

**DAYANG ENTERPRISE HOLDINGS BHD (“DEHB” OR THE “COMPANY”)
PETITION FOR WINDING-UP AGAINST PERDANA NAUTIKA SDN BHD, A SUB-SUBSIDIARY OF DEHB**

Winding Up Statutory Notice pursuant to Section 466(1)(a) and/or (c) of the Companies Act, 2016

The Board of Directors of DEHB wishes to announce that the Company was notified on 11 January 2021 that Perdana Nautika Sdn. Bhd. (“PNSB”), a sub-sub-subsidiary of the Company, had been served a winding-up petition on 8 January 2021 by Two Offshore Marine Sdn Bhd (TOMSB).

Further details pertaining to the winding up statutory notice issued pursuant to Section 466(1)(a) and/or (c) of the Companies Act 2016 are as follow:-

1. DETAILS OF THE CIRCUMSTANCES LEADING TO THE FILING OF PETITION

Disputes had arisen between PNSB and TOMSB, wherein both parties have claims against each other arising from separate charterparties transacted between the parties. PNSB has filed a suit at the Kuala Lumpur High Court against TOMSB, which remains to be litigated. Notwithstanding this, TOMSB has elected to proceed by way of a winding up petition against PNSB, despite the fact that PNSB has a competing cross claim against TOMSB.

2. PNSB IS NOT A MAJOR SUB-SUBSIDIARY

PNSB is not a major sub-sub-subsidiary as the value of its profit before tax and total assets employed are less than 70% of the Group's total profit before tax and assets respectively.

3. DETAILS OF THE CLAIM

The Petition is for the amount of RM 1,648,706.53, alleged due and owing to TOMSB under three charterparty agreements entered into between PNSB and TOMSB for the sub-charter by PNSB to an oil major.

4. EXPECTED LOSSES ARISING FROM THE WINDING UP PETITION

No significant loss is anticipated as the respective costs have been properly and appropriately taken up in the financial statements for the financial year ended 31 December 2020.

5. FINANCIAL AND OPERATIONAL IMPACT

There is no significant financial and operational impact on the Group for the financial year ending 31 December 2021.

6. STEPS TAKEN IN RESPECT OF THE WINDING UP PETITION

The matter is under ongoing negotiation between PNSB and TOMSB for an amicable out of court settlement. In the interim, all steps to dispute the Petition will be taken.

A Case Management and hearing of the Petition has been fixed on 9 February 2021 and 17 March 2021 respectively.

This announcement is dated 12 January 2021.