

**THIS CIRCULAR TO SHAREHOLDERS OF LEADER STEEL HOLDINGS BERHAD (“LSH” OR OUR “COMPANY”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in doubt as to the next course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, the valuation certificate as set out in Appendix II of this Circular and the valuation report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular, the valuation certificate and the valuation report.



**LEADER STEEL HOLDINGS BERHAD**

(Registration No. 199301012471 (267209-K))

(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:**

**PART A**

**PROPOSED DISPOSAL OF A PARCEL OF FREEHOLD LAND HELD UNDER H.S.(D) 166443, PT 85118 LOCATED IN MUKIM OF KAPAR, DISTRICT OF KLANG, STATE OF SELANGOR BY OUR WHOLLY-OWNED SUBSIDIARY, FERRONET ASIA SDN BHD TO WG MALAYSIA VIII SDN BHD FOR A CASH CONSIDERATION OF RM136,560,315 (“PROPOSED DISPOSAL”)**

**PART B**

**INDEPENDENT ADVICE LETTER FROM DWA ADVISORY SDN BHD TO THE NON-INTERESTED SHAREHOLDERS OF LSH IN RELATION TO THE PROPOSED DISPOSAL**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Principal Adviser for Part A**



**Berjaya Securities Sdn Bhd**

(formerly known as Inter-Pacific Securities Sdn Bhd)

(Registration No: 197201001092 (12738-U))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

**Independent Adviser for Part B**



**DWA Advisory Sdn Bhd**

(Registration No: 201301002419 (1032257-D))

The Extraordinary General Meeting (“EGM”) of our Company will be held at 2<sup>nd</sup> Floor, Wisma Leader Steel, Plot 85, Lorong Perusahaan Utama, Kawasan Perusahaan Bukit Tengah, 14000 Bukit Tengah, Seberang Perai Tengah, Pulau Pinang, Malaysia on Monday, 20 July 2026 at 9.30 a.m. or at any adjournment thereof. The Notice of the EGM together with the Form of Proxy are enclosed in this Circular.

You are requested to complete, sign and return the enclosed Form of Proxy and deposit it at our Company’s registered office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia not less than 48 hours before the time and date appointed for holding the EGM. The completion and lodgement of the Form of Proxy shall not preclude you from attending and voting in person at the EGM should you subsequently wish to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

Last day, date and time for lodging the Form of Proxy : Saturday, 18 July 2026 at 9.30 a.m.

Day, date and time of the EGM : Monday, 20 July 2026 at 9.30 a.m. or at any adjournment thereof

This Circular is dated 3 July 2026

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

<b>Berjaya Securities or Principal Adviser</b>	:	Berjaya Securities Sdn Bhd (formerly known as Inter-Pacific Securities Sdn Bhd) (Registration No.: 197201001092 (12738-U)), incorporated in Malaysia
<b>Board</b>	:	Board of Directors of our Company
<b>Bursa Depository</b>	:	Bursa Malaysia Depository Sdn Bhd (Registration No.: 198701006854 (165570-W)), incorporated in Malaysia
<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W)), incorporated in Malaysia
<b>Circular</b>	:	This circular to our Shareholders dated 3 July 2026 in relation to the Proposed Disposal
<b>Directors</b>	:	Directors of our Company and shall have the meaning given in subsection 2(1) of the Capital Markets and Services Act 2007 and include any person who is or was within the preceding 6 months of the date on which the terms of the Proposed Disposal were agreed upon, a director or chief executive of our Company, subsidiary or holding company
<b>Disposal Consideration</b>	:	Cash consideration of RM136,560,315
<b>DWA Advisory or Independent Adviser</b>	:	DWA Advisory Sdn Bhd (Registration No.: 201301002419 (1032257-D)), incorporated in Malaysia
<b>EGM</b>	:	Extraordinary general meeting of our Company
<b>Eonmetall Disposal</b>	:	Proposed disposal of parcels of freehold land measuring approximately 26.723 hectares held under Geran 455284, Lot 119910 and Geran 455285, Lot 119911 (formerly under H.S.(D) 166442, PT 85117), Mukim of Kapar, District of Klang, State of Selangor for a cash consideration of approximately RM273.28 million by Eonmetall Land Sdn Bhd ( <i>a wholly-owned subsidiary of Eonmetall Group Berhad</i> ) to WG Malaysia
<b>EPS</b>	:	Earnings per Share
<b>FerroNet or Vendor</b>	:	FerroNet Asia Sdn Bhd (Registration No.: 201601023381 (1194320-X)), incorporated in Malaysia, which is our wholly-owned subsidiary
<b>FYE</b>	:	Financial year ended
<b>IAL</b>	:	Independent advice letter dated 3 July 2026 issued by the Independent Adviser in relation to the Proposed Disposal as set out in Part B of this Circular
<b>Interested Directors</b>	:	Collectively, Dato' Goh Cheng Huat, Datin Tan Pak Say and Goh Wan Jing
<b>Interested Parties</b>	:	Collectively, Dato' Goh Cheng Huat, Datin Tan Pak Say, Goh Wan Jing, Goh Hong Kent and Bischart Sdn Bhd
<b>km</b>	:	kilometres

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**DEFINITIONS** *(cont'd)*

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<b>Land</b>	:	A parcel of freehold land measuring approximately 13.3546 hectares held under H.S.(D) 166443, PT 85118 located in Mukim of Kapar, District of Klang, State of Selangor
<b>Listing Requirements</b>	:	Main Market Listing Requirements of Bursa Securities
<b>LPD</b>	:	24 June 2026, being the latest practicable date prior to the printing of this Circular
<b>LSH or Company</b>	:	Leader Steel Holdings Berhad (Registration No.: 199301012471 (267209-K)), incorporated in Malaysia
<b>LSH Group or Group</b>	:	Collectively, LSH and our subsidiaries
<b>Major Shareholder</b>	:	A person who has an interest or interests in one or more voting shares in our Company and the number or aggregate number of those shares, is:-  (a) 10% or more of the total number of voting shares in our Company; or  (b) 5% or more of the total number of voting shares in our Company where such person is the largest shareholder of our Company.  For the purpose of this definition, “ <b>interest</b> ” shall have the meaning of “ <b>interest in shares</b> ” given in Section 8 of the Companies Act, 2016.  In respect of the Proposed Disposal, a “ <b>Major Shareholder</b> ” shall include any person who is or was within the preceding 6 months of the date on which the terms of the Proposed Disposal were agreed upon, a major shareholder of our Company, or any other corporation which is our subsidiary or holding company
<b>Maybulk Disposal</b>	:	Proposed disposal of parcels of freehold land measuring approximately 23.4863 hectares held under Geran 455286, Lot 119907 and Geran 455287, Lot 119908 (formerly under H.S.(D) 166441, PT 85116), Mukim of Kapar, District of Klang, State of Selangor for a cash consideration of approximately RM278.05 million by MBC Logistic Hub Sdn Bhd ( <i>a 60%-owned subsidiary of Maybulk Berhad</i> ) to WG Malaysia
<b>NA</b>	:	Net assets attributable to the owners of our Company
<b>Proposed Disposal</b>	:	Proposed disposal of the Land by FerroNet to WG Malaysia for the Disposal Consideration
<b>Record of Depositors</b>	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991, including the Securities Industry (Central Depositories) Amendment Act, 1998
<b>RM and sen</b>	:	Ringgit Malaysia and sen, respectively
<b>Savills or Independent Valuer</b>	:	Savills (Malaysia) Sdn Bhd (Registration No.: 199501004315 (333510-P)), incorporated in Malaysia
<b>Shareholders</b>	:	Registered holders of our Shares

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**DEFINITIONS** (*cont'd*)

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<b>Shares</b>	:	Ordinary shares in LSH
<b>SPA</b>	:	Conditional sale and purchase agreement dated 19 March 2026 entered into between FerroNet and WG Malaysia in relation to the Proposed Disposal
<b>Special Dividend</b>	:	Special cash dividend to be declared and paid to our Shareholders whose names appear in our Company's Record of Depositors on an entitlement date to be determined by our Board later
<b>WG Malaysia or Purchaser</b>	:	WG Malaysia VIII Sdn Bhd (Registration No.: 202501059596 (1661002-D)), incorporated in Malaysia

All references to "our Company" and "LSH" in this Circular are to Leader Steel Holdings Berhad and references to "our Group" and "LSH Group" are to our Company and our subsidiaries. All references to "we", "us", "our" and "ourselves" are to our Company, and where the context requires, our Group or our subsidiaries. All references to "you", "your", "yourselves" and "our Shareholders" in this Circular are to the shareholders of LSH.

In this Circular, words referring to the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any statutes, rules, regulations, enactments, rules of the stock exchange or guidelines is a reference to those statutes, rules, regulations, enactments, rules of the stock exchange or guidelines as for the time being amended or re-enacted. Any reference to time and date in this Circular shall be a reference to Malaysian time and date, unless otherwise stated. Any discrepancies in the figures included in this Circular between the amounts stated, actual figures and the totals thereof are, unless otherwise explained, due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Company's and/or our Group's plans and objectives will be achieved.

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**PART A**

**LETTER TO OUR SHAREHOLDERS IN RELATION TO THE PROPOSED DISPOSAL**

## EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSED DISPOSAL. YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR (INCLUDING THE IAL AS SET OUT IN PART B OF THIS CIRCULAR) AND NOT SOLELY RELY ON THIS EXECUTIVE SUMMARY IN FORMING YOUR VOTING DECISION ON THE PROPOSED DISPOSAL.

### 1. DETAILS OF THE PROPOSED DISPOSAL

The Proposed Disposal entails the disposal of the Land by FerroNet to WG Malaysia free from all encumbrances (save for the Purchaser's encumbrances) for a cash consideration of RM136,560,315 based upon the terms and conditions set out in the SPA.

The Proposed Disposal is deemed as a related party transaction under paragraph 10.08 of the Listing Requirements by virtue of the interests of the Interested Parties as detailed in Section 8, Part A of this Circular.

The salient terms of SPA are set out in Appendix III of this Circular.

The Disposal Consideration of approximately RM136.56 million is intended to be used as follows:-

Use of proceeds	Estimated timeframe for use from completion of the Proposed Disposal	Amount (RM'000)
(i) Distribution of Special Dividend to our Shareholders	Within 6 months	4,642
(ii) Repayment of borrowings	Within 12 months	56,210
(iii) Acquisition of new business and/or assets to be identified	Within 36 months	25,000
(iv) Working capital	Within 24 months	38,706
(v) Estimated expenses for the Proposed Disposal including real property gains tax	Within 6 months	12,002
<b>Total</b>		<b>136,560</b>

Please refer to Section 2, Part A of this Circular for further details.

### 2. RATIONALE FOR THE PROPOSED DISPOSAL

The Proposed Disposal would allow our Group to immediately unlock the value of the Land at an attractive price and is expected to strengthen our Group's financial position. Based on the Disposal Consideration, our Group is expected to record a net pro forma gain attributable to the owners of our Company of approximately RM11.45 million.

Please refer to Section 3, Part A of this Circular for further details.

### 3. RISK FACTORS

The potential risk factors arising from the Proposed Disposal include non-completion risk and loss of opportunity to enjoy any potential appreciation in the market value.

Please refer to Section 4, Part A of this Circular for further details.

### 4. APPROVALS REQUIRED

The Proposed Disposal is subject to the following being obtained:-

- (i) approval from our non-interested Shareholders at an EGM to be convened in relation to the Proposed Disposal;
- (ii) consent and/or approval from the relevant authorities in relation to the Proposed Disposal to be obtained by the Vendor and Purchaser which forms part of the conditions precedent of the SPA as detailed in Section 2 in Appendix III of this Circular; and
- (iii) approval from any other relevant authorities, if required

Please refer to Section 7, Part A of this Circular for further details.

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

Interested Parties

- (i) Dato' Goh Cheng Huat
- (ii) Datin Tan Pak Say
- (iii) Goh Wan Jing
- (iv) Goh Hong Kent
- (v) Bischart Sdn Bhd

Please refer to Section 8, Part A of this Circular for further details.

**6. AUDIT COMMITTEE'S STATEMENT**

Our Audit Committee, having considered all aspects of the Proposed Disposal, including the salient terms of the SPA, the basis and justification for the Disposal Consideration, the rationale, risk factors and effects in relation to the Proposed Disposal as well as the views of the Independent Adviser, is of the opinion that the Proposed Disposal is:-

- (i) in the best interests of our Company;
- (ii) fair, reasonable and on normal commercial terms; and
- (iii) not detrimental to the interest of our non-interested Shareholders.

**7. DIRECTORS' STATEMENT AND RECOMMENDATION**

Our Board (*save for our Interested Directors*), having considered all aspects of the Proposed Disposal, including the salient terms of the SPA, the basis and justification for the Disposal Consideration, the rationale, risk factors and effects in relation to the Proposed Disposal as well as the views of the Independent Adviser, is of the opinion that the Proposed Disposal is in the best interests of our Company.

Accordingly, our Board (*save for our Interested Directors*) recommends that you vote in favour of the resolution pertaining to the Proposed Disposal to be tabled at the forthcoming EGM.

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**LEADER STEEL HOLDINGS BERHAD**  
(Registration No. 199301012471 (267209-K))  
(Incorporated in Malaysia)

**Registered office:**  
170-09-01, Livingston Tower  
Jalan Argyll  
10050 George Town  
Pulau Pinang  
Malaysia

3 July 2026

**Board of Directors:**

Lim Leng Han (*Chairman / Non-Independent Non-Executive Director*)  
Dato' Goh Cheng Huat (*Deputy Chairman / Executive Director*)  
Datin Tan Pak Say (*Managing Director*)  
Goh Wan Jing (*Executive Director*)  
Abdull Sukor Bin Ismail (*Independent Non-Executive Director*)  
Soon Gim Wooi (*Independent Non-Executive Director*)  
Datuk Dr. Roslan Bin A. Ghaffar (*Independent Non-Executive Director*)

**To: Our Shareholders**

Dear Sir / Madam,

**PROPOSED DISPOSAL**

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**1. INTRODUCTION**

On 19 March 2026, Berjaya Securities had, on behalf of our Board, announced that our wholly-owned subsidiary, FerroNet had on even date entered into the SPA in relation to the Proposed Disposal.

On 8 May 2026, Berjaya Securities had, on behalf of our Board, announced that the valuation report for the Land had been submitted to Bursa Securities on even date.

The Proposed Disposal is deemed as a related party transaction under paragraph 10.08 of the Listing Requirements by virtue of the interests of the Interested Parties as detailed in Section 8, Part A of this Circular.

Accordingly, DWA Advisory has been appointed on 12 March 2026 as the Independent Adviser to undertake the following in relation to the Proposed Disposal:-

- (i) comment as to:-
  - (a) whether the Proposed Disposal is fair and reasonable in so far as our non-interested Shareholders are concerned; and
  - (b) whether the Proposed Disposal is to the detriment of our non-interested Shareholders,

and such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration in forming that opinion;

- (ii) advise our non-interested Shareholders whether you should vote in favour of the Proposed Disposal; and
- (iii) take all reasonable steps to satisfy itself that it has a reasonable basis to make the comments and advice in relation to paragraphs (i) and (ii) above.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH RELEVANT INFORMATION ON THE PROPOSED DISPOSAL AND TO SET OUT THE VIEWS AND RECOMMENDATIONS OF OUR BOARD (SAVE FOR OUR INTERESTED DIRECTORS) AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED DISPOSAL WHICH WILL BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR (INCLUDING THE IAL AS SET OUT IN PART B OF THIS CIRCULAR) TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED DISPOSAL AT THE FORTHCOMING EGM.**

## **2. DETAILS OF THE PROPOSED DISPOSAL**

The Proposed Disposal entails the disposal of the Land by FerroNet to WG Malaysia free from all encumbrances (*save for the Purchaser's encumbrances*) for a cash consideration of RM136,560,315 based upon the terms and conditions set out in the SPA.

The salient terms of the SPA are set out in Appendix III of this Circular.

### **2.1 Information on the Land**

The Land is a parcel of freehold vacant industrial land prominently fronting onto the southern side of Jalan Akob within Kapar, Selangor Darul Ehsan. It is situated approximately 21 km and 49 km due north-west and west of City Centres of Klang and Kuala Lumpur respectively.

The immediate neighbourhood of the Land used to be predominantly agricultural in character and comprising smallholders' lots under oil palm cultivation. However, this scenario has since changed significantly over the past 20 years with a large number of 5 to 10-acre smallholders' lots (especially along Jalan Kapar, Jalan Haji Abdul Manan and Jalan Haji Salleh) been converted into industrial use and built upon with various industrial premises.

There are also several ongoing / planned and established industrial park within the vicinity which include H&A Industrial Hub, H&A Technology City, K International Industrial Park Kapar (KIIP), K International Industrial Park Kapar 2 (KIIP2), Seri Alam Industrial Park, Bandar Bukit Raja Business Park (BBR Business Park) and Bandar Bukit Raja Industrial Park 1 - 3 (BBR 1 - 3).

The Land is accessible from City Centre of Klang via Federal Highway, Selat Klang Highway, Shapadu Highway, West Coast Expressway, Persiaran Hamzah Alang, Jalan Pintasan Kapar, Jalan Bukit Kapar Kuari and finally onto Jalan Akob.

Further information on the Land is set out below:-

<b>Lot No.</b>	: PT 85118
<b>Title No.</b>	: H.S.(D) 166443
<b>Tenure</b>	: Freehold
<b>Land area</b>	: 13.3546 hectares
<b>Postal address</b>	: H.S.(D) 166443, PT 85118, Mukim of Kapar, District of Klang, State of Selangor
<b>Registered owner</b>	: FerroNet Asia Sdn Bhd
<b>Category of land use</b>	: "Industri"
<b>Express conditions</b>	: "Industri Sederhana"
<b>Restriction in interest</b>	: Nil
<b>Encumbrances</b>	: The title is charged twice to Hong Leong Bank Berhad, both registered on 28 November 2023
<b>Existing use</b>	: Vacant industrial land
<b>Proposed use</b>	: Proposed development of information technology infrastructure
<b>Audited net book value</b>	: RM113.66 million as at 31 December 2025
<b>Independent Valuer</b>	: Savills (Malaysia) Sdn Bhd
<b>Method of valuation</b>	: Comparison approach
<b>Market value appraised by the Independent Valuer</b>	: RM137.00 million as at the material date of valuation of 6 March 2026

## 2.2 Information on the Purchaser

WG Malaysia was incorporated in Malaysia on 24 December 2025 as a private limited company under the Companies Act, 2016. WG Malaysia is primarily involved in computer consultancy, provision of infrastructure for hosting and related information technology services.

As at the LPD, the issued share capital of WG Malaysia is RM4,000,000.00 comprising 4,000,000 ordinary shares in WG Malaysia. As at the LPD, the substantial shareholders of WG Malaysia and their shareholdings in WG Malaysia are as follows:-

Name	Direct		Indirect	
	No. of shares	%	No. of shares	%
WG Data Hub II Sdn Bhd (formerly known as Dayone Data Hub II Sdn Bhd)	4,000,000	100.00	-	-
WG Singapore One Pte Ltd	-	-	4,000,000 <sup>(1)</sup>	100.00
WG Data Centers Limited	-	-	4,000,000 <sup>(2)</sup>	100.00
DayOne Data Centers Limited	-	-	4,000,000 <sup>(3)(4)</sup>	100.00

**Notes:-**

- (1) Deemed interested by virtue of its interest in WG Data Hub II Sdn Bhd (formerly known as Dayone Data Hub II Sdn Bhd).  
(2) Deemed interested by virtue of its interest in WG Singapore One Pte Ltd.  
(3) Deemed interested by virtue of its interest in WG Data Centers Limited.  
(4) As at the LPD, none of the shareholders of DayOne Data Centers Limited are substantial shareholders of WG Malaysia.

As at the LPD, the directors of WG Malaysia are Khoo Gee Choo, Yan Yan and Wang Anyu. None of the directors have any direct or indirect shareholding in WG Malaysia as at the LPD.

### 2.3 Basis and justification of determining the Disposal Consideration

The Disposal Consideration of approximately RM136.56 million was arrived at on a willing-buyer willing-seller basis based on RM95 per square foot after taking into consideration the market value of the Land as at the material date of valuation of 6 March 2026 of RM137.00 million as appraised by the Independent Valuer.

The Independent Valuer has adopted the comparison approach as the singular and most appropriate methodology in arriving at the market value of the Land as a vacant parcel of industrial land on highest and best use basis being potential for data centre and/or information technology infrastructure usage. It is formally supported by Invest Selangor Berhad and the existing condition of the Land which is transacted together with PT 85116 and PT 85117 simultaneously as part of a bigger transaction to a common purchaser, with a sizeable land area and physically lying close to the Tenaga Nasional Berhad (TNB) rentice being the prerequisite conditions for this potential use. Therefore, the current approved planning permission is no longer applicable.

The comparison approach entails comparing the Land with similar industrial lands which have been sold or are being offered for sale and taking into consideration factors which affect value such as location and accessibility, market conditions, size, shape and terrain of land, tenure and restrictions if any, availability of infrastructure and other relevant characteristics.

In justifying the Disposal Consideration, our Board (*save for our Interested Directors*) has considered the following:-

- (i) Disposal Consideration approximates the market value of the Land of RM137.00 million;
- (ii) total cost of investment of FerroNet in the Land of approximately RM41.79 million as at the LPD; and
- (iii) rationale for the Proposed Disposal as set out in Section 3, Part A of this Circular.

The milestone payment to be made by the Purchaser towards the Disposal Consideration and actual date of receipt of the payment are as follows:-

Milestone No.	Amount	Percentage of Disposal Consideration	Payee	Payment Period	Actual date of receipt
1	RM13,656,031.50	10%	Vendor	Within 10 business days from the parties' execution of the SPA or the Purchaser's receipt of the Vendor's relevant invoice, whichever is later.	31 March 2026
2	RM13,656,031.50	10%	Vendor	Within 14 business days from the Purchaser's receipt of the limited power of attorney over the Land in favour of the Purchaser to enable the Purchaser to execute and submit the planning permission application for the Purchaser's proposed development on the Land or the Vendor's relevant invoice, whichever is the later.	9 April 2026
3	RM27,312,063.00	20%	Vendor	Before the Purchaser's receipt of the early physical possession, and within 14 business days from the Purchaser's receipt of the Vendor's relevant invoice issued after the Vendor having received the Purchaser's written request for the early physical possession.  In the event the early physical possession is not requested by the Purchaser, the payment under this milestone shall be payable by the Purchaser to the Vendor within 10 business days from the Unconditional Date (as defined in Section 2.6 in Appendix III of this Circular) or the Purchaser's receipt of the Vendor's relevant invoice, whichever is later.	17 April 2026
4	RM81,936,189.00	60%	Purchaser's solicitors, chargee and the Vendor	(a) to the Purchaser's solicitor towards account of the real property gains tax retention sum (3% of Disposal Consideration) within 10 business days from the Unconditional Date;  (b) to the chargee towards account of the redemption sum within 10 business days from the Unconditional Date or the date of the Purchaser's solicitor's receipt of the redemption statement cum undertaking, whichever is later; and  (c) within 10 business days from the Unconditional Date or the Purchaser's receipt of the Vendor's relevant invoice, whichever is later, any balance thereof (in full sum without any deduction other than pursuant to sub-item (a) and (b) above of this milestone, or set off) to the Vendor in exchange for the Vendors' solicitor's release of the discharge document to the Purchaser's solicitor.	Pending fulfillment of conditions precedent
<b>Total</b>	<b>RM136,560,315.00</b>	<b>100%</b>			

## 2.4 Liabilities which will remain with our Group and guarantees given by our Group

There are no liabilities (*including contingent liabilities*) in relation to the Proposed Disposal which will remain with our Group and there are no guarantees given by our Group to the Purchaser pursuant to the Proposed Disposal.

