

NCT ALLIANCE BERHAD (“NCT” OR THE “COMPANY”)

PROPOSED SUBSCRIPTION BY NCT WORLD SDN BHD (“NCTW”), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY, OF EIGHT (8) NEW ORDINARY SHARES IN SEMANJA MURNI SDN BHD (“SMSB”), REPRESENTING 80% OF THE ENLARGED EQUITY INTEREST IN SMSB FOR A TOTAL SUBSCRIPTION CONSIDERATION OF RM53,000,000 (“PROPOSED SUBSCRIPTION”)

1. INTRODUCTION

We refer to the Company’s announcement dated 31 March 2026 in relation to the execution of the term sheet pertaining to the Proposed Subscription.

Further to the above, the Board of Directors of NCT (“**Board**”) wishes to announce that its wholly-owned subsidiary, NCTW, had on 15 May 2026 entered into a conditional Shares Subscription and Shareholders’ Agreement (“**SSSA**”) with See Cherng Jye and Dato Sri Sim See Hua (collectively referred to as “the Existing Shareholders of SMSB”) and SMSB in relation to the proposed subscription by NCTW of eight (8) new ordinary shares in SMSB for a total subscription consideration of RM53.0 million.

NCTW, the Existing Shareholders of SMSB and SMSB are collectively referred to as the “**Parties**” and individually as “**Party**”.

Pursuant to the SSSA, NCTW and the Existing Shareholders of SMSB have agreed to regulate their relationship as shareholders of SMSB and to govern the conduct of the business and affairs of SMSB, including the proposed development of five (5) parcels of land owned by SMSB measuring in aggregate approximately 176.71 acres located in Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor (“**Project Land**”).

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

2. DETAILS OF THE PROPOSED SUBSCRIPTION

The Proposed Subscription entails NCTW subscribing for an aggregate of eight (8) new ordinary shares in SMSB (“**Subscription Shares**”) for a total subscription price of RM53.0 million (“**Subscription Price**”), pursuant to the terms and conditions of the SSSA.

The Proposed Subscription is intended to be implemented in a single tranche.

The details of the subscription structure and shareholding composition upon completion of the Proposed Subscription are set out below:

Details of the changes of the issued and paid-up share capital of SMSB

Description	Existing Shareholders of SMSB		NCTW Shareholding		Cumulative Issued and Paid-up Share Capital (RM)
	No. of Shares	%	No. of Shares	%	
Existing Shares	2	100.0	-	-	2
To be issued pursuant to the Proposed Subscription	-	-	8	80.0	53,000,000
Total (after Proposed Subscription)	2	20.0	8	80.0	53,000,002

2.1 Information on SMSB

SMSB was incorporated in Malaysia under the Companies Act 2016 as a private limited company on 25 April 2023. As at the date of this announcement, the issued and paid-up share capital of SMSB is RM2.00, comprising 2 ordinary shares.

SMSB is principally engaged in investment holding activities. Its registered office is located at L8-01C, Level 8, Wisma IAV, No. 86, Jalan Pasar, Pudu, 55100 Kuala Lumpur, Wilayah Persekutuan.

The present directors of SMSB are as follows:

- (i) Sim Biing Huei;
- (ii) See Cherng Jye;
- (iii) Tan King Hong; and
- (iv) Sim Biing Tyan.

As at the date of this announcement, the Existing Shareholders are as follows:

Existing Shareholders	No. of Shares	Shareholding Percentage
Dato' Sri Sim See Hua	1	50%
See Cherng Jye	1	50%
Total	2	100%

A summary of the audited financial information of SMSB for the financial year ended ("FYE") 30 June 2025 is as follows:-

	FYE 30 June	
	2024	2025
	(RM)	(RM)
Revenue	-	-
Other income	-	-
Profit before tax	(11,012)	(9,068)
Profit or Loss after tax	(11,012)	(9,068)
Share capital	2	2
Shareholders' funds/ net asset ("NA")	(11,010)	(20,078)
Cash and cash equivalents	2	93,718
Total borrowings	-	-

2.2 Basis and Justification for the Subscription Price

The Subscription Price was arrived at on a willing-buyer willing-seller basis, after taking into consideration the rationale and prospects of the Proposed Subscription as set out in Section 3 of this Announcement.

