SEAL INCORPORATED BERHAD ("SEAL" OR THE "COMPANY")

PROPOSED STRATEGIC COLLABORATION WITH TITANIUM GREENVIEW SDN BHD ("TGSB") THROUGH A PROPOSED INVESTMENT BY TGSB VIA SUBSCRIPTION OF NEW ORDINARY SHARES FOR 82.34% OF THE ENLARGED ISSUED ORDINARY SHARE CAPITAL OF MUTIARA WATERFRONT HABITATS SDN BHD ("PROPOSED COLLABORATION")

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1. INTRODUCTION

The Board of Directors of Seal ("**Board**") wishes to announce that the Company, Daiman Majumas Sdn Bhd ("**DMSB**") (a wholly-owned subsidiary of the Company) and Mutiara Waterfront Habitats Sdn Bhd ("**MWHSB**") (an 80.00%-owned subsidiary of DMSB), had on 16 February 2026 entered into a conditional subscription cum shareholders agreement ("**SSHA**") with Biopolis Group Sdn Bhd ("**BGSB**") and TGSB in relation to the Proposed Collaboration.

(Seal, DMSB, MWHSB, BGSB and TGSB are collectively referred to as "**Parties**" or individually as "**Party**", whereas DMSB and BGSB are collectively referred to as "**Existing Shareholders**")

On 11 February 2026, the Company announced that the Company and DMSB, had on 11 February 2026 entered into a share sale agreement ("**SSA**") with BGSB for the proposed acquisition of 400,000 ordinary shares in MWHSB, representing 20.00% of the existing issued ordinary share capital of MWHSB, by DMSB from BGSB ("**Proposed Acquisition**").

Upon completion of the Proposed Collaboration and Proposed Acquisition, Seal's equity interest in MWHSB (held via DMSB) will be reduced from the existing 80.00% to 17.66%, resulting in MWHSB ceasing to be a subsidiary of Seal (held via DMSB). Notwithstanding, Seal (via DMSB) will continue to benefit from the Existing Shareholders' Entitlement (as defined herein) of 3.03 acres of the Developer Land (as defined herein) upon the completion of the Reclamation Project (as defined herein) by MWHSB.

Further details of the Proposed Collaboration are set out in the ensuing sections of this Announcement.

2. THE PROPOSED COLLABORATION

2.1 Information on the Parties

(a) TGSB

TGSB was incorporated on 17 November 2017 as a private limited company in Malaysia under the Companies Act 2016 ("**Act**"). TGSB is principally involved in the business of property development.

As at 30 January 2026, being the latest practicable date prior to this Announcement ("**LPD**"), TGSB has an issued share capital of RM100,000.00 comprising 100,000 ordinary shares. TGSB is a wholly-owned subsidiary of GSD Land (M) Sdn Bhd, which in turn is owned by Dato' Seri Khor Chong Hai (70%), Khor Chong Guan (20%) and Khoek Su Kiang (10%). The directors of TGSB are Dato' Seri Khor Chong Hai and Khoek Su Kiang.

GSD Land (M) Sdn Bhd, the holding company of TGSB, is a property developer based in northern Malaysia with a stellar track record of prestigious developments within the area. Its recent project highlights include Summerton in Bayan Indah, Skycube Residence, Gardens Ville and Sierra Residences in Sungai Ara.

(b) DMSB

DMSB was incorporated on 29 March 2021 as a private limited company in Malaysia under the Act. DMSB is an investment holding company.

As at the LPD, DMSB has an issued share capital of RM100.00 comprising 100 ordinary shares. DMSB is a wholly-owned subsidiary of Seal. The directors of DMSB are Koay Shean Loong and Teh Guat Cheng.

DMSB is the immediate holding company of MWHSB, holding 80.00% of the issued ordinary share capital of MWHSB.

(c) BPSB

BGSB was incorporated on 13 August 2019 as a private limited company in Malaysia under the Act. BGSB is an investment holding company.

As at the LPD, BGSB has an issued share capital of RM100,000.00 comprising 100,000 ordinary shares. BGSB is wholly-owned by Dato' Seri Ar. Jong East Full, who also serves as its sole director.

BGSB is a shareholder of MWHSB, holding 20.00% of the issued ordinary share capital of MWHSB.

(d) MWHSB

MWHSB was incorporated on 3 September 2019 as a private limited company in Malaysia under the Act. MWHSB is principally involved in the provision of business support services and real estate activities with own or leased property. MWHSB is the developer for the Reclamation Project (as defined herein) under the Reclamation Agreement (as defined herein).

As at the LPD:

(i) MWHSB has a total issued share capital of RM31,797,000.00 comprising 2,000,000 ordinary shares ("**MWHSB Shares**") and 29,797,000 redeemable preference shares ("**MWHSB RPS**");

(ii) the holders of MWHSB Shares and their respective shareholdings are as follows:

	Direct		Indirect	
Shareholders	**No. of MWHSB Shares**	**[1]%**	**No. of MWHSB Shares**	**[1]%**
DMSB	1,600,000	80.00	-	-
BGSB	400,000	20.00	-	-
Seal	-	-	[2]1,600,000	80.00
Chen Khai Voon	-	-	[3]1,600,000	80.00
Dato' Seri Ar. Jong East Full	-	-	[4]400,000	20.00

Notes:

(1) Computed based on the total number of 2,000,000 MWHSB Shares.

(2) Deemed interested by virtue of its direct interest in DMSB pursuant to Section 8 of the Act.