## 2.5 Date and original cost of investment

The date and original cost of investment of the Land are as follows:-

Date	Cost of investment (RM'000)
Year 2020	43
Year 2022	9,365
Year 2023	20,355
Year 2024	9,494
Year 2025	1,577
Year 2026 up to the LPD	953
<b>Total</b>	<b>41,787</b>

The costs incurred for the Land mainly comprise costs incurred for the acquisition of the Land, land conversion, earthworks, land clearing and other preliminary development expenses, capitalised term loan interests, statutory contributions and authorities' charges.

## 2.6 Cash Company and PN17 Issuer

The Proposed Disposal is not expected to result in our Company becoming a Cash Company or a PN17 Issuer as defined under the Listing Requirements.

## 2.7 Proposed use of the Disposal Consideration

The Disposal Consideration of approximately RM136.56 million is intended to be used as follows:-

Use of proceeds	Estimated timeframe for use from completion of the Proposed Disposal	Amount (RM'000)
(i) Distribution of Special Dividend to our Shareholders	Within 6 months	4,642
(ii) Repayment of borrowings	Within 12 months	56,210
(iii) Acquisition of new business and/or assets to be identified	Within 36 months	25,000
(iv) Working capital	Within 24 months	38,706
(v) Estimated expenses for the Proposed Disposal including real property gains tax	Within 6 months	12,002
<b>Total</b>		<b>136,560</b>

### Notes:-

- (i) Our Board intends to declare and pay RM4.64 million from the Disposal Consideration as a special cash dividend to our Shareholders whose names appear in our Company's Record of Depositors on an entitlement date to be determined by our Board later.

The quantum of Special Dividend to be declared is dependent on the availability of sufficient distributable profits and our Company being in a position to comply with the provisions of Section 131 of the Companies Act, 2016 as at the date of declaration of the proposed dividend. As at 31 December 2025, the audited retained earnings of our Company stood at approximately RM20.54 million.

For illustration purposes, as at the LPD, the total number of ordinary shares issued by our Company is 154,732,460 Shares (excluding 6,195,400 Shares bought back by our Company and retained as treasury shares). The Special Dividend of RM4.64 million thus represents a dividend of approximately RM0.03 per Share. For avoidance of doubt, the actual dividend to be declared shall be announced by our Company in due course.

- (ii) As at the LPD, the total outstanding borrowings of our Group stood at approximately RM55.46 million. Our Group intends to use proceeds of RM56.21 million towards the repayment of the following borrowings (*including penalty for early repayment*):-

Type of facility	Proposed repayment amount (RM'000)	Estimated annual pre-tax interest savings (RM'000)
Term loan <sup>(1)(2)</sup>	20,091	1,066 <sup>(5)</sup>
Bankers' acceptance <sup>(3)</sup>	36,012	1,711 <sup>(6)</sup>
Hire purchase <sup>(4)</sup>	107	5 <sup>(7)</sup>
<b>Total</b>	<b>56,210</b>	<b>2,782</b>

Notes:-

- (1) Term loan was drawn down to acquire the Land.  
(2) Including penalty for early repayment of loan.  
(3) Bankers' acceptance were drawn down to finance the purchase of raw materials of our Group.  
(4) Hire purchase was drawn down to purchase motor vehicles.  
(5) Based on effective interest rate of 5.51% per annum.  
(6) Based on effective interest rate of 4.75% per annum.  
(7) Based on effective interest rate of 4.50% per annum.

- (iii) Part of the Disposal Consideration of RM25.00 million are earmarked for acquisition of new business or assets to be identified, which will be complementary to our existing businesses. The type of business or assets which are being considered by our Board include business, land, factories or machineries involved in the manufacturing of steel pipes, angle bars, flat bars, steel plates and other steel products. As at the LPD, our Group has yet to identify any business or assets to be acquired. Our Group will make the appropriate announcements on any material developments in respect of the acquisition of the new business and/or assets pursuant to the Listing Requirements and obtain Shareholders' approval at an EGM to be convened, if required.

The proceeds to be raised from the Proposed Disposal will allow our Group to capitalise on investment opportunities as and when they arise, which may in turn generate positive returns to our Group, thereby increasing Shareholders' value.

Pending the identification of new business and/or assets to be acquired, our Group will place the unused cash proceeds in interest-bearing bank deposits and/or money market financial instruments under a separate bank account from the other proceeds allocated for in Sections 2.7(i), 2.7(ii), 2.7(iv) and 2.7(v), Part A of this Circular.

- (iv) Our Group has earmarked proceeds of RM38.71 million to supplement the working capital requirements of our Group, which shall be used within 24 months from completion of the Proposed Disposal.

The cash proceeds will be used to fund the day-to-day operations of our Group's on-going businesses, which includes, among others, the purchase of raw materials, sales and marketing expenses, payment to suppliers and other creditors, payment of staff-related expenses as well as other administrative and operating expenses incurred in the ordinary course of business (*such as utilities, rental costs, transportation costs and other miscellaneous expenses*).

The actual breakdown of the operating and administrative expenses cannot be determined at this juncture, as it will depend on the actual operating and administrative requirements of our Group at the relevant time.

The indicative allocation based on our Group's best estimates is as follows:-

Description	Indicative allocation (%)	Amount (RM'000)
• Purchase of raw materials <sup>(1)</sup>	60	23,224
• Payment of staff-related expenses <sup>(2)</sup>	30	11,612
• Other administrative and operating expenses <sup>(3)</sup>	10	3,871
<b>Total</b>	<b>100</b>	<b>38,706</b>

Notes:-

- (1) Comprise payments to our suppliers for purchase of raw materials such as hot rolled coils used in our Group's manufacturing of steel products.
- (2) Includes payments of wages, salaries, bonuses, incentives, overtime, statutory contributions, staff training as well as other staff benefits.
- (3) Includes utilities, rental costs, transportation costs and other sales, distribution and administrative expenses.

The amounts above are only an indicative allocation based on our Group's best estimates. The actual allocation may vary and would depend on, amongst others, the level of business activities and our Group's operational requirements at the relevant time. Our Group may reallocate the cash reserves between the abovementioned working capital components as and when necessary.

As at 31 December 2025, our Group's audited cash and bank balances stood at RM14.75 million and our Group's short-term funds stood at RM17.44 million.

- (v) The estimated expenses for the Proposed Disposal comprises the following:-

	Amount (RM'000)
Real property gains tax <sup>(1)</sup>	11,429
Professional fees, fees payable to authorities and other ancillary expenses <sup>(2)</sup>	573
<b>Total</b>	<b>12,002</b>

Notes:-

- (1) Computed as follows:-

	Amount (RM'000)
Disposal Consideration	136,560
Less: Allowable cost of investment and other costs incidental to the Proposed Disposal	(22,268)
Chargeable gain	114,292
Multiply: Real property gains tax rate	10%
<b>Real property gains tax</b>	<b>11,429</b>

- (2) This comprises professional fees payable to the principal adviser, independent adviser, solicitors, valuer, company secretary and share registrar, fees payable to authorities, printing, advertising and other miscellaneous expenses related to the Proposed Disposal.

If the actual expenses are higher than the amount allocated, the deficit will be funded via internally generated funds. On the other hand, if the actual expenses are lower than the amount allocated, the excess will be reallocated towards our Group's general working capital.

Pending the use of proceeds for the abovementioned purposes, the proceeds will be placed in interest-bearing deposits with licensed financial institutions and/or invested in short-term money market instruments. The interests and/or gains derived from such interest-bearing deposits and/or money market instruments shall be used to supplement the working capital requirements of our Group.

### 3. RATIONALE FOR THE PROPOSED DISPOSAL

The Proposed Disposal presents an attractive opportunity to our Group to monetise the Land as the Purchaser has identified the Land as part of a larger parcel for its information technology infrastructure development. In this regard, the Disposal Consideration reflects the value of the Land with potential for information technology infrastructure development, yielding a premium over similar land for typical industrial use.

The Proposed Disposal would allow our Group to immediately unlock the value of the Land at an attractive price and is expected to strengthen our Group's financial position. Based on the Disposal Consideration, our Group is expected to record a net pro forma gain attributable to the owners of our Company of approximately RM11.45 million.

Our Group intends to use the Disposal Consideration for the purposes as set out in Section 2.7, Part A of this Circular. Our Board, after taking into account our Group's current operating and working capital requirements, intends to declare and pay RM4.64 million from the Disposal Consideration as Special Dividend to reward our Shareholders for their continuous support. The Special Dividend of approximately RM0.03 per Share represents a yield of approximately 7% over the closing market price of our Shares of RM0.43 as at the LPD. Our Board intends to retain and reinvest the balance Disposal Consideration, after the payment of expenses, repayment of borrowings and distribution of Special Dividend to our Shareholders, into our Group's businesses in the form of acquisition of new business and/or assets to be identified as well as additional funds for working capital.

Our Group's historical financial performance by operating segments for the past 3 financial years is as follows:-

	FYE 31 December		
	2023 (RM'000)	2024 (RM'000)	2025 (RM'000)
<b>Revenue</b>			
Steel segment	176,471	201,807	150,272
Mineral segment	15,786	16,597	6,845
Investment holding	4,500	13,000	-
Elimination	(4,500)	(13,000)	(82)
<b>Total</b>	<b>192,257</b>	<b>218,404</b>	<b>157,035</b>
<b>Profit / (Loss) after tax</b>			
Steel segment	17,477	2,740	(1,655)
Mineral segment	(667)	(458)	(186)
Investment holding	3,490	12,970	(516)
Elimination	(1,325)	(13,020)	36
<b>Total</b>	<b>18,975</b>	<b>2,232</b>	<b>(2,321)</b>

As at the LPD, the Land is vacant and does not have any contribution to our Group's financial performance. The Proposed Disposal allows our Group to retain and reinvest part of the Disposal Consideration into our Group's businesses. The additional fund allows our Group to capitalise on any opportunities as well as to manage the challenging operating environment arising from:-

- rising operating costs, particularly electricity tariffs and transportation expenses;
- continued volatility in international steel prices;
- foreign exchange fluctuations affecting both the steel and mineral segments;
- geopolitical tensions, including the escalation of military conflict in the Middle East since the end of February 2026, which may disrupt global supply chains, trade routes and commodity markets; and
- highly competitive market conditions with continued pricing pressures.

The global steel market is expected to experience a modest recovery in 2026, supported by gradual improvements in industrial activity and construction demand. Domestic infrastructure spending under Malaysia's development plans is expected to support local steel demand. The mineral segment, which faced trading difficulties in the first half of 2025, is expected to resume regular export activities in 2026, if the market conditions permit.

## 4. RISK FACTORS

The potential risk factors arising from the Proposed Disposal, which may not be exhaustive, are as follows:-

### 4.1 Non-completion risk

The completion of the Proposed Disposal is subject to, amongst others, the approvals as set out in Section 7, Part A of this Circular being obtained.

In addition, the completion of the Proposed Disposal is subject to all the conditions precedent in the SPA as set out in Section 2 in Appendix III of this Circular being fulfilled. There is no assurance that the said conditions precedent will be fulfilled or that the parties to the SPA will be able to fulfil their respective obligations under the SPA within the timeframe stipulated therein.

In the event that the Proposed Disposal does not proceed to completion, our Group will not be able to achieve the objectives and benefits of the Proposed Disposal as set out in Section 3, Part A of this Circular.

To mitigate such risk, our Group will take all necessary steps and reasonable efforts to obtain the requisite approvals and to ensure that the conditions precedent in the SPA, which are within the reasonable control of our Group, are fulfilled within the timeframe stipulated in the SPA and duly perform our obligations under the SPA in order to complete the Proposed Disposal.

Further, there is risk that the transfer of the Land cannot be registered in favour of the Purchaser for any reason which is not caused by or attributable to any party. In such circumstance, the parties shall use their best endeavours to ascertain the cause or reason for non-acceptance, rejection or non-registration of the transfer and rectify, remedy and/or overcome such cause or reason so that the transfer can be accepted for registration and thereafter registered in favour of the Purchaser.

In the event such cause or reason cannot be or is not rectified, remedied and/or overcome within 2 months (*or such other period as agreed between the Vendor and the Purchaser in writing*) from the date of the Purchaser's receipt of a notice of such non-acceptance, rejection or non-registration, any party shall be entitled to terminate the SPA by written notice to the other party, and if required by the Purchaser, the Vendor acting reasonably and in good faith shall without delay enter into a new sale and purchase agreement of the Land with such person or body notified by the Purchaser to the Vendor in writing, in such form substantially similar to the SPA or upon other terms and conditions as mutually agreed between the Vendor and such person or body.

The rationale for such arrangement, if required by the Purchaser, is to facilitate the disposal of the Land to such person or body nominated by the Purchaser based on terms substantially similar to the agreed terms in the SPA or such other terms and conditions as mutually agreed between the Vendor and such person or body in the event that the transfer of the Land cannot be registered in favour of the Purchaser. While there is no specified time limit in the SPA for the Purchaser to request for such arrangement, the parties have agreed that time is of essence and accordingly, any such request from the Purchaser shall be made within a reasonable timeframe. In the event that such request is made by the Purchaser after undue lapse of time, our Company reserves our right not to proceed with the disposal of the Land to the Purchaser or its nominated person or body. Our Company will seek the necessary approval from our Shareholders for the new transaction in accordance with the Listing Requirements.

**4.2 Loss of opportunity to enjoy any potential appreciation in the market value**

Following the Proposed Disposal, our Group will lose the opportunity to enjoy any potential appreciation in the market value of the Land in future. As at the LPD, the Land is vacant and does not have any contribution to our Group's financial performance.

Notwithstanding the above, the proposed use of the Disposal Consideration as set out in Section 2.7, Part A of this Circular is expected to contribute positively to the financial position and financial performance of our Group.

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## 5. EFFECTS OF THE PROPOSED DISPOSAL

### 5.1 Share capital and substantial Shareholders' shareholdings

The Proposed Disposal will not have any effect on the issued and paid-up share capital of our Company and the substantial Shareholders' shareholdings in our Company as the Disposal Consideration will be fully satisfied in cash.

### 5.2 NA and gearing

For illustration purposes, assuming the Proposed Disposal had been effected on 31 December 2025, the pro forma effects of the Proposed Disposal on the NA and gearing of our Group are as follows:-

	Audited as at 31 December 2025 (RM'000)	After the Proposed Disposal (RM'000)
Share capital	75,028	75,028
Treasury shares	(2,419)	(2,419)
Revaluation reserve	174,000	108,456 <sup>(1)</sup>
Share options reserve	862	862
Retained earnings	93,817	172,149 <sup>(2)</sup>
<b>Shareholders' equity / NA</b>	<b>341,288</b>	<b>354,076</b>
Non-controlling interests	29	29
<b>Total equity</b>	<b>341,317</b>	<b>354,105</b>
No. of Shares, excluding treasury shares ('000)	154,732	154,732
NA per Share (RM)	2.21	2.29
Total borrowings, including lease liabilities (RM'000)	62,242	6,782 <sup>(3)</sup>
Gearing (times)	0.18	0.02

Notes:-

- (1) After accounting for the reclassification of RM65.54 million from revaluation reserve to retained earnings, relating to revaluation gains previously recognised for the Land.
- (2) The pro forma retained earnings are computed as follows:-

	Amount (RM'000)	Amount (RM'000)
Retained earnings as at 31 December 2025		93,817
Add: Gain on disposal of the Land	22,899	
Add: Reclassification from revaluation reserve to retained earnings, relating to revaluation gains previously recognised for the Land	65,544	
Add: Reversal of deferred tax liabilities previously recognised in relation to the Land	7,283	
Less: Estimated expenses for the Proposed Disposal including real property gains tax	(12,002)	
Less: Penalty for early repayment of borrowings in relation to the redemption of the charges over the Land	(750)	
Less: Payment of Special Dividend	(4,642)	
Net increase in retained earnings	78,332	78,332
<b>Pro forma retained earnings</b>		<b>172,149</b>

- (3) After accounting for the repayment of borrowings amounting to RM55.46 million as detailed in Section 2.7, Part A of this Circular.

### 5.3 Earnings and EPS

For illustration purposes, assuming the Proposed Disposal had been effected on 1 January 2025 (i.e. the beginning of FYE 31 December 2025), the pro forma effects of the Proposed Disposal on the earnings and EPS of our Group are as follows:-

	Audited for the FYE 31 December 2025	After the Proposed Disposal
(Loss) / Profit after taxation attributable to the owners of our Company (RM'000)	(2,312)	9,139 <sup>(1)</sup>
Weighted average number of Shares in issue ('000)		
- Basic	154,588	154,588
- Diluted	154,588	154,588
EPS (sen)		
- Basic	(1.50)	5.91
- Diluted	(1.50)	5.91

Note:-

(1) The pro forma profit after taxation attributable to the owners of our Company is computed as follows:-

	Amount (RM'000)	Amount (RM'000)
Loss after taxation attributable to the owners of our Company based on the audited consolidated financial statements of our Company for the FYE 31 December 2025		(2,312)
Add: Gain on disposal of the Land	22,899 <sup>(a)</sup>	
Add: Post-tax interest savings on repayment of borrowings	1,304	
Less: Estimated expenses for the Proposed Disposal including real property gains tax	(12,002)	
Less: Penalty for early repayment of borrowings	(750)	
Net increase in earnings	11,451	11,451
<b>Pro forma profit after taxation attributable to the owners of our Company</b>		<b>9,139</b>

Note:-

(a) Computed as follows:-

	Amount (RM'000)
Disposal Consideration	136,560
Less: Audited net book value as at 31 December 2025	(113,661)
<b>Gain on disposal of the Land</b>	<b>22,899</b>

In addition to the above, pursuant to the Proposed Disposal, our Group will realise the gross revaluation surplus in respect of the Land of approximately RM72.83 million previously recognised in other comprehensive income.

## 6. TENTATIVE TIMELINE

Subject to all relevant approvals being obtained and the conditions precedent of the SPA being fulfilled or waived, the Proposed Disposal is expected to be completed in the second half of 2026.

## 7. APPROVALS REQUIRED AND CONDITIONALITY

The Proposed Disposal is subject to the following being obtained:-

- (i) approval from our non-interested Shareholders at an EGM to be convened in relation to the Proposed Disposal;
- (ii) consent and/or approval from the relevant authorities in relation to the Proposed Disposal to be obtained by the Vendor and Purchaser which forms part of the conditions precedent of the SPA as detailed in Section 2 in Appendix III of this Circular; and
- (iii) approval from any other relevant authorities, if required.

The Proposed Disposal is not conditional upon the Maybulk Disposal, Eonmetall Disposal and any other corporate exercise / scheme undertaken or to be undertaken by LSH.

Save for the Proposed Disposal, there are no other intended corporate exercises / schemes which have been announced by our Company but not yet completed as at the LPD.

### Percentage ratio

The highest percentage ratio applicable for the Proposed Disposal pursuant to paragraph 10.02(1)(g) of the Listing Requirements is 39.74%.

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

On 19 March 2026, the following companies had also entered into a conditional sale and purchase agreement with the Purchaser:-

- (i) MBC Logistic Hub Sdn Bhd (*a 60%-owned subsidiary of Maybulk Berhad*) in relation to the Maybulk Disposal; and
- (ii) Eonmetall Land Sdn Bhd (*a wholly-owned subsidiary of Eonmetall Group Berhad*) in relation to the Eonmetall Disposal.

The abovementioned Maybulk Disposal and Eonmetall Disposal involve parcels of land which are contiguous with the Land in relation to the Proposed Disposal.

The Proposed Disposal, together with Maybulk Disposal and Eonmetall Disposal involve the Purchaser. In addition, LSH, Maybulk Berhad and Eonmetall Group Berhad have certain directors and major shareholders in common. Accordingly, the Proposed Disposal is deemed as a related party transaction under paragraph 10.08 of the Listing Requirements by virtue of the interests of certain Directors and Major Shareholders of our Company.

In addition, for information purposes, Kapar Land Sdn Bhd (*as the vendor*) and Sinaran Seribumi Sdn Bhd (*as the proprietor*) (*both companies in which Dato' Goh Cheng Huat is the controlling shareholder*) had on 13 January 2026 entered into a sale and purchase agreement with WG Malaysia VII Sdn Bhd (*as the purchaser*) (*a company with similar shareholder as the Purchaser*) for the sale of a parcel of land contiguous with the parcels of land involved in the Maybulk Disposal for a cash consideration of RM341.08 million, or RM85.00 psf.

Save as disclosed below, none of our Directors, Major Shareholders and/or persons connected with them have any interests, whether direct or indirect, in the Proposed Disposal:-

- (i) Dato' Goh Cheng Huat, our Deputy Chairman / Executive Director and Major Shareholder, is also a director and major shareholder of Maybulk Berhad and Eonmetall Group Berhad. He is also the spouse of Datin Tan Pak Say and father of Goh Wan Jing and Goh Hong Kent;
- (ii) Datin Tan Pak Say, our Managing Director and Major Shareholder, is also a director and major shareholder of Eonmetall Group Berhad. She is also the spouse of Dato' Goh Cheng Huat and mother of Goh Wan Jing and Goh Hong Kent;
- (iii) Goh Wan Jing, our Executive Director, is the daughter of Dato' Goh Cheng Huat and Datin Tan Pak Say as well as sister of Goh Hong Kent;
- (iv) Goh Hong Kent, our Shareholder and the son of Dato' Goh Cheng Huat and Datin Tan Pak Say as well as brother of Goh Wan Jing, is also a director of Eonmetall Group Berhad; and
- (v) Bischart Sdn Bhd, our Major Shareholder, is controlled by Dato' Goh Cheng Huat, who in turn has interests in Maybulk Berhad and Eonmetall Group Berhad.

The shareholdings of the Interested Parties in our Company as at the LPD are as follows:-

Name	Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Dato' Goh Cheng Huat	14,998,494	9.69	56,622,974 <sup>(2)</sup>	36.59
Datin Tan Pak Say	1,375,006	0.89	70,246,462 <sup>(2)</sup>	45.40
Goh Wan Jing	-	-	-	-
Goh Hong Kent	1,212,100	0.78	-	-
Bischart Sdn Bhd	54,035,868	34.92	-	-

Notes:-

- (1) Based on total number of 154,732,460 issued Shares as at the LPD (*excluding 6,195,400 treasury shares*).
- (2) Deemed interested by virtue of his/her shareholdings in Bischart Sdn Bhd and his/her family members' shareholdings in our Company.

Our Interested Directors have abstained and will continue to abstain from all deliberations and voting at our Board meetings in relation to the Proposed Disposal.

