

Company Name : SMTRACK BERHAD (“SMTRACK” OR THE “COMPANY”)
Description : PROPOSED JOINT VENTURE BETWEEN SMTRACK AND MADYNA GLOBAL LLC (“PROPOSED JOINT VENTURE”)

1.0 INTRODUCTION

The Board of Directors of SMTrack (“**Board**”) wishes to announce that SMTrack had on 13 April 2026 entered into a joint venture agreement with Madyna Global LLC (“**MADYNA**”) (“**JVA**”). SMTrack and MADYNA (“**Parties**”) have agreed to incorporate a joint venture company (“**SPV**”) to undertake the acquisition of Gold Moon DTT LLC (“**Gold Moon DTT**”).

MADYNA had entered into a Memorandum of Agreement with Gold Moon DTT to facilitate discussion and collaboration to potential joint venture in relation to Z Terra.

Further details of the Proposed Joint Venture are set out in the ensuing sections of this announcement.

2.0 INFORMATION OF MADYNA

MADYNA was incorporated on 2nd September 2009 under the law of Mongolia having address at Unit 507, Turvan Gan Tes, 1st Khoroo, Sukhbaatar District, Ulaanbaatar, Mongolia.

MADYNA is principally involved in business consultancy and foreign trading. MADYNA provides strategic advisory services and facilitates international trade between Mongolia and global markets. MADYNA has extended its expertise to the food and beverage segment.

As at 10 April 2026, being the latest practicable date prior to this announcement (“**LPD**”), the share capital of MADYNA is 5,000,000 MNT divided into 500 ordinary shares of 10,000 MNT each.

Munkhjin Batbilig is the sole director and sole shareholder of MADYNA.

3.0 INFORMATION OF GOLD MOON DTT

Gold Moon DTT is a privately held company incorporated in Mongolia with its primary business focusing on food & beverage, hospitality and event managements. Gold Moon DTT is the owner of Z Terra brand and operates Z Terra Event Hall, one of the largest rooftop event venues in Ulaanbaatar, Mongolia which caters for various corporate, social and lifestyle events.

4.0 DETAILS OF THE PROPOSED JOINT VENTURE

Pursuant to the JVA, SMTrack and MADYNA had agreed that within thirty (30) days from the execution date, both parties shall cause to be incorporated and registered a private limited company as a SPV for the purpose of utilizing the SPV to replace MADYNA and take over MADYNA’s rights provided under the memorandum of agreement and to negotiate and enter into definitive agreement with Gold Moon DTT

for the purpose of the acquisition of Gold Moon DTT notwithstanding the fulfilment of the Condition Precedent.

Both parties agree that the participating interest and shareholding of the SPV shall be as follows:

PARTY	PARTICIPATING INTEREST (%)
SMTrack	90
MADYNA	10

MADYNA and Gold Moon DTT LLC had in principle agreed that the joint venture shall be by way of MADYNA acquiring 60% equity in Gold Moon DTT LLC.

The salient terms of the JVA in relation to the Proposed Joint Venture are set out in Appendix I of this announcement.

5.0 RATIONALE OF THE PROPOSED JOINT VENTURE

The Proposed Joint Venture provides an opportunity for the SMTrack Group to increase its revenue base and improve its financial position by expanding its food & beverage related business via the acquisition of Gold Moon DTT.

Gold Moon DTT is the owner of Z Terra brand and operates Z Terra Event Hall, one of the largest rooftop event venues in Ulaanbaatar, Mongolia which caters for various corporate, social and lifestyle events. The Proposed Joint Venture is expected to enhance the future earnings of the Company.

6.0 RISK FACTORS

SMTRACK does not foresee any exceptional risk other than the normal operational risks associated with collaborations with joint venture partners such as breaches or non-performance of the Parties or other obligations under the JVA.

7.0 EFFECTS OF THE PROPOSED JOINT VENTURE

The Proposed Joint Venture will not have any effect on the issued and paid-up share capital and substantial shareholders' shareholdings of the Company as it does not involve issuance of new shares by the Company.

The Proposed Joint Venture will not have a material financial impact on the Company's earnings per share, net assets and gearing for the current financial year ending 31 June 2026. The Proposed Joint Venture is expected to enhance the future earnings of the Company.

8.0 APPROVAL REQUIRED

The Proposed Joint Venture is not subject to the approval of the shareholders of SMTrack.