2.3 Salient Terms of the SSSA

2.3.1 Mode of Settlement of the Subscription Price

The Subscription Price shall be payable by NCTW to SMSB as follows:-

- (i) Prior to the execution of the SSSA, NCTW had, on 31 March 2026, paid RM3,180,000 to SMSB (which SMSB has acknowledged receipt of the Earnest Deposit on 1 April 2026) ("**Earnest Deposit**");

- (ii) Upon execution of the SSSA, NCTW shall pay RM7,420,000 to SMSB ("**Balance Deposit**"); and

(The Earnest Deposit and Balance Deposit shall collectively be referred to as the "**Deposit**")
- (iii) NCTW shall pay the balance sum of RM42,400,000 to SMSB on the Effective Date (as defined below) ("**Balance Subscription Price**").

2.3.2 Conditions Precedent

NCTW's obligation to subscribe for the Subscription Shares is conditional upon the fulfilment of the following conditions precedent ("**Conditions Precedent**") within 6 months from the date of the SSSA ("**Conditional Period**"):

- (a) SMSB's board and shareholders' approval for the allotment and issuance of the Subscription Shares at the Subscription Price in favour of NCTW ("**SMSB Resolutions**"); and
- (b) NCTW having secured, or otherwise satisfied that it will be able to secure, financing arrangements to part finance the Subscription Price ("**Subscriber's Financing**").

If any of the Conditions Precedent are not fulfilled or satisfied (or waived) on or before the Conditional Period, either Party will be entitled to terminate the SSSA by giving a written notice of termination to the other Party, whereupon:

- (a) Failure to obtain the SMSB Resolutions - SMSB shall fully refund the Deposit free of interest to NCTW within 7 days from the date of termination, or such other period as the Parties may agree in writing.
- (b) Failure of Subscriber's Financing - SMSB shall be entitled to forfeit the Deposit absolutely, and NCTW shall have no claim for refund or repayment thereof.

Thereafter, the SSSA shall cease to be of any effect and none of the Parties shall have any claim against the other for costs, damages, compensation or otherwise save in respect of any antecedent breach of the terms in the SSSA.

The effective date of the SSSA shall take place on the date falling either (a) 6 months after the date of the SSSA or (b) on the date the SSSA becomes unconditional ("**Unconditional Date**"), whichever shall be later (hereinafter referred to as "**Effective Date**") in accordance with the SSSA.

2.3.3 Other Salient Terms of the SSSA

Please refer to **Appendix I** of this Announcement for the other salient terms of the SSSA.

2.4 Source of Funding for the Subscription Price

The Subscription Price will be satisfied entirely in cash and is expected to be funded through internally generated funds and/or bank borrowings.

2.5 Liabilities to be Assumed

Apart from the payment of the Subscription Price, there are no other liabilities to be assumed by NCT arising from the Proposed Subscription.

2.6 Details of the Project Land

The Project Land measures in aggregate approximately 176.71 acres and comprises five (5) parcels of leasehold land expiring on 24 January 2124 (following the approval for an extension of the lease for a further term of 32 years from 25 January 2092), located in Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor, which are more particularly described as follows:

- (a) HSD 49891, PT34030, Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor, measuring approximately 7.83 acres;
- (b) HSD 49893, PT34033, Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor, measuring approximately 47.26 acres;
- (c) HSD 49894, PT34034, Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor, measuring approximately 47.26 acres;
- (d) PN 342996, Lot 83245, Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor, measuring approximately 37.39 acres; and
- (e) PN 342997, Lot 83244, Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor, measuring approximately 36.97 acres.

The Project Land is located adjacent to NCT's existing industrial park project, NCT Smart Industrial Park ("NSIP") in Kuala Langat, Selangor.

3. RATIONALE AND PROSPECTS FOR THE PROPOSED SUBSCRIPTION

The Proposed Subscription is in line with NCT Group's strategy of continuously pursuing opportunities to acquire strategic landbanks and property development projects to further expand and strengthen its property development business. Upon completion of the Proposed Subscription, NCTW will emerge as the controlling shareholder of SMSB, which owns the Project Land.

The Project Land constitutes the principal assets of SMSB and are expected to provide long-term value creation opportunities through future development potential, thereby enhancing NCT Group's earnings prospects and supporting its growth strategy.

As the Project Land is located adjacent to NSIP, the Proposed Subscription provides an opportunity for NCT Group to expand its industrial land bank within the Group's flagship industrial development for future development. The Project Land, with an estimated gross development value of RM1.5 billion, are envisaged to be integrated into NSIP as part of a larger master-planned industrial ecosystem.