The Interested Parties will abstain from voting in respect of their direct and/or indirect shareholdings in our Company on the resolution pertaining to the Proposed Disposal at the forthcoming EGM. Further, the Interested Parties will also ensure that persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings in our Company on the resolution pertaining to the Proposed Disposal at the forthcoming EGM.

## 9. AUDIT COMMITTEE'S STATEMENT

Our Audit Committee, having considered all aspects of the Proposed Disposal, including the salient terms of the SPA, the basis and justification for the Disposal Consideration, the rationale, risk factors and effects in relation to the Proposed Disposal as well as the views of the Independent Adviser, is of the opinion that the Proposed Disposal is:-

- (i) in the best interests of our Company;
- (ii) fair, reasonable and on normal commercial terms; and
- (iii) not detrimental to the interest of our non-interested Shareholders.

## 10. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board (*save for our Interested Directors*), having considered all aspects of the Proposed Disposal, including the salient terms of the SPA, the basis and justification for the Disposal Consideration, the rationale, risk factors and effects in relation to the Proposed Disposal as well as the views of the Independent Adviser, is of the opinion that the Proposed Disposal is in the best interests of our Company.

Accordingly, our Board (*save for our Interested Directors*) recommends that you vote in favour of the resolution pertaining to the Proposed Disposal to be tabled at the forthcoming EGM.

## 11. ADVISERS

### 11.1 Principal Adviser

Berjaya Securities has been appointed as the Principal Adviser for the Proposed Disposal.

### 11.2 Independent Adviser

In view that the Proposed Disposal is deemed to be a related party transaction pursuant to paragraph 10.08 of the Listing Requirements, DWA Advisory has been appointed as the Independent Adviser to undertake the following in relation to the Proposed Disposal:-

- (i) comment as to:-
  - (a) whether the Proposed Disposal is fair and reasonable in so far as our non-interested Shareholders are concerned; and
  - (b) whether the Proposed Disposal is to the detriment of our non-interested Shareholders,and such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration in forming that opinion;
- (ii) advise our non-interested Shareholders whether you should vote in favour of the Proposed Disposal; and
- (iii) take all reasonable steps to satisfy itself that it has a reasonable basis to make the comments and advice in relation to paragraphs (i) and (ii) above.

The IAL from DWA Advisory is set out in Part B of this Circular. You should read and carefully consider the contents of this Circular (*including the IAL*) before voting on the resolution pertaining to the Proposed Disposal at the forthcoming EGM.

**12. TRANSACTIONS WITH THE INTERESTED PARTIES AND/OR PERSONS CONNECTED WITH THEM FOR THE PRECEDING 12 MONTHS**

Save for the Proposed Disposal and recurrent related party transactions for which shareholder mandates have been sought or which are not subject to disclosure pursuant to paragraph 10.09(1) of the Listing Requirements, the LSH Group has not entered into any other transactions with the Interested Parties and/or persons connected with them for the preceding 12 months up to the LPD.

**13. EGM**

The EGM, the notice of which is enclosed in this Circular, will be held at 2<sup>nd</sup> Floor, Wisma Leader Steel, Plot 85, Lorong Perusahaan Utama, Kawasan Perusahaan Bukit Tengah, 14000 Bukit Tengah, Seberang Perai Tengah, Pulau Pinang, Malaysia on Monday, 20 July 2026 at 9.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing the resolution, with or without modifications, to give effect to the Proposed Disposal.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy to attend and vote on your behalf by completing, signing and returning the enclosed Form of Proxy in accordance with the instructions contained therein as soon as possible so as to arrive at our Company's registered office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia not less than 48 hours before the time and date appointed for holding the EGM. The completion and lodgement of the Form of Proxy shall not preclude you from attending and voting in person at the EGM should you subsequently wish to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

**14. FURTHER INFORMATION**

You are advised to refer to the attached appendices for further information.

Yours faithfully  
For and on behalf of the Board of  
**LEADER STEEL HOLDINGS BERHAD**

**LIM LENG HAN**  
Chairman / Non-Independent Non-Executive Director

**PART B**

**INDEPENDENT ADVICE LETTER FROM DWA ADVISORY TO OUR NON-INTERESTED SHAREHOLDERS IN RELATION TO THE PROPOSED DISPOSAL**

## EXECUTIVE SUMMARY

*All definitions used in this Executive Summary shall have the same meaning as the words and expressions defined in the 'Definitions' section and Part A of the Circular except where the context otherwise requires or where otherwise defined in this independent advice letter ("IAL"). All references to "you" are references to the non-interested Shareholders while references to "we", "us" or "our" are to DWA Advisory, being the Independent Adviser for the Proposed Disposal. Any discrepancies in the tables included in this IAL between the amounts listed, actual figures and the total thereof are due to rounding.*

**This executive summary, highlighting the salient information of the Proposed Disposal, is intended to be a brief summary of this IAL prepared by DWA Advisory. The non-interested Shareholders are advised to read this IAL carefully together with Part A of the Circular and the enclosed appendices, and to consider carefully the recommendation contained in this IAL before voting on the ordinary resolution to give effect to the Proposed Disposal at the forthcoming EGM of LSH.**

### 1. INTRODUCTION

On 19 March 2026, on behalf of the Board, Berjaya Securities announced that FerroNet had entered into the SPA with WG Malaysia for the Proposed Disposal.

The Proposed Disposal is deemed as a related party transaction pursuant to Paragraph 10.08(2) of the Listing Requirements in view of the interests of the related parties as set out in **Section 8** of Part A of the Circular. Accordingly, the Board (save for the Interested Directors) had on 12 March 2026 appointed DWA Advisory as the Independent Adviser to advise the non-interested Directors and non-interested Shareholders in relation to the Proposed Disposal.

The purposes of this IAL are to provide the non-interested Shareholders with an independent evaluation on:

- (i) the fairness and reasonableness of the Proposed Disposal, in so far as the non-interested Shareholders are concerned; and
- (ii) whether the Proposed Disposal is to the detriment of the non-interested Shareholders,

together with our recommendation on whether the non-interested Shareholders should vote in favour of the ordinary resolution pertaining to the Proposed Disposal to be tabled at the forthcoming EGM. DWA Advisory's evaluation and recommendation are subject to the scope and limitation of our role as specified herein.

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**2. EVALUATION OF THE PROPOSED DISPOSAL**

In forming our opinion to the non-interested Shareholders, we have considered the following factors in our evaluation of the Proposed Disposal.

Area of evaluation	Our evaluation
<p><b>Section 6.1</b></p> <p>Rationale for the Proposed Disposal</p>	<p>The Proposed Disposal presents an opportunity for the Group to realise and unlock the value of the Land, which is currently vacant and non-income generating, at Disposal Consideration. As the Land is presently idle and does not contribute to the Group's revenue or profitability, the Proposed Disposal would allow the Group to monetise the Land at a favourable valuation.</p> <p>We further noted that the high market value of the Land is attributable to its identification as part of a larger parcel for IT infrastructure development, yielding a premium over similar land for typical industrial use, which is reflected in its valuation of the Land by the Independent Valuer. The Disposal Consideration of RM136.56 million represents a substantial premium over the Group's total investment cost of approximately RM41.79 million as at the LPD and is expected to improve the Group's financial position through the recognition of a net pro forma gain of approximately RM11.45 million attributable to the owners of the Company, thereby resulting in a pro forma profit after taxation attributable to the owners of the Company of RM9.14 million.</p> <p>We also noted that the Disposal Consideration proceeds are intended to be utilised for the repayment of borrowings, distribution of special dividend to Shareholders, acquisition of new business and/or assets as well as for working capital. The utilisation of the proceeds in such manner is expected to, amongst others, enable the Group to optimise its capital structure, enhance its financial flexibility and liquidity position, which may place the Group in a better position to pursue future investment opportunities and support long-term shareholder value creation.</p> <p>We further noted that the proposed Special Dividend of approximately RM0.03 per Share represents a dividend yield of approximately 7.00% based on the closing market price of the Shares of RM0.43 as at the LPD. We also noted that the balance Disposal Consideration is intended to be retained and reinvested into the Group's businesses after the payment of expenses and repayment of borrowings. The retained proceeds are intended to be utilised for potential acquisitions of new businesses and/or assets, as well as additional working capital, to enable the Group to capitalise on future opportunities and manage the challenging operating environment.</p> <p><b>Premised on the above, we view that the rationale for the Proposed Disposal is reasonable and not detrimental to the interest of the non-interested Shareholders.</b></p>
<p><b>Section 6.2</b></p> <p>Proposed use of proceeds from the Proposed Disposal</p>	<p>The proposed use of proceeds from the Proposed Disposal are as follows:</p> <p>Approximately 3.40% of the Disposal Consideration, amounting to RM4.64 million, is intended to be utilised for the proposed distribution of special dividend to the Shareholders. In this regard, the proposed special dividend would allow the Shareholders to participate in and directly benefit from the gains arising from the Proposed Disposal.</p>

**EXECUTIVE SUMMARY**

Area of evaluation	Our evaluation
	<p>We are of the view that the proposed distribution of approximately 3.40% of the Disposal Consideration as Special Dividend is reasonable, as it provides an immediate return to the Shareholders, while allowing the Group to retain the substantial amount of the Disposal Consideration to support its business operations, capitalise on future opportunities and potentially enhance its future financial performance, which may in turn create long-term shareholder value. As at 31 December 2025, the audited retained earnings of the Company stood at approximately RM20.54 million.</p> <p>We also noted that approximately 41.16% of the Disposal Consideration, amounting to RM56.21 million, is intended to be utilised for the repayment of borrowings which include term loan, bankers' acceptance and hire purchase. Such repayment is expected to reduce the Group's liabilities and gearing level, resulting in lower financing costs and improving the Group's financial position and cash flow management. Based on <b>Section 2.7</b> of Part A of the Circular, under Note (ii), we noted the repayment of borrowings is expected to contribute estimated annual pre-tax interest savings of approximately RM2.78 million. The total outstanding borrowings of the Group as at the LPD amounted to approximately RM55.46 million.</p> <p>In addition, approximately 18.31% of the Disposal Consideration, amounting to RM25.00 million, has been earmarked for the acquisition of new businesses and/or assets to be identified, which will be complementary to the Group's existing businesses. The type of business or assets which are being considered by the Board include business, land, factories or machineries involved in the manufacturing of steel pipes, angle bars, flat bars, steel plates and other steel products. The proposed allocation may provide the Group with additional flexibility to pursue suitable business or investment opportunities, subject to market conditions and the identification of viable targets and may allow the Group to capitalise on such opportunities as and when they arise, which may in turn generate positive returns to the Group and enhance Shareholders' value. Nevertheless, we noted that, as at the LPD, the Group has yet to identify any specific business and/or assets to be acquired.</p> <p>Further, approximately 28.34% of the Disposal Consideration, amounting to RM38.71 million, is intended to be utilised for working capital purposes. The allocation for working capital is expected to support the day-to-day operational and administrative requirements of the Group's businesses. Indicatively, the Group intends to allocate 60.00% of the working capital proceeds for the purchase of raw materials, 30.00% for the payment of staff-related expenses and the remaining 10.00% for other administrative and operating expenses. We further noted that the actual allocation may vary depending on, amongst others, the level of business activities and the Group's operational requirements at the relevant time, and that the Group may reallocate the working capital allocation among the aforementioned components as and when necessary. As at 31 December 2025, the Group's cash and bank balances stood at RM14.75 million and the Group's short-term funds stood at RM17.44 million.</p> <p>We also noted that approximately 8.79% of the Disposal Consideration, amounting to RM12.00 million, is intended to be utilised for estimated expenses relating to the Proposed Disposal, comprising mainly real property gains tax as well as professional fees and other incidental expenses in relation to the Proposed Disposal.</p>

**EXECUTIVE SUMMARY**

<b>Area of evaluation</b>	<b>Our evaluation</b>
	<p>Pending utilisation of the Disposal Consideration for the abovementioned purposes, the proceeds are expected to be placed in interest-bearing deposits and/or short-term money market instruments, with any interest and/or gains derived therefrom to be utilised to supplement the Group's working capital requirements.</p> <p><b>Premised on the above, we are of the view that the proposed utilisation of Disposal Consideration is reasonable and not detrimental to the interest of the non-interested Shareholders.</b></p>
<p><b>Section 6.3</b></p> <p>Evaluation of the Disposal Consideration</p>	<p><b>Basis and justification for the Disposal Consideration</b></p> <p>We noted that the Disposal Consideration was arrived at on a “willing-buyer willing-seller” basis after taking into consideration the market value of the Land as at the material date of valuation of 6 March 2026 of RM137.00 million as appraised by the Independent Valuer by adopting a comparison approach.</p> <p><u>The market value of the Land</u></p> <p>In the valuation of the Land, we noted that the Independent Valuer has adopted the comparison approach, which entails comparing the Land with similar industrial lands that have been transacted or are being offered for sale, taking into consideration factors such as location and accessibility, market conditions, land size, shape and terrain, tenure and restrictions (if any), availability of infrastructure and other relevant characteristics to derive the value of the Land.</p> <p>We concur with the Independent Valuer’s opinion that the comparison approach was adopted as the sole methodology as it is deemed the most appropriate in arriving at the market value of the Land, in view of unique characteristics of the Land being a vacant parcel of industrial land on the basis of its highest and best use, being potential for data centre and/or IT infrastructure usage. Further, the Cost Approach is generally not appropriate for valuing vacant land, whilst the Income Approach is not applicable as the Land does not generate income. Accordingly, we are of the view that the adoption of the comparison approach, being a valuation methodology under the Market Approach which provides an indication of value based on prevailing market evidence, as the sole valuation methodology without a cross-check method is reasonable.</p> <p>We noted that the potential usage of the Land for development of a data centre and/or IT infrastructure is formally supported by Invest Selangor Berhad. In addition, the Land is transacted together with PT 85116 and PT 85117 simultaneously as part of a bigger transaction to a common purchaser, resulting in a sizeable combined land area and close proximity to the TNB rentice area, which are considered prerequisite conditions for such potential use.</p> <p>Given the characteristics of the Land, being a 33.00-acre (13.3546 hectares) parcel of industrial land in rectangular shape, prominently fronting onto the southern side of Jalan Akob within Kapar, Selangor, which is generally flat in terrain and lies approximately level with its frontage road, with the site boundaries presently not demarcated by any form of fencing except for the northern boundary that is secured with metal hoarding, we noted the Independent Valuer had analysed comparable transactions in arriving at the market value of the Land.</p>

**EXECUTIVE SUMMARY**

<b>Area of evaluation</b>	<b>Our evaluation</b>
	<p>Based on the analysis, after taking into consideration the adjustments made to the analysed value of the comparable transactions for, amongst others, the differences in terms of time factor, location, frontage/visibility, tenure, land area, data centre and/or related usage, distance from the nearest TNB Pylon, shape, surrender and infrastructure, the adjusted values range from RM92 to RM97 per sq ft. We noted that the Independent Valuer had adopted RM95 per sq ft for the Land's value based on Comparable 1 which has the most similar usage and is the latest transaction. Accordingly, the market value appraised by the Independent Valuer for the Land is RM137.00 million (after rounding from RM136,560,315).</p> <p>We noted that the adopted value per sq ft for the Eonmetall Disposal is similar to that of the Land at RM95 per sq ft, whilst the adopted value per sq ft for the Maybulk Disposal is higher at RM110 per sq ft. We were made to understand that the higher adopted value for the Maybulk Disposal is attributable to the location of its subject land, which is directly adjacent to the TNB rentice area and is perceived to be more favourable for data centre-related usage as compared to the Land and the land under the Eonmetall Disposal. As the higher adopted value per sq ft for the Maybulk Disposal is justified by its superior locational attributes, we are of the view that the lower adopted value per sq ft for the Land is reasonable.</p> <p><b>Premised on the above, we are of the view that the Disposal Consideration of RM136,560,315 is fair and reasonable and not detrimental to the non-interested Shareholders as it approximates the market value of the Land under the comparison approach as opined by the Independent Valuer, and represents a premium of 20.15% over its audited net book value as at 31 December 2025 of RM113.66 million.</b></p>
<p><b>Section 6.4</b></p> <p>Evaluation of the salient terms of the SPA</p>	<p>Based on our review of the salient terms of the SPA, <b>we are of the view that the overall terms and conditions of the said agreement are commercially reasonable and not detrimental to the interest of the non-interested Shareholders.</b></p>
<p><b>Section 6.5</b></p> <p>Effects of the Proposed Disposal</p>	<p>The pro forma effects of the Proposed Disposal are as follows:</p> <p><b>(i) Issued share capital and substantial shareholders' shareholdings</b></p> <p>The Proposed Disposal will not have any effect on the issued share capital of the Company and the substantial shareholders' shareholdings in LSH as the Disposal Consideration will be fully satisfied in cash.</p> <p><b>(ii) NA and gearing</b></p> <p>The Proposed Disposal is expected to increase the Group's NA from RM341.29 million to RM354.08 million, resulting in an increase in the Group's pro forma NA per share from RM2.21 to RM2.29.</p>

**EXECUTIVE SUMMARY**

<b>Area of evaluation</b>	<b>Our evaluation</b>
	<p>The pro forma gearing of the Group is expected to reduce from 0.18 times to 0.02 times following the repayment of borrowings from the proceeds of the Proposed Disposal.</p> <p><b>(iii) Earnings and EPS</b></p> <p>The Proposed Disposal is expected to improve the Company's financial performance through the recognition of a net increase in earnings of approximately RM11.45 million, mainly arising from the gain on disposal of the Land and post-tax interest savings arising from the repayment of borrowings.</p> <p>Consequently, the Company's results are expected to improve from a loss after taxation attributable to the owners of the Company of RM2.31 million to a pro forma profit after taxation attributable to the owners of the Company of RM9.14 million, whilst the basic loss per share is expected to improve from 1.50 sen to a basic EPS of 5.91 sen.</p> <p>We also noted that, pursuant to the Proposed Disposal, the Group is expected to realise the gross revaluation surplus in respect of the Land of approximately RM72.83 million previously recognised in other comprehensive income.</p> <p><b>Premised on the above, we are of the view that the overall effects arising from the Proposed Disposal are not detrimental to the non-interested Shareholders.</b></p>
<p><b>Section 6.6</b></p> <p>Risk factors for the Proposed Disposal</p>	<p>In evaluating the Proposed Disposal, prior to voting on the resolution pertaining to the Proposed Disposal at the forthcoming EGM, non-interested Shareholders should carefully consider the risk factors, including but not limited to, risks relating to non-completion of SPA and compulsory acquisition by the Government.</p> <p>Non-interested Shareholders should also note that the risk factors mentioned in the Circular and this IAL are not meant to be exhaustive.</p>

Please refer to the respective sections in this IAL for further details of the above evaluations.

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**3. CONCLUSION AND RECOMMENDATION**

Non-interested Shareholders should take into account all the merits and demerits of the Proposed Disposal based on all relevant and pertinent factors including those which are set out in the Circular, IAL, and other publicly available information.

Premised on the foregoing and our overall evaluation of the Proposed Disposal, DWA Advisory is of the opinion that the Proposed Disposal is **FAIR AND REASONABLE** and is **NOT DETRIMENTAL** to the interest of the non-interested Shareholders.

Accordingly, DWA Advisory recommends that the non-interested Shareholders **VOTE IN FAVOUR** of the ordinary resolution pertaining to the Proposed Disposal at the forthcoming EGM.

The non-interested Shareholders are advised not to rely solely on the executive summary before forming an opinion on the Proposed Disposal.

The non-interested Shareholders are also advised to read this IAL carefully together with Part A of the Circular and the enclosed appendices, and to consider carefully the recommendation contained in this IAL before voting on the ordinary resolution to give effect to the Proposed Disposal at the forthcoming EGM.

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**Registered office:**

E-2-1, Block E, Oasis Square  
No. 2, Jalan PJU 1A/7A  
Ara Damansara  
47301 Petaling Jaya  
Selangor Darul Ehsan

3 July 2026

**To: The Non-Interested Shareholders of LSH**

Dear Sir/Madam,

**INDEPENDENT ADVICE LETTER TO THE NON-INTERESTED SHAREHOLDERS IN RELATION TO THE PROPOSED DISPOSAL**

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*This IAL is prepared for inclusion as Part B of the Circular and should be read in conjunction with the same. All definitions used in this IAL shall have the same meaning as the words and expressions defined in the 'Definitions' section and Part A of the Circular, except where the context otherwise requires or where otherwise defined in this IAL. All references to "we", "us" and "our" in this IAL are to DWA Advisory, being the Independent Adviser for the Proposed Disposal. Any discrepancies in the tables included in this IAL between the amounts listed, actual figures and the total thereof are due to rounding.*

**1. INTRODUCTION**

On 19 March 2026, on behalf of the Board, Berjaya Securities announced that the Company's wholly-owned subsidiary, FerroNet had on even date entered into the SPA in relation to the Proposed Disposal with WG Malaysia.

The Proposed Disposal is deemed as a related party transaction pursuant to Paragraph 10.08(2) of the Listing Requirements in view of the interests of the related parties as set out in **Section 8** of Part A of the Circular. Accordingly, the Board (save for the Interested Directors) had on 12 March 2026 appointed DWA Advisory as the Independent Adviser to advise the non-interested Directors and non-interested Shareholders in relation to the Proposed Disposal.

The purposes of this IAL are to provide the non-interested Shareholders with an independent evaluation on:

- (i) the fairness and reasonableness of the Proposed Disposal, in so far as the non-interested Shareholders are concerned; and
- (ii) whether the Proposed Disposal is to the detriment of the non-interested Shareholders,

together with our recommendation on whether the non-interested Shareholders should vote in favour of the ordinary resolution pertaining to the Proposed Disposal to be tabled at the forthcoming EGM. DWA Advisory's evaluation and recommendation are subject to the scope and limitation of our role as specified herein.

**THE NON-INTERESTED SHAREHOLDERS ARE ADVISED TO READ THIS IAL CAREFULLY TOGETHER WITH PART A OF THE CIRCULAR AND THE ENCLOSED APPENDICES, AND TO CONSIDER CAREFULLY THE RECOMMENDATION CONTAINED IN THIS IAL AS WELL AS PART A OF THE CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED DISPOSAL AT THE FORTHCOMING EGM.**

**THIS CIRCULAR IS SOLELY FOR THE USE OF THE NON-INTERESTED SHAREHOLDERS FOR THE PURPOSE OF CONSIDERING THE PROPOSED DISPOSAL AND SHOULD NOT BE USED OR RELIED UPON BY ANY OTHER PARTY OR FOR ANY OTHER PURPOSE.**

**IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANKER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

## **2. DETAILS OF THE PROPOSED DISPOSAL**

The full details of the Proposed Disposal are set out in **Section 2** of Part A of the Circular and should be read in its entirety by the non-interested Shareholders.

## **3. SCOPE AND LIMITATIONS TO THE EVALUATION OF THE PROPOSED DISPOSAL**

DWA Advisory was not involved in the formulation, deliberation and negotiation of the terms and conditions of the Proposed Disposal. DWA Advisory has also not undertaken any independent investigation into the business, affairs, operations, financial position or prospects of LSH.