(3) Deemed interested by virtue of his indirect interest in DMSB (held via Seal) pursuant to Section 8 of the Act.

(4) Deemed interested by virtue of his direct interest in BGSB pursuant to Section 8 of the Act.

(iii) Seal is the sole holder of the 29,797,000 MWHSB RPS;

(iv) the directors of MWHSB are Koay Shean Loong and Teh Guat Cheng; and

(v) MWHSB does not have any subsidiary, associate company or joint venture company.

MWHSB entered into a reclamation agreement with the Penang Development Corporation ("**PDC**") on 19 November 2020, as amended and supplemented by the supplemental agreements dated 9 April 2021 and 29 September 2023 (collectively, the "**Reclamation Agreement**"), which grants MWHSB the rights to undertake and complete the reclamation of approximately 31.50 acres of gross area at a site located in front of Lot 20279 and Lot 11105 and PT4038, Persiaran Bayan Mutiara, Mukim 13, Daerah Timor Laut, Pulau Pinang ("**Reclaimed Land**") ("**Reclamation Project**").

Pursuant to the Reclamation Agreement:

(i) the net area of the Reclaimed Land measures approximately 22.87 acres after excluding area required to be set aside in accordance with the Town and Country Planning Act 1976 as well as all other applicable laws, rules, directives and regulation of the relevant authorities ("**Net Developable Land**");

(ii) in consideration of MWHSB undertaking the Reclamation Project, upon completion of the Reclamation Project, MWHSB will be entitled to 40.00% of the Net Developable Land, estimated at approximately 9.15 acres ("**Developer Land**");

(iii) in consideration of PDC granting the rights to MWHSB for undertaking and completing the Reclamation Project, upon completion of the Reclamation Project, PDC shall be entitled to the following as consideration from MWHSB:

    (a) 60.00% of the Net Developable Land, which shall not be less than approximately 13.725 acres ("**PDC Land**"), of which at least 50.00% of the PDC Land shall be sea-facing; and

    (b) RM100 per square foot ("**psf**") of the Developer Land estimated at RM39,857,400 via cash ("**Cash Consideration**");

    For information, as at the date of this Announcement, the Cash Consideration has been fully paid by MWHSB to PDC, of which 50.00% (RM19,928,700) was paid between January 2022 to May 2023, while the balance 50.00% (RM19,928,700) was paid in July 2025 ("**Balance 50% Cash Consideration**") via advances by TGSB.

The current status of the Reclamation Project is as follows:

Plot	Status
2	Partially reclaimed, the remaining reclamation work has yet to begin.
3	Yet to be reclaimed.
10	Fully reclaimed.

In October 2024, PDC offered a portion of its entitled PDC Land, measuring 8.006 acres, to MWHSB at a price of RM300 psf, amounting to a total consideration of approximately RM104.62 million ("**PDC's Offer**"). Upon taking into consideration the PDC's Offer, the Developer Land area will increase from approximately 9.15 acres to approximately 17.156 acres, while the PDC Land area will decrease from approximately 13.725 acres to approximately 5.719 acres.

Based on the latest audited financial statements of MWHSB for the financial year ended (“**FYE**”) 30 June 2025, the loss after tax of MWHSB for the FYE 30 June 2025 is RM1.44 million and its net assets (“**NA**”) as at 30 June 2025 is RM27.81 million.

2.2 Details of the Proposed Collaboration

The Proposed Collaboration entails the proposed investment by TGSB in MWHSB via the subscription of 9,325,028 new MWHSB Shares (“**Subscription Shares**”), representing 82.34% of the enlarged issued ordinary share capital of MWHSB after such subscription, at an issue price of RM1.00 per Subscription Share for a total consideration of RM9,325,028 (“**Subscription Consideration**”) (“**MWHSB Shares Subscription by TGSB**”).

The Subscription Consideration will be satisfied by TGSB entirely in cash in the following manner:

(i) 10.00% of the Subscription Consideration amounting to RM932,502.80 being refundable deposit (“**Deposit**”), has been paid by TGSB to its solicitor as stakeholder which TGSB’s solicitors duly acknowledged receipt as at the date of the SSHA. The Deposit shall be released to MWHSB within 7 days from the effective date of the SSHA, being the date all conditions precedent of the SSHA have been fulfilled and satisfied (“**Effective Date**”); and

(ii) balance 90.00% of the Subscription Consideration amounting to RM8,392,525.20 shall be paid by TGSB to MWHSB within 1 month from the Effective Date subject to extension of time as may be mutually agreed by the Parties.

Within 7 days after the payment of the Subscription Consideration, MWHSB shall allot and issue the Subscription Shares to TGSB free from all liens, pledges, charges and other encumbrances of whatsoever together with all rights and advantages attaching thereto or accruing thereon at the Subscription Consideration.

The effects on the ordinary shareholding in MWHSB are as follows:

Shareholders	**Existing**		**Post-MWHSB Shares Subscription by TGSB**			
			Before the Proposed Acquisition		**After the Proposed Acquisition**	
	No. of MWHSB Shares	**%**	**No. of MWHSB Shares**	**%**	**No. of MWHSB Shares**	**%**
TGSB	-	-	9,325,028	82.34	9,325,028	82.34
DMSB	1,600,000	80.00	1,600,000	14.13	2,000,000	17.66
BGSB	400,000	20.00	400,000	3.53	-	-
Total	**2,000,000**	**100.00**	**11,325,028**	**100.00**	**11,325,028**	**100.00**

Upon completion of the MWHSB Shares Subscription by TGSB, TGSB will become the major and controlling shareholder of MWHSB and shall assume all obligations thereto, including but not limited to the commitment to fund and complete the Reclamation Project under the Reclamation Agreement. Accordingly, Seal and DMSB will no longer be required to contribute any fundings to MWHSB for the Reclamation Project.

