TWL HOLDINGS BERHAD ("TWL" or the "Company")

RE: MUTUAL TERMINATION OF JOINT VENTURE AGREEMENT ("JVA") BETWEEN TWL BUILDERS SDN BHD (PREVIOUSLY KNOWN AS TIGER SYNERGY DEVELOPMENT SDN BHD) AND ELITPROP SDN BHD ("ESB")

(Unless otherwise defined, the definitions and terms set out in the announcement dated 29th June 2026 and 2nd July 2026 shall apply herein)

Reference is made to the Company's announcement dated 29th June 2026 and 02nd July 2026, and the query from Bursa Malaysia Securities Berhad vide its letter dated 06th July 2026 in relation to the same.

The Board wishes to provide the following additional information: -

1) **It is noted that TBSB took a relatively long time in obtaining the approvals from Majlis Bandaraya Shah Alam ("MBSB") and Pejabat Daerah Tanah Klang after entering into the JVA in January 2013 whereby the approvals from MBSB were obtained in 2015 and 2020 and the approval from Pejabat Daerah Tanah Klang was only obtained in 2021, which was more than 8 years after the JVA agreement in January 2013. In this respect, please provide a detailed disclosure on the reasons and/or circumstances of events which caused the lengthy delay in obtaining the approvals from the relevant authorities.**

   REPLY: *The delay in obtaining the relevant approvals from the relevant authorities was due to the following reasons;-*

   (i) *The Group initially obtained planning approval in 2015 for the development of 44 units of semi-detached houses. However, following a reassessment of prevailing market conditions, the proposed development was considered less commercially viable due to the relatively high selling prices of semi-detached houses and weaker market demand for this product segment.*

   To optimise the development potential of the land, the Group subsequently recalibrated the proposed development into a mixed residential scheme comprising medium-rise condominiums and 3-storey semi-detached houses, which was expected to generate a higher gross development value ("GDV") and improved project profitability. However, after further evaluation, this proposal was not pursued and no application for a Development Order was submitted.

   The Group later revised the development concept to 75 units of terrace houses, for which the necessary approval was obtained in 2020. Notwithstanding the approval, the project could not be commenced as planned due to the outbreak of the COVID-19 pandemic. The implementation of nationwide lockdown measures, coupled with the significant slowdown in the property market, adversely affected the project's feasibility and execution timeline. Consequently, the development was deferred.

2) **Despite the facts that the approvals from the relevant authorities were obtained in 2015, 2020 and 2021, please provide greater granularity on the reasons for not completing the Project as planned.**

   REPLY: *The implementation of the Movement Control Order ("MCO"), disruptions to the construction industry and supply chain, labour shortages, financing constraints and the significant slowdown in the property market materially affected the commencement of the projects. In view of these unprecedented circumstances, the*

Group prudently deferred the implementation of the Project.

In 2021, the property market had yet to fully recover from the effects of the COVID-19 pandemic. The Group continued to monitor market demand, construction costs and the overall economic environment to ensure that the Project would only be launched when market conditions were conducive and commercially sustainable.

Throughout this period, the Group remained committed to optimising the development potential of the land and ensuring that any development undertaken would be aligned with prevailing market demand and generate sustainable returns for shareholders. The delays were therefore attributable to prudent commercial considerations and extraordinary external circumstances, rather than any inability to undertake the Project.

