. The subscription price of RM1.00 per share was determined on a willing-buyer willing-seller basis after considering of the rationale and financial effects of Section 4 & 6 below.

The proposed allotment of 36,847,197 new ordinary shares to CC was computed based on CC existing shareholding of 4,235,310 ordinary shares in CWT and the entitlement basis of eighty-seven (87) new ordinary shares for every ten (10) existing ordinary shares held.

The subscription consideration of RM36,847,197.00 for the 36,847,197 new ordinary shares to be allotted by CC shall be satisfied entirely via Debt Capitalisation.

4. RATIONALE FOR THE PROPOSED SUBSCRIPTION

The Proposed Subscription is undertaken as part of the Ta Win Group's exercise to improve and regularise the financial position of CWT. The Proposed Subscription enables CWT to meet the requirements of potential customers and financial institutions, which aids in the growth of future businesses.

5. RISK FACTORS

The Proposed Subscription will not materially change the risk profile of the Company and/or adversely affect the business operations and financial performance of the Group.

6. FINANCIAL EFFECTS

The Proposed Subscription will not have any effect on Ta Win's share capital and substantial shareholders' shareholding in the Company. The Proposed Subscription and Debt Capitalisation will increase the issued and paid-up share capital of CWT.

The Proposed Subscription and Debt Capitalisation are not expected to have any material effect on the net assets or gearing of the Ta Win Group at the consolidated level as the intra-group advances to be capitalised have been eliminated upon consolidation. The Proposed Subscription and Debt Capitalisation are expected to improve the net assets position and reduce the gearing level of CWT but are not expected to have any material effect on the earnings per share of Ta Win Group for the financial year ending 30 June 2026.

7. APPROVALS REQUIRED

The Proposed Subscription does not require the approval of the shareholders of the Company.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

None of the Directors, major shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposed Subscription.

9. DIRECTORS' STATEMENT

The Board, having considered all aspects of the Proposed Subscription including but not limited to the rationale and financial effects of the Proposed Subscription, is of the opinion that the Proposed Subscription is in the best interest of the Ta Win Group.

10. PERCENTAGE RATIO

The highest percentage ratio pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is approximately 24.80%, computed based on the subscription consideration to net assets attributable to equity owners.

This announcement is dated 15 May 2026.