In accordance with the terms of the SSHA, the Parties agree to utilise the Subscription Consideration as follows:

(i) a sum of approximately RM9.02 million, equivalent to the fixed deposits account pledged with a financial institution by MWHSB for purpose of the Reclamation Agreement via advances by Seal, shall be utilised as full settlement of all outstanding amount owing by MWHSB to Seal. Simultaneously, Seal shall partially redeem the MWHSB RPS at the amount equivalent to the abovementioned sum; and

(ii) remaining of the Subscription Consideration upon deducting the sum stipulated under item (i) above shall be utilised as future working capital of MWHSB upon execution of the SSHA and the same shall not be utilised to settle any debts, liabilities or outstanding sums incurred by MWHSB prior to the date of payment of the Subscription Consideration by TGSB.

The other salient terms of the SSHA are set out in Appendix I of this Announcement.

2.3 Basis of and justification for the Subscription Consideration

The Subscription Consideration was arrived at on a willing-buyer willing-seller basis after taking into consideration the rationale of the Proposed Collaboration as set out in Section 3 of this Announcement. Pursuant to the Proposed Collaboration, the investment by TGSB in MWHSB does not only limit to the Subscription Consideration, but it also encompasses TGSB's future funding commitments required to complete the Reclamation Project including, among others, the Balance 50% Cash Consideration payment to PDC, and subject to variation based raw material costs and other input costs necessary for the Reclamation Project.

2.4 Liabilities to be assumed

Seal and its subsidiaries (collectively, "**Seal Group**" or the "**Group**") will not assume any liabilities, including contingent liabilities and guarantees pursuant to the Proposed Collaboration.

2.5 Original cost and date of investment

DMSB subscribed for the 1,600,000 MWHSB Shares (i.e. 80% equity interest in MWHSB) for RM1,600,000 in May 2021.

In October 2023, Seal completed the acquisition of the entire equity interest in DMSB, which in turn owns 80.00% equity interest in MWHSB, for a total consideration of RM17.00 million ("**DMSB Acquisition**").

The total cost of investment and advances incurred by the Group for the investment in MWHSB as at 30 September 2025 is as follows:

	RM'million
Consideration for the DMSB Acquisition	17.00
Investment/Advances in MWHSB for the Reclamation Project:	
(a) Subscription of the MWHSB RPS	29.80
(b) Advances	1.77
Total	**48.57**

For information, upon further taking into consideration (i) the partial redemption of the MWHSB RPS held by Seal of RM9.02 million (via part of the Subscription Consideration as disclosed in Section 2.2 above), and (ii) the purchase consideration payable by DMSB for the Proposed Acquisition of RM15.00 million, the total cost of investment and advances incurred by the Group for the investment in MWHSB will be approximately RM54.55 million.

3. RATIONALE OF THE PROPOSED COLLABORATION

Seal Group is involved in property investment, property development, property management, construction, and timber related businesses. Due to the effects of the coronavirus disease 2019 (COVID-19) pandemic and the ongoing global economic uncertainties arising from geopolitical tensions, conflicts, and unpredictable trade policies on businesses worldwide, Seal Group's revenue has been on a fluctuating trend for the past 5 financial years up to the FYE 30 June 2025, whereby the property development and property investment segments collectively contributed to the Group's total revenue at the range of approximately 43% to 97% for the past 5 financial years up to the FYE 30 June 2025.

In view of the inconsistent financial performance of Seal Group in the property development and property investment segments, as well as the prevailing market conditions and the long gestation period associated with the completion of the Reclamation Project, Seal has been trying to realign the strategic direction of the Group to improve business resilience and generate more consistent revenue and profits, wherein it had diversified into renewable energy and related activities in 2024 through an investment in an associate company, namely MSR Green Energy Sdn Bhd.

The Proposed Collaboration provides an opportunity for Seal to reduce its financial and resource commitments in MWHSB and the Reclamation Project, whilst still being able to enjoy the future benefits of the entitled land portion of the Existing Shareholders' Entitlement upon completion of the Reclamation Project by retaining a minority stake in MWHSB. Not only can the funds to be invested by TGSB in MWHSB via the Proposed Collaboration provide additional capital for the Reclamation Project, it also allows TGSB to assume all future funding obligations for the Reclamation Project, as the new major and controlling shareholder of MWHSB, which differs from the original structure where Seal, as the major shareholder (held via DMSB), is required to assume all funding obligations for the Reclamation Project.

Further, upon full completion of the Proposed Acquisition, Seal (via DMSB) will gain full ownership and control of the entire Existing Shareholders' Entitlement for 3.03 acres of the Developer Land, thereby enjoying the future benefits to be derived from the 3.03-acre Reclaimed Land upon completion of the Reclamation Project.

Upon the Effective Date, Seal will not be obliged to provide any fundings to MWHSB in relation to the Reclamation Project, and MWHSB will be reclassified from a subsidiary to an investment of Seal Group which its financial results will cease to be consolidated by Seal. In this regard, the Proposed Collaboration significantly reduce Seal Group's overall financial commitments associated with the Reclamation Project while retaining the value and opportunities stemming therefrom based on its remaining interest of 17.66% in MWHSB upon the effective/completion of the Proposed Collaboration and Proposed Acquisition.

