**FAVELLE FAVCO BERHAD ("FAVCO" OR "THE COMPANY")**

**SUMMONS WITH NOTICE RECEIVED FROM JUSTIN SANTIAGO**

We refer to our earlier announcement dated 29 June 2026 in relation to the Summons with Notice received from Justin Santiago ("**the Earlier Announcement**"). Unless otherwise stated defined terms used herein shall have the same meanings as defined in our Earlier Announcement.

We wish to inform that we have received a notification from Bursa Malaysia Securities Berhad on 30 June 2026 to provide additional information in relation to the Earlier Announcement, and our replies are as set out below.

1. To provide interest on the amount claimed for, if any.

   The Summons seeks damages of USD25,000,000, together with statutory interest, costs and disbursements.

2. To provide financial and operational impact arising from the Summons.

   The Company understands that FFC USA's involvement was limited to the supply of the crane. Neither Favco nor FFC USA owned, operated or maintained the crane at the time of the incident. The Company further notes that the official independent investigation report did not attribute the incident to any failure by the manufacturer.

   As such, the Company does not expect the Summons to have any material financial or operational impact on the Group, as the Company believes that it has strong grounds to defend the claims.

3. To provide estimated potential liability to the Group arising from the Summons.

   The Company has notified its insurer of the claim. The insurer is in the process of appointing legal counsel in the United States to defend the proceedings. At this very preliminary stage, the Company is unable to reliably estimate the potential liability, if any, arising from the Summons.

This announcement is dated 1 July 2026.