Our scope as Independent Adviser is limited to expressing an independent opinion on the fairness and reasonableness of the Proposed Disposal whether it is to the detriment of the non-interested Shareholders.

DWA Advisory is satisfied with the adequacy of information and documents provided by the Board and the management of the Company (“**Management**”) in order for us to form the basis of our opinion. DWA Advisory wishes to highlight that the Board has collectively and individually confirmed to us that all relevant material facts and information critical to our evaluation have been disclosed to us. The Board has also accepted responsibility for the accuracy of the information provided to us by the Board, Management and/or its advisers which is reproduced herein and confirmed that, after making all reasonable enquiries and to the best of its knowledge and belief, there are no other information and/or facts, the omission of which would make any information provided to us misleading, incomplete or inaccurate.

In performing our evaluation, DWA Advisory has relied on the following sources of information and documents:

- (i) the information contained in Part A of the Circular and the appendices attached thereto;
- (ii) the SPA dated 19 March 2026 entered into between FerroNet and WG Malaysia in relation to the Proposed Disposal;
- (iii) the valuation report and valuation certificate dated 22 May 2026 for the Land, prepared by the Independent Valuer pursuant to the Proposed Disposal;
- (iv) other relevant information, documents, confirmations and representations provided to us by the Board and Management;
- (v) discussions and consultation with the Management; and
- (vi) other publicly available information which we have deemed to be relevant.

DWA Advisory has relied on the Board and representatives of LSH to take due care and to ensure that all information, documents and representations provided to us by them to facilitate our evaluation of the Proposed Disposal are reasonable, reliable, accurate, valid, complete and free from material omission in all material aspects. DWA Advisory has made reasonable enquiries, and as at the date of this IAL, to the best of our knowledge and belief, the information provided and made available to us is reasonable and free from any material omission, and we have no reason to believe that such information is unreliable, incomplete, misleading and/or inaccurate. To that end, DWA Advisory is satisfied with the disclosures and sufficiency of the information in this IAL.

DWA Advisory has evaluated the Proposed Disposal and in rendering our advice, DWA Advisory has also considered various pertinent factors, which we believe are of relevance and general importance to the assessment of the Proposed Disposal, would be of relevance and general concern to the non-interested Directors and the non-interested Shareholders. This opinion is rendered solely for the benefit of the non-interested Directors and non-interested Shareholders.

DWA Advisory's evaluation and recommendations expressed herein are confined to the Proposed Disposal. DWA Advisory's scope as the Independent Adviser does not extend to expressing any opinion on the commercial merits, legal and tax implications arising from the Proposed Disposal, which remain the sole responsibility of the Board.

DWA Advisory's views and recommendations contained in this IAL are to the non-interested Directors and non-interested Shareholders at large and not to any non-interested Directors or non-interested Shareholder individually. As such, in carrying out our evaluation, DWA Advisory has not given any consideration to any specific future plans nor to consider the specific objectives, financial situation and particular needs of any individual shareholder or specific group of shareholders.

DWA Advisory recommends that any individual non-interested Shareholder or any specific group of non-interested Shareholders who is in doubt of the action to be taken or require specific advice in relation to the Proposed Disposal, in the context of their individual objectives, financial situation and particular needs, to consult with their stockbrokers, bankers, solicitors, accountants or other professional advisers. DWA Advisory shall not be responsible for any damage or loss of any kind sustained or suffered by any individual non-interested Shareholder or any specific group of non-interested Shareholders in reliance on the opinion stated herein for any purpose whatsoever other than for the purpose of considering the Proposed Disposal at the forthcoming EGM.

After the dispatch of the Circular and this IAL, and until the date of the EGM, DWA Advisory will notify the non-interested Shareholders if we become aware of the following:

- (i) significant change affecting the information contained in the IAL;
- (ii) there is a reason to believe that the statements in the IAL are misleading/deceptive; and
- (iii) there is a material omission in the IAL.

#### **4. DECLARATION OF CONFLICT OF INTEREST AND OUR CREDENTIALS, EXPERIENCE AND EXPERTISE**

DWA Advisory confirms that there are no circumstances which exist or are likely to give rise to a possible conflict of interest situation for DWA Advisory to carry out the role as the Independent Adviser in relation to the Proposed Disposal.

Save for our current role as the Independent Adviser for the Proposed Disposal, DWA Advisory has not had any professional relationship with LSH at any time during the past two (2) years prior the date of this IAL.

DWA Advisory is an advisory firm incorporated in Malaysia and licensed by the SC (License No. CMSL/A0315/2013) to carry out the regulated activity of advising on corporate finance pursuant to Section 58 of the CMSA. DWA Advisory has undertaken the role as an Independent Adviser for corporate exercises in the past three (3) years prior to the Proposed Disposal, which include the following:

- (i) unconditional mandatory take-over offer by Khidmat Kejora Sdn Bhd and Neo Pixel Sdn Bhd through M & A Securities Sdn Bhd to acquire all the remaining ordinary shares in Turiya Berhad not already owned by them, as well as Tan Sri Datuk Dr Mohan A/L M.K. Swami and Dato Sri Shamir Kumar Nandy, where our independent advice circular was issued on 27 May 2024;
- (ii) exemption for Wong Kok Wah, Chan Yoke Chun and the persons acting in concert with them, from the obligation to undertake a mandatory take-over offer for the remaining HLT Global Berhad shares not already owned by them, under the proposed rights issue and upon exercise of their warrants, where our independent advice circular was issued on 14 February 2025;
- (iii) selective capital reduction and repayment exercise of NPC Resources Berhad pursuant to Section 116 of the Companies Act 2016, where our independent advice letter was issued on 3 April 2025;
- (iv) exemption for Datuk Wong Sak Kuan, Lotus Essential Sdn Bhd and the persons acting in concert with them, from the obligation to undertake a mandatory take-over offer for the remaining Lotus Circular Berhad shares not already owned by them, upon issuance of Lotus Circular Berhad shares in relation to the acquisition by the company of the entire equity interest in Earthwise Resources Sdn Bhd and Expert Resource Management Sdn Bhd, where our independent advice letter was issued on 5 December 2025;
- (v) related party transaction by RHB Trustee Berhad on behalf of UOA Real Estate Investment Trust involving the acquisition of three (3) commercial properties from Everise Project Sdn Bhd, where our independent advice letter was issued on 8 December 2025 and our supplemental independent advice letter was issued on 14 April 2026;
- (vi) exemption for Dato' Sri Lim Teck Boon and the persons acting in concert with him, from the obligation to undertake a mandatory take-over offer for the remaining Euro Holdings Berhad shares not already owned by them, upon issuance of Euro Holdings Berhad shares in relation related party acquisition by the company of a parcel of leasehold land together with 4 blocks of industrial buildings, settlement of debts and rights-issue of Euro Holding Berhad shares, where our independent advice letter was issued on 16 December 2025;
- (vii) related party transactions by BTM Biomass Products Sdn Bhd, a wholly-owned subsidiary of BTM Resources Berhad, involving the disposals of a factory building as well as the plant, machinery and equipment which are installed and equipped within the factory building to Gimzan Plywood Sdn Bhd, where our independent advice letter was issued on 12 January 2026;
- (viii) conditional mandatory take-over offer by Gain Millen Sdn Bhd through AmInvestment Bank Berhad to acquire all the remaining ordinary shares in MyTech Group Berhad not already owned by them, as well as Tan Sri Dato' Cheng Joo Teik and the persons acting in concert with them, where our independent advice circular was issued on 12 January 2026;
- (ix) related party transaction by Metro Healthcare Berhad involving the acquisition of 100,000 ordinary shares in RMC Specialist Sdn Bhd from Dr Tay Swi Peng, where our independent advice letter was issued on 13 January 2026; and

- (x) selective capital reduction and repayment exercise of Boustead Heavy Industries Corporation Berhad (“BHIC”) for the ordinary shares in BHIC not owned by Boustead Holdings Berhad, and capital reduction and repayment exercises for the redeemable convertible preference shares (“RCPS”) Class A in BHIC and Islamic RCPS Class A in BHIC, pursuant to Section 116 of the Companies Act 2016, where our independent advice letter was issued on 7 April 2026.

Premised on the foregoing, DWA Advisory is capable and competent in carrying out its role and responsibilities as the Independent Adviser to advise the non-interested Directors and non-interested Shareholders in relation to the Proposed Disposal.

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

We noted that the Proposed Disposal is undertaken alongside the Maybulk Disposal and Eonmetall Disposal, both involving the same Purchaser and parcels of land contiguous to the Land.

We further noted that LSH, Maybulk Berhad and Eonmetall Group Berhad have certain Directors and/or Major Shareholders in common. Accordingly, the Proposed Disposal is regarded as a related party transaction pursuant to Paragraph 10.08 of the Listing Requirements by virtue of the interests of certain Directors and Major Shareholders.

In addition, for information purposes, Dato’ Goh Cheng Huat had on 13 January 2026, through his controlled entities, namely Kapar Land Sdn Bhd (as the vendor) and Sinaran Seribumi Sdn Bhd (as the proprietor), entered into a sale and purchase agreement with WG Malaysia VII Sdn Bhd (as the purchaser), which has common shareholders as the Purchaser, for the sale of a parcel of land contiguous with the parcel of land involved in the Maybulk Disposal for a cash consideration of RM341.08 million (equivalent to RM85.00 psf).

As set out in **Section 8** of Part A of the Circular, none of the other Directors, major Shareholders and/or persons connected with them have any interests, direct or indirect, in the Proposed Disposal save as disclosed below:

- (i) Dato’ Goh Cheng Huat, the Deputy Chairman / Executive Director and Major Shareholder of LSH, is deemed interested in the Proposed Disposal in view that he is also a director and major shareholder of Maybulk Berhad and Eonmetall Group Berhad. He is also the spouse of Datin Tan Pak Say and father of Goh Wan Jing and Goh Hong Kent;
- (ii) Datin Tan Pak Say, the Managing Director and Major Shareholder of LSH, is deemed interested in the Proposed Disposal in view that she is also a director and major shareholder of Eonmetall Group Berhad. She is also the spouse of Dato’ Goh Cheng Huat and mother of Goh Wan Jing and Goh Hong Kent;
- (iii) Goh Wan Jing, the Executive Director of LSH, is the daughter of Dato’ Goh Cheng Huat and Datin Tan Pak Say as well as sister of Goh Hong Kent;
- (iv) Goh Hong Kent, the Shareholder of LSH, is deemed interested in the Proposed Disposal in view that he is also a director of Eonmetall Group Berhad. He is also the son of Dato’ Goh Cheng Huat and Datin Tan Pak Say, as well as brother of Goh Wan Jing; and
- (v) Bischart Sdn Bhd, the Major Shareholder of LSH, is deemed interested in the Proposed Disposal in view that the company is controlled by Dato’ Goh Cheng Huat, who in turn has interests in Maybulk Berhad and Eonmetall Group Berhad.

As at the LPD, the shareholdings of the Interested Directors, Interested Major Shareholders and persons connected with them in LSH are set out as follows:

Interested Parties	Direct interest		Indirect interest	
	No. of LSH Shares	(%) <sup>(1)</sup>	No. of LSH Shares	(%) <sup>(1)</sup>
<b><u>Interested Directors and Interested Major Shareholders</u></b>				
Dato' Goh Cheng Huat	14,998,494	9.69	56,622,974 <sup>(2)</sup>	36.59
Datin Tan Pak Say	1,375,006	0.89	70,246,462 <sup>(2)</sup>	45.40
<b><u>Interested Director</u></b>				
Goh Wan Jing	-	-	-	-
<b><u>Persons connected with Interested Directors and Interested Major Shareholders</u></b>				
Goh Hong Kent	1,212,100	0.78	-	-
Bischart Sdn Bhd	54,035,868	34.92	-	-

Notes:

(1) Based on total number of 154,732,460 issued Shares as at the LPD (excluding 6,195,400 treasury shares).

(2) Deemed interests by virtue of his/her shareholdings in Bischart Sdn Bhd and his/her family members' shareholdings in the Company.

The Interested Directors have abstained and will continue to abstain from all deliberations and voting at the Board meetings of the Company in respect of the Proposed Disposal.

The Interested Parties will also abstain from voting and have undertaken to ensure that persons connected with them will abstain from voting in respect of their respective direct and/or indirect shareholdings in the Company, if any, on the resolutions pertaining to the Proposed Disposal at an EGM to be convened.

## 6. EVALUATION OF THE PROPOSED DISPOSAL

DWA Advisory has assessed various aspects of the Proposed Disposal including the rationale and effects of the Proposed Disposal as well as their implications to the non-interested Shareholders. Hence, DWA Advisory's opinion on the fairness and reasonableness of the Proposed Disposal is rendered on a holistic approach. In forming our opinion to the non-interested Shareholders, we have considered the following factors in our evaluation of the Proposed Disposal:

No.	Factors	Sections in this IAL
(a)	Rationale for the Proposed Disposal	6.1
(b)	Proposed use of proceeds from the Proposed Disposal	6.2
(c)	Evaluation of the Disposal Consideration	6.3
(d)	Evaluation of the salient terms of the SPA	6.4
(e)	Effects of the Proposed Disposal	6.5
(f)	Risk factors for the Proposed Disposal	6.6

## 6.1 Rationale for the Proposed Disposal

As disclosed in **Section 3** of Part A of the Circular, we took cognisance of the rationale and benefits of the Proposed Disposal and our commentaries are as follows:

### Our commentaries:

We noted that LSH Group's activities are concentrated on the following two (2) key business segments:

Segment	Principal activities
Steel	Manufacturing and trading activities of various steel products such as steel pipes and tubes, hollow sections, angle bars, flat bars, square bars, steel plates, u-channels, and trolley tracks
Mineral	Processing and exporting steel-related mineral products like manganese ore

The Group's revenue and profitability for the past 3 financial years are as follows:

	Audited					
	FYE 31 Dec 2023 (RM'000)	(%)*	FYE 31 Dec 2024 (RM'000)	(%)*	FYE 31 Dec 2025 (RM'000)	(%)*
Steel segment	176,471	(3.06)	201,807	14.36	150,190	(25.58)
Mineral segment	15,786	(60.29)	16,597	5.14	6,845	(58.76)
<b>Total revenue</b>	<b>192,257</b>		<b>218,404</b>		<b>157,035</b>	
<b>Profit/(loss) after taxation attributable to the owners of LSH</b>	<b>18,975</b>		<b>2,240</b>		<b>(2,312)</b>	

Note:

\* Year-on-year growth/decline

The steel segment of the Group recorded an increase in revenue of approximately 14.36% from FYE 2023 to FYE 2024, before experiencing a significant decline of approximately 25.58% in FYE 2025. Meanwhile, the mineral segment recorded a marginal increase in revenue of approximately 5.14% from FYE 2023 to FYE 2024, followed by a steep decline of 58.76% in FYE 2025.

The decline in the Group's business performance, mainly attributable to lower average selling prices, reduced sales and shipment volumes as well as challenging trading conditions, has impacted the overall financial performance of the Group.

We noted that the Proposed Disposal provides an opportunity for the Group to realise and unlock the value of the Land, which is currently vacant and non-income generating, at the Disposal Consideration. As the Land is presently idle and does not contribute to the Group's revenue or profitability, the Proposed Disposal would allow the Group to monetise the Land at a favourable valuation.

We further noted that the high market value of the Land is attributable to its identification as part of a larger parcel for IT infrastructure development, yielding a premium over similar land for typical industrial use, which is reflected in its valuation of the Land by the Independent Valuer. The Disposal Consideration of RM136.56 million represents a substantial premium over the Group's total investment cost of approximately RM41.79 million as at the LPD, thereby providing the Group with an attractive opportunity to realise substantial gains from the Land.

In view of the recent decline in the financial performance of the Group's steel and mineral segments, which resulted in the Group recording a loss after taxation attributable to owners of the Company of RM2.31 million for FYE 2025, the Proposed Disposal is expected to improve the Group's financial position through the recognition of a net pro forma gain of approximately RM11.45 million attributable to the owners of the Company, thereby resulting in a pro forma profit after taxation attributable to the owners of the Company of RM9.14 million.

We also noted that the Disposal Consideration proceeds are intended to be utilised for the repayment of borrowings, distribution of special dividend to Shareholders, acquisition of new business and/or assets as well as for working capital. The utilisation of the proceeds in such manner is expected to, amongst others, enable the Group to optimise its capital structure, enhance its financial flexibility and liquidity position, which may place the Group in a better position to pursue future investment opportunities and support long-term shareholder value creation. In addition, the proposed distribution of special dividend would allow the Company to reward its Shareholders for their continuous support, whilst the allocation towards potential acquisitions may provide the Group with additional flexibility to pursue suitable business or investment opportunities, subject to market conditions and the identification of viable targets.

We further noted that the proposed Special Dividend of approximately RM0.03 per Share represents a dividend yield of approximately 7.00% based on the closing market price of the Shares of RM0.43 as at the LPD. We also noted that the balance Disposal Consideration is intended to be retained and reinvested into the Group's businesses after the payment of expenses and repayment of borrowings. The retained proceeds are intended to be utilised for potential acquisitions of new businesses and/or assets, as well as additional working capital, to enable the Group to capitalise on future opportunities and manage the challenging operating environment.

Please refer to **Section 6.2** of this IAL for further information on the evaluation of the use of proceeds.

**Premised on the above, we view that the rationale for the Proposed Disposal is reasonable and not detrimental to the interest of the non-interested Shareholders.**

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## 6.2 Proposed use of proceeds from the Proposed Disposal

As disclosed in **Section 2.7** of Part A of the Circular, we noted that the Disposal Consideration is intended to be utilised for the following purposes:

Use of proceeds	Estimated timeframe for use from completion of the Proposed Disposal	Amount (RM'000)	Percentage (%)
(i) Distribution of Special Dividend to Shareholders	Within 6 months	4,642	3.40
(ii) Repayment of borrowings	Within 12 months	56,210	41.16
(iii) Acquisition of new business and/or assets to be identified	Within 36 months	25,000	18.31
(iv) Working capital	Within 24 months	38,706	28.34
(v) Estimated expenses for the Proposed Disposal including real property gains tax	Within 6 months	12,002	8.79
<b>Total</b>		<b>136,560</b>	<b>100.00</b>

### Our commentaries:

We noted that approximately 3.40% of the Disposal Consideration, amounting to RM4.64 million, is intended to be utilised for the proposed distribution of special dividend to the Shareholders. In this regard, the proposed special dividend would allow the Shareholders to participate in and directly benefit from the gains arising from the Proposed Disposal. We are of the view that the proposed distribution of approximately 3.40% of the Disposal Consideration as Special Dividend is reasonable, as it provides an immediate return to the Shareholders, while allowing the Group to retain the substantial amount of the Disposal Consideration to support its business operations, capitalise on future opportunities and potentially enhance its future financial performance, which may in turn create long-term shareholder value. As at 31 December 2025, the audited retained earnings of the Company stood at approximately RM20.54 million.

We also noted that approximately 41.16% of the Disposal Consideration, amounting to RM56.21 million, is intended to be utilised for the repayment of term loan (including penalty for early repayment amounting to RM0.75 million), bankers' acceptance and hire purchase. Such repayment is expected to reduce the Group's liabilities and gearing level, resulting in lower financing costs and improving the Group's financial position and cash flow management. Based on **Section 2.7** of Part A of the Circular, under Note (ii), we noted that the repayment of term loan (including penalty for early repayment), bankers' acceptance and hire purchase is expected to contribute estimated annual pre-tax interest savings of approximately RM2.78 million. The total outstanding borrowings of the Group as at the LPD amounted to approximately RM55.46 million.

In addition, approximately 18.31% of the Disposal Consideration, amounting to RM25.00 million, has been earmarked for the acquisition of new businesses and/or assets to be identified, which will be complementary to the Group's existing businesses. The type of business or assets which are being considered by the Board include business, land, factories or machineries involved in the manufacturing of steel pipes, angle bars, flat bars, steel plates and other steel products. The proposed allocation may provide the Group with additional flexibility to pursue suitable business or investment opportunities, subject to market conditions and the identification of viable targets and may allow the Group to capitalise on such opportunities as and when they arise, which may in turn generate positive returns to the Group and enhance Shareholders' value. Nevertheless, we noted that, as at the LPD, the Group has yet to identify any specific business and/or assets to be acquired.

Further, approximately 28.34% of the Disposal Consideration, amounting to RM38.71 million, is intended to be utilised for working capital purposes. The allocation for working capital is expected to support the day-to-day operational and administrative requirements of the Group's businesses. Indicatively, the Group intends to allocate 60.00% of the working capital proceeds for the purchase of raw materials, 30.00% for the payment of staff-related expenses and the remaining 10.00% for other administrative and operating expenses. We further noted that the actual allocation may vary depending on, amongst others, the level of business activities and the Group's operational requirements at the relevant time, and that the Group may reallocate the working capital allocation among the aforementioned components as and when necessary. As at 31 December 2025, the Group's cash and bank balances stood at RM14.75 million and the Group's short-term funds stood at RM17.44 million.

We also noted that approximately 8.79% of the Disposal Consideration, amounting to RM12.00 million, is intended to be utilised for estimated expenses relating to the Proposed Disposal, comprising mainly real property gains tax as well as professional fees and other incidental expenses in relation to the Proposed Disposal.

Pending utilisation of the Disposal Consideration for the abovementioned purposes, the proceeds are expected to be placed in interest-bearing deposits and/or short-term money market instruments, with any interest and/or gains derived therefrom to be utilised to supplement the Group's working capital requirements.

**Premised on the above, we are of the view that the proposed utilisation of Disposal Consideration is reasonable and not detrimental to the interest of the non-interested Shareholders.**

### **6.3 Evaluation of the Disposal Consideration**

#### **6.3.1 Basis and justification for the Disposal Consideration**

As set out in **Section 2.3** of Part A of the Circular, we noted that the Disposal Consideration was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the market value of the Land as at the material date of valuation of 6 March 2026 of RM137.00 million as appraised by the Independent Valuer by adopting a comparison approach.

We noted that the Board (save for the Interested Directors), in justifying the Disposal Consideration, has considered the following:

- (i) the Disposal Consideration approximates the market value of the Land of RM137.00 million;
- (ii) the original cost of investment of FerroNet in the Land of approximately RM41.79 million as at the LPD; and
- (iii) the rationale for the Proposed Disposal as set out in **Section 3** of Part A of this Circular.

We further noted the milestone payment schedule for the settlement of the Disposal Consideration and the status of the respective milestone payments, as disclosed in **Section 2.3** of Part A of the Circular.

In assessing the fairness of the Disposal Consideration which was arrived at based on the market value of the Land ascribed by the Independent Valuer, we have reviewed and relied on the valuation report and valuation certificate for the Land prepared by the Independent Valuer. LSH has appointed Savills as the Independent Valuer to carry out the valuation of the market value of the freehold interest in the Land.

We noted that the Independent Valuer is an independent firm registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia (“BOVAEP”). The valuation report prepared in accordance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia (“SC”) (“AVA Guidelines”) and the Malaysian Valuation Standards issued by the BOVAEP. Accordingly, we are satisfied with the bases and assumptions adopted by the Independent Valuer in arriving at the market value of the Land.