The Board is of the view that the Proposed Collaboration represents a strategic opportunity to revitalise the Reclamation Project while mitigating Seal Group's financial risk and exposure, which in turn enables the Company to reallocate resources to areas with greater strategic value and growth potential.

4. RISK FACTORS

4.1 Non-completion risk

The completion of the Proposed Collaboration is conditional upon the satisfaction or waiver (where legally permissible), as the case may be, of the conditions precedent of the SSHA ("**Conditions Precedent**") within the stipulated timeframe in accordance with the terms of the SSHA. There can be no assurance that the Conditions Precedent will be fulfilled or waived in a timely manner. In the event any of the Conditions Precedent cannot be fulfilled or waived on or before the expiry of the stipulated timeframe, the SSHA shall be terminated and all the potential benefits arising from the Proposed Collaboration will not materialise.

The Company will take all reasonable steps and use its best endeavors to ensure that the Conditions Precedent are met within the stipulated timeframe and that every effort is taken to obtain the requisite approvals and to perform its obligations in accordance with the terms of the SSHA in order to complete the Proposed Collaboration in a timely manner.

5. EFFECTS OF THE PROPOSED COLLABORATION

5.1 Issued share capital and substantial shareholders' shareholding

The Proposed Collaboration will not have any effect on the Company's issued share capital and substantial shareholders' shareholdings as the Proposed Collaboration does not involve any issuance of ordinary shares in the Company ("**Shares**").

5.2 NA and gearing

The pro forma effects of the Proposed Collaboration and Proposed Acquisition (collectively, the "**Proposals**") on the consolidated NA and gearing of the Company are as follows:

	Audited as at 30 June 2025	**(I) After Proposed Collaboration**	**(II) After Full Completion of Proposed Acquisition**
	(RM'000)	**(RM'000)**	**(RM'000)**
Share capital	209,697	209,697	209,697
Treasury shares	(163)	(163)	(163)
Asset revaluation reserve	353	353	353
Retained profits	172,809	194,793(3)	194,693(5)
Shareholder's equity/NA	**382,696**	**404,680**	**404,580**
Non-controlling interests	(394)	3(4)	3
Total equity	**382,302**	**404,683**	**404,583**
No. of Shares in issue ('000) (excluding treasury shares)	449,364	449,364	449,364
NA per Share (RM) (1)	0.85	0.90	0.90
Total borrowings (RM'000)	88,224	88,224	88,224
Gross gearing (times) (2)	0.23	0.22	0.22

Notes:

(1) Calculated based on NA over number of Shares in issue (excluding treasury shares).

(2) Calculated based on total interest-bearing borrowings over NA.

(3) After adjusting the estimated gain on loss of control in MWHSB after the Proposed Collaboration of approximately RM22.48 million and estimated expenses in relation to the Proposed Collaboration of RM500,000.*

**The estimated gain on loss of control in MWHSB of approximately RM22.48 million is derived based on the following assumptions:*

*(i) the Existing Shareholders' Entitlement of 3.03 acres ("**Entitled Land**") upon full completion of the Proposed Acquisition;*

(ii) indicative illustrative land price of the Entitled Land of RM500 psf as per the land price of comparable properties in close proximity to the Reclaimed Land based on verbal feedback obtained by the management of the Company from valuers.

	RM'million
Indicative land price of the Entitled Land	*65.99*
Less: NA of MWHSB derecognised	*43.51*
Estimated gain on loss of control	***22.48***

(4) After adjusting for the deconsolidation of MWHSB from the Group after the Proposed Collaboration.

(5) After adjusting for the estimated expenses in relation to the Proposed Acquisition of RM100,000.

5.3 Earnings and earnings per Share ("EPS")

For illustrative purpose only, based on the latest audited consolidated statements of comprehensive income of the Company for the FYE 30 June 2025 and on the assumption that the Proposals had been effected at the beginning of the said financial year, the pro forma effects of the Proposals on the consolidated earnings and EPS of the Company are as follows:

	Audited as at 30 June 2025	(I) After Proposed Collaboration	(II) After Full Completion of Proposed Acquisition
	(RM'000)		(RM'000)
Net profit attributable to owners of the Company	7,706	7,206[(2)]	7,106[(3)]
Add: Estimated gain on loss of control of MWHSB	-	22,484	22,484
Pro forma net profit attributable to owners of the Company	**7,706**	**29,690**	**29,590**
Basic/Diluted EPS attributable to owners of the Company (sen) [(1)]	1.80	6.61	6.58

Notes:

(1) Calculated based on net profit attributable to the owners of the Company divided by the weighted average number of Shares in issue (excluding treasury shares).

(2) After adjusting for the estimated expenses in relation to the Proposed Collaboration of RM500,000.

(3) After adjusting for the estimated expenses in relation to the Proposed Collaboration of RM100,000.

5.4 Convertible securities

The Company does not have any convertible security in issue as at the date of the LPD.

6. PERCENTAGE RATIO

As disclosed in the Company's announcement dated 11 February 2026, the highest percentage ratio applicable to the Proposed Acquisition pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**") is 3.92%, computed based on the purchase consideration for the Proposed Acquisition over the audited consolidated NA of Seal as at 30 June 2025.

The highest percentage ratio applicable to the Proposed Collaboration pursuant to Paragraph 10.02(g) of the Listing Requirements is 8.65%, computed based on the audited total assets of MWHSB as at 30 June 2025 over the audited consolidated total assets of Seal as at 30 June 2025.