9.0 INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSON CONNECTED TO THEM

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

10.0 DIRECTORS' STATEMENT

The Board having considered all aspects of the Proposed Joint Venture including the rationale, risk factors and effects of the Proposed Joint Venture, is of the opinion that the Joint Venture is in the best interest of the Group.

11.0 ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the SPV shall be incorporated within 30 days from the date of execution of the JVA.

12.0 DOCUMENTS FOR INSPECTION

A copy of the JVA is available for inspection at registered office of the Company at Unit 11.07, Amcorp Tower, Amcorp Trade Centre, 18, Jalan Persiaran Barat, 46050 Petaling Jaya, Selangor during normal business hours on Mondays to Fridays (except Saturdays, Sundays and Public Holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 13 April 2026.

SALIENT TERMS OF THE JVA

The salient terms of the JVA include, amongst others, the following:

1. Conditions Precedent

1.1 The JVA shall be conditional upon and subject to the following conditions precedent ("**Condition(s) Precedent**") being fulfilled within the Conditional Period or Extended Conditional Period (if applicable):

- (i) completion of the due diligence investigations by SMTrack on MADYNA and Gold Moon DTT to the satisfaction of the SMTrack, inter alia with respect to the legal and financial standing of Gold Moon DTT, ownership of rights and obligations of Gold Moon DTT, the validity of all approvals, licenses, permits, consents owned by Gold Moon DTT, intellectual properties and etc;
- (ii) MADYNA having successfully procured and produce an independent valuation report indicating the fair value of Gold Moon DTT and in the form acceptable to the board of directors of SMTrack

and the Conditions Precedent shall be fulfilled within six (6) months from the date of the JVA (hereinafter referred to as the "**Conditional Period**") and may be extended for another three (3) months or such other extended period subject to mutual agreement of parties in writing (hereinafter referred to as the "**Extended Conditional Period**").

1.2 Responsibility for Fulfilment

- (i) Each Party responsible to procure the fulfilment of the relevant Conditions Precedent shall procure the fulfilment of such Conditions Precedent at its cost and expense within the Conditional Period or Extended Conditional Period.
- (ii) Each Party hereby undertakes to render all such assistance required by the other Party in procuring the fulfilment of the Conditions Precedent, including but not limited to, furnishing all such information and/or documents, executing all such documents and doing all such acts and things as may be reasonably required by the other Party within any undue delay.
- (iii) This Agreement shall become unconditional on the date when the Conditions Precedent are fulfilled or waived in accordance with the terms and conditions hereof ("**Unconditional Date**").

1.3 Waiver of the Conditions Precedent

To the extent permitted by applicable laws and requirements and the appropriate authorities, the Conditions Precedent may be waived in whole or in part and conditionally or unconditionally upon the mutual agreement of the Parties in writing.

1.4 Non-Fulfilment of the Conditions Precedent

In the event that the Conditions Precedent are not fulfilled upon the expiry of the Extended Conditional Period, unless otherwise mutually agreed by the Parties in writing or waived pursuant to Clause 1.3 above, the JVA shall become null and void and neither party shall have any further claims against the other except for any antecedent breach.

SALIENT TERMS OF THE JVA

2. Formation of Special Purpose Vehicle ("SPV")**2.1 The Parties hereto agree that:**

- (i) within thirty (30) days from the execution date, the Parties shall cause to be incorporated and registered a private limited company as a SPV for the purpose of utilizing the SPV to replace MADYNA and take over MADYNA's rights provided under the memorandum of agreement and to negotiate and enter into definitive agreement with Gold Moon DTT for the purpose of the acquisition of Gold Moon DTT ("**Project**") notwithstanding the fulfilment of the Condition Precedent. The cost of incorporation of the SPV shall be borne in accordance to the participating interest, and shall be accounted for as pre-incorporation costs of the SPV;
- (ii) that the Parties shall mutually discuss and agree to the incorporation details of the SPV within the time as stipulated in Clause 2.1(i) above. For the avoidance of doubt, the Constitution of the SPV shall at all times reflect the terms of the JVA. In the event of any inconsistency between the terms of the Constitution and the JVA, the terms of the JVA shall prevail and be the sole agreement governing the rights, obligations and liabilities of the Parties and the terms and conditions under which the Parties have agreed to form the joint venture.
- (iii) notwithstanding the fulfilment of the Condition Precedent, the share capital of the SPV shall be subscribed to and held by the Parties in accordance to the ratio or proportion as set out in Clause 2.2 below, and upon incorporation of the SPV, the Parties shall cause the required number of shares to be issued or transferred to the Parties to match this ratio or proportion of shareholding and SMTrack shall be entitled to nominate 2 names as directors in the SPV and MADYNA shall be entitled to nominate 1 name as director in the SPV. The directors shall form and function as the Joint Steering Committee ("**JSC**").

