EC EXCEL HOLDINGS BERHAD *(FORMERLY KNOWN AS K. SENG SENG CORPORATION BERHAD)* ("EC EXCEL" OR "THE COMPANY")

PROPOSED ACQUISITION OF A PIECE OF FREEHOLD LAND HELD UNDER H.S.(D) 215210, PT 11646, BANDAR SRI SENDAYAN, DAERAH SEREMBAN, NEGERI SEMBILAN ("LAND") BY METALMACH MICRO TECHNOLOGY SDN. BHD., A 51%-OWNED SUBSIDIARY OF THE COMPANY ("PROPOSED ACQUISITION")

1. INTRODUCTION

The Board of Directors of the Company ("**Board**") wishes to announce that Metalmach Micro Technology Sdn. Bhd. [Registration No. 199001010586 (202156-P)] ("**MMTSB**" or "**Purchaser**"), a 51%-owned subsidiary of the Company had on 1 July 2026 entered into a Sale and Purchase Agreement ("**SPA**") with MCGF Sdn. Bhd. [Registration No. 200801013336 (814624-W)] ("**MCGF**" or "**Vendor**") in relation to the Proposed Acquisition.

The Land was purchased on an "as is where is" basis, free from all charges and encumbrances and with vacant possession, subject to the terms and conditions set out in the SPA, for the total cash consideration of RM10,165,858.56 only ("**Purchase Price**").

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

2. DETAILS OF THE PROPOSED ACQUISITION

2.1 Information of the Land

Registered and Beneficial Owner	MCGF Sdn. Bhd. [Registration No. 200801013336 (814624-W)]
Title Details	H.S.(D) 215210, PT 11646, Bandar Sri Sendayan, Daerah Seremban, Negeri Sembilan
Tenure	Freehold
Land Area	Approximately 10,732 square metres
Land Conditions	(i) Category of Land Use *(Kategori Penggunaan Tanah)*: *"Perusahaan/Perindustrian"* (ii) Express Condition *(Syarat-Syarat Nyata)*: *"Tanah ini hendaklah digunakan untuk perindustrian sahaja."* (iii) Restrictions-in-Interest (*Sekatan-Sekatan Kepentingan)*: *"Tanah yang diberimilik ini tidak boleh dipindahmilik, dipajak, digadai melainkan dengan kebenaran bertulis daripada Pihak Berkuasa Negeri."*
Net Book Value of the Land	No information available as MMTSB is not privy to this information.

2.2 Information on the Purchaser

MMTSB was incorporated as a private limited company in Malaysia under the Companies Act 1965 on 7 August 1990 and is deemed registered under the Companies Act 2016. Its registered office is located at Unit 521, 5th Floor, Lobby 6, Block A, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan and its business address is at 17243, PT 4986, Oakland Industrial Park, Mukim Rasah, 70300 Seremban, Negeri Sembilan. The current issued share capital of MMTSB stands at RM2,760,000.00 comprising 2,760,000 ordinary shares. MMTSB is principally involved in the manufacturing of high precision tools and dies, moulds and mould parts, precision jigs, fixtures and mechanical parts.

The following table set out the directors and shareholders of MMTSB as at the date of this announcement:

Directors
1. Wong Pak Yii
2. Sim Kay Wah
3. Low Yin Chee
4. Low Kim Yoong

Shareholders	**Number of Ordinary Shares Held**	**% of Shareholding**
1. EC Excel	1,407,600	51.00
2. Low Yin Chee	872,667	31.62
3. Low Kim Yoong	438,733	15.90
4. Wong Ching Foong	41,000	1.48
TOTAL	**2,760,000**	**100.00**

2.3 Information on the Vendor

MCGF was incorporated as a private limited company in Malaysia under the Companies Act 1965 on 21 April 2008 and is deemed registered under the Companies Act 2016. Its registered office is located at 9A, Persiaran Greentown 7, Greentown Business Centre, 30450 Ipoh, Perak and its business address is at 206, Taman Okid, 31100 Sungai Siput (U), Perak. The current issued share capital of MCGF stands at RM60,000.00 comprising 60,000 ordinary shares. MCGF is principally involved in the business of trading of logs and timber contractors.

The following table set out the directors and shareholders of MCGF as at the date of this announcement:

Directors
1. Lim Chee Cheng
2. Lim Chee Meng

Shareholders	**Number of Ordinary Shares Held**	**% of Shareholding**
1. Lim Chee Cheng	30,000	50.00
2. Lim Chee Meng	30,000	50.00
TOTAL	**60,000**	**100.00**

2.4 Salient terms of the SPA

The salient terms of the SPA are set out in Appendix I of this announcement.