Paragraph 10.12 of the Listing Requirements stipulates, among others, that transactions should be aggregated when such transactions involving the acquisition or disposal of securities or interests in one particular corporation/asset. As both of the Proposed Acquisition and Proposed Collaboration involving MWHSB Shares and were agreed upon within a period of 12 months, pursuant to Practice Note 14 of the Listing Requirements, the Proposed Collaboration will be aggregated with the Proposed Acquisition for the purpose of determining the obligations applicable in respect of the Proposed Collaboration.

In this regard, the highest aggregated percentage ratio for the Proposals is 8.65%.

7. APPROVALS REQUIRED AND CONDITIONALITY

Based on the highest aggregated percentage ratio of 8.65% for the Proposals, which constitute non-related party transactions, Seal is not required to seek shareholders' approval for the Proposed Collaboration at a general meeting pursuant to the Listing Requirements.

Notwithstanding the above, in view of the significant changes arising from the Proposed Collaboration, including the dilution of Seal Group's participation and equity interest in MWHSB and the Reclamation Project and the resulting deconsolidation of MWHSB from the Seal Group, the Company will, on a voluntary basis, seek its shareholders' approval for the Proposed Collaboration at an extraordinary general meeting ("**EGM**") to be convened.

For the avoidance of doubt, the Proposed Acquisition will not be subject to the approval of the shareholders of the Company, in view of the its stand-alone percentage ratio as set out in Section 6 above and that the Proposed Acquisition is not a related party transaction.

The Proposed Collaboration is not conditional upon the Proposed Acquisition or any other corporate exercises undertaken or to be undertaken by the Company.

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

None of the directors and/or major shareholders of the Company and/or persons connected with them have any interest, direct or indirect, in the Proposed Collaboration.

9. DIRECTORS' STATEMENT

The Board, after having considered all aspects of the Proposed Collaboration including the terms and conditions of the SSHA, the rationale and pro forma effects of the Proposed Collaboration, is of the opinion that the Proposed Collaboration is in the best interest of Seal.

10. ADVISER

Astramina Advisory Sdn Bhd has been appointed as the Financial Adviser to the Company in relation to the Proposed Collaboration.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all requisite approvals/consents being obtained, the Proposed Collaboration is expected to become effective by the second (2^{nd}) quarter of 2026.

12. DOCUMENT FOR INSPECTION

The SSHA is available for inspection at the registered office of Seal at Suite 18.05, MWE Plaza, No. 8, Lebuh Farquhar, 10200, George Town, Pulau Pinang, during normal business hours from Mondays to Fridays (except public holidays) for a period of 3 months from the date of this Announcement.

This Announcement is dated **16 February 2026**.

1. Conditions precedent

The Parties agree that the SSHA shall only be effective upon the following Conditions Precedent have been duly satisfied/complied/obtained within 3 months from the execution date of the SSHA, subject to a further extension of up to 9 months period of time at the sole discretion of TGSB ("**CP Period**"):

(i) the Reclamation Agreement is still valid, enforceable, and subsisting prior to the allotment of the Subscription Shares to TGSB;

(ii) the PDC's Offer is still valid, enforceable, and subsisting prior to the allotment of the Subscription Shares to TGSB;

(iii) the Existing Shareholders shall provide all MWHSB's documents including but not limited to documents requested by TGSB for the purpose of due diligence exercise by TGSB on MWHSB ("**Due Diligence**") and TGSB having completed and being satisfied at its discretion with the results of the Due Diligence;

(iv) PDC's consent in change of shareholding in MWHSB arising from the allotment of the Subscription Shares to TGSB, being one of the requirements stipulated in the Reclamation Agreement duly obtained by TGSB;

(v) in respect of the previous PDC's consent for change in shareholding in DMSB arising from the acquisition of the entire equity interest in DMSB by Seal (which had been completed in October 2023), the Existing Shareholders shall obtain PDC's written confirmation that the outstanding sum of RM50,000 being balance PDC's consent fee for the said previous change of shareholding in DMSB payable to PDC has been fully settled or has been duly waived by PDC, whichever shall be applicable. The Existing Shareholders shall further provide confirmation that such previous consent in change of shareholding in DMSB is still valid and enforceable;

(vi) the Existing Shareholders' board of directors and members' resolution/approval/mandate duly obtained, whereby Seal will be required to obtain its shareholders' approval via an EGM to be conducted (if applicable);

(vii) all the liabilities and debts of MWHSB incurred and to be incurred prior to payment of the Subscription Consideration to MWHSB by TGSB shall be fully settled by DMSB and Seal to ensure that MWHSB is free from debts and liabilities save and except for the MWHSB RPS where the manner in dealing with the same to be addressed in the SSHA;

(viii) assignment of advances from the shareholders and all third parties' advances has been completed;

(ix) extension of time for payment of the Balance 50% Cash Consideration has been duly obtained from PDC and written confirmation of the same duly forwarded to TGSB;

(x) the Existing Shareholders duly executed all the documents requested by TGSB for the purpose of the Reclamation Agreement, change in directorship, change in bank signatories, allotment of the Subscription Shares, termination of the existing shareholders' agreement dated 1 January 2022 entered between DMSB, BGSB and MWHSB in replace for the SSHA and for any other purposes as TGSB deem necessary; and

(xi) Seal shall furnish to TGSB a written confirmation confirming that Seal is not entitled to any interest for the sum advanced to MWHSB and/or any interest arising from the MWHSB RPS.