3) It is disclosed that TBSB, being the developer of the Project, has incurred development expenses of RM11.19 million to the Project, which has been reimbursed by ESB to TBSB. In this respect, please elaborate further on the following:-

(a) Relevant details of the Project, in accordance to the specified items set out under Paragraph 4, Part C of Appendix 10A of the Main Market Listing Requirements. To also provide a location map with clear labelling of the land held under GM231, Lot No. 1889 in the Mukim of Klang, State of Selangor and other key landmarks at the surrounding areas;

REPLY: *The relevant details of the Project pursuant to Paragraph 4, Part C of the Appendix 10A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are set out below:*

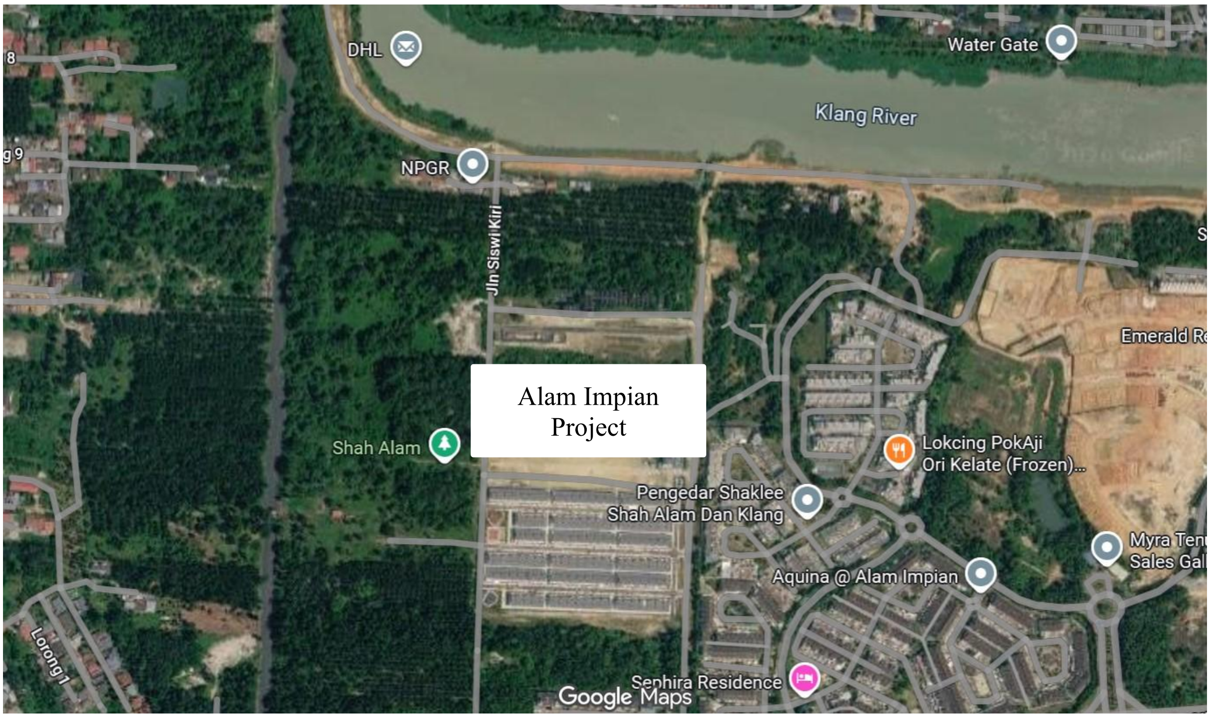
No	Particulars	Details
1	Name of Project	Alam Impian Project
2	Type of Development	A residential development located at Alam Impian, Shah Alam comprising of linked house. The said development is surrounded with amenities such as shopping malls, schools, and food & beverages outlets.
3	Details of the Property	Agricultural land held under GM 231, Lot No. 1889 in the Mukim and District of Klang, State of Selangor Darul Ehsan
4	Terms of tenure	Freehold
5	Approximate area (acres)	4.2 acres
6	Estimated Gross Development Value ("GDV") & Estimated Gross Development Cost ("GDC")	The GDV of this project was estimated to be RM67 million, the GDC was estimated to be RM57 million, and was expected to provide an estimated profit of RM10 million to the Group.
7	Source of Funding	The proposed funding for the Project was expected to be derived from internally generated funds and bank borrowings.

For information, the Land is located in Seksyen 35 Shah Alam. It lies approximately 1 kilometre to the west of Alam Impian and approximately 11 kilometres to the south west of Shah Alam Town City Centre respectively.