2.2 The Parties agree that the participating interest and shareholding of the SPV shall be as follows:

PARTY	PARTICIPATING INTEREST (%)
SMTrack	90
MADYNA	10

3. Management and Operations**3.1 The Parties hereto preliminarily agree that:**

- (i) The Parties shall jointly manage the SPV, which any decisions made shall be mutually agreed in writing by the Parties. In any event where no agreement is achieved, the majority director's decision shall prevail.
- (ii) The Parties shall confer upon an authorised person(s) to conduct the day-to-day operations of the SPV on such terms and conditions as may be mutually agreed, provided however that the authorised representatives shall always be subordinate to the JSC and shall function under the overall supervision of the JSC as set forth in the JVA.

SALIENT TERMS OF THE JVA

- (iii) The authorised representative(s) shall be mutually agreed by both Parties and appointed for the following roles:

- (a) Chief Executive Officer
- (b) Chief Financial Officer
- (c) Any other officer as deem fit and necessary by the Parties

In the event of any vacancies in the JSC due to resignation, incapacity, disqualification or death, the Party who had originally nominated such member shall have the sole authority to nominate a replacement member.

- 3.2 Bank accounts shall be opened in the name of the SPV all revenues and receipts of the SPV shall be deposited and out of which payments shall be made.

4. Profit Sharing and Loses

The profits and losses of the SPV shall be distributed between the Parties in proportion to their participating interests as described in Clause 2.2, unless agreed otherwise.

5. MADYNA's Roles & Obligations

- 5.1 MADYNA shall be primarily responsible for identifying, structuring, negotiating and completing the acquisition of the Gold Moon DTT through the SPV established pursuant to the JVA (ie. the Project).

- 5.2 In particular, MADYNA shall:

- (i) shall use all reasonable endeavours and act in good faith to do, or procure the doing of, all acts, matters and things necessary, desirable or incidental to achieve the acquisition of Gold Moon DTT by the SPV.
- (ii) identify and evaluate suitable acquisition mechanism consistent with the agreed investment objectives;
- (iii) lead all negotiations with the shareholders and/or relevant stakeholders of Gold Moon DTT;
- (iv) procure the conduct of legal, financial and technical due diligence on Gold Moon DTT;
- (v) propose the structure for the acquisition, including pricing, consideration mechanism and transaction terms;
- (vi) liaise with regulatory authorities and obtain (or procure the obtaining of) all necessary approvals, consents, licences or waivers required for the acquisition;
- (vii) take all necessary steps to procure the completion of the acquisition by the SPV;
- (viii) regularly inform all material developments relating to the proposed acquisition and shall provide such information and documents to SMTrack; and
- (ix) exercise the degree of skill, care and diligence reasonably expected of a competent and experienced party undertaking similar transactions.

SALIENT TERMS OF THE JVA

6. SMTrack's Role & Obligations

6.1 SMTrack may, if it is within SMTrack's authority, capability and expertise to assist MADYNA in the following manner:

- (i) Provide administrative, financial, technical, and logistical support as may be reasonably required for the completion of the Project.
- (ii) Contribute advise and opinion on technical expertise, manpower, or professional services (where applicable) to support the completion of the Project.
- (iii) Assist in the preparation of documents, applications, and submissions, and ensure compliance with applicable laws, regulations, and requirements.
- (iv) Coordinate with MADYNA and other stakeholders to facilitate smooth progress of Project.
- (v) Make available such resources, personnel, and information as may be reasonably required to support the joint venture.

7. Termination of Agreement

7.1 The JVA shall determine/ terminate upon the occurrence of any of the following events:

- (i) the liquidation, winding up or dissolution of any of the Parties; or
- (ii) the Party, has an administrator appointed or a receiver, an administrative receiver or a manager is appointed over any part of its assets or undertaking; or
- (iii) any of the Parties committed a material breach of the JVA; or
- (iv) mutual termination by both Parties.

7.2 Upon termination of the JVA, neither Party shall have or make any claim against the other whatsoever save and except for any antecedent breach of the JVA.