

ENCORP BERHAD (“ENCORP” OR THE “COMPANY”)

MEMORANDUM OF UNDERSTANDING (“MOU”) BETWEEN ENCORP AND LEMBAGA KEMAJUAN TANAH PERSEKUTUAN (“FELDA”)

1. INTRODUCTION

ENCORP wishes to announce that it has entered into a MOU with FELDA, a statutory body established in Malaysia under the Land Development Act 1956 (Act 474). The MOU sets out the intention of FELDA to award and appoint ENCORP to undertake the design and construction of FELDA’s staff housing (“the Project”).

ENCORP and FELDA are collectively referred to as the ‘Parties’ and individually as a ‘Party’.

2. DETAILS OF THE MOU

2.1 Objectives of MOU

The objective of the MOU is to set out the Parties’ mutual understanding in relation to the proposed project involving the design and construction. The collaboration is intended to serve as a basis for further discussions and negotiations pending the execution of a formal definitive agreement and is not intended to create legal relations between the Parties and does not constitute a legally binding arrangement, save for the provisions expressly stated therein.

2.2 Salient terms of MOU

The salient terms of the MOU are set out below:

2.2.1 Project Appointment

FELDA has expressed its intent to award and appoint ENCORP to undertake the Project.

2.2.2 Scope of ENCORP’s Responsibilities

ENCORP will act as the main contractor under the design & built model for the Project and to ensure the Project is completed as per the specifications, comply with all official government circulars, laws and regulations and as per agreed timeline with FELDA.

2.2.3 FELDA’s Roles and Responsibilities

FELDA to award the Project in accordance with the proper governance, and in line with the budget approved.

2.2.4 Non-Binding Nature

The MOU shall not in any event be interpreted as binding or as a definitive agreement except to for Clauses 12 (confidentiality), 13 (dispute & governing law) and 17 (anti-bribery).

2.2.5 Letter of Acceptance (“LOA”) and Definitive Agreement(s)

The Parties agree that this MOU will act only as an interim understanding until the separate LOA(s) and definitive agreement(s) are reached.

2.2.6 Duration of MOU

The MOU shall take effect from the date of signing and shall remain in force for a period of one **(1) year**, unless extended by mutual agreement of the Parties.

Either Party may terminate the MOU by giving **thirty (30) days'** written notice to the other Party.

3. BACKGROUND INFORMATION ON FELDA

FELDA is a statutory body established in Malaysia on 1 July 1956 pursuant to the Land Development Act 1956 (Act 474). FELDA is wholly owned by the Government of Malaysia and operates under the purview of the Ministry of Rural and Regional Development. As a statutory authority, FELDA does not have authorised or issued share capital and is funded through government allocations and internally generated funds. The principal activities of FELDA include land development, settlement administration and the socio-economic development of settlers, with involvement in plantation, agribusiness and related activities through its subsidiaries and associated entities.

4. RATIONALE OF THE MOU

The MOU provides a framework for ENCORP and FELDA to explore a potential collaboration in relation to the Project, which is aligned with ENCORP's core competencies in property development and construction and enables the Company to pursue potential project opportunities with a strategic public sector entity.

5. EFFECTS OF THE MOU

The MOU does not have any immediate effect on the issued share capital and substantial shareholders' shareholdings of the Company. As the MOU is non-legally binding except for clauses relating to confidentiality, dispute & governing law and anti-bribery, it is not expected to have any material effect on the earnings, net assets or gearing of the Encorp Group for the financial year ending 31 December 2025, unless and until a LOA(s) and definitive agreement(s) is executed.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

FELDA is deemed interested in ENCORP pursuant to Section 8 of the Companies Act, 2016 through Felda Investment Corporation Sdn. Bhd. which holds 197,067,526 ordinary shares (62.30%) of the issued share capital of ENCORP.

Encik Muhammad Fitri Bin Othman and Puan Nor Azira Binti Abu Bakar, the Non-Independent Non-Executive Directors of ENCORP, are deemed interested in the MOU by virtue of them being the nominees of Felda Investment Corporation Sdn. Bhd. ("**Interested Directors**").

Save as disclosed no other directors and/or major shareholders of ENCORP and/or persons connected with them have any interest, whether directly or indirectly, in the MOU.

7. APPROVALS REQUIRED

The execution of the MOU does not require the approval of the Company's shareholders or any relevant regulatory authorities. Any future definitive agreement arising from the MOU may be subject to further approvals, where applicable.

8. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the MOU is available for inspection at the registered office of Encorp Berhad at No. 42A-2, Jalan PJU 5/22, Pusat Perdagangan Kota Damansara, Kota Damansara, 47810 Petaling Jaya, Selangor during normal office hours from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 5 June 2026