2.5 Source of Funding

MMTSB intends to fund the Purchase Price through a financing facility to be obtained from a bank or other financial institution(s).

2.6 Liabilities to be assumed

Save for the obligations and liabilities arising from or in connection with the SPA, there are no other liabilities, contingent liabilities or guarantees to be assumed by EC Excel and/or MMTSB pursuant to the Proposed Acquisition.

2.7 Basis and Justification for the Consideration

The Purchase Price was arrived at on a "willing-buyer willing-seller" basis and after taking into consideration, amongst others, the following:

(a) the rationale and benefits of the Proposed Acquisition as set out in Section 3 of this announcement; and

(b) the Purchase Price was arrived at after taking into consideration, inter alia, the strategic location of the Land and the market value of the mixed use properties in the surrounding vicinity. No valuation was carried out for the Proposed Acquisition.

3. RATIONALE AND BENEFITS OF THE PROPOSED ACQUISITION

The Proposed Acquisition is in line with the Group's expansion strategy. The Land will be utilised for the construction of a warehouse to support the Group's operational requirements. The Proposed Acquisition is expected to enhance the Group's storage capacity, improve operational efficiency and provide additional space to support its future growth and expansion.

4. PROSPECTS

The Proposed Acquisition will support the Group's long term business plans by providing a strategic site for the development of a warehouse. Barring any unforeseen circumstances, the Board is confident that the Proposed Acquisition will contribute positively to the Group's future operations.

5. RISK FACTORS

The completion of the Proposed Acquisition is subject to the SPA's terms and conditions being fulfilled. In the event that any of the terms and conditions are not fulfilled by the parties involved within the stipulated timeline as set out in SPA, or any breach of the representations and warranties or failure to perform any covenant or agreement by the parties involved pursuant to the SPA, the Proposed Acquisition may be delayed or terminated.

Notwithstanding the foregoing, the Management and the Board endeavour to take all reasonable steps to ensure that the terms and conditions of the SPA which are within MMTSB's control are fulfilled and met on a timely basis to facilitate the Proposed Acquisition.

6. EFFECTS OF THE PROPOSED ACQUISITION

6.1 Share Capital and Substantial Shareholders' Shareholdings

The Proposed Acquisition will not have any effects on the issued share capital and substantial shareholders' shareholdings of the Company, as the Proposed Acquisition does not involve the issuance of any new ordinary shares in the Company.

6.2 Earnings and Earnings per Share ("EPS")

The Proposed Acquisition is not expected to have a material impact on the earnings and EPS of the Company and its subsidiaries (collectively, "**Group**") for the financial year ending 31 December 2026.

6.3 Net Assets ("NA"), NA per Share and Gearing

The Proposed Acquisition is not expected to have a material impact on the Group's NA, NA per share and gearing for the financial year ending 31 December 2026.

7. APPROVAL/CONSENT REQUIRED

The Proposed Acquisition is not subject to the approval of the shareholders of the Company.

Save for the consent of the State Authority of Negeri Sembilan ("**State Authority**") for the transfer of the Land to MMTSB, the Proposed Acquisition is not subject to the approval of any other regulatory authorities.

8. HIGHEST PERCENTAGE RATIO

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 is 6.26%, based on the latest audited consolidated financial statements of the Company for the financial year ended 31 December 2025.

9. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, AND/OR PERSONS CONNECTED WITH THEM

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

10. DIRECTORS' STATEMENT

The Board of Directors, having considered all aspects of the Proposed Acquisition, is of the opinion that the Proposed Acquisition is in the best interest of the Company.

11. ESTIMATED TIME FRAME FOR COMPLETION

The SPA is conditional upon the State Authority granting its consent to transfer the Land to MMTSB. Barring any unforeseen circumstances, the Proposed Acquisition is expected to be completed in the fourth quarter of 2026.

12. DOCUMENTS AVAILABLE FOR INSPECTION

The SPA is made available for inspection at the registered office of the Company at Unit 521, 5th Floor, Lobby 6, Block A, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan during the normal business hours from Mondays to Fridays (except for public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 1 July 2026.

SALIENT TERMS OF THE SPA

The salient terms and conditions of the SPA are as follows:

1. Agreement to sell and to purchase

The Vendor has agreed to sell and MMTSB has agreed to purchase the Land from the Vendor free from encumbrances subject to all conditions expressed or implied imposed upon or relating to or affecting the Land on "as is where is" basis and to the terms and conditions stipulated in the SPA.