Access to the project from Alam Impian is possible via Jalan Persiaran Panglima Hitam, Jalan Siswa Kanan and thereafter onto Jalan Ngah Ibrahim 35/69, where the project is located.

The location map with clear labelling of the land held under GM231, Lot No. 1889 in the Mukim of

Klang, State of Selangor as shown below:-



(b) Type/details of development activities within the Project and the percentage of completion of the development project, that had taken place as of to-date;

REPLY: *As of to-date, the development activities within the Project were preliminaries work, site clearance & earthworks, RC walls, sample houses, and infrastructure works, with a percentage of completion at 18%.*

(c) The name of the contractor(s) appointed, date of appointment and scope of work of such contractor(s); and

REPLY:

NAME OF CONTRACTOR	DATE OF APPOINTMENT
HASRAT RANCAK SDN BHD	2013
PRIMA HANDAL DEVELOPMENT SDN BHD	2015
HASRAT RANCAK SDN BHD	2016
PRISTINE GOLDHILL SDN BHD	2018

(d) **Date of payment made by ESB to TBSB for the reimbursement of the development expenses of RM11.19 million. Please also provide a detailed disclosure on the utilisation of the reimbursed amount by TBSB/TWL**.

REPLY: *ESB has reimbursed the development expenses of RM11.19 million to TBSB on 29 June 2026. The reimbursed amount shall be utilized by TBSB/TWL for the settlement of the Purchase Price pursuant to the Share Sale Agreement dated 18 June 2026 entered between TBSB and Lam Boon Ling.*

4) **In view that the RM11.19 million development expenses accounted for approximately 48.65% of the estimated cost of the entire project of approximately RM23 million (as disclosed in January 2013), please clarify whether or not the Project was officially launched to the public. If yes, please disclose the launch date together with sales details which shall include the number of units sold and the total sales value. To also disclose the amount of compensation/liquidated damages to be paid to the buyers and whether or not this will have any financial impact to the TWL Group arising from the termination of the JVA.**

REPLY: *The Project was not officially launched to the public*

5) **It is disclosed in the JVA dated 17 January 2013, which states TBSB shall pay directly to ESB a sum of RM3 million, being a consideration sum for entering into the JVA in consideration of which TBSB shall be given the exclusive right to develop and to carry out construction on the development land in relation to the Project. Given the mutual termination of the JVA on 29 June 2026, please clarify clearly on whether ESB will refund fully the consideration sum of RM3 million to TBSB. If not, please provide a detailed elaboration and justification to account for any shortfall (if any).**

REPLY: *The consideration sum of RM3 million has been fully refunded by ESB to TBSB*

6) **Please also disclose the following:**

(a) **Whether there is any change in the shareholdings and directorships of ESB since the JVA date until the termination of the JVA on 29 June 2026. If yes, please provide details of the change(s), which shall include the date of change(s), the name of the party(ies) involved together with their designation and/or shareholdings in ESB accordingly; and**

REPLY: *Yes. There was a change in the directorship of ESB from the date of the Joint Venture Agreement up to the termination of the Joint Venture Agreement on 29 June 2026. However, there was no change in ESB's shareholding during the said period.*

The details of the change in directorship are as follows:

No	Name of Party Involved	As at JVA date (17.01.2013)	As at JVA Termination date (29.06.2026)
1	Ms. Woon Jing Yu	Director	Resigned
2	Ms. Low Swee Foong	Director	Resigned
3	Mr. Anesemuthy @ Ganesmoorthy	-	Director

(b) **Whether any director and/or shareholder of ESB (past and/or current) and/or persons connected to them is a related party to the TWL Group. If yes, please name the parties involved and disclose the nature of their relationship/connection accordingly.**

REPLY: *None of the past or present directors and/or shareholders of ESB, or persons connected to them, are related parties to the TWL Group.*