This is expected to enable NCT Group to streamline infrastructure planning, optimise the utilisation of shared facilities and enhance overall operational efficiency across its industrial development portfolio, while also strengthening the long-term growth potential and strategic positioning of NSIP.

4. RISK FACTORS FOR THE PROPOSED SUBSCRIPTION

The Proposed Subscription would subject the Group to risks inherent in the property development business of which the Group is already involved in. Save as disclosed below which are by no means exhaustive, the Board does not foresee any additional risks arising from the Proposed Subscription.

4.1 Non-completion of Proposed Subscription

The completion of the Proposed Subscription is conditional upon the Conditions Precedent stipulated in the SSSA being satisfied. If any of such Conditions Precedent is not fulfilled or waived in accordance with the SSSA, the SSSA may be terminated and NCTW will not be able to complete the Proposed Subscription.

Nevertheless, NCTW will take all necessary and reasonable steps to ensure the fulfilment of the Conditions Precedent required to be fulfilled on its part, in a timely manner, and to perform its obligations in accordance with the terms of the SSSA to facilitate the completion of the Proposed Subscription.

4.2 Financing Risk

NCTW may partially fund the Proposed Subscription through bank borrowings, which would result in new interest and principal servicing obligations, and would expose NCTW to fluctuations in interest rates leading to higher borrowing costs that may adversely affect NCT Group's financial performance.

To minimise the risk, NCT will continuously monitor and review its debt portfolio, taking into consideration NCT Group's gearing level, interest costs and cash flows to ensure that it remains at a sustainable and optimal level.

5. EFFECTS OF THE PROPOSED SUBSCRIPTION

5.1 Share capital and shareholdings of substantial shareholders

The Proposed Subscription will not have any effect on the issued share capital and the shareholdings of the substantial shareholders of NCT as the Proposed Subscription does not involve any issuance of new ordinary shares in NCT.

5.2 Earnings

The Proposed Subscription is expected to contribute positively to the future earnings of NCT and its subsidiaries ("NCT Group").

5.3 Net assets ("NA") and gearing

The Proposed Subscription is not expected to have a material effect on the NA and gearing of NCT Group.

6. APPROVALS REQUIRED

The Proposed Subscription is not subject to the approval of the shareholders of the Company or other relevant authorities.

7. HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable to the Proposed Subscription is approximately 6.60%, calculated based on the latest audited financial statements of NCT for the FYE 31 December 2025.

8. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/ OR PERSONS CONNECTED WITH THEM

None of the Directors, major shareholders, chief executive of NCT and/ or persons connected with them has any interest, whether direct or indirect, in the Proposed Subscription.

9. DIRECTORS STATEMENT

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

10. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Subscription is expected to be completed within nine (9) months from the date of the SSSA.

11. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the SSSA will be made available for inspection at the registered office of NCT at Third Floor, No. 77, 79 & 81, Jalan SS 21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan, during normal business hours from Mondays to Fridays (except public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 15 May 2026.

Appendix I

Other salient terms of the SSSA

The other salient terms of the SSSA include, inter-alia, the following:

1. SMSB Existing Liabilities

- (a) As at the date of the SSSA, SMSB has received an aggregate sum of RM52,951,218.60 as advances from the Existing Shareholders and related parties ("**Existing Advances**").
- (b) On the Effective Date, simultaneously with SMSB's receipt of the Subscription Price, NCTW and the Existing Shareholders shall procure SMSB to fully repay, settle and/or discharge:
 - (i) all Existing Advances, together with any accrued interest;
 - (ii) any other debts, loans or advances granted by any current or former shareholder, director or any persons connected with any of them; and
 - (iii) any claims, rights or entitlements whatsoever (whether actual, contingent or otherwise) arising from or in connection with such debts, loans or advances against SMSB,

(collectively, "**SMSB Existing Liabilities**"), provided always that the total amount payable by SMSB shall not exceed the Subscription Price. In the event the SMSB Existing Liabilities exceed the Subscription Price ("**Excess Liabilities**"), the Parties shall forthwith take steps to discuss in good faith the resolution of the Excess Liabilities and shall consider how best to achieve the objectives of the SSSA in such circumstances.