2. Mode of Satisfaction

The Purchase Price shall be paid in the following manner:

(a) **Earnest Deposit:** Prior to the execution of the SPA, MMTSB has paid the sum of **RM203,317.17** equivalent to 2% of the Purchase Price to The Roof Realty Sdn. Bhd. [Registration No. 201501022481 (1147810-W)] as stakeholders being earnest deposit and part payment towards the total Purchase Price.

(b) **Retention Sum and Balance Deposit:** Upon execution of the SPA, MMTSB shall pay the sum of **RM813,268.69** equivalent to 8% of the Purchase Price in the following manner:

(i) the sum of **RM304,975.76** (being the Retention Sum for real property gain tax) to the Stakeholder which shall be retained by them for the onward transmission to the Director General of Inland Revenue; and

(ii) the sum of **RM508,292.93** (being the Balance Deposit) to the Vendor's solicitors as stakeholders which shall be released to the Vendor upon the full execution of the SPA.

(The Earnest Deposit, Retention Sum and Balance Deposit shall collectively be known as the "**Deposit**".)

(c) **Balance Purchase Price:** MMTSB shall pay **RM9,149,272.70**, being the balance of the Purchase Price ("**Balance Purchase Price**") to the Vendor within three (3) months from the unconditional date of the SPA i.e., the date of the Stakeholder's receipt of the State Consent in accordance with the terms and conditions of the SPA with an automatic extension of one (1) month provided that MMTSB shall pay the Vendor an interest on the balance sum outstanding at the rate of 8% per annum calculated on daily rest basis.

3. Termination

Termination in event of insolvency

If either MMTSB or the Vendor is wound up (whether voluntarily or otherwise), such Party shall be entitled, at any time, to give notice to the other Party terminating the SPA.

Termination in the event of default

(a) **Default by MMTSB**: If MMTSB commits any breach of the terms or conditions in the SPA (including the obligation to pay the Purchase Price), without prejudice to any other rights and remedies which the Vendor may have against MMTSB, the Vendor shall be at the liberty:

(i) to terminate the SPA by a notice of writing to MMTSB, forfeit the Deposit as agreed liquidated damages and the provision of Section 3(d) of this Appendix shall apply; and

(ii) to sell or otherwise dispose of the Land at such price and in such manner to such person or persons as the Vendor may think fit without being liable to MMTSB for any profit made on such sale or dealing.

(b) **Default by the Vendor:** If the Vendor commits any breach of the terms or conditions in the SPA, without prejudice to any other rights and remedies which MMTSB may have against the Vendor, MMTSB shall have the option to either:

(i) claim for specific performance of the SPA and in such an event, subject and provided always that such claim is proven in and if ordered by the court of Malaysia in its judgement, the Vendor shall accordingly indemnify MMTSB against all damages and losses proven to have been suffered by MMTSB arising from the Vendor's breach as ordered by the court of Malaysia, together with all costs, disbursements and whatever expenses as ordered or determined by the court to be payable by the Vendor in any legal proceedings brought by MMTSB in specifically enforcing the SPA; or

(ii) to terminate the SPA by a notice in writing to the Vendor, in which event the Vendor shall pay an additional sum equivalent to the Deposit as agreed liquidated damages within fourteen (14) business days from the date of receipt by the Vendor of a notice of termination and the provision of Section 3(d) of this Appendix shall apply.

(c) **Transfer not registrable:** If the memorandum of the transfer of the Land ("**MOT**") in favour of MMTSB cannot be registered due to an unrectifiable defect that is no fault of either Party, the SPA shall be terminated, whereupon Section 3(d) of this Appendix shall apply, and MMTSB shall be entitled to retain the MOT solely to seek a stamp duty refund before returning it to the Vendor. Alternatively, if registration is blocked by a third-party caveat or prohibitory order not caused by MMTSB or MMTSB's Financier, the Vendor shall resolve it within one (1) month; failing which, MMTSB may at its absolute discretion either terminate the SPA (whereupon Section 3(d) of this Appendix shall apply), or proceed with the completion at the Vendor's expense to remove the encumbrance.

(d) **Consequences of termination:** Within fourteen (14) business days from the notice of termination of the SPA being duly given by either Party:

(i) the Vendor shall refund all the monies paid by MMTSB, to MMTSB free of interest;

(ii) MMTSB shall redeliver the vacant possession of the Land (if already delivered to MMTSB) substantially in its same state and condition (fair wear and tear excepted) to the Vendor;

(iii) MMTSB shall withdraw all the private caveats lodged by MMTSB or MMTSB's financier against the Land; and

(iv) MMTSB shall return all the transfer documents in respect of the Land and the original title of the Land to the Vendor (if already delivered to MMTSB).