In the event any of the Conditions Precedent are not been fulfilled or complied with within the CP Period, TGSB may at its sole discretion dispense any of the Conditions Precedent, or the Parties may mutually agree to grant extension of time or to terminate the SSHA, and upon such termination the Parties shall revert to and seek their respective rights against each other as set out in the SSHA whereby upon such termination, TGSB shall have the rights to claim with the Existing Shareholders the following:

(i) The Existing Shareholders shall procure PDC to refund to TGSB the sum paid to PDC in respect of the PDC's Offer; and

(ii) The Existing Shareholders shall refund all the sums made by TGSB to MWHSB including but not limited to the Balance 50% Cash Consideration (if the same has been duly paid) and the Subscription Consideration (if the same has been duly paid) within 60 days from the date of expiry free from interest.

2. Special conditions

Provided always that the Deposit has been duly deposited with TGSB's solicitor as stakeholder, the Parties hereby agree and confirm that upon receipt of payment of the Balance 50% Cash Consideration for PDC, or the Subscription Consideration by MWHSB from TGSB (whichever shall be earlier), the Existing Shareholders and MWHSB shall within 30 days from the date of receipt of any such payment complete the following:

(i) effect the appointment and nomination of 2 directors as TGSB deems fit to be involved in the day-to-day operation and decision-making process in MWHSB and cause and procure the resignation of one of the current directors of MWHSB;

(ii) effect change of MWHSB's bank signatory whereby the bank signatory shall be the authorised personnel appointed by TGSB; and

(iii) effect the appointment of TGSB's company secretary replacing the existing company secretary and to prepare all the relevant documents in respect of the subscription of the Subscription Shares including but not limited to directors and members' resolution, forms for subscription of shares, letter of appointment of new directors and letter of resignation of the existing directors (change in directorship).

3. Completion

The date of the Conditions Precedent has been complied with, fulfilled, and satisfied shall be referred to as the Effective Date.

4. The Existing Shareholders' entitlement

In consideration of TGSB agreeing to procure MWHSB to transfer or to procure the State Authority to alienate or MWHSB agreeing to transfer or MWHSB agreeing to procure the State Authority to alienate, whichever shall be applicable, to the Existing Shareholders part of the Developer Land upon completion of the Reclamation Project in the following proportion, whereby the Existing Shareholders are collectively entitled to 3.03 acres of the Developer Land ("**Existing Shareholders' Entitlement**"), DMSB shall undertake to transfer all the MWHSB Shares held to TGSB upon the above transfer or alienation, while Seal shall also undertake to redeem all remaining MWHSB RPS simultaneously without claiming for any consideration, entitlements, profits, sums, interests, prices and/or dividends from MWHSB and/or TGSB:

Parties	Entitled Developer Land (acres)	Percentage of Entitled Developer Land
TGSB	14.126	82.34%
Existing Shareholders i.e. DMSB and BGSB	3.03	17.66%
Total	**17.156**	**100.00%**

The Parties agree that the total entitlement for the Existing Shareholders is 3.03 acres. Notwithstanding the proportion as set out above, in the event the Existing Shareholders have reached other agreement/consensus on the agreed distribution proportion and/or location of the entitled 3.03-acre land among the two parties, TGSB will cause/procure MWHSB to transfer or the state authority to alienate the Existing Shareholders' Entitlement based on the agreed distribution proportion subject to the Existing Shareholders furnishing such agreement/consensus in written form to TGSB.

For avoidance of doubt, in the event the Existing Shareholders failed to reach agreement/consensus on the distribution proportion of the entitled 3.03-acre land, TGSB is not obligated to transfer or procure the state authority to alienate the Existing Shareholders' Entitlement to the Existing Shareholders.

All the costs and expenses incurred for transfer or alienation of the Existing Shareholders' Entitlement, including stamp duty, registration fees and others shall be borne by the Existing Shareholders respectively.

Upon the successful transfer or alienation of the Existing Shareholders' Entitlement to the Existing Shareholders together with original title(s) in accordance to the documents to be executed with terms and conditions to be mutually agreed by the Parties, DMSB shall execute all relevant documents to procure the transfer of all their MWHSB Shares held to TGSB, and Seal shall execute all relevant documents to procure the transfer of all remaining MWHSB RPS to TGSB without claiming for any further consideration.

The remaining director nominated by DMSB shall resign from MWHSB upon the its agreed portion of Existing Shareholders' Entitlement is duly obtained and completed without claiming of any claim on remuneration or consideration for such resignation.

Save for any liabilities arising under the Reclamation Agreement, in the event that there are any existing debts and liabilities under the SSHA remained unsettled, and/or new debts and/or liabilities incurred in MWHSB due to actions by the Existing Shareholders, TGSB shall have the right to withhold the transfer or alienation of the Existing Shareholders' Entitlement until such debts and liabilities have been duly settled by the Existing Shareholders.

The Existing Shareholders further agree that they are not entitled to claim for any considerations, sums, charges, profits, dividends, and/or gains arising from MWHSB upon execution of the SSHA save for the Existing Shareholders' Entitlement.