We have made all reasonable enquiries and conducted our own reviews, where possible, with regard to the valuation report and valuation certificate provided to us. We are of the view that the valuation methodology adopted by the Independent Valuer in its valuation report is reasonable, appropriate and consistent with generally applied valuation methodologies.

#### The market value of the Land

We noted the information on the Land as set out in **Section 2.1** of Part A of the Circular.

We further noted from the valuation report that the valuation of the Land was made on the following bases/assumptions:

- (i) the Land is a vacant parcel of industrial land on the basis of its highest and best use, being potential for data centre and/or information technology (“IT”) infrastructure usage and forms part of a bigger transaction involving a common purchaser, together with the Maybulk Disposal and Eonmetall Disposal;
- (ii) the Land is sold on an “as-is-where-is” basis, where the site is presently cleared for development purposes with basic earthworks largely completed;
- (iii) the area adopted based on its title document; and
- (iv) the Land in its existing condition with vacant possession and subject to its title being free from encumbrances and registrable.

In the valuation of the Land, we noted that the Independent Valuer has adopted the comparison approach, which entails comparing the Land with similar industrial lands that have been transacted or are being offered for sale, taking into consideration factors such as location and accessibility, market conditions, land size, shape and terrain, tenure and restrictions (if any), availability of infrastructure and other relevant characteristics to derive the value of the Land.

We concur with the Independent Valuer’s opinion that the comparison approach was adopted as the sole methodology as it is deemed the most appropriate in arriving at the market value of the Land, in view of unique characteristics of the Land being a vacant parcel of industrial land on the basis of its highest and best use, being potential for data centre and/or IT infrastructure usage. Further, the Cost Approach is generally not appropriate for valuing vacant land, whilst the Income Approach is not applicable as the Land does not generate income. Accordingly, we are of the view that the adoption of the comparison approach, being a valuation methodology under the Market Approach which provides an indication of value based on prevailing market evidence, as the sole valuation methodology without a cross-check method is reasonable.

We noted that the potential usage of the Land for development of a data centre and/or IT infrastructure is formally supported by Invest Selangor Berhad. In addition, the Land is transacted together with PT 85116 and PT 85117 simultaneously as part of a bigger transaction to a common purchaser, resulting in a sizeable combined land area and close proximity to the Tenaga Nasional Berhad (“TNB”) rentice area, which are considered prerequisite conditions for such potential use.

Given the characteristics of the Land, being a 13.3546 hectares (equivalent to approximately 33.00-acres or 1,437,477 square feet (“sq ft”)) parcel of industrial land in rectangular shape, prominently fronting onto the southern side of Jalan Akob within Kapar, Selangor, which is generally flat in terrain and lies approximately level with its frontage road, with the site boundaries presently not demarcated by any form of fencing except for the northern boundary that is secured with metal hoarding, we noted the Independent Valuer had analysed the following comparable transactions in arriving at the market value of the Land:

Description	Comparable 1	Comparable 2	Comparable 3
Location	Eco Business Park V, Puncak Alam, Selangor	Jalan Bukit Kapar Kuari, Kapar, Selangor	Elmina Business Park, Shah Alam, Selangor
Tenure	Leasehold with remaining 76 years	Freehold	Freehold
Land area	58.19 acres 2,534,632 sq ft	76.00 acres 3,310,548 sq ft	46.75 acres 2,036,242 sq ft
Category of land use	“Industri”	“Industri”	“Industri”
Zoning	Industrial	Industrial	Mixed development for residential, commercial & industrial
Proposed usage	Data centre	Industrial	Data centre
Shape	Regular	Trapezoidal	Regular
Date of transaction	25 February 2025	17 January 2025	23 May 2024
Consideration	RM266,135,701	RM241,852,961	RM224,007,300
<b>Analysed value per sq ft</b>	<b>RM105</b>	<b>RM73</b>	<b>RM110</b>
<b>Value per sq ft (after adjustments<sup>(1)</sup>)</b>	<b>RM94</b>	<b>RM97</b>	<b>RM92</b>

Note:

(1) The adjustments made to the analysed value for the comparables after taking into consideration amongst others, the differences in terms of time factor, location, frontage/visibility, tenure, land area, data centre and/or related usage, distance from the nearest TNB Pylon, shape, surrender and infrastructure as tabulated below:

Adjustment factors	Comparable 1	Comparable 2	Comparable 3
1) Time factor	An upward adjustment of 2.50% has been made.	An upward adjustment of 2.50% has been made.	An upward adjustment of 5.00% has been made.
2) Location	Comparable 1 is located within a proper industrial park (Eco Business Park V). Hence, a downward adjustment of 5.00% has been made.	Comparable 2 has similar locational characteristic to the Land. Hence, no adjustment has been made.	Comparable 3 is located within a well-planned township (Elmina Business Park). Hence, a downward adjustment of 5.00% has been made.
3) Frontage/ Visibility	The Land has a wider frontage than Comparable 1. Hence, an upward adjustment of 5.00% has been made.	The Land has a wider frontage than Comparable 2. Hence, an upward adjustment of 5.00% has been made.	The Land has a wider frontage than Comparable 3. Hence, an upward adjustment of 5.00% has been made.
4) Tenure	Comparable 1 is a leasehold land with 76 years remaining. Hence, an upward adjustment of 7.50% has been made.	Comparable 2 is a freehold land. Hence, no adjustment has been made.	Comparable 3 is a freehold land. Hence, no adjustment has been made.

<b>Adjustment factors</b>	<b>Comparable 1</b>	<b>Comparable 2</b>	<b>Comparable 3</b>
5) <i>Land area</i>	<i>Comparable 1 has a bigger land area. Hence, an upward adjustment of 5.00% has been made.</i>	<i>Comparable 2 has a bigger land area. Hence, an upward adjustment of 5.00% has been made.</i>	<i>Comparable 3 has a slightly bigger land area. Hence, an upward adjustment of 2.50% has been made.</i>
6) <i>Data centre and/or related usage</i>	<i>Comparable 1 has similar usage. Hence, no adjustment has been made.</i>  <i>(Based on Bursa Announcement dated 25 February 2025 that the land is for data centre development)</i>	<i>Comparable 2 is for normal industrial usage whilst the Land is for Data Centre purposes. Hence, an upward adjustment of 40.00% has been made.</i>  <i>(Based on the analysed premium for data centre land derived from several land transactions involving normal industrial land and data centre land within the same neighbourhood)</i>	<i>Comparable 3 has similar usage. Hence, no adjustment has been made.</i>  <i>(Based on the Independent Valuer's verbal enquiries with the Planning Department of Majlis Perbandaran Selayang and Bursa Announcement dated 23 May 2024 that the land is for data centre development)</i>
7) <i>Distance from the nearest TNB Pylon</i>  <i>(Adjustment of 2.5% for every 250m distance away from TNB Pylon)</i>	<i>Comparable 1 is located approximately 500m away from TNB Pylon, while the Land is approximately 1km away. Hence, a downward adjustment of 5.00% has been made.</i>	<i>Comparable 2 is located approximately 500m away from TNB Pylon, while the Land is approximately 1km away. Hence, a downward adjustment of 5.00% has been made.</i>	<i>Comparable 3 is located approximately 750m away from TNB Pylon, while the Land is approximately 1km away. Hence, a downward adjustment of 2.50% has been made.</i>
8) <i>Shape</i>	<i>No adjustment has been made.</i>	<i>No adjustment has been made.</i>	<i>No adjustment has been made.</i>
9) <i>Surrender</i>	<i>The Land requires a 15% road surrender area, whereas Comparable 1 is a nett plot. Hence, a downward adjustment of 15.00% has been made.</i>	<i>The Land is subject to a 15% road surrender as compared to 5% for Comparable 2. Hence, a downward adjustment of 10.00% has been made.</i>	<i>The Land requires a 15% road surrender area, whereas Comparable 3 is a nett plot. Hence, a downward adjustment of 15.00% has been made.</i>
10) <i>Infrastructure</i>	<i>Comparable 1 is supported by basic infrastructure, whereas the Land is without basic infrastructure. Hence, a downward adjustment of 5.00% has been made.</i>	<i>Comparable 2 is supported by basic infrastructure, whereas the Land is without basic infrastructure. Hence, a downward adjustment of 5.00% has been made.</i>	<i>Comparable 3 is supported by basic infrastructure, whereas the Land is without basic infrastructure. Hence, a downward adjustment of 5.00% has been made.</i>
<b>Total adjustments</b>	<b>-10.00%</b>	<b>32.50%</b>	<b>-15.00%</b>

Based on the above, the adjusted values range from RM92 to RM97 per sq ft. We noted that the Independent Valuer had adopted RM95 per sq ft for the Land's value based on Comparable 1 which has the most similar usage and is the latest transaction. Accordingly, the market value appraised by the Independent Valuer for the Land is RM137.00 million (after rounding from RM136,560,315).

We noted that the adopted value per sq ft for the Eonmetall Disposal is similar to that of the Land at RM95 per sq ft, whilst the adopted value per sq ft for the Maybulk Disposal is higher at RM110 per sq ft. We were made to understand that the higher adopted value for the Maybulk Disposal is attributable to the location of its subject land, which is directly adjacent to the TNB rentice area and is perceived to be more favourable for data centre-related usage as compared to the Land and the land under the Eonmetall Disposal. As the higher adopted value per sq ft for the Maybulk Disposal is justified by its superior locational attributes, we are of the view that the lower adopted value per sq ft for the Land is reasonable.

**Premised on the above, we are of the view that the Disposal Consideration of RM136,560,315 is fair and reasonable, and not detrimental to the non-interested Shareholders as it approximates the market value of the Land under the comparison approach as opined by the Independent Valuer, and represents a premium of 20.15% over its audited net book value as at 31 December 2025 of RM113.66 million.**

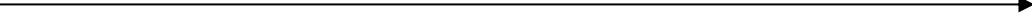
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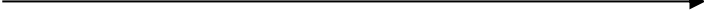
#### 6.4 Evaluation of the salient terms of the SPA

We have reviewed the salient terms of the SPA in its entirety as disclosed in **Appendix I** of the Circular and set out our comments as follows:


Salient terms of the SPA	Our comments
<p><b>1. Agreement for Sale and Purchase</b></p> <p>Subject to the fulfilment of the Conditions Precedent (as defined below), the Vendor agrees to sell the Land, and the Purchaser agrees to purchase the Land, at the Disposal Consideration, on an as is where is basis as at the date of the SPA, free from all encumbrances (except the encumbrances which are created by the Purchaser and/or the Purchaser's financier), with vacant possession, subject to the category of land use, the express conditions and the restrictions in interest as set out below, and upon the other terms and conditions contained in the SPA:-</p> <p>Category of Land Use : Industry  Express Conditions : Medium Industry  Restriction in Interest : -</p>	<p>This term is reasonable as it sets out the principal terms governing the Proposed Disposal, including the agreement between the Vendor and the Purchaser for the sale and purchase of the Land at the Disposal Consideration.</p> <p>We also noted that the Land is to be disposed on an “as is where is” basis with vacant possession and free from all encumbrances (save for encumbrances created by the Purchaser and/or the Purchaser’s financier), subject to the category of land use, express conditions and restrictions in interest.</p>
<p><b>2. Conditions Precedent</b></p> <p>2.1 The sale and purchase transaction of the Land shall be subject to and conditional upon the following:</p> <p>2.1.1 the Vendor having obtained:-</p> <p>(i) the approval of the shareholders of the Vendor; and</p> <p>(ii) the approval of the shareholders of the Vendor’s holding company, LSH at an extraordinary general meeting to be convened, for the sale of the Land in accordance with the terms of the SPA,</p> <p>(collectively, the “Shareholders’ Approval”);</p>	<p>This term is reasonable as it sets out the requisite approvals and/or necessary procedures to give effect to the Proposed Disposal which include the approvals from the Shareholders and the relevant authorities within a stipulated period.</p> <p>Further, we noted that in the event any approval obtained is subject to conditions which are not acceptable to the Purchaser, the Purchaser shall be entitled to rescind the SPAs.</p>

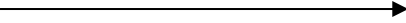
Salient terms of the SPA	Our comments
<p>2.1.2 the Purchaser having obtained the written confirmation from the Ministry of Economy of Malaysia (“MOE”) to the Purchaser that it has no objection to the purchase and acceptance of transfer of the Land by the Purchaser (“Purchaser’s Acquisition”), and/or that the approval under the Guideline on the Acquisition of Properties (effective 13 July 2022) as issued by the MOE is not required for the Purchaser’s Acquisition (“MOE Confirmation”);</p> <p>2.1.3 the Purchaser having obtained the support letter from Invest Selangor to the Purchaser for the Purchaser’s Acquisition, including a written waiver of any requirement for registration with the Ministry of Investment, Trade and Industry (“Support Letter”); and</p> <p>2.1.4 the Purchaser having obtained the written approval from the State Authority of Selangor for the Purchaser’s Acquisition (due to the Purchaser being a ‘foreign company’ under Section 433B of the National Land Code (Revised 2020) (Act 828), (“Foreign Approval”);</p> <p>and all aforesaid conditions shall collectively be referred to as the “Conditions Precedent” and each, a “Condition Precedent”, and all to be fulfilled within the period as set out below (“Conditional Period”):-</p> <p>(i) for the Vendor to obtain the Shareholders’ Approval, the period of four (4) months from the date of the SPA; and</p> <p>(ii) for the Purchaser to fulfill the other Conditions Precedent, either:</p> <p>(a) the period of 3 months from the date of the Purchaser’s receipt of 6 certified true copies each of the Shareholders’ Approval from the Vendor; or</p> <p>(b) the period of 6 months from the date of the Purchaser’s receipt of 6 certified true copies of the Shareholders’ Approval from the Vendor, if the Purchaser submits its application to Invest Selangor for the Support Letter, to the MOE for the MOE Confirmation and to the State Authority of Selangor for the Foreign Approval all no later than 3 months from the date of the Purchaser’s receipt of 6</p>	<p>In the event that SPA is rescinded pursuant to such condition, the Vendor shall refund the Deposit, being 10% of the Disposal Consideration, together with all the monies paid by the Purchaser, free of interest. which is consistent with the unwinding of transactions of such nature.</p> <p>The conditions precedents are customary and consistent with transactions of such nature.</p>

Salient terms of the SPA	Our comments
<p>certified true copies of the Shareholders' Approval from the Vendor and furnish to the Vendor acknowledgment of such submissions, and any such longer period as may be agreed between the parties in writing.</p> <p>2.2 In the event any Approval is granted subject to any condition that adversely or materially affects, or is not acceptable to the Purchaser (other than the standard terms stipulated by the appropriate authority including but not limited to validity period or minimum paid-up capital, if any) ("<b>Adverse Condition</b>"), the Purchaser shall be entitled to decide whether to appeal against the Adverse Condition ("<b>Appeal</b>").</p> <p>2.3 In the event the Appeal is allowed, the date of obtaining of the relevant Approval shall be deemed to be on the date of the Purchaser's Solicitor's receipt of the Appeal approval.</p> <p>2.4 In the event the Appeal is rejected, the Purchaser shall be entitled to decide whether to accept or reject the Adverse Condition, whereby if the Purchaser decides to:</p> <p>2.4.1 accept the Adverse Condition, then the date of obtaining the relevant Approval shall be deemed to be on the date of the Purchaser's Solicitor's written notice to the Vendor's Solicitor on the Purchaser's acceptance of such Adverse Condition; or</p> <p>2.4.2 reject the Adverse Condition, then the relevant Approval shall be deemed to be not obtained.</p> <p>2.5 In the event any Condition Precedent remains not fulfilled, upon expiry of the Conditional Period, either party may terminate the SPA by written notice to the other party, whereupon:-</p> <p>2.5.1 after the Vendor's issuance or receipt of the termination notice, the Vendor shall, upon and subject to the Purchaser's full compliance with Section 2.5.2 below, refund to the Purchaser all monies received by the Vendor and/or the stakeholder towards account of the Disposal Consideration, free of interest, except that if the termination by the Purchaser is due to any Adverse Condition, the deposit, being 10% of the Disposal Consideration, shall be immediately forfeited by the Vendor;</p>	

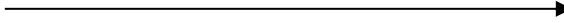
Salient terms of the SPA	Our comments
<p>2.5.2 the Purchaser shall within 15 business days after its issuance or receipt of the termination notice:-</p> <ol style="list-style-type: none"> <li>a. return or cause to be returned to the Vendor (or the Vendor’s solicitor) the Transfer (<i>as defined herein</i>), if it has been received by and remains in possession of the Purchaser’s solicitor; and</li> <li>b. withdraw or cause to be withdrawn all Purchaser’s Encumbrance (as defined herein); and</li> <li>c. return possession of the Land as is where is and all soil used for the earthworks on the Land by the Purchaser prior to termination of the SPA pursuant to this Section 2.5 shall be the property of the Vendor and no compensation shall be payable by the Vendor in respect thereof, if the vacant possession or early physical possession has been received by the Purchaser under the SPA,</li> </ol> <p>and thereafter the SPA shall cease to be of any further force and effect, save as provided in Section 6.2 below.</p> <p>2.6 The SPA shall become unconditional on the date of the last Condition Precedent being fulfilled in accordance with the relevant provisions under Section 2.1 above within the Conditional Period (“<b>Unconditional Date</b>”).</p>	
<p><b>3. Disposal Consideration</b></p> <p>3.1 Subject to the Purchaser first receiving the relevant invoice from the Vendor for each payment under the schedule in the SPA (“<b>Schedule</b>”), the Purchaser shall pay (or cause to be paid) the Disposal Consideration within the time period and in the manner as stipulated in the Schedule.</p> <p>The milestone payment to be made by the Purchaser towards the Disposal Consideration and the respective payment period set out in the Schedule are summarised below:-</p>	<p>The Disposal Consideration will be satisfied entirely in cash.</p> <p>This term sets out the payment method and payment schedule agreed between the Vendor and the Purchaser, which is customary for transactions of this nature and facilitate the orderly completion of the Proposed Disposal.</p>



Salient terms of the SPA				Our comments
4	81,936,189.00	60%	<p>Purchaser's solicitors, chargee and the Vendor</p> <p>a. to the Purchaser's solicitor towards account of the real property gains tax retention sum (3% of <i>Disposal Consideration</i>) within 10 business days from the Unconditional Date;</p> <p>b. to the chargee towards account of the redemption sum within 10 business days from the Unconditional Date or the date of the Purchaser's solicitor's receipt of the redemption statement cum undertaking, whichever is later; and</p> <p>c. to the chargee towards account of the redemption sum within 10 business days from the Unconditional Date or the date of the Purchaser's solicitor's receipt of the redemption statement cum undertaking, whichever is later; and</p> <p>d. within 10 business days from the Unconditional Date or the Purchaser's</p>	

Salient terms of the SPA	Our comments						
<table border="1"> <tr> <td data-bbox="204 230 678 813">receipt of the Vendor's relevant invoice, whichever is later, any balance thereof (in full sum without any deduction other than pursuant to sub-item a. and b. above of this Milestone, or set off) to the Vendor in exchange for the Vendors' solicitor's release of the discharge document to the Purchaser's solicitor.</td> <td data-bbox="678 230 710 813"></td> </tr> <tr> <td data-bbox="204 813 678 996"><b>Total</b></td> <td data-bbox="678 813 710 996"><b>136,560,315.00</b></td> </tr> <tr> <td data-bbox="204 996 678 1989"></td> <td data-bbox="678 996 710 1989"><b>100%</b></td> </tr> </table>	receipt of the Vendor's relevant invoice, whichever is later, any balance thereof (in full sum without any deduction other than pursuant to sub-item a. and b. above of this Milestone, or set off) to the Vendor in exchange for the Vendors' solicitor's release of the discharge document to the Purchaser's solicitor.		<b>Total</b>	<b>136,560,315.00</b>		<b>100%</b>	
receipt of the Vendor's relevant invoice, whichever is later, any balance thereof (in full sum without any deduction other than pursuant to sub-item a. and b. above of this Milestone, or set off) to the Vendor in exchange for the Vendors' solicitor's release of the discharge document to the Purchaser's solicitor.							
<b>Total</b>	<b>136,560,315.00</b>						
	<b>100%</b>						
<p>3.2 In the event the Purchaser does not pay each of the milestone payment in full upon expiry of the relevant payment period (“<b>Payment Period</b>”), the relevant Payment Period shall be automatically extended for 30 days commencing from the day immediately after the last day of the relevant Payment Period (“<b>Extended Payment Period</b>”) for the Purchaser to pay the outstanding milestone, subject to its payment of the late payment interest at the rate of 8% per annum calculated on a daily basis from the 1<sup>st</sup> day of the Extended Payment Period up to (and including) the date of payment of such unpaid or outstanding sum by the Purchaser to the Vendor or the stakeholder, as the case may be to the Vendor (“<b>Late Payment interest</b>”).</p> <p>3.3 The sale and purchase transaction of the Land shall be deemed to have been completed on the date of the Purchaser’s solicitor’s receipt from the land registry of the original document of title duly registered in the Purchaser’s name and the Vendor’s receipt of the Disposal Consideration together with the Late Payment Interest, if any (less the redemption sum to be paid directly to the chargee and the real property gains tax retention sum to be paid directly to the Purchaser’s Solicitor) in full, whichever is later.</p>	<p>We noted that the Purchaser’s obligation to make payment is conditional upon the issuance of the relevant invoice by the Vendor, and that the SPA does not prescribe a specific timeframe for such issuance.</p> <p>We are of the view that this arrangement is reasonable as the issuance of the relevant invoice is a customary contractual mechanism to formalise payment obligations. Although no specific timeframe is prescribed for such issuance, the Vendor has undertaken to endeavour to issue the relevant invoices promptly upon the achievement of each respective milestone. Further, there is no apparent benefit to the Vendor in delaying the issuance of the invoice, as doing so would only defer its entitlement to receive the relevant milestone payment.</p>						


Salient terms of the SPA		Our comments
4	<p><b>Default</b></p> <p>4.1 Purchaser's Default</p> <p>4.1.1 In the event the Purchaser:</p> <p>(i) fails to pay the Disposal Consideration in accordance with Section 3.1 and 3.2 above; and/or</p> <p>(ii) is wound up before the date of the Purchaser's full payment of the balance Disposal Consideration,</p> <p>the Vendor shall be entitled to terminate the SPA by written notice to the Purchaser.</p> <p>4.1.2 Upon the Purchaser's receipt of the Vendor's termination notice under Section 4.1.1 above:</p> <p>(i) a sum of RM13,656,031.50 only equivalent to 10% of the Disposal Consideration ("<b>Deposit</b>") shall be immediately forfeited to the Vendor;</p> <p>(ii) within 15 business days from the Purchaser's receipt of such termination notice, the Purchaser shall:</p> <p>(a) return (or cause to be returned) to the Vendor the discharge document and the instrument of transfer of the Land duly executed by the Vendor in favour of the Purchaser ("<b>Transfer</b>") (if they have been received by the Purchaser's solicitor or the Purchaser's financier's solicitor, as the case may be, and remain in such solicitor's possession), and if the Transfer has been stamped, the Purchaser's solicitor shall be entitled to retain and use the same for cancellation and refund of the adjudicated stamp duty paid (if any);</p>	<p>This term sets out the rights and remedies available to the Vendor in the event of default by the Purchaser, which is customary for transactions of such nature.</p> <p>We noted that in the event of default by the Purchaser, the Vendor shall be entitled to terminate the SPA by written notice to the Purchaser, whereupon the Deposit, representing 10% of the Disposal Consideration, shall be forfeited by the Vendor as agreed liquidated damages.</p> <p>We also noted that the Purchaser is required to return to the Vendor the discharge document and the instrument of transfer of the Land, surrender possession of the Land and withdraw the Purchaser's encumbrances on the Land. Such provisions are intended to facilitate the orderly unwinding of the transaction and restoration of the parties to their original position.</p>