2. Default on Effective Date

- (a) In the event NCTW fails to make payment of the Balance Subscription Price to SMSB on the Effective Date, SMSB shall be entitled to forfeit the Deposit absolutely, whereupon Paragraph 5(b) below shall ensue and NCTW shall have no claim for refund or repayment thereof. Thereafter, the SSSA shall cease to be of any effect and none of the Parties shall have any claim against the other for costs, damages, compensation or otherwise save in respect of any antecedent breach of the terms of the SSSA.
- (b) In the event SMSB fails or refuses to allot and issue the Subscription Shares to NCTW on the Effective Date upon receipt of the Balance Subscription Price, NCTW shall, without prejudice to any other rights or remedies available at law or in equity, be entitled to:
 - (i) seek for specific performance and all reliefs following therefrom; or
 - (ii) terminate the SSSA by written notice to SMSB, whereupon subject to Paragraph 5(b) below, SMSB shall fully refund the Deposit and any other monies paid by NCTW under the SSSA free of interest within 7 days from the date of the termination notice.

Thereafter, the SSSA shall cease to be of any effect and none of the Parties shall have any claim against the other save in respect of any antecedent breach of the terms of the SSSA.

3. Financial Requirements and Financing by Shareholders

- (a) The financial requirements of SMSB can be met in either of the following manner which is to be approved by the board of directors of SMSB ("**SMSB Board**") in accordance with the terms of the SSSA:

- (i) the issuance of new ordinary shares by SMSB and subscribed by NCTW and the Existing Shareholders (collectively, “**Shareholders**”) in their shareholding proportions or such other proportions as may be agreed in writing between the Shareholders;
 - (ii) borrowings from third parties (including banks and financial institutions) (“**Financial Institutions**”) which may or may not be secured by assets and properties of SMSB; or
 - (iii) by way of subsequent Shareholders’ advances.
- (b) On the Effective Date and notwithstanding the Shareholders’ shareholdings in SMSB, insofar as the Shareholders are required by the SMSB Board to fund SMSB by way of shareholders’ advances and/or capital contribution, the Existing Shareholders shall not be required to contribute, advance and/or make any payment towards meeting SMSB’s financial requirements and/or provide any form of financial assistance, guarantees, securities, bonds or any other credit support in connection with any financing obtained or to be obtained by SMSB from the Financial Institutions on and/or after the Effective Date.

4. Shareholders

- (a) A quorum for all meetings of Shareholders (“**Members Meetings**”) shall require the presence of a representative either in person or by proxy or by corporate representative of any 2 Shareholders who are entitled to vote, one of whom shall be from NCTW and the other shall be from either of the Existing Shareholders.
- (b) Save and except for the Shareholders’ reserved matters stipulated in the SSSA (“**Shareholders’ Reserved Matters**”) of which would require the unanimous approval of all Shareholders for the time being of SMSB including the affirmative vote of the Existing Shareholders, all resolutions of the Shareholders shall, unless otherwise required by any of the provisions of the SSSA or the Companies Act 2016, be carried on a poll by a simple majority of vote.

5. Board of Directors

- (a) Upon the execution of the SSSA and subject to SMSB’s receipt of the Deposit, NCTW shall be entitled to appoint and nominate 1 director (“**Subscriber’s Director**”) to the SMSB Board, and the Existing Shareholders shall procure that the Subscriber’s Director is appointed to the SMSB Board.
- (b) In the event the SSSA is terminated prior to the Effective Date, NCTW shall immediately procure the removal and resignation of the Subscriber’s Director from the SMSB Board and shall procure the Subscriber’s Director to execute a letter confirming that it has no claims against SMSB and if there are any claims it shall release and disclaim all its rights to such claims. SMSB’s obligation to refund the Deposit shall be conditional upon and at all times be subjected to the removal of the Subscriber’s Director from the SMSB Board.
- (c) On the Effective Date, the SMSB Board shall comprise of:
 - (i) 3 directors nominated by NCTW;
 - (ii) 1 director nominated by Dato’ Sri Sim See Hua; and
 - (iii) 1 director nominated by See Cherng Jye.

- (d) The chairman of the SMSB Board ("**Board Chairman**") shall be the nominee elected by NCTW. The Board Chairman shall chair all SMSB Board and Members Meetings and shall not have a casting vote in the event of an equality of votes. In the event that the Board Chairman is not present at any meeting of the SMSB Board within half an hour from the time appointed for such meeting, the Board Chairman of such meeting shall be elected from such other director whom is present at such meeting.
- (e) The quorum for a meeting of the SMSB Board shall be 3 directors, consisting of at least 1 director nominated by NCTW and 1 director nominated by either of the Existing Shareholders.
- (f) Each director shall be entitled to one vote at SMSB Board meetings. Questions arising at any meeting of the SMSB Board and all resolutions of the SMSB Board shall, save and except for the matters forming the SMSB Board reserved matters stipulated in the SSSA ("**Board Reserved Matters**"), be carried on a poll by a simple majority of vote. Save and except for the Board Reserved Matters, all resolutions of the SMSB Board shall, unless otherwise required by any of the provisions of the SSSA or the Companies Act 2016, be passed by a simple majority of the directors present and entitled to vote.