5. Breach of the Reclamation Agreement

In the event MWHSB is in breach of the Reclamation Agreement resulting in the termination of the Reclamation Agreement or MWHSB abandons the works to complete the Reclamation Project due to any reasons attributable to TGSB, the Existing Shareholders shall by written notice to TGSB informing such breach whereupon TGSB shall within 30 days from the date of receipt of such notice rectify the breach, failing which, the Existing Shareholders shall be entitled to seek for specific performance against TGSB, or alternatively, seek for refund of the first payment of 50% of the Cash Consideration at the sum of RM19,928,700 made by Seal/DMSB to PDC under the Reclamation Agreement (without the right of claim over the value of MWHSB RPS) and all costs incurred by the Existing Shareholders plus any damages suffered arising from the breach of TGSB under the Reclamation Agreement.

6. Default by the Parties

In the event TGSB has completed the Reclamation Project in accordance to the Reclamation Agreement but fails to cause/procure MWHSB to deliver the Existing Shareholders' Entitlement as set out above, the Existing Shareholders shall by written notice to TGSB informing such breach whereupon TGSB shall within 14 days from the date of receipt of such notice rectify the breach, failing which, the Existing Shareholders shall be entitled to seek for specific performance for TGSB to comply with the above and/or seek for relief of damages at the sum equivalent to the market value of the Existing Shareholders' Entitlement.

If the Existing Shareholders shall commit any willful fundamental breach of the SSHA or breaches any representation and warranty and the said breach is not rectified within thirty (30) days from the date of receipt notice of breach from TGSB, or the Reclamation Agreement and/or the PDC's Offer is adjudged to be terminated or null and void due to the Existing Shareholders' breach or default or caused by any reasons attributable to the Existing Shareholders, TGSB be entitled to seek for relief specific performance of the SSHA against the Existing Shareholders, or alternatively, seek for refund of all monies paid to and received by MWHSB including but not limited to the Subscription Consideration, the Balance 50% Cash Consideration and all costs incurred incidental and arising from the PDC's Offer and the Reclamation Project under the Reclamation Agreement and the SSHA together with any damages suffered arising thereof from the breach.

7. Scope of Obligations and Covenants of each Party

All parties agree that each party shall carry out, perform and maintain their obligations in the SSHA at all times until and upon completion of the Reclamation Agreement as follows:-

(i) MWHSB

(a) Prior to the execution of the SSHA and the Effective Date, the Company shall ensure that the Reclamation Agreement and the PDC's Offer are still effective, valid and subsisting;

(b) MWHSB shall diligently perform all its obligations under the Reclamation Agreements and complete the Reclamation Project in accordance with the terms of the Reclamation Agreement; and

(c) MWHSB shall act, do any matter in good faith in the best interest of MWHSB towards the completion of the Reclamation Agreement.

(ii) The Existing Shareholders and Seal

(a) The Existing Shareholders shall reasonably assist to hold meetings, liaise with and/or negotiate and do all such things and matters incidental to the liaison and resolution of dispute between the Company and the PDC at all times during the term of the Reclamation Agreement, provided always that any decision on such things and matters shall be agreed upon in writing by TGSB;

(b) Immediately upon execution of the SSHA, the Existing Shareholders shall ensure that MWHSB is a clean company whereby MWHSB shall be free from any liabilities, debts and advancements from shareholders, directors and any third parties;

(c) In the event there are advancements made by any party, the Existing Shareholders shall execute all relevant documents and procure such party to execute all relevant documents to assign, waive, write off or settle all the advances made in MWHSB to TGSB without claiming for any consideration, sums, entitlements and/or charges from TGSB;

(d) In the event there are professional fees, borrowing, outstanding tax, penalty, costs and debts owing or to be incurred by MWHSB to any party in any existing contract or agreement between MWHSB and any other parties up to the date of payment of the Subscription Consideration made by TGSB to MWHSB, such debts shall be settled and cleared by DMSB at DMSB's own costs and expenses;

(e) Upon execution of the SSHA, the Existing Shareholders and the existing directors shall not subject MWHSB to or cause MWHSB to create any liabilities, borrowings or loans pending change of directorship and issuance of the Subscription Shares in favour of TGSB;

(f) The Existing Shareholders acknowledge and confirm that TGSB is not subjected to all or any of the liabilities of the Company incurred prior to the payment of the Subscription Consideration made by TGSB to MWHSB;

(g) The Existing Shareholders warrant and represent that as at the date hereof there are no preference shares issued by MWHSB and/or any issue arises due to preference shares save for the preference shares owned by the Seal;

(h) The Existing Shareholders shall ensure that the Reclamation Agreement and the PDC's Offer are still effective, valid and subsisting prior to execution of the SSHA and the Effective Date and the Existing Shareholders have not committed any acts or breach which could reasonably lead to termination of the Reclamation Agreement and the PDC's Offer;

(i) The Existing Shareholders shall bear all the late payment interest to be imposed by the PDC (if any) for payment of Balance 50% Cash Consideration;

(j) The Existing Shareholders shall at all time render assistance to MWHSB to liaise with the PDC and relevant authorities for all approval and consent to facilitate the smooth implementation of the reclamation works;

(k) The Existing Shareholders shall have no management rights and control towards MWHSB upon date of payment of the Balance 50% Cash Consideration OR the Subscription Consideration made by TGSB to MWHSB (whichever shall be earlier), provided always that the Deposit has been duly deposited with TGSB's solicitor as stakeholder;