Salient terms of the SPA	Our comments
<p>(b) withdraw all the encumbrances created by the Purchaser and/or the Purchaser's financier over the Land ("Purchaser's Encumbrances"); and</p> <p>(c) return possession of the Land to the Vendor as is where is (and after the Purchaser's removal of any architectural structure erected by it on the Land at the Purchaser's cost, and all soil used for the earthworks on the Land by the Purchaser prior to termination of the SPA pursuant to Section 4.1.1 above shall be the property of the Vendor and no compensation shall be payable by the Vendor in respect thereof), if the vacant possession or early physical possession has been received by the Purchaser under the SPA;</p> <p>(iii) upon the Purchaser's compliance with Section 4.1.2(ii) above, the Vendor shall refund (and cause to be refunded) to the Purchaser and/or the Purchaser's financier, as the case may be, all monies (free of interest) paid by the Purchaser under the SPA towards account of the Disposal Consideration (less the Deposit),</p> <p>and thereafter the SPA shall cease to be of any further force and effect, save as provided in Section 6.2 below.</p> <p>4.2 Vendor's Default</p> <p>4.2.1 In the event the Vendor:</p> <p>(i) defaults, fails, refuses, is not able to or does not complete the sale and/or transfer of the Land to the Purchaser in accordance with the SPA (save for any reason not attributable to the Vendor); and/or</p> <p>(ii) is in breach of any of its representations, warranties, covenants, undertakings or obligations under the SPA, and such breach is:</p> <p>(a) not capable of remedy; or</p>	 <p>This term sets out the rights and remedies available to the Purchaser in the event of default by the Vendor, which is customary for transactions of such nature.</p> <p>We noted that in the event the Vendor defaults under the SPA and fails to remedy such default within the stipulated timeframe, the Purchaser shall be entitled to terminate the SPA and/or seek reliefs available under the SPA, including specific performance against the Vendor.</p>

Salient terms of the SPA	Our comments
<p>(b) capable of remedy but is not remedied or caused to be remedied by the Vendor within fifteen (15) Business Days (or such further period as may be agreed by the Purchaser in writing) from the date of the Purchaser's written notice requiring the same to be remedied,</p> <p>the Purchaser shall be entitled either (I) to seek, enforce and claim for the remedy of specific performance against the Vendor of the relevant term or condition of the SPA and/or all reliefs flowing therefrom, or (II) to terminate the SPA by written notice to the Vendor.</p> <p>4.2.2 Upon the Vendor's receipt of the Purchaser's termination notice under Section 4.2.1 above:</p> <p>(i) the Vendor shall within 15 business days from its receipt of such termination notice, and upon and subject to the Purchaser's full compliance with Section 4.2.2(ii) below:</p> <p>(a) pay to the Purchaser a sum equivalent to the Deposit as agreed liquidated damages; and</p> <p>(b) refund (and cause to be refunded) to the Purchaser and/or the Purchaser's financier, as the case may be, all monies (free of interest) paid by the Purchaser towards account of the Disposal Consideration under the SPA;</p> <p>(ii) simultaneously with the Vendor's compliance with Section 4.2.2.(i) above, the Purchaser shall:</p> <p>(a) return (or cause to be returned) to the Vendor the discharge document and the Transfer (if they have been received by the Purchaser's Solicitor or the Purchaser's Financier, as the case may be, and remain in such solicitor's possession), and if the Transfer has been stamped, the Purchaser's Solicitor shall be entitled to retain and use the same for cancellation and refund of the adjudicated stamp duty paid (if any);</p>	<p>Upon termination of the SPA by the Purchaser, the Vendor shall refund the Deposit together with all monies paid by the Purchaser and/or the Purchaser's financier, free of interest, and shall further pay to the Purchaser a sum equivalent to the Deposit as agreed liquidated damages. Such provisions are intended to facilitate the orderly unwinding of the transaction and restoration of the parties to their original position.</p> <p>We are of the view that the default provisions are customary and commercially reasonable for transactions of such nature.</p> <p>In addition, we noted from the SPA that it provides for the revocation of the limited power of attorney granted by the Vendor in favour of the Purchaser in relation to the Land ("Limited PA"), whereby the Limited PA shall be revoked upon the occurrence of certain events, including the lawful termination of the SPA in accordance with its terms and conditions. In such circumstances, the Purchaser shall, if requested by the Vendor and to the extent permitted under applicable laws and/or by the relevant authorities, withdraw all relevant applications, approvals and related documents</p>

Salient terms of the SPA	Our comments
<p>(b) withdraw all Purchaser's Encumbrance; and</p> <p>(c) return possession of the Land as is where is and all soil used for the earthworks on the Land by the Purchaser prior to termination of the SPA pursuant to Section 4.2.1 above shall be the property of the Vendor and no compensation shall be payable by the Vendor in respect thereof), if the vacant possession or early physical possession has been received by the Purchaser under the SPA,</p> <p>and thereafter the SPA shall cease to be of any further force and effect, save as provided in Section 6.2 below.</p>	<p>submitted pursuant to the Limited PA, which safeguards the Vendor's interests upon the lawful termination of the SPA.</p>
<p><b>5. Non-Registration of Transfer</b></p> <p>5.1 In the event the Transfer is not registered for any reason which is not caused by or attributable to any party, the parties shall use their best endeavors to:</p> <p>5.1.1 ascertain the cause or reason for non-acceptance, rejection or non-registration, as the case may be, of the Transfer;</p> <p>5.1.2 rectify, remedy and/or overcome such cause or reason; and</p> <p>5.1.3 cause the Transfer to be accepted for registration and thereafter registered in favour of the Purchaser.</p> <p>5.2 In the event such cause or reason cannot be or is not rectified, remedied and/or overcome within 2 months (or such other period as agreed between the Vendor and the Purchaser in writing) from the date of the Purchaser's receipt of a notice of such non-acceptance, rejection or non-registration, any party shall be entitled to terminate the SPA by written notice to the other party, whereupon the provisions of Section 6 below shall apply, and if required by the Purchaser, the Vendor acting reasonably and in good faith shall without delay enter into a new sale and purchase agreement of the Land with such person or body notified by the Purchaser to the Vendor in writing, in such form substantially similar to the SPA or upon other terms and conditions as mutually agreed between the Vendor and such person or body.</p>	<p>This term sets out the obligations of the Vendor and the Purchaser in the event the Transfer cannot be registered for reasons not caused by or beyond the control of either party, which is customary for transactions of such nature.</p> <p>We noted that both parties are required to use their best endeavours to ascertain and rectify the cause of the non-registration of the Transfer in order to facilitate the registration of the Transfer in favour of the Purchaser.</p> <p>We also noted that in the event the matter remains unresolved within the stipulated timeframe, either party may terminate the SPA. In such event, and where required by the Purchaser, the Vendor shall enter into a new sale and purchase agreement with such person or body nominated by the Purchaser, on substantially similar terms.</p>

Salient terms of the SPA	Our comments
	<p>Such provisions are intended to facilitate the continuation and completion of the Proposed Disposal notwithstanding the non-registration of the Transfer under the original SPA.</p> <p>We are of the view that this arrangement is fair and reasonable as it facilitates the completion of the Proposed Disposal where the transfer of the Land cannot be registered under the original SPA, while requiring any replacement sale and purchase agreement to be on substantially similar terms (or such other terms as may be mutually agreed) and, where applicable, subject to the requisite shareholders' approval.</p>
<p><b>6. Consequences of Termination</b></p> <p>6.1 Upon the lawful termination of the SPA (other than pursuant to Section 2 or 4 above):</p> <p>6.1.1 the Vendor shall within 15 business days from the Vendor' giving or the Vendor's receipt of the relevant written notice to terminate the SPA, and upon and subject to the Purchaser's full compliance with Section 6.1.2 below, refund (and cause to be refunded) to the Purchaser and/or the Purchaser's financier, as the case may be, all monies (free of interest) paid by the Purchaser towards account of the Disposal Consideration under the SPA;</p> <p>6.1.2 the Purchaser shall simultaneously with the Vendor's compliance with Section 6.1.1 above:</p> <p>(i) return (or cause to be returned) to the Vendor the discharge document and the Transfer (if they have been received by the Purchaser's solicitor or the Purchaser's financier, as the case may be, and remain in such solicitor's possession), and if the Transfer has been stamped, the Purchaser's solicitor shall be entitled to retain and use the same for cancellation and refund of the adjudicated stamp duty paid (if any);</p>	<p>This term sets out the rights and obligations of the parties upon the lawful termination of the SPA, which is customary for transactions of such nature.</p> <p>We noted that upon termination of the SPA, the Purchaser is required to return the relevant transfer documents, withdraw all encumbrances created by the Purchaser and return possession of the Land to the Vendor, whilst the Vendor is required to refund all monies paid by the Purchaser and/or the Purchaser's financier, free of interest.</p> <p>We also noted that both parties are entitled to seek specific performance under the SPA, where applicable. Such provisions are intended to facilitate the orderly unwinding of the transaction and restoration of the parties to their original position upon termination of the SPA.</p>

Salient terms of the SPA	Our comments
<p>(ii) withdraw all Purchaser's Encumbrance; and</p> <p>(iii) return possession of the Land as is where is, and all soil used for the earthworks on the Land by the Purchaser prior to such termination of the SPA shall be the property of the Vendor and no compensation shall be payable by the Vendor in respect thereof), if the Vacant Possession or Early Physical Possession has been received by the Purchaser under the SPA,</p> <p>and thereafter the SPA shall cease to be of any further force and effect, save as provided in Section 6.2 below.</p> <p>6.2 Upon the lawful termination of the SPA, neither party shall have any further obligation under the SPA to the other party, other than:-</p> <p>(i) the respective parties' obligations which are to be performed upon such termination;</p> <p>(ii) any obligation which is expressed to survive such termination; and</p> <p>(iii) any rights or obligations which have accrued to any party in respect of any breach of any provision of the SPA prior to such termination,</p> <p>and the stakeholder is hereby authorised to refund to the Purchaser and/or the Purchaser's financier, as the case may be, any monies received by them under the SPA towards the real property gains tax retention sum, which monies the Vendor is obliged to refund upon the termination of the SPA.</p>	

**Based on the above, we are of the view that the salient terms of the SPA are commercially reasonable and not detrimental to the non-interested Shareholders.**

## 6.5 Effects of the Proposed Disposal

In our evaluation of the Proposed Disposal, we have taken note of the effects of the Proposed Disposal from Section 5 of Part A of the Circular.

### 6.5.1 Issued share capital and substantial shareholders' shareholdings

The Proposed Disposal will not have any effect on the issued share capital of the Company and the substantial shareholders' shareholdings in LSH as the Disposal Consideration will be fully satisfied in cash.

### 6.5.2 NA and gearing

The pro forma effects of the Proposed Disposal on the NA, NA per Share and gearing of the Group based on the consolidated statements of financial position of the Group as at 31 December 2025 are illustrated as follows:

	Audited as at 31 December 2025 (RM '000)	After the Proposed Disposal <sup>(1)</sup> (RM '000)
Share capital	75,028	75,028
Treasury shares	(2,419)	(2,419)
Revaluation reserve	174,000	108,456
Share options reserve	862	862
Retained earnings	93,817	172,149 <sup>(2)</sup>
<b>Shareholders' funds / NA</b>	<b>341,288</b>	<b>354,076</b>
Non-controlling interests	29	29
<b>Total Equity</b>	<b>341,317</b>	<b>354,105</b>
No. of Shares, excluding treasury shares ('000)	154,732	154,732
NA per Share (RM)	2.21	2.29
Total borrowings including lease liabilities (RM'000)	62,242	6,782 <sup>(3)</sup>
Gearing (times)	0.18	0.02

Notes:

- (1) After accounting for the reclassification of RM65.54 million from revaluation reserve to retained earnings, relating to revaluation gains previously recognised for the Land.
- (2) The pro forma retained earnings are computed as follows:

	(RM'000)	(RM'000)
Retained earnings as at 31 December 2025		93,817
Add: Gain on disposal of the Land	22,899	
Add: Reclassification from revaluation reserve to retained earnings, relating to revaluation gains previously recognised for the Land	65,544	
Add: Reversal of deferred tax liabilities previously recognised in relation to the Land	7,283	
Less: Estimated expenses for the Proposed Disposal including real property gains tax	(12,002)	
Less: Penalty for early repayment of borrowings in relation to the redemption of the charges over the Land	(750)	

	(RM'000)	(RM'000)
Less: Payment of Special Dividend	(4,642)	
Net increase in retained earnings	78,332	78,332
<b>Pro forma retained earnings</b>		<b>172,149</b>

(3) After accounting for the repayment of borrowings amounting to RM55.46 million as detailed in **Section 2.7** of Part A of this Circular.

The Proposed Disposal is expected to increase the Group's NA from RM341.29 million to RM354.08 million, resulting in an increase in the Group's pro forma NA per share from RM2.21 to RM2.29. In addition, the pro forma gearing of the Group is expected to reduce from 0.18 times to 0.02 times following the repayment of borrowings from the proceeds of the Proposed Disposal.

### 6.5.3 Earnings and EPS

The details of the pro forma effects of the Proposed Disposal on the earnings and EPS of LSH based on the audited financial statement of LSH for FYE 31 December 2025 are set out in **Section 5.3** of Part A of the Circular.

For illustration purposes, assuming the Proposed Disposal had been effected on 1 January 2025 (*i.e. the beginning of FYE 31 December 2025*), the pro forma effects of the Proposed Disposal on the earnings and EPS of LSH are as follows:

	(RM'000)	(RM'000)
Loss after tax (attributable to the owners of LSH) for FYE 31 December 2025		(2,312)
Add: Gain on disposal of the Land	22,899 <sup>(1)</sup>	
Add: Post-tax interest savings on repayment of borrowings	1,304	
Less: Estimated expenses for the Proposed Disposal including real property gains tax	(12,002)	
Less: Penalty for early repayment of borrowings	(750)	
Net increase in earnings		11,451
<b>Pro forma profit after taxation attributable to the owners of LSH after the Proposed Disposal</b>		<b>9,139</b>
Weighted average number of Shares in issue ('000)	Basic 154,588	Diluted 154,588
Loss per Share (sen) as at 31 December 2025	(1.50)	(1.50)
EPS (sen) after the Proposed Disposal	5.91	5.91

Note:

(1) Computed as follows:

	(RM'000)
Disposal Consideration	136,560
Less: Audited net book value as at 31 December 2025	(113,661)
<b>Gain on disposal of the Land</b>	<b>22,899</b>

Based on the above pro forma effects, the Proposed Disposal is expected to improve the Company's financial performance through the recognition of a net increase in earnings of approximately RM11.45 million, mainly arising from the gain on disposal of the Land and post-tax interest savings arising from the repayment of borrowings.

Consequently, the Company's results are expected to improve from a loss after taxation attributable to the owners of the Company of RM2.31 million to a pro forma profit after taxation attributable to the owners of the Company of RM9.14 million, whilst the basic loss per share is expected to improve from 1.50 sen to a basic EPS of 5.91 sen.

We also noted that, pursuant to the Proposed Disposal, the Group is expected to realise the gross revaluation surplus in respect of the Land of approximately RM72.83 million previously recognised in other comprehensive income.

**Premised on the above, we are of the view that the overall effects of the Proposed Disposal are not detrimental to the non-interested Shareholders.**

## **6.6 Risk factors for the Proposed Disposal**

We have taken note of the risk factors relating to the Proposed Disposal as set out in **Section 4** of Part A of the Circular, which include but not limited to the following:

### **(i) Non-Completion of SPA**

The Proposed Disposal is conditional upon the Vendor and the Purchaser fulfilling their obligations under the SPA, failing which, any party to the SPA will be entitled to terminate the SPA. In the event the approval of the Company's shareholders is not forthcoming, and the Purchaser elects to terminate the SPA, the Vendor is required to repay all advances received by it as set out in **Section 2** in Appendix III of the Circular in cash to the Purchaser. For clarity purposes, the advances are only intended to be set-off against the Disposal Consideration pursuant to the SPA.

With respect to the risk of non-completion of SPA, we acknowledge that the non-fulfilment, non-compliance or non-waiver of the conditions precedent and obligations as stipulated in the SPA and as set out in Appendix I of Part A of the Circular would result in a delay or termination of the Proposed Disposal. Accordingly, there is no assurance that the Proposed Disposal can be completed within the time period permitted under the SPA.

We further noted that, in the event the transfer of the Land cannot be registered in favour of the Purchaser for any reason not caused by or attributable to any party, the parties are required to use their best endeavours to ascertain and rectify such cause. If the transfer remains incapable of being registered within the prescribed period (or such other period as may be agreed), either party may terminate the SPA. Where requested by the Purchaser, the Vendor is also required to use reasonable efforts and in good faith to enter into a new sale and purchase agreement with such person or body nominated by the Purchaser on substantially similar terms, subject to obtaining the requisite shareholders' approval, where applicable.

We are of the view that the risk of non-completion of the SPA is a common risk associated with transactions of such nature. While the SPA provides mechanisms to address certain circumstances that may affect completion, including the transfer registration process, there remains a risk that the Proposed Disposal may not materialise if the conditions precedent or obligations under the SPA are not fulfilled or if the SPA is terminated.

We noted that the Disposal Consideration was agreed after considering current market valuation of the Land. By disposing of the Land at this juncture, the Group may lose out on any potential increase in capital value in the future.

However, the use of proceeds from the Disposal Consideration, which is satisfied entirely in cash, will be used as set out in **Section 2.7** of Part A of the Circular and **Section 6.2** of this IAL.

**(ii) Risks relating to change in regulations**

The Land, which is located in Kapar, Selangor, is subject to the prevailing regulatory environment in Malaysia and, pending completion of the Proposed Disposal, any material changes in laws, regulations and/or governmental policies may affect the Proposed Disposal.

Nevertheless, based on the information available, we are not aware of any material adverse regulatory developments which may have a material impact on the Proposed Disposal.

In evaluating the Proposed Disposal, non-interested Shareholders should carefully consider the abovementioned risk factors together with other information set out in the Circular and this IAL before voting on the resolution pertaining to the Proposed Disposal at the forthcoming EGM. Non-interested Shareholders should also note that the risk factors mentioned in the Circular and this IAL are not meant to be exhaustive.

## **7.0 CONCLUSION AND RECOMMENDATION**

Non-interested Shareholders should take into account all the merits and demerits of the Proposed Disposal based on all relevant and pertinent factors including those which are set out in the Circular, IAL, and other publicly available information.

In arriving at our conclusion and recommendation, DWA Advisory has considered the following factors, which the non-interested Shareholders should consider in evaluating the Proposed Disposal as summarised below:

- (i) the rationale for the Proposed Disposal is reasonable and not detrimental to the non-interested Shareholders;
- (ii) the proposed utilisation of Disposal Consideration is reasonable and not detrimental to the interest of the non-interested Shareholders;
- (iii) the basis and justifications of the Disposal Consideration which are supported by the valuation report by the Independent Valuer are fair and reasonable and not detrimental to the non-interested Shareholders;
- (iv) the salient terms of the SPA are commercially reasonable and not detrimental to the non-interested Shareholders;
- (v) the overall effects of the Proposed Disposal are not detrimental to the non-interested Shareholders; and
- (vi) the risk factors for the Proposed Disposal.

Given the factors above, the decision to be made will depend on the individual risk appetite and specific requirements of the non-interested Shareholders. While we recognise the fact that the various non-interested Shareholders may have different risk profiles and investment outlooks, we advise them to also carefully consider other factors such as the future plans and prospects of LSH and any other relevant considerations including those set out in this IAL.

Premised on the foregoing and our evaluation of the Proposed Disposal, DWA Advisory is of the opinion that the Proposed Disposal is **FAIR AND REASONABLE** and is **NOT DETRIMENTAL** to the interest of the non-interested Shareholders.

Accordingly, DWA Advisory recommends that the non-interested Shareholders **VOTE IN FAVOUR** of the ordinary resolution pertaining to the Proposed Disposal at the forthcoming EGM.

Yours faithfully,  
For and on behalf of  
**DWA ADVISORY SDN BHD**

**Mohamad Farouqi Mohamad Hassan**  
Senior Consultant

**Dato' Wan Asmadi Wan Ahmad**  
Managing Principal

## **1. DIRECTORS' RESPONSIBILITY STATEMENT**

Our Directors have seen and approved this Circular and they collectively and individually accept full responsibility for the completeness and accuracy of the information contained in this Circular. They confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts and information which, if omitted, would make any statement in this Circular false or misleading.

The information relating to the Purchaser has been obtained from and confirmed by the Purchaser and the sole responsibility of our Board is limited to ensuring that such information is accurately reproduced in this Circular and our Board accepts no further or other responsibility in respect of such information.

Further, our Board has seen and approved the IAL. The responsibility of our Board in respect of the independent advice and expression of opinion by DWA Advisory in relation to the Proposed Disposal as set out in the IAL is to ensure that all statements, facts and/or information in relation to our Group that are relevant to DWA Advisory's evaluation of the Proposed Disposal have been accurately and completely disclosed and provided to DWA Advisory and are free from material omission.

## **2. CONSENT AND CONFLICT OF INTEREST**

### **2.1 Berjaya Securities**

Berjaya Securities, being the Principal Adviser for the Proposed Disposal, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they are included in this Circular.

Berjaya Securities has also been appointed as the principal adviser to Maybulk Berhad for the Maybulk Disposal and Eonmetall Group Berhad for the Eonmetall Disposal. In addition, Berjaya Securities has been appointed as the principal adviser to Eonmetall and the Non-Entitled Shareholders, namely Eonmetall Corporation Sdn Bhd and Dato' Goh Cheng Huat for the proposed selective capital reduction and repayment exercise of Eonmetall pursuant to Section 116 of the Companies Act, 2016 ("**Proposed SCR**"), which is currently ongoing.