6. Covenants in relation to the Project Land

- (a) From the Effective Date and for so long as the Existing Shareholders remain shareholders of SMSB, NCTW shall not, and shall procure that SMSB shall not, without the prior written approval of the Existing Shareholders (such approval not to be unreasonably withheld or delayed):
 - (i) sell, dispose of, transfer or assign the Project Land (whether in whole or in part);
 - (ii) provide any guarantee, indemnity or security for the obligations of any third party other than in the ordinary course of business or in connection with any project financing obtained for the purposes of developing or financing of the Project Land or the project undertaken by SMSB; and
 - (iii) enter into any transaction outside the ordinary course of business which would reasonably be expected to have a material adverse effect on the Project Land and/or the financial position, assets or liabilities of SMSB.

Subject to the terms of the SSSA, upon SMSB's receipt of the payment of the Deposit, NCTW shall be allowed to commence the following preliminary works ("**Preliminary Works**") in respect of the Project Land:

- (i) development planning, including but not limited to authority submissions for the planning approvals, land conversion approvals and subdivision approvals;
 - (ii) commencement of site clearance and earthworks; and
 - (iii) the appointment of consultants, contractors and other professionals in connection with the Preliminary Works of the Project Land.
- (b) If, at any time after the execution of the SSSA and prior to the Effective Date, NCTW or SMSB receives a bona fide written offer from third-party purchaser(s) to SMSB, to acquire all or any part of the Project Land, NCTW shall within 7 days from the date of receipt of such offer, inform SMSB and the Existing Shareholders in writing of the same, whereupon:
 - (i) notwithstanding that the SSSA may not have become unconditional, NCTW shall accelerate completion of the subscription of the Subscription Shares; and

- (ii) make payment of the Balance Subscription Price in favour of SMSB in exchange for the allotment and issuance of the Subscription Shares by SMSB in favour of NCTW.

7. Termination

The SSSA shall become effective upon its execution and shall continue in full force and effect for an indefinite period until the earlier of the following events:

- (a) all Shareholders mutually agree in writing to terminate the SSSA;
- (b) all the shares become beneficially owned by any one Shareholder;
- (c) SMSB goes into liquidation whether voluntary or compulsory (other than for the purpose of an amalgamation or reconstruction approved by all the Shareholders); or
- (d) there is an event of default and the non-defaulting Shareholders sell or purchase all the shares of the defaulting Shareholder in SMSB in accordance with the terms of the SSSA, including where:
 - (i) the defaulting Shareholder presents a petition or has a petition presented by a creditor for its winding up that is not withdrawn within 2 months;
 - (ii) the defaulting Shareholder convenes a meeting to pass a resolution for its voluntary winding up;
 - (iii) the defaulting Shareholder calls a meeting of its creditors or has a receiver or the administrator appointed over all or substantially all of its undertakings or assets and such receiver or administrator is not discharged within 2 months as of his appointment; or
 - (iv) the defaulting Shareholder materially breaches its obligations under the SSSA and, if such breach is capable of remedy, fails to remedy the breach within 30 days of being specifically required in writing to do so by a non-defaulting Shareholder.

8. Dispute and Deadlock

- (a) All deadlocks and/or disputes between the Parties relating to the Shareholders Reserved Matters and Board Reserved Matters, the performance or interpretation of the SSSA, or in connection with the SSSA, including any question regarding its validity or termination, shall be resolved:
 - (i) by negotiation between the Parties in good faith within 30 days of the deadlock or dispute (as the case may be) arising; or
 - (ii) if there is no resolution within the aforementioned 30 days and provided always that none of the Shareholders have issued an offer notice in accordance with the SSSA, any deadlock or dispute (as the case may be) shall be referred to and finally resolved by arbitration in Kuala Lumpur in accordance with the Arbitration Rules of the Asian International Arbitration Centre for the time being in force.
- (b) A deadlock shall have occurred when the Shareholders cannot reach an agreement on any Shareholders' resolution within 30 days of that matter being first tabled at a Members Meeting.