(l) The Existing Shareholders are aware and agree that notwithstanding with the respective shareholding in MWHSB, the Existing Shareholders shall not be entitled to any declared dividend by MWHSB and all the declared dividend shall belong to TGSB. In lieu of the entitlement to the dividend of MWHSB by the Existing Shareholders, the Parties agree that the Existing Shareholders shall be entitled to the Existing Shareholders' Entitlement only subject to the terms and conditions contained in the SSHA. For avoidance of doubt, the Existing Shareholders agree that they are not entitled to claim for any considerations, sums, charges, profits, dividends and/or gains arising from MWHSB upon execution of the SSHA save for the Existing Shareholders' Entitlement;

(m) The Existing Shareholders declare and acknowledge that the PDC's written consent is mandatory for change in shareholding of MWHSB as stipulated in the Reclamation Agreement and the Existing Shareholders undertake to obtain such written consent. In the event the PDC raise any objections on such transaction, the Existing Shareholders shall resolve all issues arise at its own costs and expenses;

(n) The Existing Shareholders shall not do or suffer anything to be done which may render the financial position of MWHSB less favourable than as at the date of the SSHA other than normal depreciation in the ordinary course of business;

(o) The Existing Shareholders represent and declare that the Existing Shareholders and/or MWHSB have not created, granted, issued or have agreed to create, grant, issue any mortgages, charges, debentures or other securities or encumbrances over the existing shares in MWHSB owned by the Existing Shareholders or any of the assets of MWHSB (if any);

(p) The Existing Shareholders warrant and declare that the Existing Shareholders and/or MWHSB have not given, granted or have agreed to give or grant any option or any pre-emption rights in respect of the existing shares in MWHSB owned by the Existing Shareholders to any third parties;

(q) The Existing Shareholders warrants and declare that there are no subsisting, valid or enforceable agreement, option, offer for sale and purchase of the existing shares in MWHSB owned by the Existing Shareholders;

(r) The Existing Shareholders shall obtain the Existing Shareholders' members' approval/mandate/resolution for issuance of the Subscription Shares in favour of TGSB;

(s) The Existing Shareholders confirm and declare that the existing shareholder agreement entered between the Existing Shareholders is terminated and overruled by the SSHA and the Existing Shareholders are bound by the SSHA upon the date of payment of the Balance 50% Cash Consideration or the Subscription Consideration made by TGSB to MWHSB (whichever shall be earlier), provided always that the Deposit has been duly deposited with TGSB's solicitor as stakeholder; and

(t) The Existing Shareholders undertake to indemnify TGSB and keep TGSB fully indemnified against any loss or liability suffered by MWHSB prior to the date of payment of the Subscription Consideration made by TGSB to MWHSB.

(iii) TGSB

(a) TGSB shall pay for the Balance 50% Cash Consideration (except for any late payment interest imposed) and bear the additional consideration (if any) payable to the PDC in respect of the Reclamation Project, the Reclamation Agreement and the PDC's Offer;

(b) TGSB shall source for the relevant financing required by MWHSB for MWHSB to perform its obligations under the Reclamation Agreement without requiring any security including guarantees or further capital injection from the Existing Shareholders in MWHSB;

(c) Notwithstanding the proportion of the shareholding between the Parties, TGSB shall provide the sufficient fund by way of advances to MWHSB or any other financing methods to cover all the costs and expenses to complete the reclamation works;

(d) TGSB shall source and provide MWHSB all the relevant expertise and know how to enable MWHSB to perform its obligations under the Reclamation Agreement and to complete the Reclamation Project; and

(e) TGSB shall ensure and procure that MWHSB performs all its obligations under the Reclamation Agreement including to complete the Reclamation Project.

8. Representation and Warranties

(i) Each of the parties to the SSHA represents and warrants to the other that as at the date of the SSHA:

(a) it has full power authority and capacity to enter into the SSHA and be bound by all the terms and provisions contained in the SSHA and such execution and performance does not contravene any of its contractual, statutory or other obligation of any nature whatsoever in such manner as to cause it/he to be unable to fulfill its obligations;

(b) the SSHA constitutes its legal and binding obligations and shall be enforceable against it in accordance with the terms of the SSHA;

(c) save as otherwise provided herein, all actions, conditions and things required to be taken, fulfilled and done (including without limitation the obtaining of any necessary consents or licenses or the making of any filing or registration) in order to enable it lawfully to enter into, exercise its rights and perform and comply with its obligations under the SSHA and to ensure that those obligations are legally binding and enforceable, have been taken, fulfilled and done;

(d) its entry into, exercise of its rights and/or performance of or compliance with its obligations under the SSHA do not and will not violate, or exceed any power or restriction granted or imposed by (i) any law, regulation, authorization, directive or order (whether or not having the force of law) to which it is subject; (ii) its constitutive documents, where applicable; or (iii) any agreement or arrangement to which it is a party or which is binding on it or its assets;

(e) its obligations under the SSHA are valid, binding and enforceable in accordance with their respective terms;

(f) save as otherwise disclosed, it is not engaged in and is not aware of any pending or threatened litigation or governmental investigation or proceedings which may have a materially adverse effect on its ability to enter into the SSHA and to fulfill its obligations under the SSHA;

(g) it is not in breach of or default under any agreement or to an extent or in a manner which has or could reasonably be expected which would materially impede its liability and rights to fulfill its respective obligations under the SSHA; and

(h) save as otherwise provided herein, there is no other order, permission, consent and/or approval that is required to be obtained by it in connection with the execution and delivery of the SSHA.

(ii) Each party mutually covenants and agrees that during the term of the SSHA it shall take no action and permit no omission which could cause any of their respective representations and warranties hereunder to become inaccurate. A party shall give the other party prompt notice in writing in the event any representation or warranty becomes inaccurate.