Notwithstanding the above, Berjaya Securities is of the view that the aforementioned does not result in a conflict-of-interest situation in respect of its capacity to act as the Principal Adviser for the Proposed Disposal and any potential conflict of interest that exists or is likely to exist in relation to its capacity as the Principal Adviser for the Proposed Disposal is mitigated by the following:-

- (i) Our Board, the board of directors of Maybulk Berhad, the board of directors of Eonmetall Group Berhad as well as the Non-Entitled Shareholders are fully informed of our abovementioned capacities;
- (ii) Berjaya Securities is a holder of Capital Markets Services Licence and a recognised principal adviser as defined under paragraph 7A.02 of the Securities Commission Malaysia's Licensing Handbook. Berjaya Securities' appointment in the abovementioned capacities is in the ordinary course of its business;
- (iii) Berjaya Securities does not have, nor will it receive or derive, any financial interest or benefits from the Proposed Disposal, Maybulk Disposal, Eonmetall Disposal and Proposed SCR ("**Corporate Exercises**"), save for the professional fees to be received in relation to its abovementioned capacities;
- (iv) There are no outstanding credit facilities granted by Berjaya Securities to our Company, Maybulk Berhad, Eonmetall Group Berhad and the Non-Entitled Shareholders as at the LPD;

- (v) Independent advisers have been appointed to advise the non-interested directors and non-interested shareholders of the respective companies in respect of the Corporate Exercises; and
- (vi) Berjaya Securities' respective roles are clearly delineated and that appropriate safeguards are in place to manage any potential conflict of interest.

In addition, a Senior Advisor of Berjaya Securities ("**Senior Advisor**"), in his personal capacity and not on behalf of Berjaya Securities, is a director and shareholder in several companies in which Dato' Goh Cheng Huat is also a director and shareholder ("**Common Companies**").

Notwithstanding the above, Berjaya Securities is of the view that the aforementioned does not result in a conflict-of-interest situation in respect of its capacity to act as the Principal Adviser for the Proposed Disposal in view of the following:-

- (i) the Senior Advisor's involvement across Berjaya Securities is limited to business development while his involvement in the Common Companies is purely in his personal capacity as a passive investor, is limited to non-executive investment-related activities at a general level and is strictly segregated from any involvement in the Corporate Exercises. Accordingly, there is no participation, influence, or decision-making role in the Corporate Exercises, and appropriate governance safeguards are in place to manage and mitigate any potential perception of conflict of interest;
- (ii) the Senior Advisor makes his own investment decisions in respect of the investments in the Common Companies. He is not a person connected to our Company, Maybulk Berhad, Eonmetall Group Berhad and the Non-Entitled Shareholders;
- (iii) the Senior Advisor is not involved in our Company, Maybulk Berhad, Eonmetall Group Berhad and Eonmetall Corporation Sdn Bhd in any capacity. He does not hold any directorship and shareholding in our Company, Maybulk Berhad, Eonmetall Group Berhad and Eonmetall Corporation Sdn Bhd. In addition, he does not receive or derive any financial interest or benefits from the Corporate Exercises;
- (iv) the Senior Advisor has no involvement whatsoever in the Corporate Exercises, and is not a member of the due diligence working group for the purposes of the Corporate Exercises; and
- (v) Save for recurrent related party transactions which are undertaken at arm's length basis, the Common Companies do not have any other business transactions with our Company; and
- (vi) Independent Advisers have been appointed to advise the non-interested directors and non-interested shareholders of the respective companies in respect of the Corporate Exercises.

Accordingly, Berjaya Securities confirms that there is no conflict of interest which exists or is likely to exist in its role as the Principal Adviser for the Proposed Disposal.

## **2.2 DWA Advisory**

DWA Advisory, being the Independent Adviser for the Proposed Disposal, has given and has not subsequently withdrawn its written consent to the inclusion of its name, the IAL as set out in Part B of this Circular and all references thereto in the form and context in which they are included in this Circular.

DWA Advisory is not aware of any conflict of interest which exists or is likely to exist in relation to its role as the Independent Adviser for the Proposed Disposal.

### **2.3 Savills**

Savills, being the Independent Valuer for the Land, has given and has not subsequently withdrawn its written consent to the inclusion of its name, the valuation certificate for the Land as set out in Appendix II of this Circular and all references thereto in the form and context in which they are included in this Circular.

Savills is not aware of any conflict of interest which exists or is likely to exist in relation to its role as the Independent Valuer for the Land.

## **3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**

### **3.1 Material commitments**

As at the LPD, there are no material commitments incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on our profits or NA.

### **3.2 Contingent liabilities**

As at the LPD, there are no contingent liabilities incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on our profits or NA.

## **4. MATERIAL LITIGATION**

As at the LPD, there are no material litigations, claims and/or arbitration involving the Land, and there are no proceedings, pending or threatened, involving the Land.

## **5. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents are available for inspection at the registered office of our Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia during normal business hours from Monday to Friday (*except public holidays*) following the date of this Circular up to and including the date of the forthcoming EGM:-

- (i) our Constitution;
- (ii) the audited consolidated financial statements of LSH for the past 2 financial years ended 31 December 2024 and 31 December 2025 as well as the unaudited consolidated financial statements of LSH for the 3-month financial period ended 31 March 2026;
- (iii) the SPA;
- (iv) the valuation certificate referred to in Appendix II of this Circular together with the valuation report by Savills for the Land; and
- (v) the letters of consent referred to in Section 2 in this Appendix I.



Savills (Malaysia) Sdn Bhd

Level 6 Corporate Tower 9  
Pavilion Damansara Heights  
No. 3 Jalan Damanlela  
50490 Kuala Lumpur  
Malaysia

Our Ref.: V/03/26/WJY/C119

22 May 2026

**Leader Steel Holdings Berhad**  
Plot 85, Lorong Perusahaan Utama  
Kawasan Perusahaan Bukit Tengah  
14000 Bukit Tengah  
Seberang Perai Tengah  
Pulau Pinang

T: +603 8691 8888  
E: MY\_Savills.M@savills.com.my  
www.savills.com.my

**PRIVATE & CONFIDENTIAL**

Dear Sirs,

**RE: VALUATION OF A 33.00-ACRE PARCEL OF INDUSTRIAL LAND LOCATED ALONG JALAN AKOB, KAPAR, SELANGOR DARUL EHSAN [HELD UNDER HSD 166443/PT 85118, MUKIM OF KAPAR, DISTRICT OF KLANG, SELANGOR DARUL EHSAN]**

This valuation certificate has been prepared for submission to Bursa Malaysia Securities Berhad and for inclusion in the circular to the shareholders of Leader Steel Holdings Berhad ("Circular") in connection with the following corporate proposal:-

- ✧ *Proposed disposal by Ferronet Asia Sdn Bhd, a wholly-owned subsidiary of Leader Steel Holdings Berhad of a parcel of freehold land held under HSD 166443/PT 85118 located in Mukim Kapar, Daerah Klang, Negeri Selangor measuring approximately 33 acres to WG Malaysia VIII Sdn Bhd*

For all intents and purposes, this Valuation Certificate should be read in conjunction with our detailed Report and Valuation.

We, Savills (Malaysia) Sdn Bhd, are pleased to certify that we have carried out a valuation, in accordance with the instructions from Leader Steel Holdings Berhad, of the abovementioned parcel of land vide our Valuation Report bearing reference no. V/03/26/WJY/C119 dated 22 May 2026 for purposes of submission to Bursa Malaysia Securities Berhad and for inclusion of the valuation certificate in the circular to the shareholders of Leader Steel Holdings Berhad in relation to the proposed disposal of the Subject Property.

Offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

Savills (Malaysia) Sdn Bhd (Company no. 199501004315 (333510-P))



VEPM(1)0232



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The Report and Valuation has been prepared based on the latest **“Asset Valuation Guidelines”** issued by the Securities Commission Malaysia and the **Malaysian Valuation Standards** issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia with the necessary professional responsibility and due diligence.

In accordance with the latest **“Asset Valuation Guidelines”** issued by the Securities Commission Malaysia, the basis of our Report and Valuation is the Market Value of the Subject Property.

The **Market Value** as defined in the **Malaysian Valuation Standards** is as follows:-

“Market Value” is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.

Accordingly, we have inspected the abovementioned parcel which is collectively referred herein as the “Subject Property” on 6 March 2026 and investigated all available data relevant to the matter. The material date of valuation of the Subject Property is taken to be 6 March 2026.

A brief summary & details of the Subject Property are as follows:-

<b>Subject Property:</b>	<b>A 33.00-acre parcel of industrial land located along Jalan Akob, Kapar, Selangor Darul Ehsan</b>
<b>Instructions:</b>	Leader Steel Holdings Berhad
<b>Purpose:</b>	Submission to Bursa Malaysia Securities Berhad and for inclusion of the valuation certificate in the circular to the shareholders of Leader Steel Holdings Berhad in relation to the proposed disposal of the Subject Property
<b>Interest Valued:</b>	Freehold
<b>Legal Description:</b>	HSD 166443/PT 85118, Mukim of Kapar, District of Klang, Selangor Darul Ehsan
<b>Bases of Valuation:</b>	<p><b>Market Value of the <u>freehold interest in a 33.00-acre parcel of industrial land located along Jalan Akob, Kapar, Selangor Darul Ehsan</u> [held under HSD 166443/PT 85118, Mukim of Kapar, District of Klang, Selangor Darul Ehsan] on the <u>BASES</u> that:-</b></p> <ul style="list-style-type: none"> <li>• <b>THE SUBJECT PROPERTY IS A VACANT PARCEL OF INDUSTRIAL LAND ON HIGHEST &amp; BEST USE BASIS BEING POTENTIAL FOR DATA CENTRE AND/OR INFORMATION TECHNOLOGY (“IT”) INFRASTRUCTURE USAGE AND FORMS PART OF A BIGGER TRANSACTION TO A COMMON PURCHASER;</b></li> <li>• <b>THE SUBJECT PROPERTY IS SOLD ON AN AS-IS WHERE-IS BASIS;</b> <ul style="list-style-type: none"> <li>○ <b>THE SITE IS PRESENTLY CLEARED FOR DEVELOPMENT PURPOSES WITH BASIC EARTHWORKS LARGELY COMPLETED; AND</b></li> </ul> </li> <li>• <b>THE AREA ADOPTED FOR THE PRESENT EXERCISE IS BASED ON THE TITLE DOCUMENT DISREGARDING THE SURVEYED LAND AREA AS PER CERTIFIED PLAN NO. 257592.</b></li> </ul> <p><b>in its existing condition with vacant possession and subject to its title being free from encumbrances and registrable.</b></p>



**Provisional Land Area:** 133,546 square metres (approx. 13.3546 hectares or 33.00 acres)

**Note:-**

We note from the Certified Plan No. 257592 that PT 85118 has been ascribed with new Survey Lot No. 115882 having a surveyed land area of 13.35 hectares. We further highlight that the Subject Property will be subject to surrender for road widening and drainage purposes.

For the present exercise, we have been specifically instructed by the Client to value based on the title document and to adopt a land area of 133,546 square metres (approx. 13.3546 hectares or 33.00 acres) in our valuation.

However, we advise the Client that a land surveyor's advice be sought to verify the above carefully and if there are any errors herein, we reserve the rights to amend our valuation accordingly.

**Registered Owner:** FERRONET ASIA SDN. BHD.

**Category of Land Use:** Industri

**Existing Use:** Vacant industrial land

**Express Condition:** Industri Sederhana

**Restrictions-in-Interest:** Nil

**Encumbrances:** Charged twice to Hong Leong Bank Berhad vide Presentation Nos. 00SC121230/2023 & 00SC121231/2023, both dated 28 November 2023.

**Endorsement:** Nil

**Location:** The Subject Property is a 33.00-acre parcel of industrial land prominently fronting onto the southern side of Jalan Akob within Kapar, Selangor Darul Ehsan. Geographically, it lies approximately 21 kilometres and 49 kilometres due north-west and west of City Centres of Klang and Kuala Lumpur respectively.

The immediate neighbourhood of the Subject Property used to be predominantly agricultural in character and comprising smallholders' lots under oil palm cultivation. However, this scenario has since changed significantly over the past 20 years with a large number of 5 to 10-acre smallholders' lots (especially along Jalan Kapar, Jalan Haji Abdul Manan and Jalan Haji Salleh) been converted into industrial use and built upon with various industrial premises.

There are also several ongoing/planned and established industrial park within the vicinity which include H&A Industrial Hub, H&A Technology City, K International Industrial Park Kapar (KIIP), K International Industrial Park Kapar 2 (KIIP2), Seri Alam Industrial Park, Bandar Bukit Raja Business Park (BBR Business Park) and Bandar Bukit Raja Industrial Park 1 - 3 (BBR 1 - 3).

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Some of the industrial concerns found in the general neighborhood of the Subject Property include the industrial premises of NS BlueScope Malaysia Sdn Bhd, DCT Supply Sdn Bhd, Tesomac Sdn Bhd, Twin Arrow Fertilizer Sdn Bhd, Golden Steel Services Centre Sdn Bhd and Kemzo Industries Sdn Bhd to name a few.

**Accessibility:**

The present approach to the Subject Property from City Centre of Klang is by way of Federal Highway, Selat Klang Highway, Shapadu Highway, West Coast Expressway, Persiaran Hamzah Alang, Jalan Pintasan Kapar, Jalan Bukit Kapar Kuari and finally onto Jalan Akob.

**The Site:**

The site is generally rectangular in shape and flat in terrain. It lies about level with its frontage road i.e. Jalan Akob.

During the course of our inspection, we note that the site is undergoing excavation works (earth works).

**Town Planning:**

Our verbal enquiries at the Planning Department of Majlis Bandaraya Diraja Klang (MBDK) reveals that the Subject Property is presently zoned for Industrial use with plot ratio of 1:3.

We have relied on the information provided above and have assumed the above to be correct and accurate.

The Subject Property is formally supported by Invest Selangor Berhad for data centre and/or information technology ("IT") infrastructure usage and the existing condition of the Subject Property which is transacted together with PT 85116 & PT 85117 simultaneously as part of a bigger transaction to a common purchaser, with a sizeable land area and physically lying close to the TNB Rentice are the prerequisite conditions for this usage. Therefore for the present exercise, we have valued the Subject Property on the following **BASIS**:-

- ***THE SUBJECT PROPERTY IS A VACANT PARCEL OF INDUSTRIAL LAND ON HIGHEST & BEST USE BASIS BEING POTENTIAL FOR DATA CENTRE AND/OR INFORMATION TECHNOLOGY ("IT") INFRASTRUCTURE USAGE AND FORMS PART OF A BIGGER TRANSACTION TO A COMMON PURCHASER.***

The above basis is adopted due to the fact that we are aware that Comparables 1 & 3 (for Data Centre use) are held under Category of Land Use – 'Industry' with no 'Data Centre usage' endorsements on title. Both title searches above were undertaken on 26 March 2026.

We further note that Comparable 3 is under construction and Comparable 1 is undertaking earth works as at the date of inspection.

**From our enquiries, we have not noted any material breach of relevant laws, regulations, rules and requirements from the town planning perspective and via the title search in relation to the Subject Property.**



**Valuation Approach:**

The Subject Property is essentially valued by adopting the **Comparison Approach**.

This approach entails comparing the Subject Property with similar industrial lands which have been sold or are being offered for sale and taking into consideration factors which affect value such as location and accessibility, market conditions, size, shape and terrain of land, tenure and restriction if any, availability of infrastructure and other relevant characteristics.

Relevant transactions of similar lands within the general neighbourhood adopted as comparable are as follows:-

Description	Comparable 1	Comparable 2 <sup>Note</sup>	Comparable 3
<b>Legal Interest</b>	Part of Master Title HSD 5733/PT 10569, Mukim of Ijok, District of Kuala Selangor, Selangor Darul Ehsan	HSD 166438/PT 85113, Mukim of Kapar, District of Klang, Selangor Darul Ehsan	HSD 173664/PT 100021, Mukim of Rawang, District of Gombak, Selangor Darul Ehsan
<b>Location</b>	Eco Business Park V, Selangor	Kapar, Selangor	Elmina Business Park, Selangor
<b>Accessibility/Frontage</b>	<b>Main Frontage:</b> Unnamed metalled road (Off Persiaran Alam Perdana)	<b>Main Frontage:</b> Jalan Bukit Kapar Kuari	<b>Main Frontage:</b> Jalan Sinergi 1
<b>Tenure</b>	Leasehold, Unexpired 76 Years	Freehold	Freehold
<b>Expiry Date</b>	Expiring on 13 Jan 2101		
<b>Land Area</b>	58.19 acres 2,534,632 sq ft	76.00 acres 3,310,548 sq ft	46.75 acres 2,036,242 sq ft
<b>Category of Land Use</b>	Industri	Industri	Industri
<b>Zoning</b>	Industrial	Industrial	Mixed Development for Residential, Commercial & Industrial
<b>Proposed Usage</b>	Data Centre	Industrial	Data Centre
<b>Shape</b>	Regular	Trapezoidal	Regular
<b>Transaction Date</b>	25-Feb-25	17-Jan-25	23-May-24
<b>Consideration</b>	<b>RM266,135,701</b>	<b>RM241,852,961</b>	<b>RM224,007,300</b>
<b>Vendor</b>	Paragon Pinnacle Sdn Bhd	Kapar Land Sdn. Bhd.	Sime Darby Property (Lagong) Sdn. Bhd.
<b>Purchaser</b>	Pearl Computing Malaysia Sdn Bhd	Eco-Shop Marketing Berhad	Sime Darby Property (EBP Asset I) Sdn Bhd
<b>Source</b>	Bursa Malaysia Announcement	Bursa Malaysia Announcement	JPPH
<b>Analysis Land Value per square foot</b>	<b>RM105</b>	<b>RM73</b>	<b>RM110</b>
<b>Adjustment Factors</b>	Adjustments made in terms of time, location, frontage / visibility, tenure, land area, distance from the nearest TNB Pylon, road surrender and infrastructure	Adjustments made in terms of time, frontage / visibility, land area, data centre and/or related usage, distance from the nearest TNB Pylon, road surrender and infrastructure	Adjustments made in terms of time, location, frontage / visibility, land area, distance from the nearest TNB Pylon, road surrender and infrastructure
<b>Adjusted Value per square foot</b>	<b>RM94</b>	<b>RM97</b>	<b>RM92</b>
<p><b>*Note:</b>                      Comparable 2 is due to complete upon the fulfilment of all terms and conditions as per the Sale and Purchase Agreement dated 17 January 2025.                      As at the Date of Valuation, the vendor has confirmed that about 69% of the purchase price (RM166,797,072.56) has been paid. The remaining 31% (i.e. RM75,055,888.24) has yet to be completed/collected from a total purchase price of RM241,852,960.80.</p>			

Based on the adjustments above, the adjusted values range from RM92 to RM97 per square foot.

We have adopted RM95 per square foot for the present exercise based on Comparable 1 which has the most similar usage and is the latest transaction.

**We have adopted the Comparison Approach as the singular & most appropriate methodology in arriving at the Market Value of the Subject Property as a vacant parcel of industrial land on highest & best use basis being potential for data centre and/or information technology (“IT”) infrastructure usage. It is formally supported by Invest Selangor Berhad and the existing condition of the Subject Property which is transacted together with PT 85116 & PT 85117 simultaneously as part of a bigger transaction to a common purchaser, with a sizeable land area and physically lying close to the TNB Rentice being the prerequisite conditions for this potential use. Therefore, the current Approved Planning Permission (KM) is no longer applicable.**



Having regard to the foregoing, we are of the opinion that the **Market Value of the freehold interest in a 33.00-acre parcel of industrial land located along Jalan Akob, Kapar, Selangor Darul Ehsan** [held under HSD 166443/PT 85118, Mukim of Kapar, District of Klang, Selangor Darul Ehsan] on the **BASES** that:-

- **THE SUBJECT PROPERTY IS A VACANT PARCEL OF INDUSTRIAL LAND ON HIGHEST & BEST USE BASIS BEING POTENTIAL FOR DATA CENTRE AND/OR INFORMATION TECHNOLOGY ("IT") INFRASTRUCTURE USAGE AND FORMS PART OF A BIGGER TRANSACTION TO A COMMON PURCHASER;**
- **THE SUBJECT PROPERTY IS SOLD ON AN AS-IS WHERE-IS BASIS;**
  - **THE SITE IS PRESENTLY CLEARED FOR DEVELOPMENT PURPOSES WITH BASIC EARTHWORKS LARGELY COMPLETED; AND**
- **THE AREA ADOPTED FOR THE PRESENT EXERCISE IS BASED ON THE TITLE DOCUMENT DISREGARDING THE SURVEYED LAND AREA AS PER CERTIFIED PLAN NO. 257592.**

in its existing condition with vacant possession and subject to its title being free from encumbrances and registrable is **RM137,000,000 (Ringgit Malaysia: One Hundred And Thirty Seven Million Only)** which analyses to approximately RM95 per square foot based on the provisional land area of the Subject Property.

For and on behalf of

**SAVILLS (MALAYSIA) SDN BHD**

**DATUK SR PAUL KHONG**  
MRICS FRISM APEPS  
Registered Valuer (V-528)  
Group Managing Director

Date: 22 May 2026



The salient terms of SPA are as follows:-

## **1. SALE AND PURCHASE**

Subject to the fulfilment of the Conditions Precedent (*as defined below*), the Vendor agrees to sell the Land, and the Purchaser agrees to purchase the Land, at the Disposal Consideration, on an as is where is basis as at the date of the SPA, free from all encumbrances (*except the encumbrances which are created by the Purchaser and/or the Purchaser's financier*), with vacant possession, subject to the category of land use, the express conditions and the restrictions in interest as set out below, and upon the other terms and conditions contained in the SPA:-

Category of land use	:	Industry
Express conditions	:	Medium industry
Restriction in interest	:	-

## **2. CONDITIONS PRECEDENT**

2.1 The sale and purchase transaction of the Land shall be subject to and conditional upon the following:-

2.1.1 the Vendor having obtained:-

- (i) the approval of the shareholders of the Vendor; and
- (ii) the approval of our Shareholders at an EGM to be convened, for the sale of the Land in accordance with the terms of the SPA,

(collectively, the **"Shareholders' Approval"**);

2.1.2 the Purchaser having obtained the written confirmation from the Ministry of Economy of Malaysia (**"MOE"**) to the Purchaser that it has no objection to the purchase and acceptance of transfer of the Land by the Purchaser (**"Purchaser's Acquisition"**), and/or that the approval under the Guideline on the Acquisition of Properties (effective 13 July 2022) as issued by the MOE is not required for the Purchaser's Acquisition (**"MOE Confirmation"**);

2.1.3 the Purchaser having obtained the support letter from Invest Selangor to the Purchaser for the Purchaser's Acquisition, including a written waiver of any requirement for registration with the Ministry of Investment, Trade and Industry (**"Support Letter"**); and

2.1.4 the Purchaser having obtained the written approval from the State Authority of Selangor for the Purchaser's Acquisition (*due to the Purchaser being a 'foreign company' under Section 433B of the National Land Code (Revised 2020) [Act 828]*), (**"Foreign Approval"**),

and all aforesaid conditions shall collectively be referred to as the **"Conditions Precedent"** and each, a **"Condition Precedent"**, and all to be fulfilled within the period as set out below (**"Conditional Period"**):-

- (i) for the Vendor to obtain the Shareholders' Approval, the period of 4 months from the date of the SPA; and
- (ii) for the Purchaser to fulfil the other Conditions Precedent, either:-
  - (a) the period of 3 months from the date of the Purchaser's receipt of 6 certified true copies each of the Shareholders' Approval from the Vendor; or

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**APPENDIX III – SALIENT TERMS OF SPA (cont'd)**

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- (b) the period of 6 months from the date of the Purchaser's receipt of 6 certified true copies of the Shareholders' Approval from the Vendor, if the Purchaser submits its application to Invest Selangor for the Support Letter, to the MOE for the MOE Confirmation and to the State Authority of Selangor for the Foreign Approval all no later than 3 months from the date of the Purchaser's receipt of 6 certified true copies of the Shareholders' Approval from the Vendor and furnish to the Vendor acknowledgment of such submissions,

and any such longer period as may be agreed between the parties in writing.

- 2.2 In the event any approval is granted subject to any condition that adversely or materially affects, or is not acceptable to the Purchaser (*other than the standard terms stipulated by the appropriate authority including but not limited to validity period or minimum paid-up capital, if any*) ("**Adverse Condition**"), the Purchaser shall be entitled to decide whether to appeal against the Adverse Condition ("**Appeal**").
- 2.3 In the event the Appeal is allowed, the date of obtaining of the relevant approval shall be deemed to be on the date of the Purchaser's solicitor's receipt of the Appeal approval.
- 2.4 In the event the Appeal is rejected, the Purchaser shall be entitled to decide whether to accept or reject the Adverse Condition, whereby if the Purchaser decides to:-
- 2.4.1 accept the Adverse Condition, then the date of obtaining the relevant approval shall be deemed to be on the date of the Purchaser's solicitor's written notice to the Vendor's solicitor on the Purchaser's acceptance of such Adverse Condition; or
- 2.4.2 reject the Adverse Condition, then the relevant Approval shall be deemed to be not obtained.

Note:-

There is no specified timeline for the Purchaser to revert to the Vendor on its decision on whether to accept or reject the Adverse Condition. Nonetheless, the fulfilment of Conditions Precedent is subject to the Conditional Period as set out in Section 2.1 in Appendix III of this Circular.

- 2.5 In the event any Condition Precedent remains not fulfilled, upon expiry of the Conditional Period, either party may terminate the SPA by written notice to the other party, whereupon:-
- 2.5.1 after the Vendor's issuance or receipt of the termination notice, the Vendor shall, upon and subject to the Purchaser's full compliance with Section 2.5.2 below, refund to the Purchaser all monies received by the Vendor and/or the stakeholder towards account of the Disposal Consideration, free of interest, except that if the termination by the Purchaser is due to any Adverse Condition, the deposit, being 10% of the Disposal Consideration, shall be immediately forfeited by the Vendor;
- 2.5.2 the Purchaser shall within 15 business days after its issuance or receipt of the termination notice:-
- (a) return or cause to be returned to the Vendor (*or the Vendor's solicitor*) the Transfer (*as defined herein*), if it has been received by and remains in possession of the Purchaser's solicitor; and
- (b) withdraw or cause to be withdrawn all Purchaser's Encumbrance (*as defined herein*); and
- (c) return possession of the Land as is where is and all soil used for the earthworks on the Land by the Purchaser prior to termination of the SPA pursuant to this Section 2.5 shall be the property of the Vendor and no compensation shall be payable by the Vendor in respect thereof, if the vacant possession or early physical possession has been received by the Purchaser under the SPA,

and thereafter the SPA shall cease to be of any further force and effect, save as provided in Section 6.2 below.

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**APPENDIX III – SALIENT TERMS OF SPA (cont'd)**

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2.6 The SPA shall become unconditional on the date of the last Condition Precedent being fulfilled in accordance with the relevant provisions under Section 2.1 above within the Conditional Period (“**Unconditional Date**”).

### 3. DISPOSAL CONSIDERATION

3.1 Subject to the Purchaser first receiving the relevant invoice from the Vendor for each payment under the schedule in the SPA (“**Schedule**”), the Purchaser shall pay (*or cause to be paid*) the Disposal Consideration within the time period and in the manner as stipulated in the Schedule.

The milestone payment to be made by the Purchaser towards the Disposal Consideration and the respective payment period set out in the Schedule are summarised below:-

<b>Milestone No.</b>	<b>Amount</b>	<b>Percentage of Disposal Consideration</b>	<b>Payee</b>	<b>Payment Period<sup>(1)</sup></b>
1	RM13,656,031.50	10%	Vendor	Within 10 business days from the parties’ execution of the SPA or the Purchaser’s receipt of the Vendor’s relevant invoice, whichever is later.
2	RM13,656,031.50	10%	Vendor	Within 14 business days from the Purchaser’s receipt of the limited power of attorney <sup>(2)</sup> over the Land in favour of the Purchaser to enable the Purchaser to execute and submit the planning permission application for the Purchaser’s proposed development on the Land or the Vendor’s relevant invoice, whichever is the later.
3	RM27,312,063.00	20%	Vendor	<p>Before the Purchaser’s receipt of the early physical possession, and within 14 business days from the Purchaser’s receipt of the Vendor’s relevant invoice issued after the Vendor having received the Purchaser’s written request for the early physical possession.</p> <p>In the event the early physical possession is not requested by the Purchaser, the payment under this milestone shall be payable by the Purchaser to the Vendor within 10 business days from the Unconditional Date or the Purchaser’s receipt of the Vendor’s relevant invoice, whichever is later.</p>

**APPENDIX III – SALIENT TERMS OF SPA (cont'd)**

<b>Milestone No.</b>	<b>Amount</b>	<b>Percentage of Disposal Consideration</b>	<b>Payee</b>	<b>Payment Period<sup>(1)</sup></b>
4	RM81,936,189.00	60%	Purchaser's solicitors, chargee and the Vendor	<p>(a) to the Purchaser's solicitor towards account of the real property gains tax retention sum (3% of <i>Disposal Consideration</i>) within 10 business days from the Unconditional Date;</p> <p>(b) to the chargee towards account of the redemption sum within 10 business days from the Unconditional Date or the date of the Purchaser's solicitor's receipt of the redemption statement cum undertaking, whichever is later; and</p> <p>(c) within 10 business days from the Unconditional Date or the Purchaser's receipt of the Vendor's relevant invoice, whichever is later, any balance thereof (<i>in full sum without any deduction other than pursuant to sub-item (a) and (b) above of this milestone, or set off</i>) to the Vendor in exchange for the Vendors' solicitor's release of the discharge document to the Purchaser's solicitor.</p>
<b>Total</b>	<b>RM136,560,315.00</b>	<b>100%</b>		

**Notes:-**

- (1) For information purpose, the SPA does not stipulate a specific timeframe within which the Vendor is required to issue the relevant invoices for these milestones. Notwithstanding this, the Vendor will endeavour to issue the relevant invoices promptly upon the achievement of each respective milestone.
- (2) The salient terms of the limited power of attorney are as follows:-
- (i) The Vendor agrees to grant the limited power of attorney to and in favour of the Purchaser to enable the Purchaser to execute and submit the applications, plans, drawings and documents for the construction, development and/or works on the Land (*or any part thereof*) for the purpose of the Purchaser's proposed development of information technology infrastructure on the Land;
  - (ii) The Purchaser agrees to indemnify the Vendor against any proven direct liabilities, costs, fines, penalties, claims, actions and proceedings sustained or incurred by the Vendor solely caused by the Purchaser's misuse or abuse of the limited power of attorney in obtaining the development approvals.
  - (iii) The limited power of attorney shall come into force on 24 March 2026 and is irrevocable, save that it shall determine and be revoked upon the earlier of:-
    - (a) the registration of the document of title to the Land in favour of the Purchaser under the SPA; or

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**APPENDIX III – SALIENT TERMS OF SPA (cont'd)**

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- (b) the lawful termination of the SPA in accordance with its terms and conditions, whereby if requested by the Vendor, the Purchaser shall (to the extent permissible under the laws and/or allowed by the appropriate authority) withdraw all applications for the development approvals as submitted by the Purchaser to the appropriate authority under the limited power of attorney, at the cost of the Purchaser (save if the SPA is terminated due to the default of the Vendor under the SPA, any such withdrawal shall be at the cost of the Vendor).
- 3.2 In the event the Purchaser does not pay each of the milestone payment in full upon expiry of the relevant payment period ("**Payment Period**"), the relevant Payment Period shall be automatically extended for 30 days commencing from the day immediately after the last day of the relevant Payment Period ("**Extended Payment Period**") for the Purchaser to pay the outstanding milestone, subject to its payment of the late payment interest at the rate of 8% per annum calculated on a daily basis from the 1<sup>st</sup> day of the Extended Payment Period up to (*and including*) the date of payment of such unpaid or outstanding sum by the Purchaser to the Vendor or the stakeholder, as the case may be to the Vendor ("**Late Payment Interest**").
- 3.3 The sale and purchase transaction of the Land shall be deemed to have been completed on the date of the Purchaser's solicitor's receipt from the land registry of the original document of title duly registered in the Purchaser's name and the Vendor's receipt of the Disposal Consideration together with the Late Payment Interest, if any (*less the redemption sum to be paid directly to the chargee and the real property gains tax retention sum to be paid directly to the Purchaser's solicitor*) in full, whichever is later.

#### **4. DEFAULT**

##### 4.1 Purchaser's default

###### 4.1.1 In the event the Purchaser:-

- (i) fails to pay the Disposal Consideration in accordance with Section 3.1 and 3.2 above; and/or
- (ii) is wound up before the date of the Purchaser's full payment of the balance Disposal Consideration,

the Vendor shall be entitled to terminate the SPA by written notice to the Purchaser.

###### 4.1.2 Upon the Purchaser's receipt of the Vendor's termination notice under Section 4.1.1 above:-

- (i) a sum of RM13,656,031.50 only equivalent to 10% of the Disposal Consideration ("**Deposit**") shall be immediately forfeited to the Vendor;
- (ii) within 15 business days from the Purchaser's receipt of such termination notice, the Purchaser shall:-
  - (a) return (*or cause to be returned*) to the Vendor the discharge document and the instrument of transfer of the Land duly executed by the Vendor in favour of the Purchaser ("**Transfer**") (*if they have been received by the Purchaser's solicitor or the Purchaser's financier's solicitor, as the case may be, and remain in such solicitor's possession*), and if the Transfer has been stamped, the Purchaser's solicitor shall be entitled to retain and use the same for cancellation and refund of the adjudicated stamp duty paid (*if any*);
  - (b) withdraw all the encumbrances created by the Purchaser and/or the Purchaser's financier over the Land ("**Purchaser's Encumbrances**"); and

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**APPENDIX III – SALIENT TERMS OF SPA (cont'd)**

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- (c) return possession of the Land to the Vendor as is where is (*and after the Purchaser's removal of any architectural structure erected by it on the Land at the Purchaser's cost, and all soil used for the earthworks on the Land by the Purchaser prior to termination of the SPA pursuant to Section 4.1.1 above shall be the property of the Vendor and no compensation shall be payable by the Vendor in respect thereof*), if the vacant possession or early physical possession has been received by the Purchaser under the SPA;
- (iii) upon the Purchaser's compliance with Section 4.1.2(ii) above, the Vendor shall refund (*and cause to be refunded*) to the Purchaser and/or the Purchaser's financier, as the case may be, all monies (*free of interest*) paid by the Purchaser under the SPA towards account of the Disposal Consideration (*less the Deposit*),

and thereafter the SPA shall cease to be of any further force and effect, save as provided in Section 6.2 below.

#### 4.2 Vendor's default

##### 4.2.1 In the event the Vendor:-

- (i) defaults, fails, refuses, is not able to or does not complete the sale and/or transfer of the Land to the Purchaser in accordance with the SPA (*save for any reason not attributable to the Vendor*); and/or
- (ii) is in breach of any of its representations, warranties, covenants, undertakings or obligations under the SPA, and such breach is:-
  - (a) not capable of remedy; or
  - (b) capable of remedy but is not remedied or caused to be remedied by the Vendor within 15 business days (*or such further period as may be agreed by the Purchaser in writing*) from the date of the Purchaser's written notice requiring the same to be remedied,

the Purchaser shall be entitled either (I) to seek, enforce and claim for the remedy of specific performance against the Vendor of the relevant term or condition of the SPA and/or all reliefs flowing therefrom, or (II) to terminate the SPA by written notice to the Vendor.

##### 4.2.2 Upon the Vendor's receipt of the Purchaser's termination notice under Section 4.2.1 above:-

- (i) the Vendor shall within 15 business days from its receipt of such termination notice, and upon and subject to the Purchaser's full compliance with Section 4.2.2(ii) below:-
  - (a) pay to the Purchaser a sum equivalent to the Deposit as agreed liquidated damages; and
  - (b) refund (*and cause to be refunded*) to the Purchaser and/or the Purchaser's financier, as the case may be, all monies (*free of interest*) paid by the Purchaser towards account of the Disposal Consideration under the SPA;

- (ii) simultaneously with the Vendor's compliance with Section 4.2.2(i) above, the Purchaser shall:-
  - (a) return *(or cause to be returned)* to the Vendor the discharge document and the Transfer *(if they have been received by the Purchaser's solicitor or the Purchaser's financier, as the case may be, and remain in such solicitor's possession)*, and if the Transfer has been stamped, the Purchaser's solicitor shall be entitled to retain and use the same for cancellation and refund of the adjudicated stamp duty paid *(if any)*;
  - (b) withdraw all Purchaser's Encumbrance; and
  - (c) return possession of the Land as is where is and all soil used for the earthworks on the Land by the Purchaser prior to termination of the SPA pursuant to Section 4.2.1 above shall be the property of the Vendor and no compensation shall be payable by the Vendor in respect thereof, if the vacant possession or early physical possession has been received by the Purchaser under the SPA,

and thereafter the SPA shall cease to be of any further force and effect, save as provided in Section 6.2 below.

## **5. NON-REGISTRATION OF TRANSFER**

5.1 In the event the Transfer is not registered for any reason which is not caused by or attributable to any party, the parties shall use their best endeavours to:-

- 5.1.1 ascertain the cause or reason for non-acceptance, rejection or non-registration, as the case may be, of the Transfer;
- 5.1.2 rectify, remedy and/or overcome such cause or reason; and
- 5.1.3 cause the Transfer to be accepted for registration and thereafter registered in favour of the Purchaser.

5.2 In the event such cause or reason cannot be or is not rectified, remedied and/or overcome within 2 months *(or such other period as agreed between the Vendor and the Purchaser in writing)* from the date of the Purchaser's receipt of a notice of such non-acceptance, rejection or non-registration, any party shall be entitled to terminate the SPA by written notice to the other party, whereupon the provisions of Section 6 below shall apply, and if required by the Purchaser, the Vendor acting reasonably and in good faith shall without delay enter into a new sale and purchase agreement of the Land with such person or body notified by the Purchaser to the Vendor in writing, in such form substantially similar to the SPA or upon other terms and conditions as mutually agreed between the Vendor and such person or body.

Note:-

The rationale for such arrangement, if required by the Purchaser, is to facilitate the disposal of the Land to such person or body nominated by the Purchaser based on terms substantially similar to the agreed terms in the SPA or such other terms and conditions as mutually agreed between the Vendor and such person or body in the event that the transfer of the Land cannot be registered in favour of the Purchaser. While there is no specified time limit in the SPA for the Purchaser to request for such arrangement, the parties have agreed that time is of essence and accordingly, any such request from the Purchaser shall be made within a reasonable timeframe. In the event that such request is made by the Purchaser after undue lapse of time, our Company reserves our right not to proceed with the disposal of the Land to the Purchaser or its nominated person or body. Our Company will seek the necessary approval from our Shareholders for the new transaction in accordance with the Listing Requirements.

**6. CONSEQUENCES OF TERMINATION**

6.1 Upon the lawful termination of the SPA (*other than pursuant to Section 2 or 4 above*):-

6.1.1 the Vendor shall within 15 business days from the Vendor's giving or the Vendor's receipt of the relevant written notice to terminate the SPA, and upon and subject to the Purchaser's full compliance with Section 6.1.2 below, refund (*and cause to be refunded*) to the Purchaser and/or the Purchaser's financier, as the case may be, all monies (*free of interest*) paid by the Purchaser towards account of the Disposal Consideration under the SPA;

6.1.2 the Purchaser shall simultaneously with the Vendor's compliance with Section 6.1.1 above:-

- (i) return (*or cause to be returned*) to the Vendor the discharge document and the Transfer (*if they have been received by the Purchaser's solicitor or the Purchaser's financier, as the case may be, and remain in such solicitor's possession*), and if the Transfer has been stamped, the Purchaser's solicitor shall be entitled to retain and use the same for cancellation and refund of the adjudicated stamp duty paid (*if any*);
- (ii) withdraw all Purchaser's Encumbrance; and
- (iii) return possession of the Land as is where is, and all soil used for the earthworks on the Land by the Purchaser prior to such termination of the SPA shall be the property of the Vendor and no compensation shall be payable by the Vendor in respect thereof, if the vacant possession or early physical possession has been received by the Purchaser under the SPA,

and thereafter the SPA shall cease to be of any further force and effect, save as provided in Section 6.2 below.

6.2 Upon the lawful termination of the SPA, neither party shall have any further obligation under the SPA to the other party, other than:-

- (i) the respective parties' obligations which are to be performed upon such termination;
- (ii) any obligation which is expressed to survive such termination; and
- (iii) any rights or obligations which have accrued to any party in respect of any breach of any provision of the SPA prior to such termination,

and the stakeholder is authorised to refund to the Purchaser and/or the Purchaser's financier, as the case may be, any monies received by them under the SPA towards the real property gains tax retention sum, which monies the Vendor is obliged to refund upon the termination of the SPA.

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**LEADER STEEL HOLDINGS BERHAD**  
(Registration No. 199301012471 (267209-K))  
(Incorporated in Malaysia)

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Extraordinary General Meeting (“**EGM**”) of Leader Steel Holdings Berhad (“**LSH**” or the “**Company**”) will be held at 2<sup>nd</sup> Floor, Wisma Leader Steel, Plot 85, Lorong Perusahaan Utama, Kawasan Perusahaan Bukit Tengah, 14000 Bukit Tengah, Seberang Perai Tengah, Pulau Pinang, Malaysia on Monday, 20 July 2026 at 9.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing the following ordinary resolution, with or without modifications:-

### **ORDINARY RESOLUTION 1**

**PROPOSED DISPOSAL OF A PARCEL OF FREEHOLD LAND HELD UNDER H.S.(D) 166443, PT 85118 LOCATED IN MUKIM OF KAPAR, DISTRICT OF KLANG, STATE OF SELANGOR BY FERRONET ASIA SDN BHD TO WG MALAYSIA VIII SDN BHD FOR A CASH CONSIDERATION OF RM136,560,315 (“PROPOSED DISPOSAL”)**

“**THAT** subject to the approvals, waivers and/or consents of all relevant authorities and/or parties being obtained (*if required*) and the conditions precedent in the conditional sale and purchase agreement dated 19 March 2026 entered into between FerroNet Asia Sdn Bhd (*a wholly-owned subsidiary of LSH*) and WG Malaysia VIII Sdn Bhd (“**SPA**”) being fulfilled, approval be and is hereby given to FerroNet Asia Sdn Bhd to undertake the disposal of a parcel of freehold land measuring approximately 13.3546 hectares held under H.S.(D) 166443, PT 85118 located in Mukim of Kapar, District of Klang, State of Selangor to WG Malaysia VIII Sdn Bhd for a cash consideration of RM136,560,315 based upon the terms and conditions as set out in the SPA;

**AND THAT** the Board of Directors of the Company (“**Board**”) be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as the Board may consider necessary or expedient, and to take all such necessary steps to give effect to the Proposed Disposal with full powers to consent to and to adopt such conditions, variations, modifications and/or amendments in any manner as may be required or imposed by the relevant authorities in respect of the Proposed Disposal or as the Board may deem necessary or expedient; and deal with all such matters and to take such steps and do all acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to the Proposed Disposal.”

By Order of the Board  
**LEADER STEEL HOLDINGS BERHAD**

**Tai Yit Chan (MAICSA 7009143) (SSM PC No. 202008001023)**  
**Ong Tze-En (MAICSA 7026537) (SSM PC No. 202008003397)**  
Joint Company Secretaries

Penang  
3 July 2026

Notes:-

1. *A member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint not more than two (2) proxies to attend and vote in his stead at the meeting, and that a proxy may but need not be a member. A proxy must be of full age. There shall be no restriction as to the qualification of the proxy. Where a member appoints more than one (1) proxy, he shall specify the proportion of his holdings to be represented by each proxy, failing which the appointment shall be invalid. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.*
2. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.*
3. *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds. Where an Exempt Authorised Nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy. An Exempt Authorised Nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*
4. *The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either under its Common Seal, or under the hand of an officer or attorney duly authorised. An instrument appointing a proxy to vote shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointer. Members not resident in Malaysia may appoint and revoke proxies by cable.*
5. *For the proxy to be valid, the Form of Proxy duly completed must be deposited / submitted at the Company's Registered Office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.*
6. *In respect of deposited securities, only a depositor whose name appears on the Record of Depositors on 13 July 2026 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.*



CDS Account No.		No. of Shares Held	
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I\*/We\* \_\_\_\_\_  
(Full name in Block Letters and NRIC / Company No.)

of \_\_\_\_\_ and \_\_\_\_\_  
(Address) (Tel. No.)

being a member\*/members\* of Leader Steel Holdings Berhad hereby appoint

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholding

\* and/or (\*delete if not applicable)

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholding

or failing \*him/her, THE CHAIRMAN OF THE MEETING as my\*/our\* proxy, to vote for me\*/us\* and on my\*/our\* behalf at the Extraordinary General Meeting of the Company to be held at 2nd Floor, Wisma Leader Steel, Plot 85, Lorong Perusahaan Utama, Kawasan Perusahaan Bukit Tengah, 14000 Bukit Tengah, Seberang Perai Tengah, Pulau Pinang, Malaysia on Monday, 20 July 2026 at 9:30am or at any adjournment thereof.

Ordinary Resolution	FOR	AGAINST
1. Proposed Disposal		

(Please indicate with an "x" in the appropriate space(s) provided above on how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion)

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2026

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Common Seal to be affixed here  
if Shareholder is a Corporation

**Notes:**

- A member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint not more than two (2) proxies to attend and vote in his stead at the meeting, and that a proxy may but need not be a member. A proxy must be of full age. There shall be no restriction as to the qualification of the proxy. Where a member appoints more than one (1) proxy, he shall specify the proportion of his holdings to be represented by each proxy, failing which the appointment shall be invalid. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds. Where an Exempt Authorised Nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy. An Exempt Authorised Nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either under its Common Seal, or under the hand of an officer or attorney duly authorised. An instrument appointing a proxy to vote shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointer. Members not resident in Malaysia may appoint and revoke proxies by cable.
- For the proxy to be valid, the Form of Proxy duly completed must be deposited / submitted at the Company's Registered Office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- In respect of deposited securities, only a depositor whose name appears on the Record of Depositors on 13 July 2026 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

**Personal Data Privacy**

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the Extraordinary General Meeting of the Company and any adjournment thereof.



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**Affix  
Stamp**

The Joint Company Secretaries of  
**LEADER STEEL HOLDINGS BERHAD**  
Registration No.: 199301012471 (267209-K)  
170-09-01, Livingston Tower  
Jalan Argyll, 10050 George Town  
Pulau Pinang, Malaysia

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